



City of Rohnert Park ♦ 130 Avram Avenue ♦ Rohnert Park, California 94928
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**OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY
CITY OF ROHNERT PARK
(Successor Agency of the Former Community Development Commission of the
City of Rohnert Park)**

**REGULAR MEETING AGENDA
Wednesday, April 9, 2014, 2:00 p.m.**

**MEETING LOCATION: CITY HALL - COUNCIL CHAMBER
130 Avram Avenue, Rohnert Park, California**

The Oversight Board welcomes your attendance, interest and participation at its public meetings. Oversight Board agendas and minutes may be viewed at the City of Rohnert Park website at: www.rpcity.org.

PUBLIC HEARINGS

The Oversight Board may discuss and/or take action on any or all of the items listed on this agenda. If you challenge decisions of the Oversight Board or the Successor Agency City of Rohnert Park in court, you may be limited to raising only those issues you or someone else raised at public hearing(s) described in this agenda, or in written correspondence delivered to the Successor Agency City of Rohnert Park, at, or prior to the public hearing(s).

PUBLIC COMMENTS

For public comment on items listed or not listed on the agenda, or on agenda items if unable to speak at the scheduled time (limited to three minutes per appearance and a 30 minute total time limit, or allocation of time based on number of speaker cards submitted)

**PLEASE FILL OUT A SPEAKER CARD PRIOR TO SPEAKING
*SEE NOTE AT THE END OF THIS AGENDA**

Copies of all staff reports and documents subject to disclosure that relate to each item of business referred to on the agenda are available for public inspection before each regularly scheduled Board meeting at City Hall, located at 130 Avram Avenue. Any writings or documents subject to disclosure that are provided to all, or a majority of all, of the members of the Board regarding any item on this agenda after the agenda has been distributed will also be made available for inspection at City Hall during regular business hours.

ANNOUNCEMENT: Please turn off all pagers, cellular telephones and all other communication devices upon entering the Rohnert Park Council Chamber. Use of these devices causes electrical interference with the sound recording and TV broadcast systems.

2:00 PM

1. **CALL TO ORDER / ROLL CALL** (Zane__ Mackenzie __ Calvert__ Jolley __ Masterson__ Ponton__ Thompson__)

2. **PUBLIC COMMENTS**

Persons wishing to address the Board on any Consent Calendar item or on Successor Agency City of Rohnert Park business not listed on the Agenda may do so at this time. Each speaker will be allotted 3 minutes. Those wishing to address the Oversight Board on any report item listed on the Agenda should submit a "Speaker Card" to the Clerk before announcement of agenda item.

3. **APPROVAL OF MINUTES**

A. Special meeting of Oversight Board for Successor Agency City of Rohnert Park held on February 18, 2014.

4. **MEETING ITEMS**

A. Election of Officers

1. Staff Report

2. Nomination and Election of Officers

3. Resolution for adoption: Resolution No. OSB 2014-02 A Resolution of the Oversight Board to the Successor Agency City of Rohnert Park Affirming Selection of Officers

a. Board Motion/Discussion/Vote

B. Approving Amended Long Range Property Management Plan for Disposition and Use of Real Properties of the Former Community Development Commission

1. Staff Report

2. Resolution for adoption: Resolution No. OSB 2014-03 A Resolution of the Oversight Board for the Successor Agency City of Rohnert Park Approving An Amended Long Range Property Management Plan

a. Board Motion/Discussion/Vote

C. Approve Expenditures of Excess Bond Proceeds from Community Development Commission 2007R Tax Allocation Bonds for Specified Public Improvements Consistent with Bond Covenants

1. Staff Report

2. Resolution for adoption: Resolution No. OSB 2014-04 A Resolution of the Oversight Board for the Successor Agency City of Rohnert Park Approving Expenditures of Excess Bond Proceeds for Specified Public Improvements Consistent with Bond Covenants

a. Board Motion/Discussion/Vote

5. **NEW MATTERS FOR FUTURE CONSIDERATION**

A. September meeting needed to approve 14-15B ROPS

B. Regular meeting October 8, 2014 at 2:00 PM

6. **PUBLIC COMMENT ON NON-AGENDA ITEMS**

Members of the public may address the Oversight Board on matters that are within the Oversight

Board's jurisdiction and not on today's calendar. Each speaker shall have up to three minutes to make pertinent public comments unless the Oversight Board adopts a shorter period. It is strongly recommended that members of the public who wish to address the Oversight Board should fill out a "Speaker Card" provided by the Clerk, and submit the completed card to the Clerk.

7. **ADJOURNMENT**

DISABLED ACCOMMODATION

If you have a disability which requires an interpreter or other person to assist you while attending this Board meeting, please contact the Clerk of the Board at (707) 588-2205 at least 72 hours prior to the meeting to ensure arrangements for accommodation by the City. Please notify the Clerk's Office as soon as possible if you have a visual impairment requiring meeting materials to be produced in another format (Braille, audio-tape, etc.)



**MINUTES OF THE SPECIAL MEETING
OVERSIGHT BOARD
TO THE SUCCESSOR AGENCY CITY OF ROHNERT PARK**

**Tuesday, February 18, 2014
Rohnert Park City Hall, Council Chambers
130 Avram Avenue, Rohnert Park, California**

1. CALL TO ORDER

The special meeting of the Oversight Board to the Successor Agency City of Rohnert Park was called to order by Chair Shirlee Zane at 3:04 PM on February 18, 2014, in the Council Chambers, Rohnert Park City Hall, 130 Avram Avenue, Rohnert Park, California.

Present: Shirlee Zane, Chair
Jake Mackenzie, Vice Chair
Denise Calvert, Board Member
Kate Jolley, Board Member
Brian Masterson, Board Member
Marilyn Ponton, Board Member
Mike Thompson, Board Member

Absent: None

Staff present: City Manager Darrin Jenkins; Clerk of the Board Eydie Tacata; Interim Finance Director Mark Walsh; Oversight Board Counsel Betsy Strauss (via telephone)

2. PUBLIC COMMENTS

There were no comments from the public.

3. APPROVAL OF MINUTES

Chair Zane announced the item.

ACTION: Moved/seconded (Mackenzie/Calvert) to approve minutes of the meeting of September 16, 2013. Motion carried 5-0-0-2 (Masterson and Ponton abstained) by the following vote: AYES: Board Members Zane, Calvert, Jolley, Mackenzie and Thompson, NOES: None, ABSTAINS: Board Members Masterson and Ponton, ABSENT: None.

4. MEETING ITEMS

A. Receive Resignation Letters from Darrin Jenkins and Linda Babonis and Acknowledge Mayor's Appointments of Brian Masterson and Marilyn Ponton to OSB

Chair Zane announced the item.

ACTION: Board received the report and the resignation letters. Chair Zane acknowledged appointment of Marilyn Ponton and Brian Masterson.

B. Administration of Oaths of Office to Newly Appointed Board Members

Chair Zane announced the item.

ACTION: Clerk of the Board Eydie Tacata administered the Oath of Office to Board Members Brian Masterson and Marilyn Ponton.

C. Consideration of Extension of Legal Services Agreement with Betsy Strauss

Chair Zane announced the item.

ACTION: Board received the report. Moved/seconded (Mackenzie/Thompson) to request City Manager to proceed with Successor Agency authorization of the Second Amendment to the Legal Services Agreement with Betsy Strauss to extend the term of the agreement.

D. Consider Approving the Recognized Obligation Payment Schedule (“ROPS 14-15A”) of the Successor Agency City of Rohnert Park for the Periods July 1, 2014 – December 31, 2014

Chair Zane announced the item. Interim Finance Director Walsh gave the staff report.

There was general discussion about administrative fee; recent watershed cases on loan agreements; upcoming legislation being considered regarding property transfer; and revised procedures for submittal of items to the State Department of Finance.

ACTION: Moved/seconded (Mackenzie/Masterson) to adopt Resolution No. OSB 2014-01 A Resolution of the Oversight Board for the Successor Agency City of Rohnert Park Approving the Recognized Obligation Payment Schedule For July 1, 2014 – December 31, 2014, (“ROPS 14-15A”), Pursuant To Section 34177 of the California Health And Safety Code. Motion carried 7-0-0-0 by the following vote: AYES: Board Members Zane, Calvert, Jolley, Mackenzie, Masterson, Ponton, and Thompson, NOES: None, ABSTAINS: None, ABSENT: None.

5. NEW MATTERS FOR FUTURE CONSIDERATION

City Manager Jenkins announced the need to have the Board meet in March to review the Long Range Property Management Plan agreements and Redevelopment Bond Proceeds expenditures and priorities. Board confirmed next Board meeting will be on Thursday, March 13, 2014, at 3:00 PM.

6. PUBLIC COMMENT ON NON-AGENDA ITEMS

There were no comments from the public.

7. ADJOURNMENT

ACTION: The meeting was adjourned at 3:34 PM.

Eydie Tacata, Clerk of the Board
Successor Agency City of Rohnert Park

Shirlee Zane, Chair
Oversight Board for the Successor Agency of
Rohnert Park



Mission Statement

“We Care for Our Residents by Working Together to Build a Better Community for Today and Tomorrow.”

**CITY OF ROHNERT PARK
OVERSIGHT BOARD AGENDA**

Meeting Date: April 9, 2014
Submitted By: Darrin Jenkins, City Manager
Prepared By: Ellen Beardsley, Administrative Assistant
Agenda Title: **Election of Officers**

RECOMMENDED ACTIONS:

- (1) Elect one member of the Oversight Board to serve as Chair of the Oversight Board of the Successor Agency City of Rohnert Park (“Board”) for a one-year term effective the next regularly scheduled or special meeting;
- (2) Elect one member to serve as Vice Chair of the Board for a one-year term; and
- (3) Consider and adopt attached Resolution affirming the selection of Board officers.

BACKGROUND:

On April 11, 2012, the Board elected Shirlee Zane as Chair and Jake Mackenzie as Vice Chair of the Board. On June 22, 2012, the Board approved *Resolution No. OSB 2012-07: Adopting Bylaws for the Oversight Board for the Successor Agency City of Rohnert Park and Naming Officers.*

Article II, Section 5 of the Bylaws of the Oversight Board state:

“The Chair and Vice Chair shall be elected from among the members of the Board at the first regular meeting of the Board. Thereafter, the Chair and Vice Chair shall be elected from among the members of the Board at each annual meeting. Each officer shall hold office until the next annual meeting of the Board following his/her election and until his/her successor is elected and in office. Any such officer shall not be prohibited from succeeding himself or herself, but no person shall be elected as an officer for more than two consecutive terms.”

At its annual meeting last year on April 10, 2013, the Board elected Shirlee Zane as Chair and Jake Mackenzie as Vice Chair to serve their second consecutive term (via Resolution No. OSB 2013-03). This meeting of April 9, 2014, is designated as the regular annual meeting of the Board at which election of officers is to take place.

DISCUSSION:

A majority of the total membership of the Board constitutes a quorum (four members) for the transaction of business. Four affirmative votes are required to approve any action taken by the Board. It is recommended that the Chair open and close nominations to the Board for the election of Chair. Votes will be cast for the nominee(s) by roll call vote. The nominee receiving at least four affirmative votes will be elected as Chair. The same process would be facilitated by the Chair for the election of a Vice Chair. Per the Bylaws, Zane and Mackenzie are not eligible to be re-elected as officers because they have both served two consecutive terms.

City Manager Approval Date: 04/01/2014

Attachments: Resolution No. OSB 2014-02

RESOLUTION NO. OSB 2014-02

**A RESOLUTION OF THE OVERSIGHT BOARD FOR THE
SUCCESSOR AGENCY CITY OF ROHNERT PARK
AFFIRMING SELECTION OF OFFICERS**

WHEREAS, the Oversight Board for the Successor Agency City of Rohnert Park (the “Board”) organized itself pursuant to Chapter 4 (commencing with Section 34179) of Part 1.85 of Division 24 of the Health and Safety Code;

WHEREAS, at the Board’s initial meeting on April 11, 2012, the Board members were sworn in as public officials, and by a majority vote of the Board Shirlee Zane was elected Chair and Jake Mackenzie elected Vice Chair of the Oversight Board;

WHEREAS, on June 22, 2012, the Board adopted Bylaws for the Oversight Board for the Successor Agency City of Rohnert Park, which established that at each annual meeting, the Chair and Vice Chair shall be elected from among the members of the Board;

WHEREAS, an annual meeting of the Oversight Board was held on April 10, 2013, and again Shirlee Zane was elected Chair and Jake Mackenzie was elected Vice Chair of the Oversight Board by a majority vote of the Board; and

WHEREAS, an annual meeting of the Oversight Board was held on April 9, 2014, and the Chair and Vice Chair of the Oversight Board were elected.

NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY CITY OF ROHNERT PARK DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The officers of the Board, elected in accordance with the Bylaws, are as follows:

Chair: _____

Vice Chair: _____

Section 2. This Resolution shall be effective the next regularly scheduled or special meeting.

DULY AND REGULARLY ADOPTED this 9th day of April, 2014.

ATTEST:

**OVERSIGHT BOARD FOR THE SUCCESSOR
AGENCY CITY OF ROHNERT PARK**

Eydie Tacata, Clerk of the Board

Shirlee Zane, Chair

Zane:_____ Mackenzie:_____ Calvert:_____ Jolley:_____ Masterson: _____ Ponton: _____ Thompson:_____

AYES: () NOES: () ABSENT: () ABSTAIN: ()



Mission Statement

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**CITY OF ROHNERT PARK
OVERSIGHT BOARD AGENDA**

Meeting Date: April 9, 2014
Submitted By: Darrin Jenkins, City Manager
Prepared By: Ellen Beardsley, Administrative Assistant
Agenda Title: **Long Range Property Management Plan - Consider Approving Amended Long Range Property Management Plan for Disposition and Use of Real Properties of the Former Community Development Commission**

RECOMMENDED ACTIONS:

Approve Amended Long Range Property Management Plan for disposition and use of real properties of the former Community Development Commission (“CDC”).

BACKGROUND:

Pursuant to Health and Safety Code Section 35191.5(b), each successor agency to a former redevelopment agency is required to prepare a long-range property management plan that addresses the disposition and use of the real properties of the former redevelopment agency. The report is to be completed and submitted to the oversight board and Department of Finance (“Department”) for approval no later than six months following the issuance to the successor agency of a finding of completion pursuant to Health and Safety Code Section 34179.7 (“Finding of Completion”).

The Successor Agency to the Community Development Commission was issued its Finding of Completion on April 26, 2013, and the City Council as Successor Agency approved Resolution No. 2013-125 on August 27, 2013, approving the Long Range Property Management Plan (“LRPMP”).

The LRPMP was then submitted to the Rohnert Park Oversight Board (“Board”) on September 16, 2013. Once staff had received approval from the Board, the LRPMP was submitted to the Department.

The Department has requested clarification of several items in the LRPMP, and based on the Department’s comments and questions and in consultation with Successor Agency counsel and Oversight Board counsel, staff have revised the LRPMP to address the Department’s comments and to clarify and update the previously-submitted LRPMP.

ANALYSIS:

The Department’s comments primarily related to the permissible uses of Parcel No. 3 (Former Veterinary Building), Parcel No. 4 (Vacant Lot next to Former Veterinary Building), Parcel No. 5 (Redwood Drive Parcel North) and Parcel No. 6 (Redwood Drive Parcel South). Specifically, the Department requested that the City clarify whether each of those parcels will be (a) transferred to the City for future disposition and development consistent with the redevelopment

plan pursuant to Health and Safety Code Section 34191.5(c)(2)(A), or (b) sold with the proceeds of sale distributed as property tax to the taxing entities pursuant to Health and Safety Code Section 34191.5(c)(2)(B).

The Amended LRPMP provides that Parcel No. 3 and Parcel No. 4 shall be transferred to the City for future development, while Parcel No. 5 and Parcel No. 6 will be sold and the proceeds of sale distributed to the taxing entities. The Department has directed that agreements with taxing entities are required in connection with the disposition of Successor Agency property to the sponsoring city for subsequent disposition for development, as is proposed for Parcel Nos. 3 and 4. Although this position is disputed by a number of cities, the Amended LRPMP provides that the City will enter into such an agreement with the taxing entities that will specify that any net proceeds from the eventual sale of the parcels will be distributed to the taxing entities on a pro rata basis in proportion to each entity's respective share of the property tax base. However, the Amended LRPMP also provides that the requirement for such an agreement will not be operative if a court order or legislation reverses the Department's directive regarding such agreements.

At the Department's request, the Amended Plan includes as a new exhibit (Exhibit H) an opinion of bond counsel explaining the restrictions on the use of sales proceeds from the sale of properties purchased using tax-exempt bonds. The Amended Plan also includes additional changes suggested by counsel for the Successor Agency and the Oversight Board.

Changes to the original LRPMP are shown in strike-through mode in the Amended LRPMP attached to this Agenda Report.

OPTIONS CONSIDERED:

The following options are available to the Oversight Board:

1. Approve the attached Resolution approving the Amended LRPMP and directing Successor Agency staff to submit the Amended LRPMP for review and approval by the Department of Finance;
2. Direct Successor Agency staff to further revise the Amended LRPMP for consideration at a future meeting of the OSB; or
3. Disapprove the Amended LRPMP.

City Manager Approval Date: 40/01/2014

Attachments:

1. Amended LRPMP in strike-through mode
2. Resolution No. OSB 2014-03



**CITY OF
ROHNERT PARK
AB 1484
LONG-RANGE PROPERTY
MANAGEMENT PLAN**

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Plan Basics

Pursuant to Health and Safety Code (“H & S Code”) Section 34191.5 (b), Successor Agencies are to prepare a Long-Range Property Management Plan (“Property Management Plan”) that addresses the disposition and use of the real properties of the former redevelopment agency. Successor agencies are also required to complete a Long-Range Property Management Plan Checklist which is to be forwarded, along with the Property Management Plan, to the Department of Finance (Exhibit A).

This Property Management Plan addresses the real properties in the Community Redevelopment Property Trust Fund established pursuant to Health and Safety Code Section 34191.5(a). The Property Management Plan does not contain housing properties of the former redevelopment agency. H & S Code Section 34176 (a) gives the city that authorized creation of a redevelopment agency the option of retaining the redevelopment agency’s housing assets and functions. On January 10, 2012, the City Council of the City of Rohnert Park elected to retain the housing assets and functions previously held and performed by the Community Development Commission (“CDC”).

The Property Management Plan must be submitted to the oversight board and the Department of Finance for approval no later than six months following the issuance of a Finding of Completion. The Finding of Completion for the City of Rohnert Park Successor Agency was issued April 26, 2013 (Exhibit B – Finding of Completion). Accordingly, the Property Management Plan must be submitted on or before October 25, 2013.

The Property Management Plan must contain two primary elements for each property (H & S Code §34191.5 (c)):

- 1) A detailed inventory addressing specified aspects of each property.
- 2) A plan that addresses the proposed use or disposition of each property within four (4) basic use/disposition categories.

Permitted uses/disposition of successor agency real property under a Property Management Plan (H & S Code § 34291.5) include:

Plan Category	Use/Disposition Purpose of Property	Property Transferee
Enforceable Obligation	Use consistent with Enforceable Obligation Terms	Designated Enforceable Obligation Recipient
Governmental	Governmental Use in Accordance with Section 34181 (a)	Appropriate Public Jurisdiction
Approved Redevelopment Plan Project	Direct use, or liquidation and use of proceeds, for project identified in approved redevelopment plan	Host community
Other Liquidation	Distribution of sales proceeds as property taxes to affected taxing entities	Approved purchaser

Structuring Transactions & Developing Opportunities

There are a number of options available to Successor Agencies for real property liquidation under AB 1484, these include:

- Auction
- Traditional brokered sale
- Negotiated Sale
- Conditioned Sale (Essentially DDA)

In determining which liquidation option to use for achieving the highest price, and ensuring that the buyer's interest/intent and agency goals are aligned, the Successor Agency has considered where each property falls within three (3) basic property classifications. The classifications are:

"A" Properties

- Strategic Properties for economic development
- Entitlement conditions/status a factor
- Highest & Best Use vs. Price

"B" Properties

- Properties with encumbrances, Conditions of Approval, need zoning
- Market & zoning/Conditions of Approval will impact value and terms of sale

"C" Properties

- Less saleable properties: easements, remnant parcels, covenants, air space rights, transferable Floor Area Ratios ("FARs")
- Specialized campaign or approach to disposition (e.g., adjacent owners, unique conditions)

Dollars & Cents

The Successor Agency has also considered strategies that increase the likelihood that the property liquidations will result in a tax generating project. Sources of tax revenues include:

- Property tax
- Sales tax
- Transient Occupancy Tax

Real Properties

The Property Management Plan comprises the following six (6) real properties:

- | | |
|---|---|
| 1. Rohnert Park Senior Center
APN 143-051-061
Site address: 100 Enterprise Drive | 4. Vacant lot
Site address: 415 City Center Drive
APN 143-051-066 |
| 2. City Center Parking Lot
No site address
APN 143-051-076 | 5. Redwood Drive North
No site address
APN 045-081-007 |
| 3. Former veterinary building
Site Address: 6230 State Farm Drive
APN 143-051-065 | 6. Redwood Drive South
No site address
APN 045-082-053 |

Permitted Uses & Disposition Overview

Enforceable Obligation:

At dissolution, the former redevelopment agency did not have any enforceable obligations for development or sale of the properties in this plan.

Governmental Purpose Properties:

In accordance with H & S Code Section 34181 (a), the oversight board may direct the successor agency to transfer ownership of those assets that were constructed and used for a governmental purpose, such as roads, school buildings, parks, police and fire stations, libraries, and local agency administrative buildings, to the appropriate public jurisdiction pursuant to any existing agreements relating to the construction or use of such as asset.

Properties shall not, however, be transferred to a successor agency, city, county, or city and county, unless the long-range property management plan has been approved by the oversight board and the Department of Finance (H & S Code Section 34179.5 (c)(5)(C)).

The City of Rohnert Park and its former redevelopment agency entered into a Project Payment Agreement to facilitate the installation and construction of buildings, facilities, structures and other improvements either within or without the boundaries of the redevelopment project area including (Exhibit C – Project Payment Agreement and related resolutions).

Two (2) of the properties listed above (i.e., Rohnert Park Senior Center, City Center Parking Lot) were constructed and are used for governmental purposes.

Approved Redevelopment Plan Project:

In 2002, the City of Rohnert Park adopted the Rohnert Park City Center Concept Plan (“Plan”). The plan establishes a vision for development of the City Center. The vision for the City Center is to create a central focal point in the City as an active and vital public place for people to gather, celebrate and hold special events (Exhibit D – Rohnert Park City Center Concept Plan).

The City Center is in the redevelopment project area. Under the “Property Acquisition Program”, as defined in the Community Development Commission (“CDC”) Five Year Implementation Plan for Fiscal Years 2009-10 through 2013-14, the CDC purchased two parcels in the City Center for the purpose of facilitating redevelopment in the City Center (Exhibit E – Five Year Implementation Plan for Fiscal Years 2009-10 through 2013-14).

The Successor Agency is recommending that the two parcels be transferred to the City. The City would then sell the properties to a developer with restrictions that ensure development consistent with the City Center Concept Plan. An agreement with affected taxing entities may be required, and the use of any sales proceeds will be determined in accordance with federal tax law and AB 1484.

Liquidation of Properties:

The Successor Agency is recommending that two “non-governmental” properties, parcels 5 and 6, be liquidated since the properties cannot be independently developed and only have value to adjacent developers.

Why It Makes Sense to Transfer Certain Non-Governmental Properties to the City

- ❖ Can sell to developer with restrictions that ensure development consistent with City Center Concept Plan and Priority Development Area Plan.
- ❖ If the properties are put to a private business use, City could receive ...
 - Sales tax
 - Property tax
 - Transient occupancy tax (“TOT”)

Why It Makes Sense to Liquidate Certain Non-Governmental Use Properties

- ❖ Irregular shaped/small parcels are costly to improve, expensive to maintain, and not readily marketable. No direct revenue generating end use. May be leveraged to (a) provide access to Redwood Drive from adjacent development; and (b) generate property tax revenues.

The Plan

This plan addresses each of the six (6) real properties owned by the former Community Development Commission. As stated under "Plan Basics" the plan comprises two elements for each parcel:

- 1) A detailed inventory addressing specified aspects of each property.
- 2) A plan that addresses the proposed use or disposition of each property within four (4) basic use/disposition categories.

The plan will first consider the two (2) government purpose properties.

1. Rohnert Park Senior Center
APN 143-051-061
Site address: 100 Enterprise Drive
2. City Center Parking Lot
No site address
APN 143-051-076

It will then look at the remaining four (4) properties which were acquired for the purpose of promoting redevelopment.

3. Former veterinary building
Site Address: 6230 State Farm Drive
APN 143-051-065
4. Vacant lot
Site address: 415 City Center Drive
APN 143-051-066
5. Redwood Drive North
No site address
APN 045-081-007
6. Redwood Drive South
No site address
APN 045-082-053

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Parcel 1

Rohnert Park Senior Center

Site address: 100 Enterprise Drive

APN 143-051-061



PROPERTY INVENTORY DATA

APN #: 143-051-061

Address: 100 Enterprise Drive

Property type: Public Building

Lot Size: 64,033 square feet

Current Zoning: Public Institutional

Permissible use: Governmental Use

Permissible use detail: Serves as City's Senior Center and Information Technology Division offices. Both staff and equipment are located at this site.

Acquisition date: 6/30/1989

Value at time of purchase: \$851,620 (Purchased with low/moderate income housing funds)

Estimated current value: \$851,620

Value basis: Book Value

Date of estimated current value: as of 6/30/13

Proposed sale value: N/A

Proposed sale date: N/A

Purpose for which property was acquired: The CDC acquired the property for the purpose of constructing a Senior Center. The acquisition and construction of the Senior Center was contemplated in the Redevelopment Plan that was adopted on 7/14/1987.

Estimate of current parcel value: \$1,021,944. It is estimated that the value of this parcel has appreciated by 20% since it was acquired by the CDC. Factors such as historical and current sales prices, as well as the effects of the economic downturn, were considered. The property appreciation estimate was provided by a real estate broker with over 28 years of experience selling properties in Sonoma County.

Estimate of income/revenue: A portion of the building (approximately 2,500 square feet) is leased to Old Adobe Developmental Services ("OADS"), a 501(c)(3) non-profit corporation. The monthly lease payment is \$2,111, generating annual revenue totaling \$25,332. The recipient of annual revenues from this lease, totaling \$25,332, is the City of Rohnert Park. The term of the lease is five (5) years commencing on September 1, 2010 and expiring on September 1, 2015. City staff anticipates that the existing lease will be extended at that time. The annual revenue received from OADS is used to fund the cost of maintaining the facility and to offset costs associated with operation of the Senior Center.

Contractual requirements for use of income/revenue: N/A/None

History of environmental contamination, studies and/or remediation, and designation as a Brownfield site: None.

Description of property's potential for transit oriented development: N/A

Advancement of planning objectives of the successor agency: Currently meets objectives operating as a senior center.

History of previous development proposals and activity: N/A

PROPERTY DISPOSITION PLAN

The Redevelopment Plan for the City of Rohnert Park Community Development Commission ("CDC") envisioned the construction of a senior center. On December 13, 1988, the CDC adopted Resolution No. 88-14, authorizing the Executive Director to execute a Certificate of Acceptance of Deed and to disburse funds for acquisition of the site that would become home to Rohnert Park's Senior Center.



The Senior Center is ideally situated next to a number of large multi-family complexes that cater to seniors. It is also conveniently located next to a number of shopping centers and a bus line that serves Rohnert Park, Sonoma County and other destinations throughout Northern California.

The Rohnert Park Senior Center reaches over 35,000 seniors annually and as many as 500 seniors per day through its various programs. The

type of classes and programs offered are as varied and diverse as the seniors that attend them.

The following is a partial list of classes, programs and activities offered at the Senior Center:

- Aerobics exercises, Tai Chi and Ping Pong
- Country & western line dancing, both beginner and intermediate
- Zumba fitness classes for seniors (“Zumba Gold”)
- Bridge, Mahjong, scrabble and pool
- Arts and crafts classes
- Book clubs

When physical and cognitive impairments prevent older adults from driving or using public transportation the City’s Senior Transportation Program gives them a reliable option. The Senior Center provides door-to-door transportation for seniors residing in Rohnert Park, Cotati, and Penngrove on Mondays, Tuesdays, Wednesdays and Fridays for medical appointments, grocery shopping, banking, or other personal needs. On Thursday mornings, seniors are transported to Santa Rosa for medical, DMV or Social Security only.

If this site does not remain a senior center, the 35,000 seniors who currently utilize the facility will be displaced and will no longer have access to the classes, programs and other essential services that they enjoy today. Many seniors’ health and welfare would be impacted by the absence of the transportation services and the delicious and healthy meals that are provided by the Council on Aging of Sonoma County.

Recommendation: Transfer to City and retain for continued use of site as City’s Senior Center pursuant to Health and Safety Code Sections 34181(a) and 34191.5(c)(2).~~Continued use of site as City’s Senior Center.~~

Parcel 2
City Center Parking Lot
No site address
APN 143-051-076



PROPERTY INVENTORY DATA

APN #: 143-051-076

Address: City Center Drive

Property type: Parking Lot

Lot Size: 99,752 square feet

Current Zoning: Mixed use

Permissible use: Governmental Use

Permissible use detail: Identified in approved Redevelopment Plan (i.e., Property Acquisition Program) and City Center Concept Plan. This site is also part of a 282-acre Priority Development Area (PDA) for which the City has received a grant award for the purpose of moving forward with formal adoption of a PDA Plan.

Acquisition date: 6/30/2009

Value at time of purchase: \$3,001,063 (Purchased with Tax Allocation Bonds, Series 2007R)

Estimated current value: \$3,001,063

Value basis: Book Value

Date of estimated current value: as of 6/30/13

Proposed sale value: N/A

Proposed sale date: N/A

Purpose for which property was acquired: To facilitate redevelopment of properties adjacent to parking lot. Adjacent properties would be developed as mixed use project in keeping with the direction provided by the City Center Concept Plan.

Estimate of current parcel value: \$1.5 million to \$1.7 million (based on \$15 to \$17 per square foot). The land value estimate was derived from informal discussions with real property professionals.

Estimate of income/revenue: N/A

~~**Federal tax law requirements for use of income/revenue:** Tax Allocation Bonds Series 2007R establishes certain covenants with the bondholders for the use of the proceeds. Use of sales proceeds will be determined in accordance with federal tax law and AB 1484.~~

History of environmental contamination, studies and/or remediation, and designation as a brownfield site:
N/A

Description of property's potential for transit oriented development: ~~Does not adjoin the Northwest Pacific Railroad line. Transit-oriented development is not feasible at this location. No development of any kind – including transit-oriented development – is feasible at this location as it is essential for the provision of public parking to serve government buildings.~~

Advancement of planning objectives of the successor agency: Currently meets objectives operating as a public parking lot serving government buildings.

History of previous development proposals and activity: N/A

PROPERTY DISPOSITION PLAN

This site is a City-maintained parking lot with ingress/egress driveways and travel lanes, lighting and appurtenant landscaping.

The property comprises a basically rectangular generally level parcel located in the east central portion of the City of Rohnert Park, with ±260 l/f of frontage on City Center Drive and ±280 l/f of frontage on Rohnert Park Expressway.



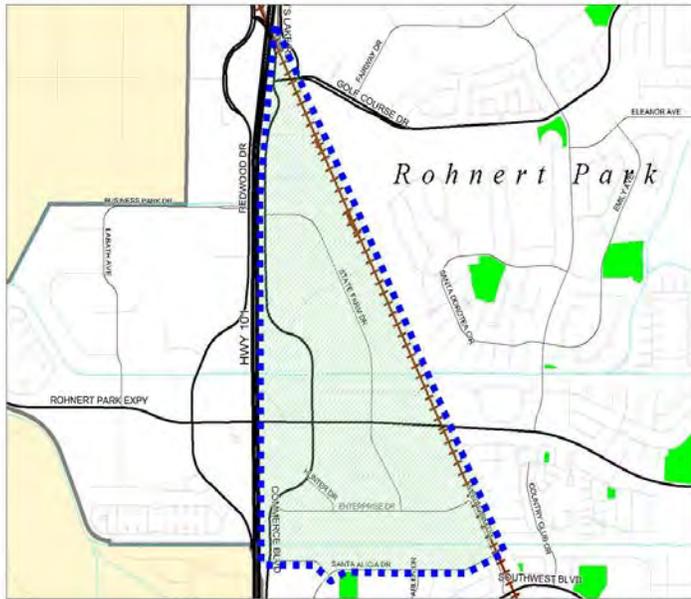
The City Center does not have a downtown; therefore, the parking lot serves as the central community gathering place; a place where people come to enjoy cultural, recreational, business and civic functions. It is home to one of the most successful farmers markets in Sonoma County. Over 1,000 visitors and more than 60 vendors attend the weekly farmers market that is held from June through August of each year.

The site provides parking for visitors to the Rohnert Park –

Cotati Regional Library, the City of Rohnert Park Public Safety Department and the Rohnert Park City Center Plaza. It will also provide parking for the future mixed use development of two adjoining parcels (APNs 143-051-065 and 143-051-066).

With the exception of this parking lot, there is no off-street parking in close proximity and available on-street parking is limited and insufficient to meet basic parking requirements for visitors to these locations.

The City of Rohnert Park Public Safety Department utilizes the City Center Parking Lot to accommodate parking overflow on training days when all City of Rohnert Park Public Safety personnel are present. The parking lot is also utilized by outside agencies (police/fire) who participate in joint training exercises with City Public Safety personnel or who utilize Rohnert Park's facilities for their own dedicated off-site training.



 PROPOSED PRIORITY DEVELOPMENT AREA

The property is located within a 282-acre Priority Development Area (PDA).

The area is already Rohnert Park's transit hub, with four (4) Golden Gate Transit commuter and intercity routes, three (3) Sonoma County Transit intercity routes, and three (3) Sonoma County Transit city routes serving the area. Existing on- and off-street bicycle facilities provide non-motorized transportation options.

The future multi-use path along the SMART rail and the siting of the Rohnert Park SMART station adjoining the former State Farm Insurance site has many of the elements for intermodal access to employment, housing and amenities that characterize the type of development that the Metropolitan Transportation Commission ("MTC") and Association of Bay Area Governments ("ABAG") wishes to encourage through Priority Development Areas.

On June 13, 2012, the MTC Board formally recognized the proposed Priority Development Area and awarded the City a \$448,000 grant to develop a formal PDA Plan.

An appraisal of the property was done in June 2007. It concluded that the highest and best use of the property, as improved, is continued interim use as City-parking lot until such time as development or partial development pursuant to City of Rohnert Park zoning and land use policies is warranted.

Recommendation: ~~Continued use of site as a community gathering area and City-maintained parking lot.~~ Transfer to City and retain for continued use of site as a community gathering area and City-maintained parking lot pursuant to Health and Safety Code Sections 34181(a) and 34191.5(c)(2).

Parcel 3
Former Veterinary Building
Site Address: 6230 State Farm Drive
APN 143-051-065



Property Inventory Data

APN #: 143-051-065

Address: 6230 State Farm Drive

(Corner of State Farm Drive and City Center Drive)

Property type: Commercial

Lot Size: 15,100 square feet

Current Zoning: Mixed use

Permissible use: Future ~~d~~Development consistent with Redevelopment Plan pursuant to Health and Safety Code Section 34191.5(c)(2)(A).

Permissible use detail: Identified in approved Redevelopment Plan (i.e., Property Acquisition Program) and City Center Concept Plan. This site is also part of a 282-acre Priority Development Area (PDA) for which the City has received a grant award for the purpose of moving forward with formal adoption of a PDA Plan.

Acquisition date: 11/16/2007

Value at time of purchase: \$1,105,357 (Purchased with Tax Allocation Bonds, Series 2007R)

~~Estimated current value~~ **Current book value (6/30/13): \$1,105,357**

~~Value basis:~~ Book Value

~~Date of estimated current value:~~ 6/30/13

~~Proposed sale value:~~ \$550,000

~~Proposed sale date:~~ FY 2013/14

Purpose for which property was acquired: To facilitate redevelopment of the property and develop a mixed use project that would be in keeping with the direction provided by the City Center Concept Plan.

Estimate of current parcel value (Broker's opinion): \$500,000 (inclusive of APN 143-051-066)

~~Probable sales price:~~

Estimate of income/revenue: ~~\$500,000 less seller's fees:~~ -0

Federal tax law requirements for use of income/revenue: Tax Allocation Bonds Series 2007R establishes certain covenants with the bondholders for the use of the proceeds. Use of sales proceeds will be determined in accordance with federal tax law and AB 1484. For further discussion of restrictions on the use of proceeds from the sale of the bonds, please see the memorandum from bond counsel attached as Exhibit H.

History of environmental contamination, studies and/or remediation, and designation as a brownfield site:
None

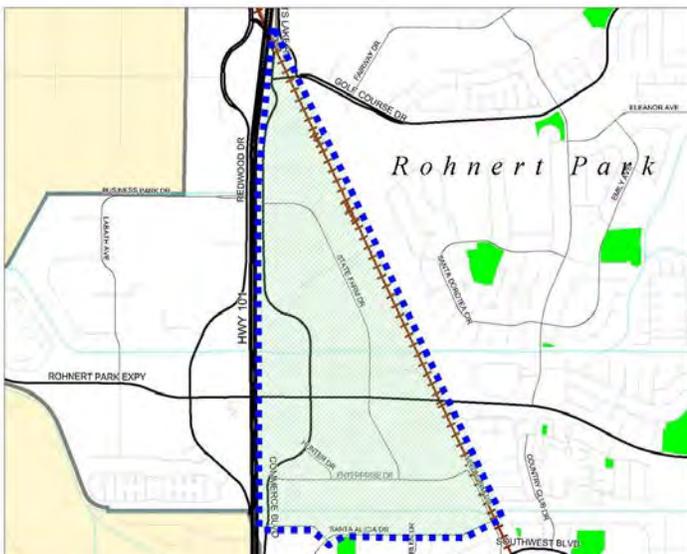
Description of property's potential for transit oriented development: ~~Does not adjoin the Northwest Pacific Railroad line. Transit-oriented development is not feasible at this location. The property is located approximately ¼ mile from the future SMART train stop and therefore may be feasible for transit oriented development (TOD) in the future. The site does present some challenges as a potential TOD site, including its relatively small size and the difficulty of accommodating a significant building and adequate parking onsite. Consolidation with adjacent sites could enhance the property's potential for TOD.~~

Advancement of planning objectives of the successor agency: In order to advance the planning objectives of the Successor Agency, this property is recommended for sale transfer to the City for future development consistent with the Redevelopment Plan, the City Center Concept Plan and the PDA Plan.

History of previous development proposals and activity: None

PROPERTY DISPOSITION PLAN

The property is located in Central Rohnert Park in a transitional commercial/residential and public/institutional neighborhood within the 32-acre Rohnert Park City Center Concept Plan Area. Newer development includes mixed-use retail/residential, professional office and retail; public use includes linear park, public library,



public safety headquarters, public plaza, and public parking lot.

The property is improved with an existing one-story Class “D” wood frame medical office building comprising ±2,486 square feet of gross building area, 11 on-site paved parking spaces, appurtenant landscaping and hardscape. The building is vacant and unusable in its current condition.

The property is located within a 282-acre Priority Development Area (PDA).

The area is already Rohnert Park’s transit hub, with four (4) Golden Gate Transit commuter and intercity routes, three (3) Sonoma County Transit intercity routes, and three (3) Sonoma County Transit city routes serving the area. Existing on- and off-street bicycle facilities provide non-motorized transportation options.

The future multi-use path along the SMART rail and the siting of the Rohnert Park SMART station adjoining the former State Farm Insurance site has many of the elements for intermodal access to employment, housing and amenities that characterize the type of development that the Metropolitan Transportation Commission (“MTC”) and Association of Bay Area Governments (“ABAG”) wishes to encourage through Priority Development Areas.

On June 13, 2012, the MTC Board formally recognized the proposed Priority Development Area and awarded the City a \$448,000 grant to develop a formal PDA Plan.

An appraisal of the property was done in June 2007. It concluded that the highest and best use of the property, as improved, is continuation of the existing use as a veterinary/medical office. At the time of the appraisal, no significant elements of functional or economic obsolescence were noted. However, this is no longer the case. The condition of the property has deteriorated markedly making continued use of the building unfeasible without significant and costly improvements.

Pursuant to the Broker Price Opinion dated 7/16/2013 obtained by the City, the “Suggested marketing plan would be to demolish the building on the corner (APN 143-051-065) and market together with the contiguous parcel (APN 143-051-066) to increase the pool of potential purchasers for a larger economically feasible development project” (Exhibit F – Broker Price Opinion).

Recommendation: In order to address the obsolescence of this site, maximize its development potential consistent with the City Center Concept Plan and PDA Plan, and its capacity to generate tax revenues, it is recommended that the parcel be transferred to the City and retained for future development consistent with the Redevelopment Plan pursuant to Health and Safety Code Section 34191.5(c)(2)(A). The City would then sell the property to a developer with restrictions that ensure development consistent with the City Center Concept Plan and PDA Plan.—An agreement with affected taxing entities may be required, and the use of any sales proceeds will be determined in accordance with federal tax law and AB 1484.

The Successor Agency interprets Health and Safety Code Section 34191.5 to mean that agreements with taxing entities are not required in connection with the disposition of Successor Agency property to the sponsoring city for subsequent disposition for development consistent with the redevelopment plan in accordance with a long range property management plan. However, pursuant to Department of Finance direction, the City of Rohnert Park will enter into an agreement with the taxing entities that addresses disposition for each parcel to be conveyed to the City for future development pursuant to Section 34191(c)(2)(A). The agreement will specify that any net proceeds from the sale of such parcels will be distributed to the taxing entities on a pro rata basis in proportion to each entity’s respective share of the property tax base unless a lesser share is agreed to by one or more taxing entities. Net proceeds of sale shall exclude reasonable costs incurred in connection with the disposition process, including marketing costs, attorneys’ fees, title insurance premiums, closing costs, and transfer taxes, and any site maintenance and site preparation costs incurred by the City or Successor Agency.

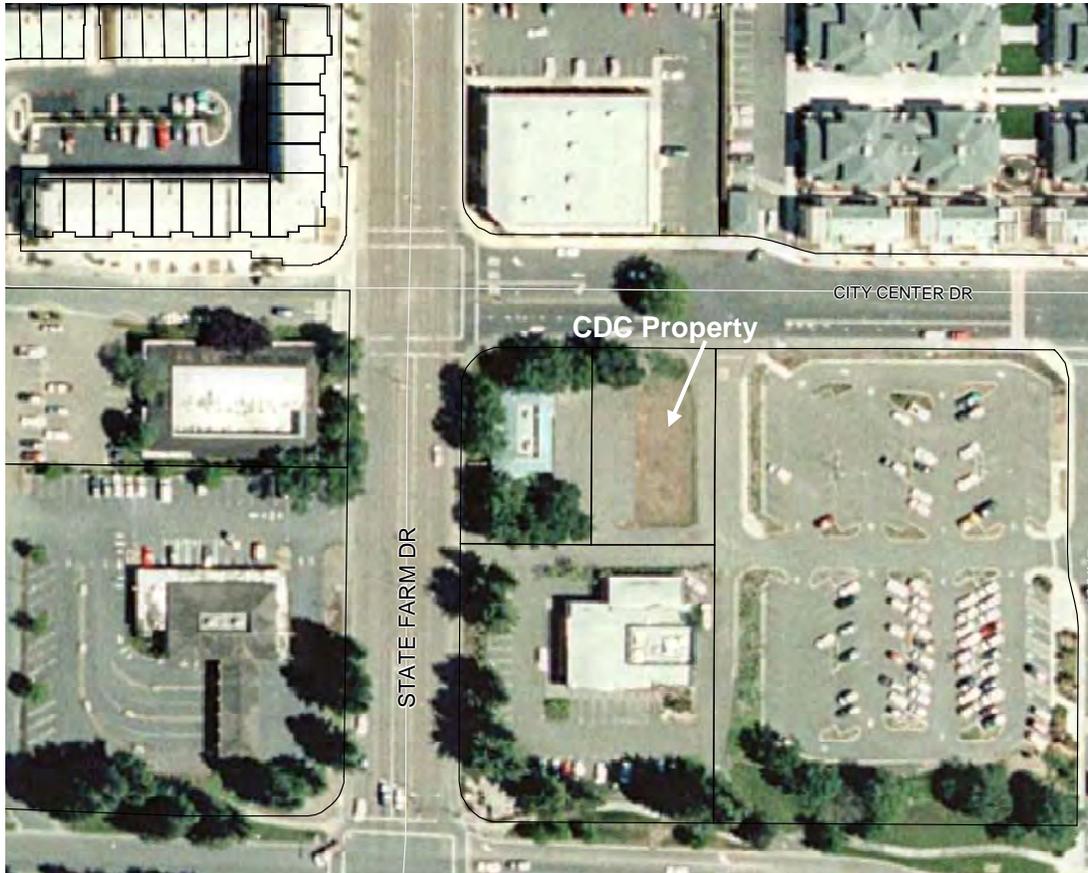
Notwithstanding the foregoing, such an agreement will not become or continue to be operative if a court order or legislation reverses the Department's directive regarding such agreements.

Parcel 4

Vacant Lot

Site address: 415 City Center Drive

APN 143-051-066



Property Inventory Data

APN #: 143-051-066

Address: 415 City Center Drive

Property type: Vacant lot/land

Lot Size: 14,345 square feet

Current Zoning: Mixed use

Permissible use: Future Development [consistent with Redevelopment Plan pursuant to Health and Safety Code Section 34191.5\(c\)\(2\)\(A\).](#)

Permissible use detail: Identified in approved Redevelopment Plan (i.e., Property Acquisition Program) and City Center Concept Plan. This site is also part of a 282-acre Priority Development Area (PDA) for which the City has received a grant award for the purpose of moving forward with formal adoption of a PDA Plan.

Acquisition date: 12/4/2007

Value at time of purchase: \$552,674 (Purchased with Tax Allocation Bonds, Series 2007R)

Current book value (6/30/13): \$552,674

Estimated current value: \$552,674

Value basis: Book Value

Date of estimated current value: 6/30/13

~~Proposed sale value: \$550,000~~

~~Proposed sale date: FY 2013/14~~

Purpose for which property was acquired: To facilitate redevelopment of the property and develop a mixed use project that would be in keeping with the direction provided by the City Center Concept Plan.

Estimate of current parcel value (Broker's opinion): \$500,000 (inclusive of APN 143-051-065) ~~Probable sales price.~~

Estimate of income/revenue: ~~\$500,000 less seller's fees. 0~~

Federal tax law requirements for use of income/revenue: Tax Allocation Bonds Series 2007R establishes certain covenants with the bondholders for the use of the proceeds. Use of sales proceeds will be determined in accordance with federal tax law and AB 1484. For further discussion of restrictions on the use of proceeds from the sale of the bonds, please see the memorandum from bond counsel attached as Exhibit H.

History of environmental contamination, studies and/or remediation, and designation as a brownfield site:
None

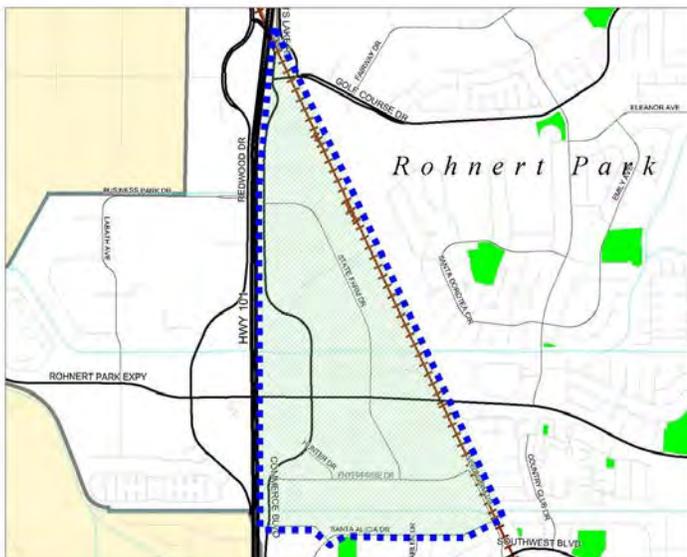
Description of property's potential for transit oriented development: The property is located approximately ¼ mile from the future SMART train stop and therefore may be feasible for transit oriented development (TOD) in the future. The site does present some challenges as a potential TOD site, including its relatively small size and the difficulty of accommodating a significant building and adequate parking onsite. Consolidation with adjacent sites could enhance the property's potential for TOD. Does not adjoin the Northwest Pacific Railroad line. Transit-oriented development is not feasible at this location.

Advancement of planning objectives of the successor agency: In order to advance the planning objectives of the Successor Agency, this property is recommended for transfer to the City for future development consistent with the Redevelopment Plan, the City Center Concept Plan and the PDA Plansale.

History of previous development proposals and activity: None.

PROPERTY DISPOSITION PLAN

The property is located in Central Rohnert Park in a transitional commercial/residential and public/institutional neighborhood within the 32-acre Rohnert Park City Center Concept Plan Area. Newer development includes mixed-use retail/residential, professional office and retail; public use includes linear park, public library, public safety headquarters, public plaza, and public parking lot.



The property is vacant land with contributory value of existing site improvements. Improvements "as is" include a paved driveway and parking areas comprising approximately ± 4,032 square feet of land area. The parking area is striped for 11 vehicles. The total site area is ±14,345 square feet.

The property is located within a 282-acre Priority Development Area (PDA).

The area is already Rohnert Park's transit hub, with four (4) Golden Gate Transit commuter and intercity routes, three (3) Sonoma County Transit intercity routes, and three (3) Sonoma County



PROPOSED PRIORITY DEVELOPMENT AREA

Transit city routes serving the area. Existing on- and off-street bicycle facilities provide non-motorized transportation options.

The future multi-use path along the SMART rail and the siting of the Rohnert Park SMART station adjoining the former State Farm Insurance site has many of the elements for intermodal access to employment, housing and amenities that characterize the type of development that the Metropolitan Transportation Commission (“MTC”) and Association of Bay Area Governments (“ABAG”) wishes to encourage through Priority Development Areas.

On June 13, 2012, the MTC Board formally recognized the proposed Priority Development Area and awarded the City a \$448,000 grant to develop a formal PDA Plan.

An appraisal of the property was done in June 2007. It concluded that the highest and best use of the property, as improved, is development pursuant to City of Rohnert Park zoning and land use policies and regulations, including the City Center Concept Plan.

Pursuant to the Broker Price Opinion dated 7/16/2013 obtained by the City, the “Suggested marketing plan would be to demolish the building on the corner (APN 143-051-065) and market together with the contiguous parcel (APN 143-051-066) to increase the pool of potential purchasers for a larger economically feasible development project” (Exhibit F – Broker Price Opinion).

Recommendation: In order to maximize the development potential of the site consistent with the City Center Concept Plan and PDA plan, and its capacity to generate tax revenues, it is recommended that the parcel be transferred to the City and retained for future development consistent with the Redevelopment Plan pursuant to Health and Safety Code Section 34191.5(c)(2)(A). The City would then sell the property to a developer with restrictions that ensure development consistent with the City Center Concept Plan and PDA Plan. An agreement with affected taxing entities may be required, and the use of any sales proceeds will be determined in accordance with federal tax law and AB-1484.

The Successor Agency interprets Health and Safety Code Section 34191.5 to mean that agreements with taxing entities are not required in connection with the disposition of Successor Agency property to the sponsoring city for subsequent disposition for development consistent with the redevelopment plan in accordance with a long range property management plan. However, pursuant to Department of Finance direction, the City of Rohnert Park will enter into an agreement with the taxing entities that addresses disposition for each parcel to be conveyed to the City for future development pursuant to Section 34191(c)(2)(A). The agreement will specify that any net proceeds from the sale of such parcels will be distributed to the taxing entities on a pro rata basis in proportion to each entity’s respective share of the property tax base unless a lesser share is agreed to by one or more taxing entities. Net proceeds of sale shall exclude reasonable costs incurred in connection with the disposition process, including marketing costs, attorneys’ fees, title insurance premiums, closing costs, and transfer taxes, and any site maintenance and site preparation costs incurred by the City or Successor Agency. Notwithstanding the foregoing, such an agreement will not become or continue to be operative if a court order or legislation reverses the Department’s directive regarding such agreements.

Parcel 5
Redwood Drive Parcel North
No site address
APN 045-081-007



PROPERTY INVENTORY DATA

APN #: 045-081-007

Address: Redwood Drive (North of Wilfred Avenue)

Property type: Vacant lot/land

Lot Size: 6,875 square feet

Current Zoning: Regional commercial

Permissible use: ~~Future development~~Property will be sold.

Permissible use detail: ~~Property will be sold and the proceeds of sale will be distributed as property tax to the taxing entities pursuant to Health and Safety Code Section 34191.5(c)(2)(B). Identified in approved Redevelopment Plan (i.e., Property Acquisition Program and Economic Development Program.)~~

Acquisition date: 6/30/2010

Value at time of purchase: \$137,500 (Purchased with Tax Allocation Bonds, Series 2007R)

Estimated current value: \$137,500

Value basis: Book Value

Date of estimated current value: 6/30/13

Proposed sale value: N/A

Proposed sale date: N/A

Purpose for which property was acquired: On June 30, 2010, the CDC acquired two sites (APN 045-081-007 & 045-082-053) to stimulate private investment in the project area and to allow for greater flexibility in negotiating a future agreement for their disposition. The unusual size and irregular shape of these parcels create constraints on the development potential of the sites; however, they do have inherent value to the adjacent land owners because they will provide access to Redwood Drive.

Estimate of current parcel value: Nominal.

Estimate of income/revenue: Nominal.

Federal tax law requirements for use of income/revenue: Tax Allocation Bonds Series 2007R establishes certain covenants with the bondholders for the use of the proceeds. Use of sales proceeds will be determined in accordance with federal tax law and AB 1484. [For further discussion of restrictions on the use of proceeds from the sale of the bonds, please see the memorandum from bond counsel attached as Exhibit H.](#)

History of environmental contamination, studies and/or remediation, and designation as a Brownfield site: None.

Description of property's potential for transit oriented development: None.

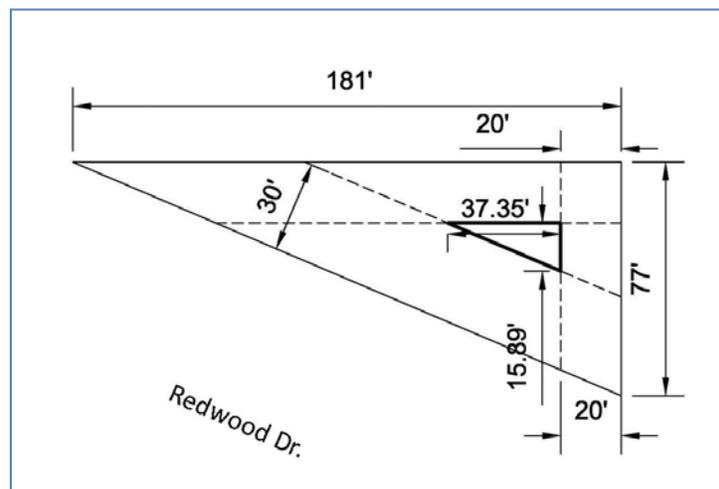
Advancement of planning objectives of the successor agency: The sale of this parcel will facilitate development on the adjoining parcel.

History of previous development proposals and activity: See discussion below under "Property Disposition Plan."

PROPERTY DISPOSITION PLAN

The property is located in the northwest quadrant of Rohnert Park adjacent to the Wilfred-Dowdell Specific Plan Area. Redwood Drive, in the vicinity of the subject parcels, serves as a freeway frontage road from Rohnert Park's northerly urban boundary to State Highway 116. Highway commercial uses are located along Redwood Drive.

The parcel is triangular in shape, 181 feet long and 77 feet wide at the thickest end tapering along its length. Because of its location any structure will need to be set back 30 feet off the roadway and 20 feet on the other two sides. Taking into account the setback, the "buildable area" is a triangle 35 feet long and 16 feet wide at the widest end. This is shown below.



An appraisal of the property was done in May 2009. It concluded that the best and highest use was to combine this parcel with the property immediately to the west. The appraisal noted development of the parcel alone “is not legally permissible, physically possible or financially feasible.” Without incorporation into the adjacent development, the parcel is essentially worthless.

The subject property is adjacent to the “Wilfred/Dowdell Specific Plan” that is proposed for commercial development. The parcel is adjacent to a hotel and restaurant development that ~~has gone to Planning Commission was approved by the Planning Commission in May 2012; and hope to start construction this year~~ construction is anticipated to begin this summer. The project includes at least \$9,000,000 of improvements, so it will generate over \$100,000 per year to be shared by taxing entities.

The hotel development plan originally included this triangular property. Since the hotel development needed the property, they were negotiating to acquire it from the CDC and subsequently from the Successor Agency; ~~but were very reluctant to pay a high price. The developer suggested an exchange of property they were dedicating to the City for right of way.~~

Following the passage of AB 1484, the ability to acquire the property and the timing of any acquisition was thrown into doubt. The developer therefore paid to redesign the development to exclude the triangular property in order to avoid delay and risk. ~~On March 9, 2012, the developer provided a planning submittal that completely removed the triangle property from the development; they also asked to be released from any obligation or conditions pursuant to maintenance of the triangular property. The approved project does not include the triangular property; however, the developer has continued to express interest in acquiring the property and incorporating it into the project. The developer has also been clear it is unwilling to pay more than a nominal amount.~~

Now that the developer has an alternative to acquiring the property, the value of the property in any negotiation is greatly diminished. It is doubtful the developer will agree to anything but a nominal price for the property.

This parcel is unimproved. Required public improvements include sidewalks and utilities. Without a sidewalk being installed over at least a portion of the property, the frontage along the west side of Redwood Drive will remain inaccessible to pedestrians and it will not comply with required ADA accessibility standards. People choosing to walk in the street could create both public safety and liability problems.

If the property can be incorporated into the development, it will generate property taxes estimated at about \$800 per year. The developer will plant and maintain the property and be responsible for the sidewalk. The plantings will enhance the commercial area of the City.

If the property is not incorporated into the development, ~~it will remain in the City and~~ the City would retain ownership of the property and responsibility for all improvements, the cost of weed control, landscape and sidewalk maintenance; as well as liability for the property. The City is not adequately funded for this expense. Due to the small size, available access and remote location of the property, this parcel is difficult and expensive to maintain.

Pursuant to the Broker Price Opinion (“Opinion”) dated 7/16/2013 obtained by the City, the proposed marketing strategy states that, “Properties may have value and/or utility to contiguous properties as plottage. Under “Comments,” the Opinion states that since the properties cannot be independently developed, no estimated marketing time or list price has been suggested. (Exhibit G – Broker Price Opinion).

Recommendation: Negotiate a sale of this property to the developers of the Northern Wilfred Dowdell Specific Plan. The net proceeds of sale will be distributed as property tax to the taxing entities pursuant to Health and

Safety Code Section 34191.5(c)(2)(B). (From the disposition proceeds, the Successor Agency may “net out” and retain an amount to cover its reasonable costs in connection with the disposition process, including marketing costs, attorneys’ fees, title insurance premiums, closing costs, and transfer taxes, and any site maintenance and site preparation costs incurred by the City or Successor Agency.)

Parcel 6
Redwood Drive Parcel South
No site address
APN 045-082-053



Property Inventory Data

APN #: 045-082-053

Address: Redwood Drive (South of Wilfred Avenue)

Property type: Vacant lot/land

Lot Size: 6,534 square feet

Current Zoning: Regional commercial

Permissible use: ~~Future development~~ Property will be sold.

Permissible use detail: Property will be sold and the proceeds of sale will be distributed as property tax to the taxing entities pursuant to Health and Safety Code Section 34191.5(c)(2)(B), identified in approved Redevelopment Plan (i.e., Property Acquisition Program and Economic Development Program.)

Acquisition date: 6/30/2010

Value at time of purchase: \$137,463 (Purchased with Tax Allocation Bonds, Series 2007R)

Estimated current value: \$137,463

Value basis: Book Value

Date of estimated current value: 6/30/13

Proposed sale value: N/A

Proposed sale date: N/A

Purpose for which property was acquired: On June 30, 2010, the CDC acquired two sites (APN 045-082-053 & 045-081-007) to stimulate private investment in the project area and to allow for greater flexibility in negotiating a future agreement for their disposition. The unusual size and irregular shape of these parcels create constraints on the development potential of the sites; however, they do have inherent value to the adjacent land owners because they will provide access to Redwood Drive.

Estimate of current parcel value: Nominal.

Estimate of income/revenue: Nominal.

Federal tax law requirements for use of income/revenue: Tax Allocation Bonds Series 2007R establishes certain covenants with the bondholders for the use of the proceeds. Use of sales proceeds will be determined in accordance with federal tax law and AB 1484. [For further discussion of restrictions on the use of proceeds from the sale of the bonds, please see the memorandum from bond counsel attached as Exhibit H.](#)

History of environmental contamination, studies and/or remediation, and designation as a Brownfield site: None.

Description of property's potential for transit oriented development: None.

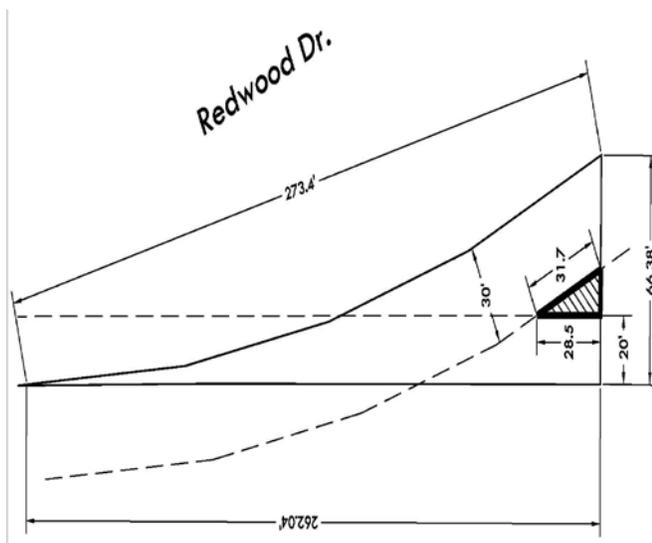
Advancement of planning objectives of the successor agency: The sale of this parcel will facilitate development on the adjoining parcel.

History of previous development proposals and activity: None.

PROPERTY DISPOSITION PLAN

The property is located in the northwest quadrant of Rohnert Park adjacent to the Wilfred-Dowdell Specific Plan Area. Redwood Drive, in the vicinity of the subject parcels, serves as a freeway frontage road from Rohnert Park's northerly urban boundary to State Highway 116. Highway commercial uses are located along Redwood Drive.

The setback from Redwood Drive is 30', the rear setback is 20'. The property is 66.38 ft. on the south, 262.04 ft. on the South and connected by a curve 273.4 ft. along Redwood Drive. Taking into account the setback, the buildable area" is a triangle 28.5 feet long and 31.7 feet wide at the widest end. This is shown below.



An appraisal of the property was done in May 2009. It concluded that the best and highest use was to combine this parcel with the property immediately to the west. The appraisal noted development of the parcel alone “is not legally permissible, physically possible or financially feasible.” Without incorporation into the adjacent development, the parcel is essentially worthless.

This parcel is needed for essential public improvements. Required public improvements include sidewalks and utilities. Without a sidewalk being installed over at least a portion of the property, the frontage along the west side of Redwood Drive will remain inaccessible to pedestrians and it will not comply with required ADA accessibility standards. People choosing to walk in the street could create both public safety and liability problems.

If the property can be incorporated into adjacent development, it will generate property taxes. The developer will plant and maintain the property and be responsible for the sidewalk. The plantings will enhance the commercial area of the City.

If the property is not incorporated into the development, ~~it will remain in the City and~~ the City would retain ownership of the property and responsibility for all improvements, the cost of weed control, landscape and sidewalk maintenance; as well as liability for the property. The City is not adequately funded for this expense. Due to the small size, available access and remote location of the property, this parcel is difficult and expensive to maintain.

Pursuant to the Broker Price Opinion (“Opinion”) dated 7/16/2013 obtained by the City, the proposed marketing strategy states that, “Properties may have value and/or utility to contiguous properties as plottage. Under “Comments,” the Opinion states that since the properties cannot be independently developed, no estimated marketing time or list price has been suggested. (Exhibit G – Broker Price Opinion).

Recommendation: Negotiate a sale of this property with the developers to the west. The net proceeds of sale will be distributed as property tax to the taxing entities pursuant to Health and Safety Code Section 34191.5(c)(2)(B). (From the disposition proceeds, the Successor Agency may “net out” and retain an amount to cover its reasonable costs in connection with the disposition process, including marketing costs, attorneys’ fees, title insurance premiums, closing costs, and transfer taxes, and any site maintenance and site preparation costs incurred by the City or Successor Agency.)

Exhibit A

Long-Range Property Management Plan Checklist



LONG-RANGE PROPERTY MANAGEMENT PLAN CHECKLIST

Instructions: Please use this checklist as a guide to ensure you have completed all the required components of your Long-Range Property Management Plan. Upon completion of your Long-Range Property Management Plan, email a PDF version of this document and your plan to:

Redevelopment_Administration@dof.ca.gov

The subject line should state “[Agency Name] Long-Range Property Management Plan”. The Department of Finance (Finance) will contact the requesting agency for any additional information that may be necessary during our review of your Long-Range Property Management Plan. Questions related to the Long-Range Property Management Plan process should be directed to (916) 445-1546 or by email to Redevelopment_Administration@dof.ca.gov.

Pursuant to Health and Safety Code 34191.5, within six months after receiving a Finding of Completion from Finance, the Successor Agency is required to submit for approval to the Oversight Board and Finance a Long-Range Property Management Plan that addresses the disposition and use of the real properties of the former redevelopment agency.

GENERAL INFORMATION:

Agency Name: City of Rohnert Park

Date Finding of Completion Received: April 26, 2013

Date Oversight Board Approved LRPMP:

Long-Range Property Management Plan Requirements

For each property the plan includes the date of acquisition, value of property at time of acquisition, and an estimate of the current value.

Yes No

For each property the plan includes the purpose for which the property was acquired.

Yes No

For each property the plan includes the parcel data, including address, lot size, and current zoning in the former agency redevelopment plan or specific, community, or general plan.

Yes No

For each property the plan includes an estimate of the current value of the parcel including, if available, any appraisal information.

Yes No

For each property the plan includes an estimate of any lease, rental, or any other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds.

Yes No

For each property the plan includes the history of environmental contamination, including designation as a brownfield site, any related environmental studies, and history of any remediation efforts.

Yes No

For each property the plan includes a description of the property's potential for transit-oriented development and the advancement of the planning objectives of the successor agency.

Yes No

For each property the plan includes a brief history of previous development proposals and activity, including the rental or lease of the property.

Yes No

For each property the plan identifies the use or disposition of the property, which could include 1) the retention of the property for governmental use, 2) the retention of the property for future development, 3) the sale of the property, or 4) the use of the property to fulfill an enforceable obligation.

Yes No

The plan separately identifies and list properties dedicated to governmental use purposes and properties retained for purposes of fulfilling an enforceable obligation.

Yes No

ADDITIONAL INFORMATION

- If applicable, please provide any additional pertinent information that we should be aware of during our review of your Long-Range Property Management Plan.

Agency Contact Information

Name:	Linda T. Babonis	Name:	Cathy Orme
Title:	Economic Development Manager	Title:	Finance Director
Phone:	(707) 588-2233	Phone:	(707) 585-6717
Email:	lbabonis@rpcity.org	Email:	come@rpcity.org
Date:	August 27, 2013	Date:	August 27, 2013

Department of Finance Local Government Unit Use Only

DETERMINATION ON LRPMP: APPROVED DENIED

APPROVED/DENIED BY: _____ DATE: _____

APPROVAL OR DENIAL LETTER PROVIDED: YES DATE AGENCY NOTIFIED: _____

Exhibit B

Finding of Completion



April 26, 2013

Ms. Cathy Orme, Finance Director
City of Rohnert Park
130 Avram Avenue
Rohnert Park, CA 94928

Dear Ms. Orme:

Subject: Request for a Finding of Completion

The California Department of Finance (Finance) has completed the Finding of Completion for the City of Rohnert Park Successor Agency.

Finance has completed its review of your documentation, which may have included reviewing supporting documentation submitted to substantiate payment or obtaining confirmation from the county auditor-controller. Pursuant to Health and Safety Code (HSC) section 34179.7, we are pleased to inform you that Finance has verified that the Agency has made full payment of the amounts determined under HSC section 34179.6, subdivisions (d) or (e) and HSC section 34183.5.

This letter serves as notification that a Finding of Completion has been granted. The Agency may now do the following:

- Place loan agreements between the former redevelopment agency and sponsoring entity on the ROPS, as an enforceable obligation, provided the oversight board makes a finding that the loan was for legitimate redevelopment purposes per HSC section 34191.4 (b) (1). Loan repayments will be governed by criteria in HSC section 34191.4 (a) (2).
- Utilize proceeds derived from bonds issued prior to January 1, 2011 in a manner consistent with the original bond covenants per HSC section 34191.4 (c).

Additionally, the Agency is required to submit a Long-Range Property Management Plan to Finance for review and approval, per HSC section 34191.5 (b), within six months from the date of this letter.

Please direct inquiries to Andrea Scharffer, Staff Finance Budget Analyst, or Chris Hill, Principal Program Budget Analyst, at (916) 445-1546.

Sincerely,

STEVE SZALAY
Local Government Consultant

cc: Ms. Linda Babonis, Economic Manager, City of Rohnert Park
Mr. Erick Roeser, Property Tax Manager, Sonoma County
California State Controller's Office

Exhibit C

Project Payment Agreement and Related Resolutions

RESOLUTION NO. 88-10

RESOLUTION OF THE COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF ROHNERT PARK APPROVING THE FINAL
FORM OF A CERTAIN PROJECT PAYMENT AGREEMENT AND
AUTHORIZING EXECUTION THEREOF

WHEREAS, the Community Development Agency of the City of Rohnert Park (the "Agency"), is a redevelopment agency, a public body, corporate and politic of the State of California, organized and existing pursuant to the Community Redevelopment Law (Part 1 of Division 24 (commencing with Section 33000) of the Health and Safety Code of the State of California) (the "Act"); and

WHEREAS, the City of Rohnert Park, California (the "City"), a municipal corporation and a general law city, duly created and existing pursuant to the Constitution and the laws of the State of California (the "City"), has previously undertaken actions preparatory to the incurring of certain obligations in connection with certain public improvements (collectively herein, the "Project") located both within and without the redevelopment project area of the Agency known as the Rohnert Park Redevelopment Project as further described in Exhibit "A" attached hereto; and

WHEREAS, pursuant to Section 33445 of the Act, the Agency may, with the consent of the City Council, pay all or a part of the costs of the installation and construction of any building, facility, structure or other improvement which is publicly owned either within or without the boundaries of a redevelopment project area if the City Council determines: (1) that such buildings, facilities, structures or other improvements are of a benefit to the Project Area or the immediate neighborhood in which the project is located, regardless of whether such improvement is within another project area in the case of a project area in which essentially all the land is publicly owned that such improvement is of benefit to an adjacent project area of the Agency, and (2) that no other reasonable means of financing such buildings, facilities, structures or other improvements, are available to the community, and such determination by the Agency and the City Council shall be final and conclusive; and

WHEREAS, by adoption of its Resolution No. 87-12 on July 7, 1987, the Agency has found and determined that the Project is located both within and without the Project Area and benefits the Project Area and benefits other neighborhoods and areas in the City by virtue of the improved community services which shall be provided as a result of said Project and by adoption of its Resolution No. 87-101 on July 7, 1987, the City Council has found and determined that no other reasonable means of financing the

construction of the Project are presently available to the City except as may be provided pursuant to the issuance of tax-exempt obligations of the Agency; and

WHEREAS, on June 8, 1988, the Agency issued the \$12,000,000 Community Development Agency of the City of Rohnert Park, California, Rohnert Park Redevelopment Project, Tax Allocation Bonds, Issue of 1988 (the "Bonds"); and

WHEREAS, the Agency has deemed it desirable to proceed with the construction and installation of the Project pursuant to a Project Payment Agreement by and between the City and the Agency (the "Project Payment Agreement"); and

WHEREAS, the Agency proposes to approve the form of the proposed Project Payment Agreement; and

WHEREAS, it is appropriate at this time for the Agency to make certain findings and take certain action with respect to the installation and construction of the Project.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF ROHNERT PARK AS FOLLOWS:

Section 1. The Agency hereby authorizes the form of and approves the execution of the Project Payment Agreement by and between the Agency and the City for the construction and installation of the Project substantially in the form as on file with the Agency Secretary.

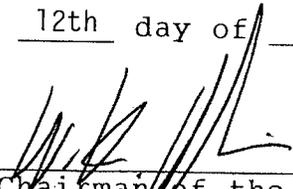
Section 2. The Agency further authorizes the execution of the final form of such documents when the same shall be presented for execution by the Chairman, the Agency Secretary, or such other appropriate Agency officials, subject to such changes, additions or deletions as may be approved by the Executive Director and recommended by Sabo & Deitsch, a Professional Corporation, as Special Counsel to the Agency. The execution thereof by the Chairman, Agency Secretary, the Executive Director or such other appropriate Agency official shall be deemed to be conclusive as to the approval thereof by and on behalf of the Agency.

Section 3. By adoption of its Resolution No. 87-12 pursuant to Section 33445 of the Act, the Agency has consented and agreed to the payment by the Agency of all or part of the value of costs of the installation and construction of the Project with a portion of the proceeds of the Bonds, future tax-exempt obligations authorized and issued by the Agency and other funds available to the Agency pursuant to the Project Payment Agreement.

Section 4. The Agency Secretary is hereby authorized and directed to cause this Resolution to be transmitted to the City Council for consideration in connection with appropriate action by that body.

Section 5. This Resolution shall take effect upon adoption.

ADOPTED AND APPROVED this 12th day of July, 1988.



Chairman of the Community
Development Agency of the City
of Rohnert Park, California

(SEAL)

ATTEST:


Lorraine Roberts
Secretary of the Community
Development Agency of the City
of Rohnert Park, California

STATE OF CALIFORNIA)
 COUNTY OF SONOMA) ss.
 CITY OF ROHNERT PARK)

I, Lorraine Roberts, Deputy, Secretary of the Community Development Agency of the City of Rohnert Park do hereby certify that the foregoing resolution was regularly introduced and adopted by the Community Development Agency of the City of Rohnert Park at a regular meeting thereof, held on the 12th day of July, 1988, by the following vote of the Community Development Agency of the City of Rohnert Park:

AYES:	(5)	Members	<u>Cochran, Eck, Hollingsworth, Lepinski and Hopkins</u>
NOES:	(0)	Members	<u>None</u>
ABSENT:	(0)	Members	<u>None</u>
ABSTAIN:	(0)	Members	<u>None</u>

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Community Development Agency of the City of Rohnert Park this 12th day of July, 1988.

By: Lorraine Roberts, Deputy
 Secretary of the Community Development Agency of the City of Rohnert Park



(SEAL)

EXHIBIT "A"

(Description of Project)

All capitalized terms not defined herein shall have the same meaning as in Resolution No. 88-05 of the Agency, adopted on May 24, 1988, as amended (the "Resolution of Issuance").

1. Except for the use of certain improvements financed from amounts on deposit in the Low and Moderate Income Housing Account of the Redevelopment Fund, no Private Business Use of the Project other than use of the Project by members of the public generally is expected.

2. The Project consists of the acquisition and/or construction of public improvements as listed in Schedule 1 attached hereto.

Schedule 1

1. The Redevelopment Plan contemplates the installation or construction of certain public improvements, structures, facilities and buildings either inside or outside and of benefit to the redevelopment project area of the Agency known as the Rohnert Park Community Development Project (the "Project Area"). Amounts on deposit in the Projects Account of the Redevelopment Fund shall finance the public improvements to be constructed pursuant to the Redevelopment Plan and shall include, but not be limited to, the following:

(a) Public street improvements, including all appurtenances and appurtenant work pertaining or related thereto, and all necessary or required work and attendant facilities, structures and rights-of-way with respect to construction, extension, reconstruction, realignment and improvements including paving, repaving, widening, sidewalks and all curbs, gutters and parkway landscaping, and public street lighting including, without limitation, said improvements in the following areas within the Project Area or outside and of benefit to the Project Area:

(i) Construct road from Golf Course Drive adjacent to the freeway right-of-way to South Santa Rosa Avenue.

(ii) Extend Rohnert Park Expressway westerly to Stony Point Road, and construct a new two lane road from its present terminus at the Rancho Verde Mobile Home Park to provide a connection to State Route 116.

(iii) Develop a community parking lot at the corner of State Farm Avenue and Commerce Boulevard.

(iv) Construct new two lane road ("Seed Farm Drive") on existing right-of-way connecting Rohnert Park Expressway and Enterprise Drive along extension of State Farm Drive to provide a direct connector to the Expressway.

(v) Widen Redwood Drive, Route 101 frontage road, to provide a full four lane facility from Rohnert Park Expressway to Wilfred Avenue.

(vi) Purchase right-of-way as the local share of the first phase of a State Highway interchange improvement at State Route 101 and Wilfred Avenue. The purchase of right-of-way is necessary to change the alignment of the frontage road at this interchange. The project is scheduled in conjunction with the improvement of the on and off ramps to the highway.

(vii) Installation of twenty traffic signals throughout the development area as per the Rohnert Park signalization plan.

(viii) Reconstruct, repave, or patch and seal all streets in the Project Area and any other in the City which provide benefit to the Project Area.

(ix) Underground existing overhead utilities within the Project Area.

(b) Construction, acquisition, installation and extension of civic improvements and community facilities, including municipal buildings, appurtenant structures and improvements, including rights-of-way necessary or convenient therefor within the Project Area or outside and of benefit to the Project Area in the following areas:

(i) Construct a new public safety station on City owned land adjacent to existing waste water pumping station on Redwood Drive on the City's westside and/or on City Hall Drive.

(ii) Design and construct community theater on City owned property at the Community Center site at the intersection of Rohnert Park Expressway and Snyder Lane.

(iii) Construct community swim complex at the Community Center site at Rohnert Park and Snyder Lane.

(iv) Develop a neighborhood gym and community use building on Rohnert Park Jr. High School site on property leased from the school district.

(v) Construct a parking lot to serve El Colegio Park on Southwest Boulevard.

(vi) Renovate Alicia Park lighting.

(vii) Construct a new City Hall complex and office building adjacent to Rohnert Park Expressway and City Hall Drive. Objective is to develop private-public partnership in office space development.

(viii) Construct community center buildings at three neighborhood parks within the City.

(ix) Install field lighting at two City parks, to wit, El Colegio Park, Paul and Gloria Golis Park and another at Grandview Way.

(x) Develop Paul and Gloria Golis Park at Grandview Way and Golf Course Drive, and another neighborhood city park on Hudis Street adjacent to Marguerita Hahn School.

(xi) Construct a Senior Center at a location yet to be determined.

(xii) Construct a new public safety station on City owned property on Carnation Avenue adjacent to redevelopment area 2.

(c) Acquisition, construction, improvement and extension of water mains and storage facilities and the extension and construction of local water lines including, but not limited to, the acquisition of rights-of-way necessary or convenient therefor, to provide water service to the following areas either within the Project Area or outside and of benefit to the Project Area:

(i) Construct water main in Hinebaugh Creek from the County aqueduct at railroad to Snyder Lane.

(ii) Construct water main in Hinebaugh Creek from the County aqueduct at railroad to Labath Avenue.

2. Amounts on deposit in the Low and Moderate Income Housing Account of the Redevelopment Fund shall be used to assist the development of affordable housing both (i) within the Project Area and (ii) without the Project Area if such development is found to be of benefit to the Project Area. Assuming that no amounts on deposit in the Escrow Fund are deposited in the Redevelopment Fund, the Agency shall assure that the total cost of the project(s) (i) financed with amounts on deposit in the Low and Moderate Income Housing Account and (ii) put to Private Business Uses shall be limited to five percent (5%) of [the net proceeds of the Bonds minus the principal amount of the Bonds to be redeemed on December 1, 1991], an amount presently estimated to be \$401,000. Assuming that the entire amount on deposit in the Escrow Fund is deposited in the Redevelopment Fund, the Agency shall assure that the total cost of the project(s) (i) financed with amounts on deposit in the Low and Moderate Income Housing Account and (ii) put to Private Business Uses shall be limited to five percent (5%) of the Net Proceeds of the Bonds, an amount presently estimated to be \$588,000. Such assistance shall include the following:

(a) payment of costs, including, but not limited to, construction costs in connection with increasing and improving housing; and

(b) loans for home improvement costs.

PROJECT PAYMENT AGREEMENT

\$12,000,000
COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF ROHNERT PARK, CALIFORNIA
ROHNERT PARK REDEVELOPMENT PROJECT
TAX ALLOCATION BONDS
ISSUE OF 1988

This Project Payment Agreement is entered into this twelfth (12th) day of July 1988, by and between the Community Development Agency of the City of Rohnert Park (the "Agency"), a redevelopment agency, being a public body, corporate and politic, duly organized and existing under the laws of the State of California, and the City of Rohnert Park, California (the "City"), a municipal corporation, duly organized and existing under the Constitution and laws of the State of California.

RECITALS

A. The Agency is a redevelopment agency duly created, established and authorized to transact business and exercise its powers, all under and pursuant to the California Community Redevelopment Law (Part 1 of Division 24 of the Health and Safety Code of the State of California) (the "Act").

B. A Redevelopment Plan for the redevelopment project area known and designated as the "Rohnert Park Redevelopment Project" (the "Project Area") has been considered and approved by the City and the Agency. In accordance with and to implement said Redevelopment Plan and for purposes of implementing redevelopment activities of the Agency benefiting the Project Area, the Agency shall enter into this Project Payment Agreement with the City for the construction and installation of certain projects both within and without the Project Area (collectively herein, the "Project"). In order to finance the construction and installation of the Project, the Agency has issued the \$12,000,000 Community Development Agency of the City of Rohnert Park, California, Rohnert Park Redevelopment Project, Tax Allocation Bonds, Issue of 1988 (the "Bonds").

C. The Agency and the City Council of the City each have determined by resolution pursuant to Section 33445 of the Health and Safety Code that the construction of the Project shall be of benefit to the Project Area and is for the purpose of redevelopment and shall be located both within and without the Project Area, the

implementation of which is permitted under the circumstances as herein recited. The Agency intends to repay debt service on the Bonds with funds generally available to the Agency or with tax increment revenues of the Agency generally or with tax increment revenues to be received from the Project Area. The Agency and the City have found and determined that there are no other reasonable means of financing the construction of the Project.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and conditions set forth herein, the parties hereto agree to as follows:

Section 1. Appointment of City. Agency appoints City as its agent to carry out all phases of the supervision, construction and acquisition of the Project and City, as agent of Agency, assumes all rights, duties, responsibilities and liabilities of Agency regarding supervision, construction and acquisition of the Project, except as limited herein.

Section 2. Authority of Agency. Agency retains authority to approve the means whereby the Project, and all phases thereof, will be accomplished. In that regard, City shall give notice to Agency of its intention to:

(a) Enter into any contract or agreement under Section 3(a);

(b) Change the Project or any component thereof described in Section 3(b);

(c) Supervise construction of the Project and/or purchase or install any personal property therefor as described in Section 3(c); and

(d) Approve plans and specifications for the Project and any changes thereto, as described in Section 3(f) hereof.

Upon receipt of such notice, the Agency shall have ten (10) business days in which to approve the action to be taken by City as described in the notice, or to request City to furnish copies of the documents referred to in the notice in order that Agency may approve or disapprove in writing such proposed action by City. Failure of Agency to request such documents or approve such action by the City within the ten (10) day period shall be deemed approval of the proposed action.

Section 3. Authority of Agent; Construction and Acquisition of Project.

(a) Contracts and Payments. City, as agent of Agency, and upon compliance with Section 2, may enter into any purchase order,

construction management agreement, architecture or engineering contract or construction contract required for the construction and completion of the Project upon being assured that moneys sufficient for the payment thereof are then with the Agency. The Agency shall pay all amounts due for construction and installation of the Project from the proceeds of the Bonds, future tax-exempt obligations authorized and issued by the Agency and any other funds available to the Agency.

(b) Project Description. City, as agent of Agency, and upon compliance with Section 2, shall have the right to make any changes in the description of the Project or of any component thereof whenever City deems such changes to be necessary and appropriate.

(c) Supervision of Construction and Installation. City, as agent of Agency, and upon compliance with Section 2, shall have sole responsibility for and shall supervise construction of the Project and the purchase and installation of any personal property constituting a part of the Project. City shall monitor the performance by any manager and by any construction contractors to the extent City deems appropriate. City shall permit Agency or its assignee to inspect construction at all reasonable times which are deemed appropriate by Agency or its assignee.

(d) Enforcement of Contract. Agency assigns to City all rights and powers to enforce in its own name, as agent, or the name of Agency such purchase orders or contracts as are required for construction, purchase and completion of the Project which enforcement may be at law or in equity; provided that the assignment made by Agency shall not prevent Agency or its assignee from asserting such rights and powers in its own behalf.

(e) Inspection of Records. Agency shall have the right to inspect periodically the books and records of City relating to construction of the Project and City shall permit Agency to make such inspections at all reasonable times as City shall deem appropriate.

(f) Plans and Specifications. City agrees that it will assure that the Project will be acquired, constructed and installed in accordance with final plans and specifications approved by the City. No changes or modifications which required an amendment to a pre-existing building permit shall be made in or to the final plans and specifications unless such changes or modifications are approved in writing by the City.

(g) Prevailing Wages. Each contract entered into between City, as the agent for Agency, and any contractor shall provide that such contractor shall pay not less than the general prevailing rate of wages as determined in accordance with Sections 1770, et seq., of the Labor Code.

(h) Nondiscrimination. Each contract entered into between City, as the agent for Agency, and any contractor shall provide that such contractor shall not discriminate against any other contractor or any employee or applicant for employment because of the race, religious creed, color, national origin or sex of such person, unless based upon a bona fide occupational qualification. In addition, in determining contractors or in employing persons for the purposes of construction or construction management, City shall not discriminate on the basis of race, religious creed, color, national origin, or sex of such person, unless based upon a bona fide occupational qualification.

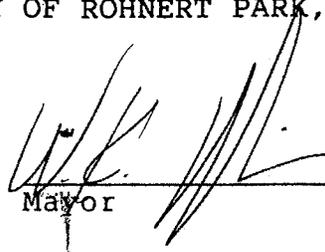
(i) Performance Security. Each contractor hired by City, on behalf of Agency, shall be required to provide payment and performance bonds in amounts equal to the maximum price under the contracts. In addition, each contractor shall be required to provide an appropriate bond which guarantees workmanship and materials for a period of one (1) year after completion of the contract. In all such bonds, Agency shall be named as a co-insured party.

IN WITNESS WHEREOF, the Agency and the City have executed this Agreement as of the date first set forth herein above.

CITY OF ROHNERT PARK, CALIFORNIA

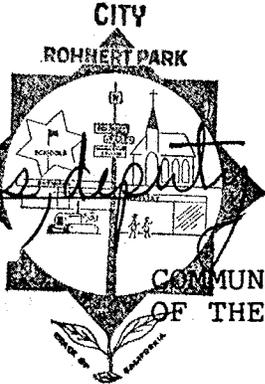
By: _____

Mayor



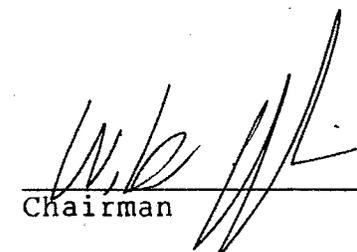
ATTEST:

Lorraine Roberts
City Clerk



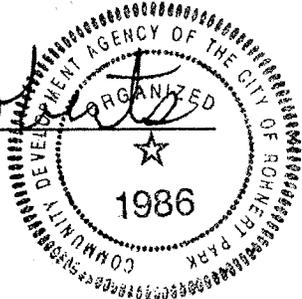
By: _____

Chairman



ATTEST:

Lorraine Roberts
Agency Secretary



/0227R

RESOLUTION NO. 87-12

RESOLUTION OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF ROHNERT PARK, CALIFORNIA /APPROVING THE REDEVELOPMENT PLAN FOR THE ROHNERT PARK COMMUNITY DEVELOPMENT PROJECT AND THE REDEVELOPMENT PLAN REPORT; CERTIFYING THE ENVIRONMENTAL IMPACT REPORT FOR THE ROHNERT PARK COMMUNITY DEVELOPMENT PROJECT AND MAKING CERTAIN RECOMMENDATIONS WITH RESPECT TO LOW AND MODERATE INCOME HOUSING

WHEREAS, the Community Development Agency of the City of Rohnert Park, California (the "Agency") has prepared the Redevelopment Plan (the "Redevelopment Plan") for the Rohnert Park Community Development Project (the "Project") which will be subject to adoption by appropriate Ordinance of the City of Rohnert Park, California (the "City"); and

WHEREAS, certain findings may be made by the Agency and the City Council of the City (the "City Council") pursuant to Health and Safety Code Section 33334.2 with regard to low and moderate income housing needs within the City; and

WHEREAS, the Agency has prepared a Redevelopment Plan Report and an Assessment of Conditions Report in connection with its consideration of the Redevelopment Plan which documents have been assembled and included in the Rohnert Park Community Development Project Public Hearing Document Binder (the "Public Hearing Document Binder") which has been submitted to the Agency and is on file with the Agency Secretary; and

WHEREAS, the Agency has previously caused to be prepared certain environmental documentation pertinent to the proposed Redevelopment Plan in accordance with the California Environmental Quality Act of 1970, as amended ("CEQA"), in connection with the adoption of the Redevelopment Plan, including the Final Comments and Responses to the Environmental Impact Report for the Rohnert Park Community Development Project (the "EIR"); and

WHEREAS, pursuant to public notice duly given, the Agency and the City Council have held a full and fair joint public hearing on July 7, 1987, concerning the Redevelopment Plan and the EIR and have considered all written and oral comments and testimony relating thereto and are fully advised thereon.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF ROHNERT PARK AS FOLLOWS:

Section 1. A full and fair public hearing having been held on the Redevelopment Plan, as stated in the recitals herein, the Agency, having considered all oral and written comments and testimony relating thereto and being fully advised thereon, hereby approves Redevelopment Plan, as included in the Public Hearing Document Binder, as on file with the Agency Secretary and by this reference incorporated herein.

Section 2. The public improvements to be constructed or financed pursuant to the Redevelopment Plan are as follows: acquisition, construction and improvement, including all appurtenances and appurtenant work pertaining to or related thereto, and all necessary or required work and attendant facilities and structures to be installed and constructed as public improvements and public utilities either within or outside the project area of the Rohnert Park Community Development Project (the "Project Area"), and such public improvements include, but are not limited to, overpasses or underpasses, bridges, streets, curbs, gutters, sidewalks, street lights, sewers, storm drains, traffic signals, electrical distribution systems, flood control facilities, natural gas distribution systems, water supply and distribution systems, buildings, parks, off-street parking, plazas, playgrounds, landscaped areas, and any other public building, facility, structure or improvement, in the Project Area as more fully described in the Redevelopment Plan.

Section 3. The Agency has considered the following methods of financing the necessary public improvements as further detailed by the Agency Staff in the Preliminary Report as included in the Public Hearing Document Binder as on file with the Agency Secretary and incorporated herein by this reference:

1. Federal and State assistance programs;
2. General revenue financing;
3. General obligation bond issues;
4. Joint powers agreements with the Agency, the City and/or a nonprofit corporation;
5. General fund appropriations from the City of Rohnert Park;
6. User fees;
7. Developer participation through public-private negotiations;

8. A nonprofit corporation acting on behalf of the City of Rohnert Park and sale and lease-back financing;
9. Assessment district financings;
10. Development fees;
11. Tax allocation bonds or other legal means of financing the improvements available to the Agency; and
12. Sales tax revenues.

The Agency hereby requests the City Council to concur in the findings and determinations as set forth in said Preliminary Report and adopt an appropriate resolution pursuant to Health and Safety Code Section 33445.

Section 4. The Agency hereby finds that it may seek to pay all costs of the value of land and the cost of the installation and construction of any facility, structure or other improvement as specified in the Redevelopment Plan which is publicly owned either inside or outside the Project for the following reasons:

(a) that such facilities, structures or other improvements as specified in the Redevelopment Plan are of benefit to the Project Area; and

(b) that no other reasonable means of financing such public facilities, structures or other improvements as specified in the Redevelopment Plan are available to the City other than to permit the Agency to construct or finance said public improvements in whole or in part with the proceeds of bonds which may be issued from time to time by the Agency or with the pledge or other use of tax increment revenues or others revenues that are available to the Agency for such purposes.

Section 5. The Agency finds and determines that notwithstanding the efforts of the City to meet low and moderate income housing needs within the City, a need exists to provide additional housing through the use of available tax increment moneys attributable to the Project Area. The use of tax increment moneys pursuant to this Section 5 is intended for the purposes of increasing and improving the community's supply of low and moderate income housing available at affordable housing costs either within or outside the Project Area pursuant to Health and Safety Code Section 33334.2.

The Agency hereby recommends to the City Council that pursuant to Health and Safety Code Section 33334.2(g) the provision of low and moderate income housing either inside or outside the Project Area will be of benefit to the Project Area, and the City Council is hereby requested to make such findings as deemed appropriate pursuant to said Section.

Section 6. The Agency hereby accepts for filing the Public Hearing Document Binder and approves the Redevelopment Plan Report (the "Report") for the Redevelopment Plan prepared pursuant to Health and Safety Code Section 33352, as included in said document binder which is incorporated herein by this reference, and the Agency requests the Council to review the Report and take such further action as is deemed appropriate.

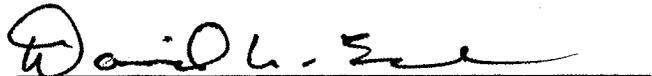
Section 7. A full and fair public hearing having been held on the EIR as stated in the recitals herein, the Agency hereby approves and certifies the EIR, as presented at the joint public hearing and as on file with the Agency Secretary and incorporated herein by this reference, and the Agency certifies that the EIR has been completed in compliance with CEQA and that the EIR has been reviewed and considered by the Agency prior to and for the purpose of determining whether to approve the Redevelopment Plan. The Agency hereby finds that the adoption and implementation of the Redevelopment Plan will or may cause certain significant environmental effects in the areas of hydrology and drainage; air resources; noise; sewage; vehicle traffic circulation; and relocation of persons and/or businesses.

The Agency further finds that changes or alterations have been required in or incorporated into, the Redevelopment Plan, or mitigation measures have been adopted, which avoid or substantially lessen the significant environmental effects as identified in the EIR. The Redevelopment Plan is itself a measure for providing for the mitigation of adverse environmental effects which may otherwise be associated with existing conditions within the Project Area or such development which may occur within the Project Area without redevelopment assistance.

As a result of the foregoing, including the mitigation measures set forth in the EIR, the Commission hereby determines that the implementation of the Redevelopment Plan will not have a significant effect on the environment in view of the elimination or substantial reduction of possible environmental effects, as otherwise set forth in the EIR. To the extent that there are any remaining significant effects upon the environment, the Commission hereby determines such effects are unavoidable and acceptable because the benefits of the adoption and implementation of the Redevelopment Plan outweigh any such adverse environmental effects, in that the redevelopment of the Project Area and the elimination of blight therein pursuant to Health and Safety Code Section 33000, et seq., will generally create a better living and working environment for the Project Area and the community.

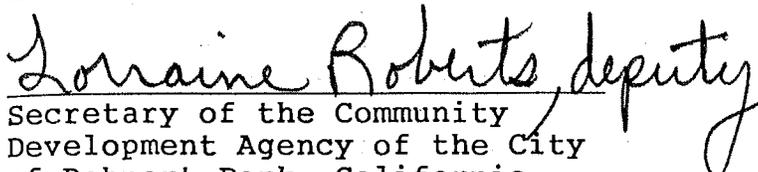
Section 8. This Resolution shall take effect upon adoption.

ADOPTED AND APPROVED this 7th day of July, 1987.


Chairman of the Community
Development Agency of the City
of Rohnert Park, California

(SEAL)

ATTEST:


Secretary of the Community
Development Agency of the City
of Rohnert Park, California

STATE OF CALIFORNIA)
COUNTY OF SONOMA) ss.
CITY OF ROHNERT PARK)

I, Lorraine Roberts, Deputy, Secretary of the Community Development Agency of the City of Rohnert Park do hereby certify that the foregoing resolution was regularly introduced and adopted by the Community Development Agency of the City of Rohnert Park at a regular meeting thereof, held on the 7th day of July, 1987, by the following vote of the Community Development Agency of the City of Rohnert Park:

AYES: (5) Members Cochran, Hollingsworth, Hopkins, Lepinski, Eck

NOES: (0) None Members _____
ABSENT: (0) None Members _____
ABSTAIN: (0) None Members _____

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Community Development Agency of the City of Rohnert Park this 7th day of July, 1987.

By: Lorraine Roberts, deputy
Secretary of the Community
Development Agency of the City
of Rohnert Park

(SEAL)

/0061R

RESOLUTION NO. 87-101

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROHNERT PARK, CALIFORNIA, CONSENTING TO PAYMENT BY THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF ROHNERT PARK, CALIFORNIA FOR CERTAIN PUBLIC IMPROVEMENTS PURSUANT TO HEALTH AND SAFETY CODE SECTION 33445 AND MAKING CERTAIN DETERMINATIONS CONCERNING SUCH IMPROVEMENTS INCLUDING MAKING FINDINGS WITH RESPECT TO LOW AND MODERATE INCOME HOUSING

WHEREAS, the Community Development Agency of the City of Rohnert Park, California (the "Agency") has caused the Redevelopment Plan for the Rohnert Park Community Development Project (the "Redevelopment Plan") to be prepared which shall be considered for approval by appropriate Ordinance of the City Council of the City of Rohnert Park (the "City Council"); and

WHEREAS, the City Council and the Agency have held a full and fair joint public hearing on the adoption of the Redevelopment Plan on July 7, 1987, pursuant to proper notice having duly been given; and

WHEREAS, the City Council and the Agency have given due consideration to all written and oral statements introduced into evidence at such public hearing; and

WHEREAS, the Redevelopment Plan contemplates the installation or construction of certain public improvements, structures, facilities and buildings either inside or outside and of benefit to the redevelopment project area of the Rohnert Park Community Development Project (the "Project Area"). The public improvements to be constructed pursuant to the Redevelopment Plan include the following:

(a) Public street improvements, including all appurtenances and appurtenant work pertaining or related thereto, and all necessary or required work and attendant facilities, structures and rights-of-way with respect to construction, extension, reconstruction, realignment and improvements including paving, repaving, widening, sidewalks and all curbs, gutters and parkway landscaping, and public street lighting including, without limitation, said improvements in the following areas within the Project Area or outside and of benefit to the Project Area:

Construct a new two lane overcrossing over State Highway 101 from State Farm Drive to Business Park Drive approximately one half mile north of the Rohnert Park Expressway intersection with Route 101.

Widen Redwood Drive, Route 101 frontage road, to provide a full four lane facility from Rohnert Park Expressway to Wilfred Avenue.

Construct new two lane road on existing right-of-way connecting Rohnert Park Expressway and Enterprise Drive along extension of State Farm Drive to provide a direct connector to the Expressway.

Extend Rohnert Park Expressway westerly to Stony Point Road, and construct a new two lane road from its present terminus at the Rancho Verde Mobile Home Park to provide a connection to State Route 116.

Purchase right-of-way as the local share of the first phase of a State Highway interchange improvement at State Route 101 and Wilfred Avenue. The purchase of right-of-way is necessary to change the alignment of the frontage road at this interchange.

The project is scheduled in conjunction with the improvement of the on and off ramps to the highway.

Installation of twenty traffic signals throughout the development area as per the Rohnert Park signalization plan.

Construct a new pedestrian crossing over Highway 101 in the vicinity of Copeland Creek approximately 2,000 feet south of the Rohnert Park Expressway Interchange on Route 101.

Reconstruct, repave, or patch and seal all streets in the Project Area and any other in the City which provide benefit to the Project Area.

Construct road from Golf Course Drive adjacent to the freeway right-of-way to South Santa Rosa Avenue.

Develop a commuter parking lot in the vicinity of Golf Course Drive and the railroad.

Develop a community parking lot at the corner of State Farm Avenue and Commerce Boulevard.

Construction of two additional overcrossing lanes and a double cloverleaf at Rohnert Park Expressway and Route 101 interchange.

Widen Snyder Lane from two lanes to four lanes from East Cotati Avenue to Golf Course Drive.

Widen East Cotati Avenue to four lanes from west City Limits to Snyder Lane.

Underground existing overhead utilities within the Project Area.

Extend Santa Rosa Avenue as a two lane facility to connect to Golf Course Drive as an eastern side frontage road to Route 101. This completes the parallel links to Route 101.

Continue to expand the transit system, particularly to major employment centers.

Encourage the use and continued development of the bikeway system in the City particularly as it relates to new employment centers.

Develop and implement a signal coordination plan for the Rohnert Park Expressway and other major arterials in the Project Area.

Other circulation improvements identified in the Circulation Element.

(b) Acquisition, construction, installation and improvement of waste water treatment facilities, and sewer lines and laterals and the extension and construction of local sewers, including the acquisition of rights-of-way necessary or convenient therefor, to provide sewer service to the following areas either within the Project Area or outside and of benefit to the Project Area:

Purchase waste water treatment capacity from City of Santa Rosa treatment and disposal system. It is anticipated that Rohnert Park will participate in the cost of major improvements to the treatment and disposal system.

Upgrade pumping facilities at Rohnert Park sewer pumping station and the sewer line to the Santa Rosa City waste water treatment plant.

Other sewer improvements identified in the Sewer Master Plan.

(c) Construction, acquisition, installation and extension of civic improvements and community facilities, including municipal buildings, appurtenant structures and improvements, including right-of-ways necessary or convenient therefor within the Project Area or outside and of benefit to the Project Area in the following areas:

Enlarge the City corporation yard in order to provide additional storage area for community solid waste disposal.

Construct a new City Hall complex and office building adjacent to Rohnert Park Expressway and City Hall Drive. Objective is to develop private-public partnership in office space development.

Assist in the construction of new hospital or other health service facilities on City provided property on Medical Center Drive. A public-private partnership with Santa Rosa Memorial Hospital is anticipated.

Construct a new public safety station on City owned property on Carnation Avenue adjacent to redevelopment area 2.

Construct a new public safety station on City owned land adjacent to existing waste water pumping station on Redwood Drive on the City's westside and/or on City Hall Drive.

Enlarge existing or construct new main fire and police station on Southwest Boulevard.

Construct community theater on City owned property at the Community Center site at the intersection of Rohnert Park Expressway and Snyder Lane.

Construct community swim complex at the Community Center site at Rohnert Park and Snyder Lane.

Construct community center buildings at three neighborhood parks within the City.

Develop a new neighborhood park on City land on Carnation Avenue.

Install field lighting at two City parks, to wit, El Colegio Park, Paul and Gloria Golis Park and another at Grandview Way.

Construct a Senior Center at a location yet to be determined.

Develop Paul and Gloria Golis Park at Grandview Way and Golf Course Drive, and another neighborhood city park on Hudis Street adjacent to Marguerita Hahn School.

Install field lighting on school grounds which per agreement between City and school district are made available to City for non-educational related uses, to wit, at Marguerita Hahn Elementary School, Gold Ridge School and Rancho Cotati High School.

Construct a parking lot to serve El Colegio Park on Southwest Boulevard.

Install spectator stands and related facilities at City parks and school playing fields throughout the City.

Renovate Roberts Lake by installing bank stabilization, fish habitat facilities, fishing pier, and other improvements.

Develop a commercial/industrial park or additional recreation facilities on City owned land between Labeth Avenue and Redwood Drive, north of Hinebaugh Creek.

Refurbish, renovate and modify Benecia Park and the Benecia Park Recreation Building.

Develop City owned and privately owned land between Golf Course Drive and Roberts Lake into a coordinated commercial development.

Develop a multi-use/teen center at/adjacent to Waldo Rohnert Elementary School.

Develop a multi-use/teen center at/adjacent to John Reed Elementary School.

Renovate Alicia Park lighting.

Develop a neighborhood gym and community use building on Rohnert Park Jr. High School site on property leased from the school district.

(d) Acquisition, construction, improvement and extension of water mains and storage facilities and the extension and construction of local water lines including, but not limited to, the acquisition of rights-of-way necessary or convenient therefor, to provide water service to the following areas either within the Project Area or outside and of benefit to the Project Area:

Construct two new water storage tanks, one 500,000 gallon tank and another 300,000 gallon tank to provide a reservoir for community water.

Construct 10 new wells throughout the development area. Purchase additional entitlement for water from Sonoma County Water Agency.

Construct water main in Hinebaugh Creek from the County aqueduct at railroad to Snyder Lane.

Construct water main in Hinebaugh Creek from the County aqueduct at railroad to Labath Avenue.

Other water improvements identified in the Water Master Plan.

Any work of grading, clearing, demolition, or construction undertaken by the Agency shall be done by contract after competitive bids if the cost of such work exceeds the amount specified in Part 3, Chapter I, Article 4, of the Public Contracts Code, as said Code presently exists or may be hereafter amended. The Agency shall maintain a listing of all contractors located within the Project

Area who have expressed a desire to be specifically notified of any proposed competitive bid opportunity to be undertaken by the Agency for the work of grading, clearing, demolition or the construction or installation of improvements within the Project Area, and the Agency, in addition to any and all other notices required by the laws of the state, shall mail a notice to such contractors at least ten (10) days prior to the date fixed for the receipt of bids. With respect to work of grading, clearing, demolition, or construction, which is not in excess of such amount, the Agency may, in accordance with Health and Safety Code Section 33422, contract the work without competitive bids, and in contracting such work may give priority to the residents of the Project Area and to persons displaced from the Project Area as a result of redevelopment activities to the extent such proposals from such residents and persons do not exceed by more than five percent (5%) the dollar amount estimated by the City Engineer to be the customary and reasonable costs for such work or construction.

WHEREAS, the Planning Commission of the City of Rohnert Park has determined on June 25, 1987, that the location, purpose and extent of the public improvements identified above are consistent with the General Plan; and

WHEREAS, the City Council has considered the following alternative means of financing the necessary public improvements:

1. Federal and State Assistance Programs;
2. General revenue financing;
3. General obligation bond issues;
4. Joint Powers Agreements with the Agency, the City and/or a nonprofit corporation;
5. General fund appropriations from the City of Rohnert Park;
6. User Fees;
7. Developer participation through public-private negotiations;
8. A nonprofit corporation acting on behalf of the City of Rohnert Park and sale and lease back financing;
9. Assessment District Financings;
10. Development Fees;
11. Tax allocation bonds or other legal means of financing the improvements available to the Agency; and

12. Sales tax revenues as may be authorized pursuant to Revenue and Taxation Code Section 7202.6.

WHEREAS, Health and Safety Code Section 33445 authorizes a redevelopment agency to pay all or part of the value of the land for and installation and construction of certain public improvements, structures, facilities and buildings provided the City Council makes certain determinations; and

WHEREAS, Health and Safety Code Section 33334.2 requires that a certain percentage of all tax increment revenues available to the Agency and attributable to the property tax rate levied within the Project Area shall be utilized to further the efforts of the City as to providing low- and moderate-income housing; and

WHEREAS, said Section 33334.2 further provides that such housing may be provided outside of said Project Area upon certain findings being made.

NOW, THEREFORE, the City Council of the City of Rohnert Park, California, finds, determines and orders as follows:

Section 1. That the publicly owned facilities, structures or other improvements as specified in the recitals hereinabove are of benefit to the Project Area.

Section 2. That no other reasonable means of financing said public improvements are available to the City of Rohnert Park other than to permit the Agency to construct said public improvements in whole or in part with the proceeds of tax allocation bonds which may be issued from time to time by the Agency or with the pledge or other use of tax increment revenues that are available to the Agency for such purposes.

Section 3. That the Agency may pay all the costs of the value of land and the cost of the installation and construction for the public improvements specified in the recitals hereinabove which are publicly owned and located outside the Project Area for the following reasons:

1. that such public improvements are of benefit to the Project Area; and
2. that no other reasonable means of financing such public improvements are available to the City of Rohnert Park other than to permit the Agency to construct said public improvements in whole or in part with the proceeds of tax allocation bonds which may be issued from time to time by the Agency or with the pledge or other use of tax increment revenues that are available to the Agency for such purposes.

Section 4. That, pursuant to Health and Safety Code Section 33334.2, the City Council hereby finds and determines that

twenty percent (20%) of all tax increment revenues which are allocated to the Agency pursuant to Health and Safety Code Section 33670 for the Project Area shall be utilized by the Agency to acquire, construct or install or cause to be acquired, constructed or installed, all necessary public infrastructure items and components and the other items as provided by Health and Safety Code Section 33334.2 together with such other funds as may be available therefor, for the purpose of providing for low- and moderate-income housing either within or outside the Project Area. The City Council does hereby authorize the use of such revenues for the purpose of permitting the Agency to provide, as needed, any or all of the requisite infrastructure items and components and the other items provided by Health and Safety Code Section 33334.2 in furtherance of low- and moderate-income housing either within or outside the Project Area. The Agency shall so utilize such revenues for providing infrastructure items and components and the other items provided by Health and Safety Code Section 33334.2 until such time as one of the findings enumerated in Health and Safety Code Section 33334.2(a) may be made.

Section 5. That the use of the twenty percent (20%) of the tax increment revenues attributable to the properties included within the Project Area and to be used pursuant to Section 4 hereof, shall be in accordance with Health and Safety Code Section 33413 except as hereinafter set forth. The Agency shall require all development within the Project Area to be in compliance with the requirements of said Section 33413 except as may be qualified by Section 6 hereof.

Section 6. Pursuant to Health and Safety Code Section 33334.2(g) and notwithstanding any other provision hereof, the City Council of the City of Rohnert Park hereby finds and determines that the provision of low- and moderate-income housing with the use of twenty percent (20%) of the tax increment revenues attributable to the properties located both within the Project Area and outside of the Rohnert Park Community Development Project, will be of benefit to said Project Area. This finding and determination is based upon the report entitled "(1) Use of the Twenty Percent Tax Increment Revenues from the Project Area Included within the Redevelopment Plan for the Rohnert Park Community Development Project for affordable housing outside the Project Area and (2) a description of benefits to the Project Area" attached hereto as Exhibit "B" which is incorporated herein by reference and made a part hereof.

Section 7. This Resolution shall take effect upon adoption.

ADOPTED AND APPROVED this 7th day of July, 1987.

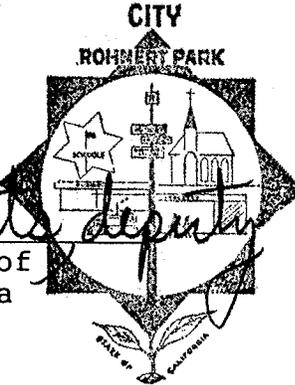
Donald W. Eck

Mayor of the City of Rohnert Park, California

(SEAL)

ATTEST:

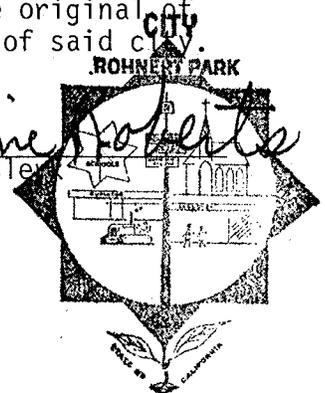
Lorraine Roberts
City Clerk of the City of Rohnert Park, California



AYES: (5) Councilmen Cochran, Hollingsworth, Hopkins, Lepinski and Eck
NOES: (0) None

I, Lorraine Roberts, Deputy City Clerk of the City of Rohnert Park, do hereby certify that the foregoing is a full, true, and correct copy of Resolution No. 87-101, adopted by the City Council on July 7, 1987, the original of which resolution is on file in the office of the City Clerk of said city.

Lorraine Roberts
Deputy City Clerk



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Exhibit D

Rohnert Park City Center Concept Plan

RESOLUTION NO. 2002-255

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF ROHNERT PARK, CALIFORNIA,
ADOPTING THE CITY CENTER CONCEPT PLAN**

WHEREAS, on July 25, 2000 the City Council approved Resolution No. 2000-152 adopting a comprehensive update of the City's General Plan.

WHEREAS, as part of a 1997 Rohnert Park Summit, a Town Center (aka City Center) Task Force was created to research, discuss and recommend courses of action for a future civic/town center.

WHEREAS, in December of 1998, an urgency ordinance (Ord.#645) was approved putting in place a 45 day moratorium on development to allow for the preparation of a plan for the Civic/Town Center, including: 1) recommended goals and objectives, 2) design and development standards and guidelines for construction and redevelopment within the Town Center, and 3) strategies to promote desirable uses within the area. As part of the process a Technical Advisory Committee was created and MIG consulting group was contracted with to prepare the plan.

WHEREAS, during the early part of 1999, numerous public meetings were held with the Technical Advisory Committee, property owners and businesses, and the Planning Commission. Public design workshops were also held during this time. There was significant public participation in the development of the Concept Plan during this time.

WHEREAS, the Draft City Center Concept Plan was completed in April 1999 and consideration of the Plan was delayed until the General Plan could be completed.

WHEREAS, the comprehensive update of the General Plan was completed in July 2000 and the Town Center/City Center area is designated in the General Plan for mixed-use and public/institutional.

WHEREAS, on August 13, 2002, the Rohnert Park City Council directed staff to bring the Draft Concept Plan to the Planning Commission and City Council for consideration of approval.

WHEREAS, Planning Application No. 1858, City Center Concept Plan, was processed in the time and manner prescribed by State and local law.

WHEREAS, at the October 10, 2002 Planning Commission meeting, upon hearing and considering all oral and written testimony and arguments of all persons desiring to be heard, the Commission considered all the facts relating to Planning Application No. 1858 and recommended approval of the Draft City Center Concept Plan as a guideline for development in the City Center area.

WHEREAS, the City Council of the City of Rohnert Park has reviewed and considered all oral and written comments raised during the public hearings and the information contained in related staff reports for the Draft City Center Concept Plan.

NOW, THEREFORE, THE PLANNING COMMISSION OF THE CITY OF ROHNERT PARK DOES RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. That the above recitations are true and correct.

Section 2. Findings. The City Council, in adopting the Draft City Center Concept Plan, dated April 15, 1999, as a guideline for development in the City Center area, makes the following finding, to wit:

1. The City Center Concept Plan is consistent with the elements of the Rohnert Park General Plan 2000. Specifically, the Plan is consistent with the following goals, policies and programs of the General Plan:

Goal LU-E: Encourage development of the City Center as a mixed-use activity center with a range of commercial, residential, and civic uses.

Policy LU-4: Develop the City Center as a mixed-use, pedestrian-oriented center.

Policy LU-30 which states, "Prepare and adopt a City Center Concept Plan to guide development and redevelopment in the City Center area." The explanatory text states, "*The City Center area is generally defined by Hinebaugh Creek on the north, the railroad tracks to the east, the Rohnert Park Expressway to the south, and U.S. Highway 101 to the west. The City Center would be an area of mixed land uses including civic buildings, commercial businesses, office uses, and multifamily housing. It would include approximately 180 housing units.*"

Policy LU-31: Allow, but do not require, mixed- or multi-use development.

Goal CD-A: Create pedestrian-oriented activity centers that serve as community focal points.

Policy CD-1: As part of preparation of specific plans, ordinances,and other measures, ensure that the University District and the City Center are developed as citywide destinations and with a pedestrian orientation.

Policy CD-19: As part of updating the City's zoning regulations or applicable specific plans, adopt standards to foster pedestrian orientation by new development in Mixed-Use and Neighborhood Commercial areas...

Policy CD-20: Encourage buildings to foster a sense of place by providing transitions between the street and building....as part of development standards or any design guidelines that may be prepared.

Policy CD-26: Design local streets to not only accommodate traffic, but also to serve as comfortable pedestrian environments.

Policy CD-40: Use an adopted City Center Concept Plan (Policy LU-30) as the basis for the development character of the area.

Goal CD-L: Ensure that the location of buildings and the orientation of entrances within commercial centers allow for easy pedestrian access.

Policy CD-55: Require all development within commercial districts to provide pedestrian amenities,...

Policy CD-57: Encourage the integration of art and cultural components in public places and facilities.

Goal TR-F: Encourage alternative modes of travel-including transit, bicycles, and walking-by coordinating land use planning and development with transportation and by promoting compact, mixed-use development in targeted areas.

Policy TR-31: Require project proponents to provide bus stops and shelters in conjunction with new development.

Goal OS-F: Provide an integrated system of parks and trails throughout the City to meet the community's recreational needs.

The *Housing Element*, adopted in 2001, states, "The City owns two sites within the City Center (430 and 450 City Hall Drive). The 1999 City Center Concept Plan identifies residential uses as an important component of the pedestrian-oriented center, which will eventually include city hall, the public library, and commercial uses. Dwelling units are allowed as a primary use, and higher floor-area ratios (2.0 vs. 1.5) are allowed for mixed-use projects that include residences. As noted above, the current City Hall site on Commerce Blvd. has been identified in the Housing Element for affordable housing.

'Revenue bonds to construct a new city hall and library within the City Center have been sold, and it is hoped that their construction in the next few years will be a catalyst for mixed-use development nearby.

'The City is actively working with potential developers to construct approximately 180 high-density units above ground-floor commercial uses. A mix of lower- and moderate-income units is assumed for these sites, with the potential for senior housing.

"The sites are designated as "Mixed Use" by the General Plan diagram, which will allow residential development as a permitted use. One of the properties is vacant, while the other is improved with an office building and parking lot that will be demolished. Access and other infrastructure necessary to support residential uses on the sites are already in place."

2. That a duly noticed public hearing has been held to receive and consider public testimony regarding the City Center Concept Plan.

Section 3. Environmental Clearance. The project is categorically exempt from the California Environmental Quality Act, pursuant to the Guidelines for the California Environmental Quality Act, Section 15262: Feasibility and Planning Studies (i.e., studies that do not have a legally binding effect on later activities).

NOW THEREFORE BE IT RESOLVED, that the City Council does hereby adopt the City Center Concept Plan, dated April 15, 1999, incorporated herein by reference, as a guideline for development in the City Center Area.

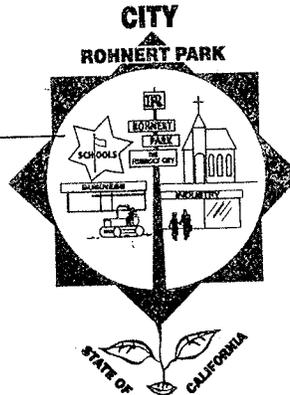
DULY AND REGULARLY ADOPTED on this 12th day of November 2002 by the City Council of the City of Rohnert Park.

Arnold S. Flou

Mayor, City of Rohnert Park

Attest:

Judy Hauff
Deputy City Clerk

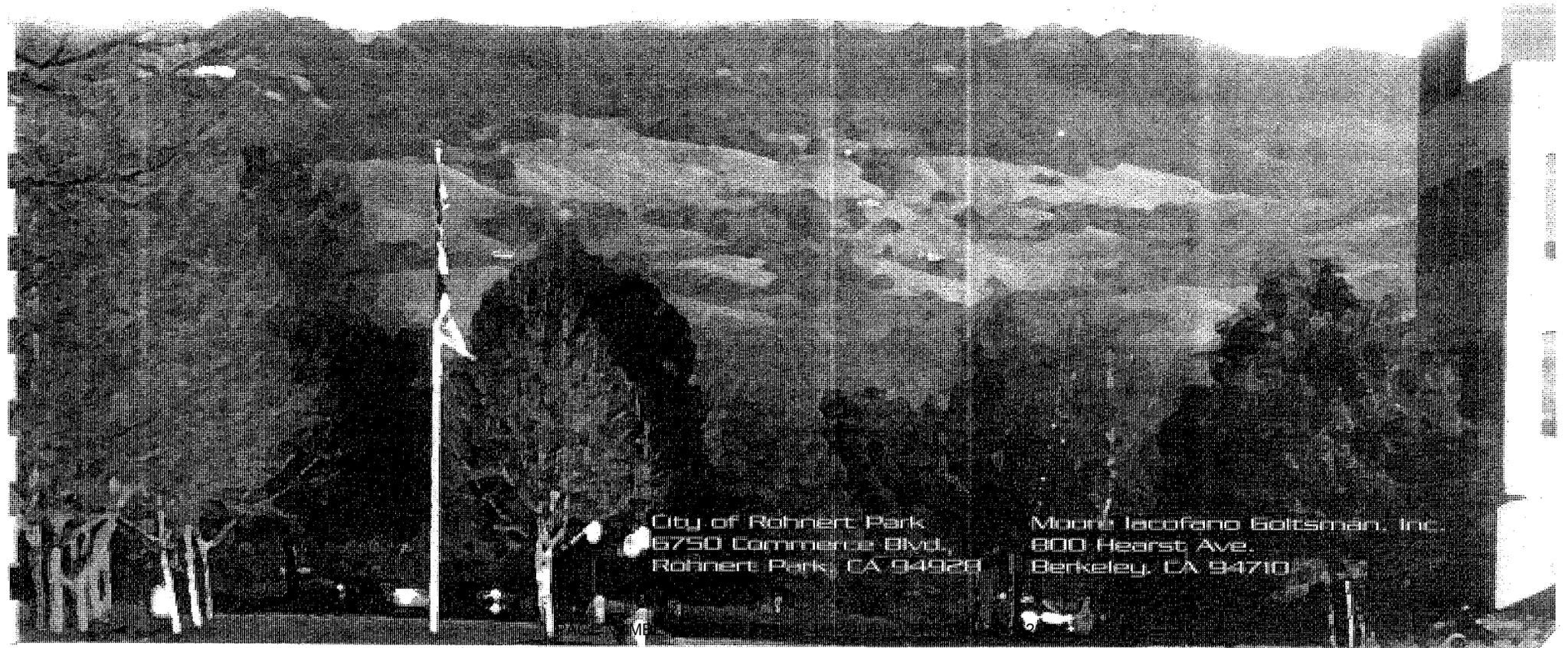


MACKENZIE: <u>AYE</u>	REILLY: <u>AYE</u>	VACANCY: <u>N/A</u>	VIDAK-MARTINEZ: <u>NO</u>	FLORES: <u>AYE</u>
AYES: (3)	NOES: (1)	ABSENT: (0)	ABSTAIN: (0)	

Rohnert Park

CITY CENTER CONCEPT PLAN

*Adopted November 12, 2002
Resolution No. 2002-255*



City of Rohnert Park
6750 Commerce Blvd.
Rohnert Park, CA 94928

Moore Jaconano Goltsman, Inc.
800 Hearst Ave.
Berkeley, CA 94710

APRIL 15, 1999

City of Rohnert Park City Center Concept Plan



City of Rohnert Park Planning Department
6750 Commerce Boulevard
Rohnert Park, California 94928

Prepared by:

MIG, Inc. ♦ ♦ 800 Hearst Avenue, Berkeley CA 94710 ♦ ♦ TEL: 510/845-7549 FAX: 510/845-8750 WEB: www.migcom.com ♦ ♦

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- Site Development Potential*
- List of Recommended Plant Material*

Acknowledgements

Chapter I

Introduction

BACKGROUND

The development of a City Center for Rohnert Park has been under consideration for some time as a significant long-term revitalization effort. The City Center was indicated in the 1995 General Plan for Rohnert Park, the 1998 Rohnert Park Summit Report, and the 1998 Economic Vitality Element. As a major central focal point in the community the Rohnert Park City Center is intended to include both civic and retail activities. Additionally, the Town Center Task Force offered that, the City Center should represent a "unique gathering place of public pride."

Two major new pieces to the City Center currently in the planning stages are a new public library and a new City Hall. Coupled with the existing Public Safety Building and a new community plaza, these activities form the core of the civic area of the Center.

As plans for the development of Rohnert Park's new Public Library and City Hall progress, it is critical that plans for the City Center evolve as well, to ensure coordinated, well-conceived design solutions in the context of both the civic area and the City Center as a whole.

In December of 1998, the City hired the firm of Moore Iacofano Goltsman (MIG) to prepare a Concept Plan for the City Center. This concept plan locates sites and massing for the new City Hall and Library. The plan also designates space for retail, office and residential development. Other plan

components include parks and open spaces, a major public plaza, access to Hinebaugh Creek, and required parking.

REGIONAL SETTING¹

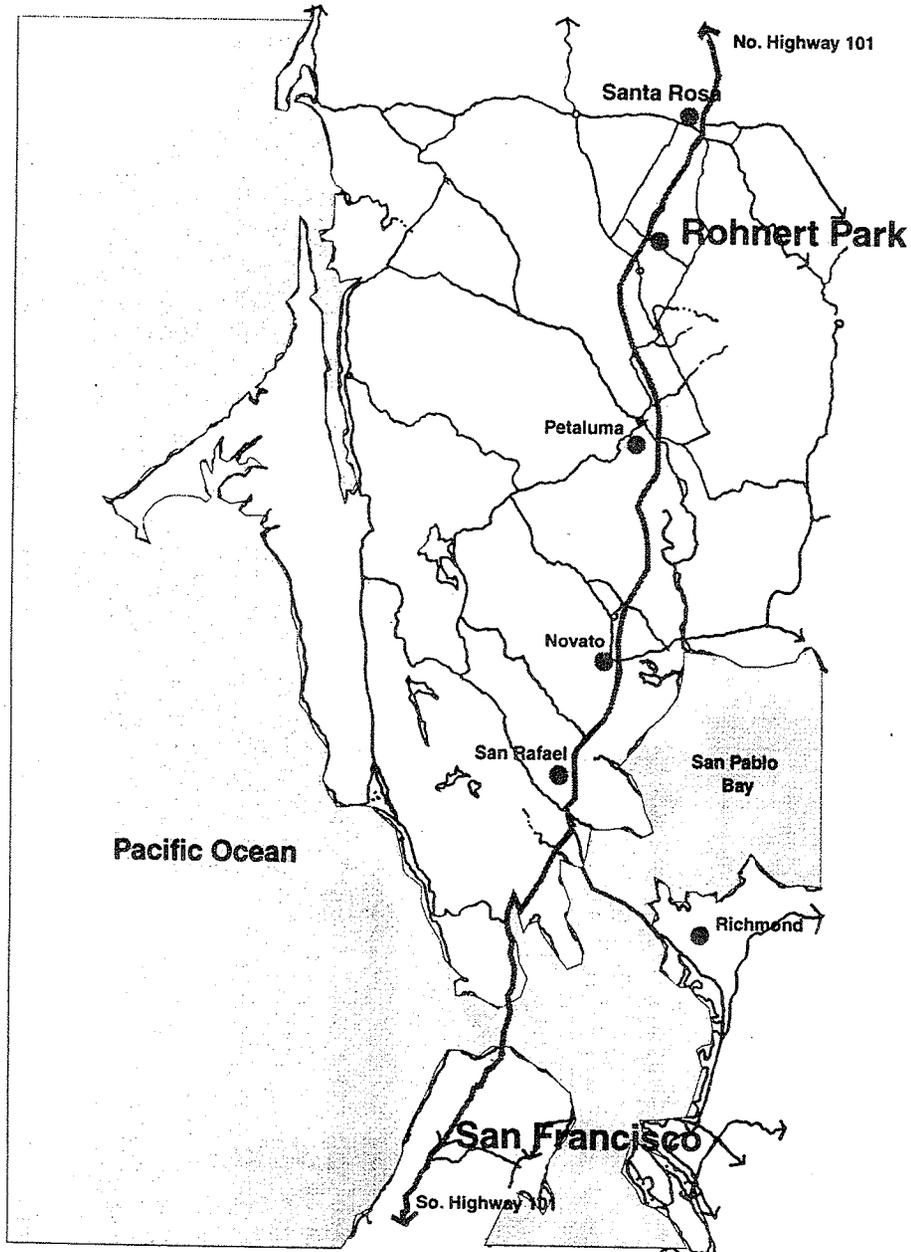
Rohnert Park is located along Highway 101 in northern California in the center of Sonoma County (one of the nine Bay Area counties). Sonoma County is bounded on the south by Marin County, on the west by the Pacific Ocean, on the north by Mendocino County and on the east by Napa and Lake Counties. Immediately adjacent to the City of Cotati, Rohnert Park lies midway between the cities of Santa Rosa to the north and Petaluma to the south.

The City rests on flat land characterized by a gentle downward slope to the northwest. The region enjoys a mild climate and fertile soil that has made it world renowned for its winemaking industry. Rohnert Park's population is expected to grow from the 1990 figure of 36,940 to about 55,100 in 2020,² making plans for future development increasingly pertinent.

¹ Regional setting description is excerpted from The General Plan of the City of Rohnert Park, 1995.

² Source: Association of Bay Area Governments.

LOCATION MAP



PROJECT SETTING

The City Center project area, approximately 32 acres in size, includes the area bounded by Hinebaugh Creek to the north, the railroad right-of-way and golf course to the east, Rohnert Park Expressway to the south, and Highway 101 to the west. The project area consists of three distinct sections: the “west-block” is the area between Highway 101 and Commerce Boulevard; the “mid-block” describes the area between Commerce Boulevard and State Farm Drive; and the “east-block” is the area between State Farm Drive and the railroad right-of-way.

The City Center site presently supports a number of banks, retail and office space, and several “fast food” restaurants located along Rohnert Park Expressway and Commerce Boulevard. The existing site can be characterized as an older sprawling, disjointed, and underutilized, suburban retail center. A number of existing parcels are vacant (totaling approximately 12 acres). The uses on many lots are unrelated to surrounding developments.

The site currently features predominantly low, one-story buildings surrounded by large open parking lots. Parking in the area is disjointed, with little or no coordination with adjoining projects. Many of the existing banks and retail sites are dedicated to expansive drive-through facilities, which are no longer functional.

The two major blocks of the City Center, the mid-block and the east-block amount to approximately 30 acres. The City of Rohnert Park is a major property owner in the east-block, holding approximately 12

acres of land which support the Police Athletic League (PAL) building and the existing Public Safety Building, located adjacent to the railroad tracks.

Just to the south of the City Center site, across Rohnert Park Expressway, is the major commercial shopping center within the City. This center includes three large grocery stores, drug stores, and neighborhood retail stores and services. This existing retail center also contains the existing Rohnert Park Library, a post office, a senior center and a senior housing project. A major insurance office park is also located just south of the City Center site.

The northern boundary of the City Center project area is Hinebaugh Creek, which serves as a local flood control channel. Land uses north of the creek include light industrial and high-tech business parks, a childcare center and mini storage facility.

Northwestern Pacific Railroad line lies to the east of the project site, and a local golf course is located beyond. The site provides expansive views to the mountains to the east.

Rohnert Park Expressway, the southern border of the project site, is a major arterial serving the City and providing access to Highway 101. The City, in conjunction with the California Department of Transportation, is widening Rohnert Park Expressway, providing additional access ramps onto Highway 101, and developing a new commuter “park-and-ride” parking lot in the north-east quadrant of the highway interchange. These

improvements are now under construction and will greatly improve the circulation, and access through the area and along the Expressway.

Rohnert Park Expressway is heavily landscaped with wide grassy setbacks, and a heavy concentration of Redwood trees in the landscape median. The Redwood trees in the existing median and wide setbacks are major design features of the Expressway. These landscape elements help create a welcoming and attractive entry into the City of Rohnert Park. Recent improvements to the Expressway include pruning up the lower limbs of the Redwood trees, to increase the visibility of the City Center from the Roadway.

PLANNING PROCESS

The City Center planning process has been a collaborative, community consensus-building process. Two public workshops were held with community members, as well as business and property owners. The workshops provided a forum for discussion, and allowed for the development of a more detailed vision for the City Center.

An initial community workshop was held on January 19, 1999. The purpose of this first workshop was to identify the major assets, issues and opportunities for the City Center project area, and to explore the vision and ideal characteristics for a new City Center.

A second workshop was held on February 20, 1999. This second workshop was organized as a design "charette" to generate possible site design alternatives for the City Center area, and to outline specific design

characteristics for the City Center. The design charette utilized a "hands-on" Community Design Game, involving a three-dimensional model, allowing participants to design and visualize alternative site designs for the area. The Community Design Game provided a "kit-of-parts" or design tools, for three design teams. Each team was asked to design their ideal City Center to include a basic site program. A summary of the Design Charette and Community Design Game is available at the City Offices.

In addition to the two public workshops, a special stakeholder's workshop was held with local property owners and businesses in the City Center area. This workshop provided a forum for local business and property owners to give additional input and direction to the emerging design concept.

Based upon these public meetings, an emerging design concept was developed and presented to the Rohnert Park Planning Commission in a special study session on March 18, 1999. These meetings and public input form the basis of the City Center Concept Plan.

PURPOSE OF THE CONCEPT PLAN

Rohnert Park has long discussed the need for a City Center as a place of focus for the community. Such a place would signify “the heart of the City.” The location of the Public Safety Building on the proposed City Center site helped to solidify this vision.

When it was decided to construct a new public library and city hall on the site, the City recognized the impact that this publicly-funded construction could have on the development of a mixed-use, lively City Center.

The purpose of this Concept Plan is to provide a general guide to the physical development of the City Center and to arrive at a program and mix of uses appropriate to a city center. In addition, the plan is intended to facilitate coordination between the City of Rohnert Park and other property owners in the area. It will also provide a foundation for future City Center projects that will support the vision of a central place for the community of Rohnert Park.

This vision for the City Center is to create a central focal point in the City as an active and vital public place for people to gather, celebrate and hold special events. Major components of this vision include:

- Mixed uses, including retail, office, residential, cultural and civic;
- Potential for day and evening activity;
- Connection and improvements to Hinebaugh Creek; and
- Creation of a pedestrian-friendly “main” street.

This Concept Plan provides a framework for development and includes a site organization and land use concept (addressing land use, circulation, access, parking, open space, landscape, building form and site details) with associated design guidelines and implementation strategies.

HOW TO USE THE CONCEPT PLAN

The Rohnert Park City Center Concept Plan and the design guidelines contained within it are intended to direct the future use and development of the City Center area. The guidelines provided here serve two primary purposes. The first purpose is to ensure that new development in the City Center, both private and public, is designed to fit within the overall urban design vision for the City. The realization of this vision will create a physical setting that attracts new businesses and helps ensure the long-term economic viability of the area. The second purpose is to ensure the successful integration of the various developments, both public and private in the City Center area, thereby mutually strengthening associated activities and uses.

Design improvement does not happen all at once. The community design process is an incremental process that occurs over time as each individual project is completed. The Process consists of a series of individual actions by the City, private property owners, and developers over time. Thus, the City Center Concept Plan and development guidelines provide a means to coordinate these individual actions to achieve the City’s vision for the overall community design.

The guidelines help convey to investors, property owners and developers, as well as to their designers, the overall design approach for the City Center development area, and the level of quality that they will be expected to meet. In addition, the design guidelines provide the development community with the assurance that the type, design and quality of neighboring structures will be compatible and consistent with their development. The guidelines also inform the private builder of the overall plan and the quality of future public improvements, both in public buildings and in streetscape and open spaces.

The City Redevelopment Agency may also use the Concept Plan and design guidelines in its requests for development proposals for future redevelopment projects in the City Center area. In addition, the guidelines establish the general design and programmatic directions for the City's future investments in streets, public buildings, landscaping and parking, and thereby provide a basis for the City and Redevelopment Agency's capital improvement programming efforts.

The concept plan can be used as a simple set of rules and design principles that, when followed can help to achieve a more livable environment for the community. They can be used as a reference for site and building design improvements, or as a set of guidelines for developers and property owners, reviewing and approving design renovation and new projects in the area.

The guidelines are specific to the exterior of buildings, the reorganization and design of open

spaces, on-site parking, and landscaping; however, there is a strong relationship between indoor uses and adjacent exterior courtyards, streets, sidewalks, open spaces, and parking areas. Thus, the design guidelines include interior issues as they relate to indoor-outdoor spatial relationships.

Some of the design concepts are phrased prescriptively, with specific standards required for a site as either maximum or minimum dimensions or quantities. Other guidelines and concepts are worded as performance standards for what "should" be accomplished on the site. In the latter case, the exact design solutions are left to the creativity of the individual designer for a project.

In most cases, examples are provided to clearly illustrate a design principle. These illustrations are not presented as the only or best solution to be duplicated but as "possible" design solutions that have proven successful in other, similar situations. In most cases, these solutions are examples that can be found in the City of Rohnert Park, or in nearby communities in the Bay Area.

The City Center Design Concept benefits both the local property owner, resident and adjacent neighborhoods, especially those immediately adjoining the new City Center area. Continued cooperation, commitment and participation of all, are essential for the ultimate success of the City Center.

REPORT ORGANIZATION

The report is organized into five sections. The *first section* describes the vision that community members, business owners and property owners have generated for the City Center. In the *second section*, the development framework for the Center is established. The *third section* presents the City Center Concept, organized into the following major design categories: site organization and land use; circulation, transportation and parking; City Center streetscape design; parks and open space systems; landscape; building form and detail; and other design details. In the *fourth section*, an illustrative plan graphic is provided. Finally, the *fifth section* designates an implementation strategy, outlining priority actions and supporting projects.

Chapter II

The City Center Vision

Community members, business owners and property owners contributed ideas that have shaped the vision for Rohnert Park's City Center. The vision statement, which describes the desired outcome for the City Center, can function as a sieve through which development projects and proposals can be sifted to ensure that they coincide with the City's preferred future. The community envisions a future that is attractive, inviting, safe and economically successful and they anticipate that by the year 2010 the following description of Rohnert Park's City Center will apply.

The City Center Vision

The Rohnert Park City Center is an attractive, family-friendly district, serving as the central community gathering place, a focal point for cultural, recreational, business and civic functions. The Center offers a pedestrian-oriented environment with City Hall Drive serving as the "main street," featuring wide sidewalks, generous landscaping, and numerous comfortable seating opportunities. The Center offers a variety of uses with ground floor retail and second-story residential units, as well as professional offices. Housing opportunities, restaurants, specialty retail, cultural and entertainment venues, professional offices and civic uses stimulate morning to evening activity, supporting a safe and vital environment.

This is a place where people are encouraged to linger. The lay-out of the Center, the diversity of activities it supports, its public spaces, streetscape amenities, and public buildings invite people to stay and experience the special character of Rohnert Park.

The City bus, a City Center shuttle, and the bike/pedestrian path along the creek, connect the Center to other parts of town and to outlying communities in Sonoma and Marin counties. A commuter rail also provides a stop in the City Center. Center parking is located behind storefronts where pedestrian passageways link parking to City Hall Drive. Additional parking is provided in convenient well-landscaped settings, structures, or under housing and key civic buildings, where its impact on the Center's ambiance is minimal.

Architecture and outdoor spaces are well-integrated, providing courtyards, arcades and outdoor seating areas for enjoying Sonoma County's temperate climate, for relaxing with the newspaper and a cup of coffee, or for sharing time with family and friends. Storefronts along the sidewalk promote visual connections to the street with large display windows, glass doors and indoor/outdoor spaces.

An active main plaza is the soul of the City Center, where the community gathers to celebrate public events and ceremonies. The plaza is defined by a vibrant mixture of civic and commercial uses, including the City Library, the City Hall, and the Public Safety building, as well as cafes and unique boutiques. This public space affords views of Taylor and Sonoma mountains to the east, and features public art, water elements, trees, seating, and a performance area. The plaza gracefully transitions into park space to the north, where it merges with Hinebaugh Creek.

The creek is an integral part of the City Center, with its linear park and trail. Pocket parks branch out from the creek, connecting to City Hall Drive. Landmarks help define the City Center area and public art, paving patterns, landscaping, and elegant architectural features help to create a sense of unity and a strong "sense of place" for the community of Rohnert Park.

Chapter III

Development Framework

INTRODUCTION

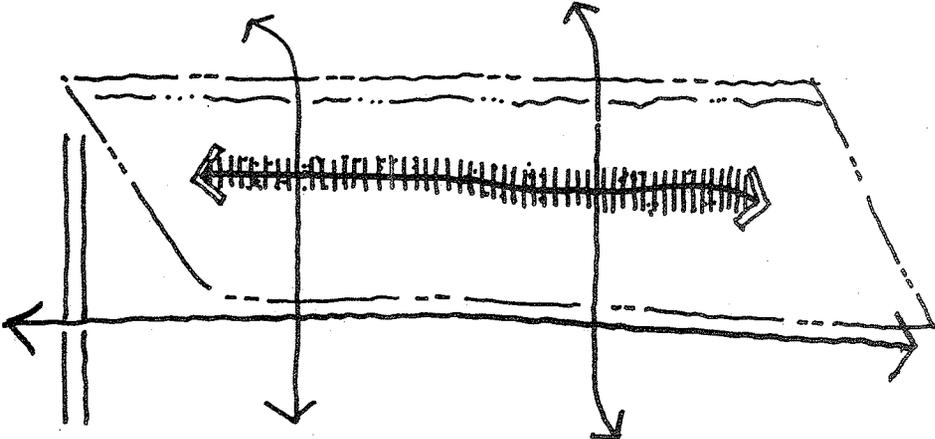
The development framework for the Rohnert Park City Center is based on the physical patterns that have formed in the area over time and with an overlay of twelve strong site Design Principles. These design principles provide an overall organizational pattern for land uses, circulation, and open spaces on the site. The Principles should be viewed as the basic structure on which other planning and design decisions should follow. Together these twelve principles form the overall concept for Rohnert Park City Center.

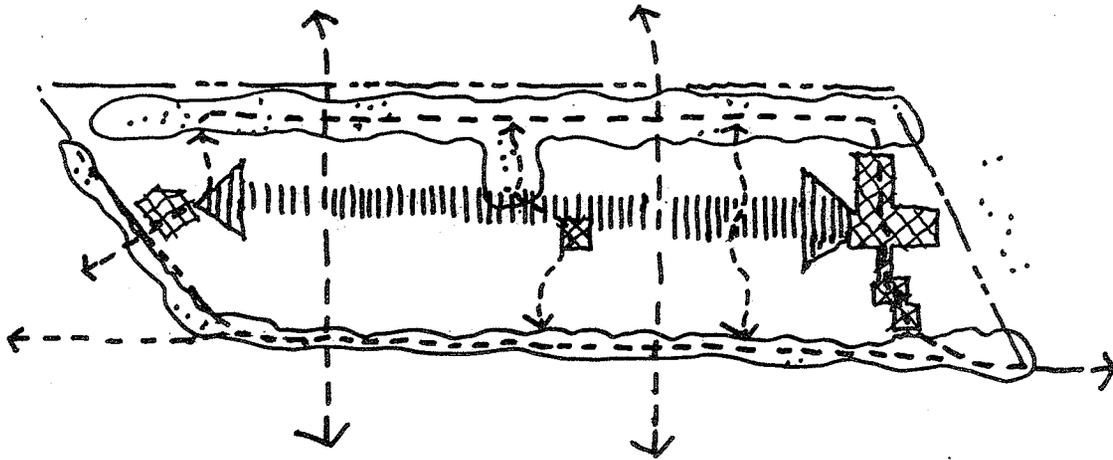
General Principles

These guiding principles avoid site specific development requirements or standards. Instead, the principles should be viewed as design concepts, creating the general organizational structure of the site. The principles allow for broad interpretation and flexibility from which to create the overall district character. Additional more detailed guidelines for land use and site design, open space and building placement within each parcel are suggested in other sections of this document.

PRINCIPLE ONE

Create a Pedestrian Oriented Main Street. City Hall Drive and Padre Parkway. This "main street" is intended as an active, mixed-use retail environment with cafes, restaurants, and shops opening onto a wide sidewalk with outdoor sales, displays, and seating. The main street will be highlighted with a major City Center Plaza on the east, a series of small court yards, open spaces and plazas along the street; a City Center park at mid-block connected to the creek; and, a plaza at the western end adjacent to Highway 101.





PRINCIPLE TWO

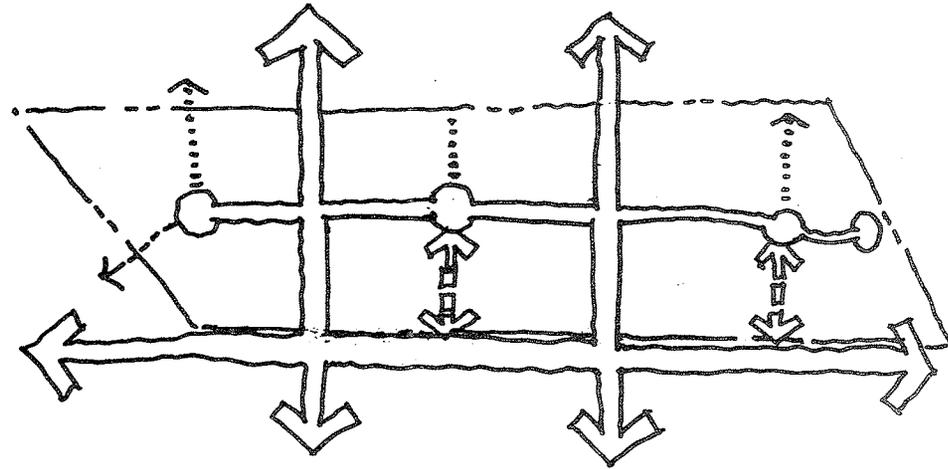
Create an open space and recreation system with connections throughout the City Center and into the surrounding community.

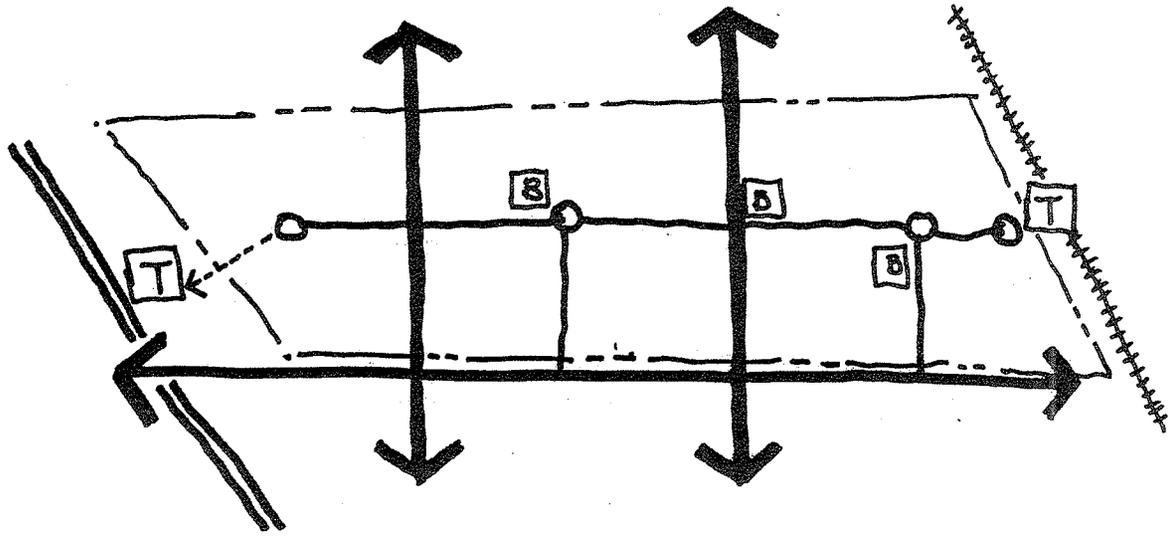
Open spaces and recreation opportunities in the City Center serve local residents and visitors and encourage activities and uses at all times of the day, early evenings, and weekends. The open spaces enhance the appearance of the City Center area and improve pedestrian connections to surrounding uses and activities.

PRINCIPLE THREE

Extend the grid pattern of the City through the site in a scale compatible with a pedestrian oriented town center character.

The existing blocks and streets in the City Center form a grid pattern that should be extended through the site to improve access and circulation and form a recognizable organization of development. The street grid also maintains views of the mountains to the east.





PRINCIPLE FOUR

Create two major transit stops (bus “park-and-ride” and a future commuter rail station) as well as local stops for local transit connections.

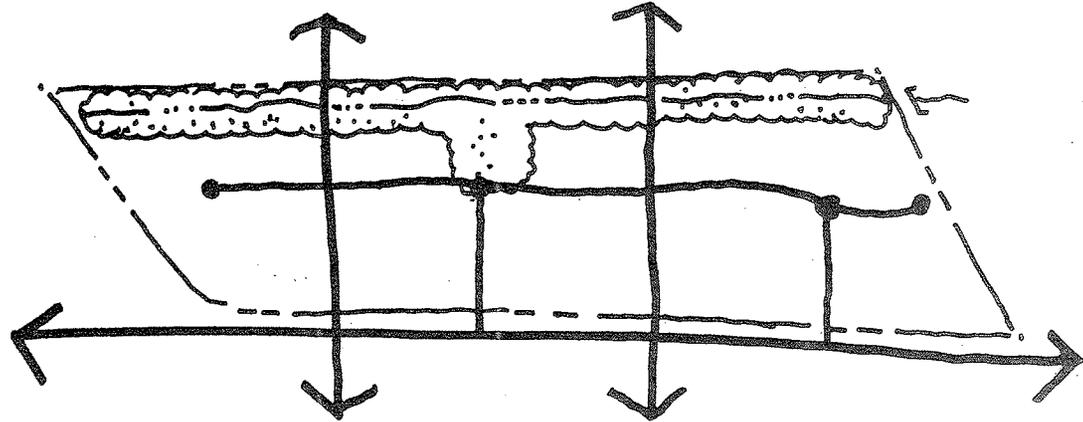
Two major transit stops are provided in the City Center Concept Plan; a park-and-ride stop is now under construction at Highway 101. This transit stop provides for commuter connections along the Highway 101 corridor and can be easily accessed by City Center Residents along the trails and streets in the center.

A second transit stop is provided for a future commuter rail connection at the eastern end of the central pedestrian spine. While not an immediate development project, the plan provides the necessary space and parking for a future commuter rail stop in this center location. A future rail transit stop emphasizes the central function of the City Center area, and provides additional activity and people into this important hub.

PRINCIPLE FIVE

Improve Hinebaugh Creek as a recreational and open space resource with pedestrian and bicycle paths.

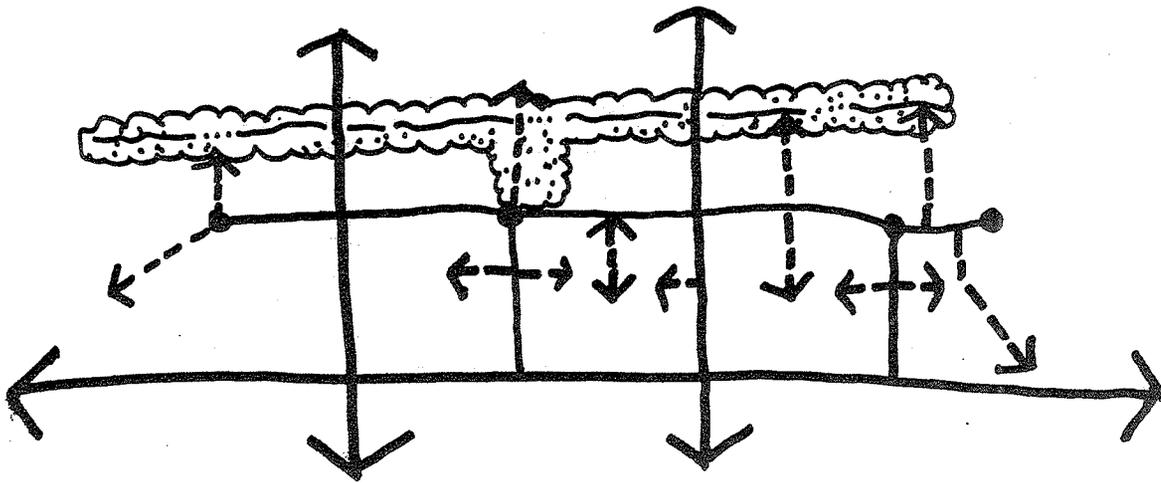
Hinebaugh Creek is a major asset to the community and should be developed as an attractive open space feature in the City Center. The flood control right-of-way provides an opportunity for pedestrian and bicycle trails connecting east and west through the site. Landscape improvements should be provided to enhance the natural, riparian landscape character of the creek and to create a more visually pleasing and functional recreational area.



PRINCIPLE SIX

Create pedestrian links north south through the City Center site from the Main Street to Hinebaugh Creek and parking areas in back of retail frontages.

Pedestrian links provide access and circulation through the site in a pleasant and safe environment connecting the pedestrian oriented main street axis to Hinebaugh Creek and the major parking structures behind the commercial frontage. These links provide additional opportunities for small courtyards of activity, seating, outdoor eating, and public art.



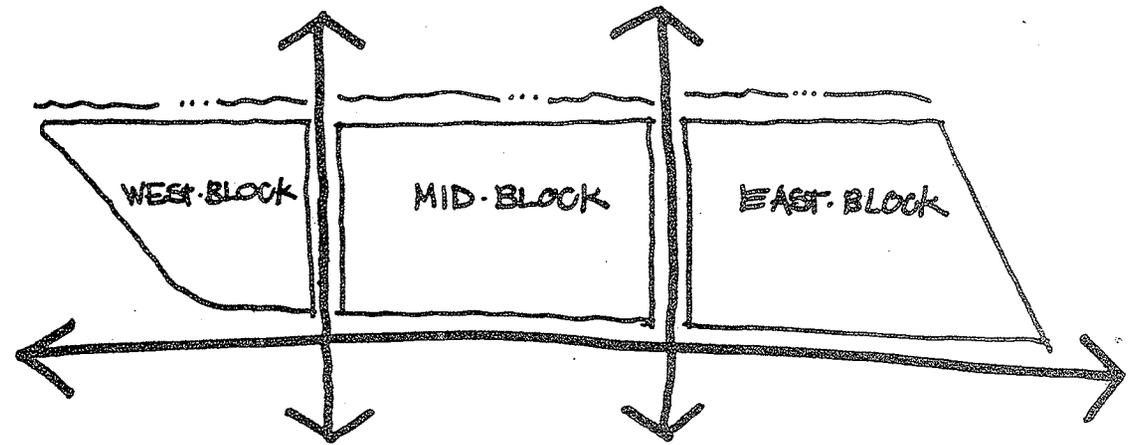
PRINCIPLE SEVEN

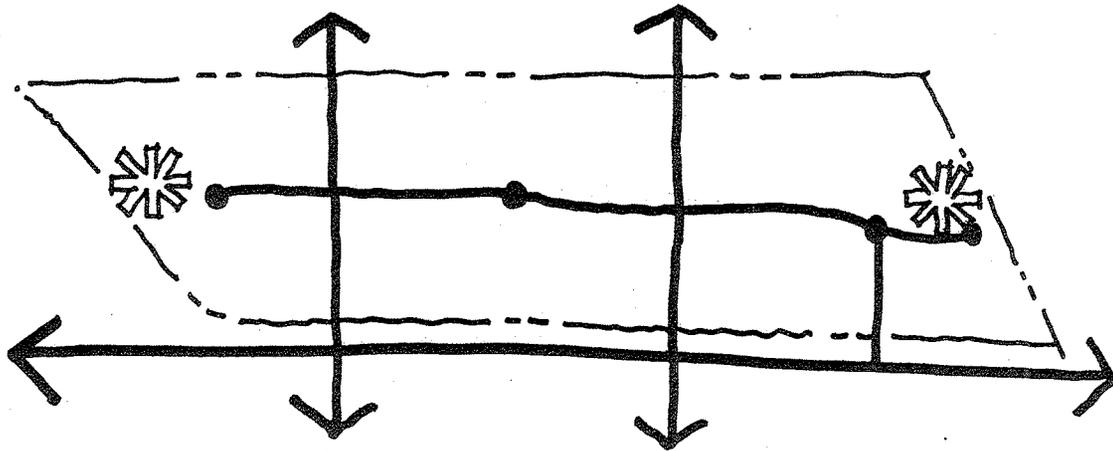
Create three distinct sub-areas in the City Center site (east-block, mid-block, and west-block) that are interconnected and accessible to each other.

The network of existing streets creates three major sub-areas or development blocks in the City Center area. Land use activities and lot ownership on these three blocks reinforce the distinct character of each sub-area. The east block is the major civic area of the City Center, and will include the Public Safety building, a new Library and a new City Hall. The plan reinforces the civic function of the east-block by creating a major public plaza, a future rail station, and meeting space for public events, the City Council Chambers, public art displays and other civic events.

The mid-block consist of medium intensity mixed-use commercial and residential uses, oriented along the main pedestrian spine of City Hall Drive/Padre Parkway.

The west-block contains mainly freeway oriented commercial uses, restaurants, a gas station, and hotel/motel sites. The west-block improvements create stronger pedestrian and vehicular connections along Padre Parkway. A new landmark feature at Highway 101 provides a major visual connection to the City Center.





PRINCIPLE EIGHT

Create landmark elements at the east and west ends of the commercial main street visible from surrounding streets and Highway 101.

Landmark features such as bell towers, steeples, high buildings, or other distinctive architectural elements provide visual markers in the community landscape that tell use where we are, and the importance of a place. The City Center plan provides for two major landmark features; one at the eastern end of the main axis; a second at the western terminus adjacent to highway 101. These landmark opportunities can provide a visual sign to the community and visitors the location of the City Center as the “heart of the community.”

PRINCIPLE NINE

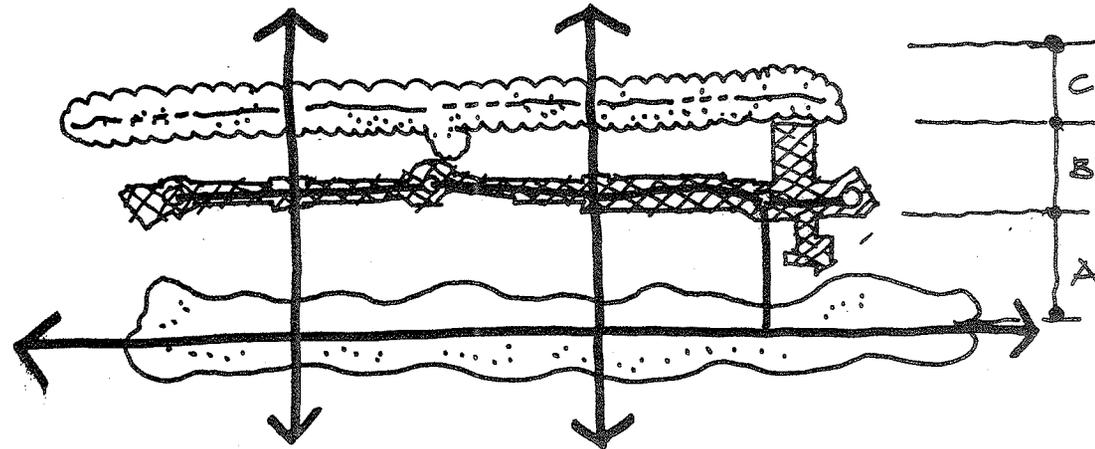
Create three district landscape characters in City Center area.

1. Maintain the informal suburban street character along Rohnert Park Expressway.
2. Develop a town center pedestrian oriented streetscape along City Hall Drive.
3. Create a naturalistic open space landscape character along Hinebaugh Creek.

The City Center site has three distinct landscape characters. The three characters provide a diversity of landscape materials and design that add to the interest and complexity of the City Center.

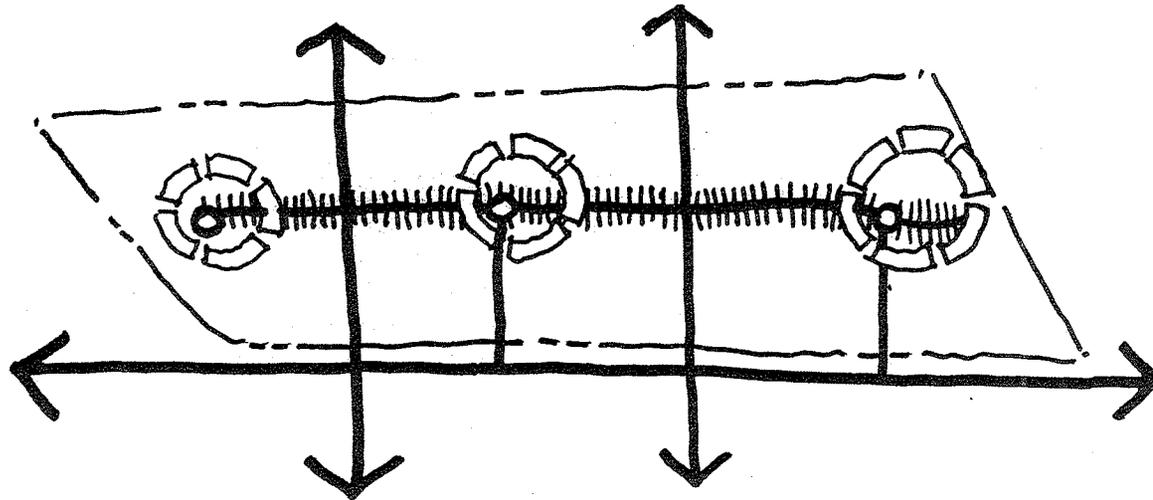
The first is an informal, suburban character along Rohnert Park Expressway. The landscape setting reinforces the image of Rohnert Park's wide-open spaces and graceful lawns. The wide green frontage provides a setting to present the civic buildings beyond. This landscape incorporates wide setback lawn areas, a heavily landscaped median divider (Redwood Trees), and curvilinear, meandering sidewalks.

The second major landscape character is provided along the central pedestrian street - City Hall Drive. The landscape character created is an active, townscape, street. With ground floor retail and public uses opening onto wide sidewalks, plazas, and courtyards. The major landscape elements create a more formal, urban image with street trees,



decorative sidewalks, public art, water fountains, and coordinated pedestrian street furniture.

The third major landscape character is the more naturalistic and informal image afforded by Hinebaugh Creek. This landscape image presents a natural, riparian habitat with trails and open spaces.



PRINCIPLE TEN

Create three distinct centers of activity along the pedestrian main street.

The main pedestrian spine along City Hall Drive/Padre Parkway is reinforced with three distinct centers of activity. These three major activity nodes reinforce the characters of each sub-area and encourage visitors to walk from one area to another along the main street. One activity center is created at City Hall with a major public plaza. Activities around the plaza reinforce the civic function of this center.

A second activity center is located at the center of the mid-block along Padre Parkway. This activity node is reinforced with the City Center Park, retail activities and public uses (museum, art center) facing onto the park. This second activity center can be reinforced with the location of major commercial uses such as a large formal restaurant, brewpub, or small boutique hotel on the adjoining lots.

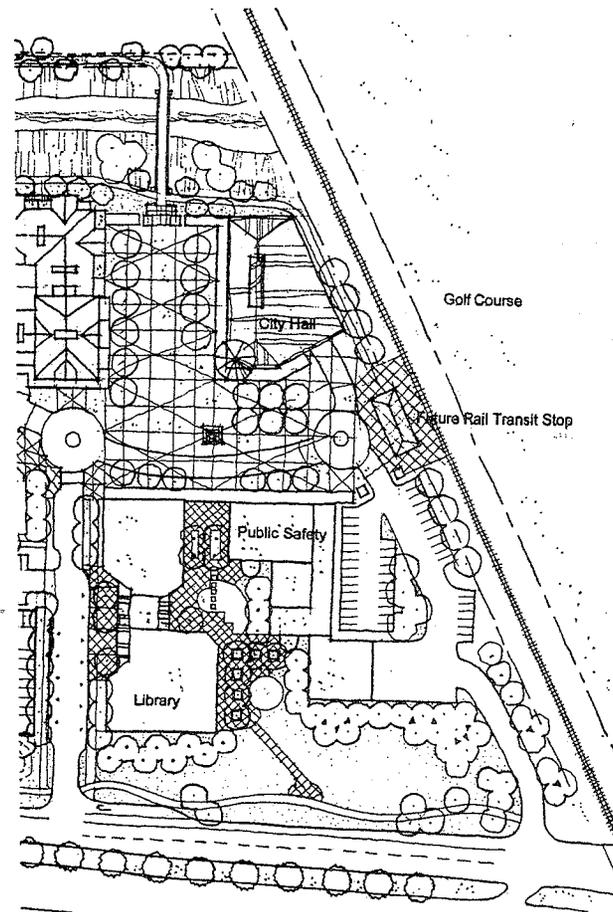
A third center of activity is located at the western end of the main axis. This node provides for freeway oriented uses (motel/hotel, restaurant, and small conferencing facilities). These activities are organized around a small plaza creating a terminus to the main street pedestrian corridor.

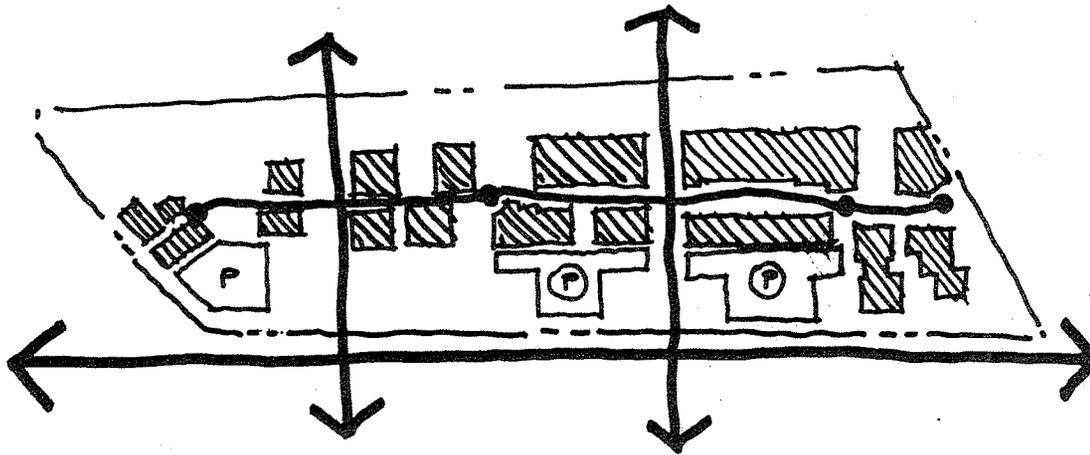
PRINCIPLE ELEVEN

Create a major public plaza and gathering place for public events, ceremonies, and festivals at the eastern end of the pedestrian Main Street in front of City Hall, the Library and the Public Safety Building.

A City Center is recognized as the center of the community by providing a place for people to gather for public events, activities, and ceremonies. A major public plaza for civic events is created at the City Hall and Library at the eastern terminus of the pedestrian corridor. This plaza is designed to create a well defined, enclosed space with both public and retail activities opening onto the plaza from surrounding ground floor spaces.

Elements of a successful town center plaza include use of trees, water features, landmark elements, public art, food, views to and connections with the public street, plenty of seating, and lighting for safety. The public plaza should not be too big. The space should provide wide open areas for gathering as well as smaller niches or alcoves with shaded seating that overlooks the public space.





PRINCIPLE TWELVE

Provide for higher intensity development in the City center, with potential future parking structures located behind the main street mixed-use commercial development with access to Rohnert Park Expressway.

The City Center is a mixed-use area, incorporating housing and offices above ground floor retail uses. The mix of uses encourages a variety of public and private activities during all times of the day, early evenings, and on weekends. The mixed-use character encourages people to visit, sit and linger on the public street, meet with friends and neighbors over coffee or a meal.

The City Center is designed as a predominantly pedestrian environment. Higher intensity uses are clustered along the main street pedestrian corridor with parking lots, and parking structures located behind the retail frontage.

Chapter IV

City Center Concept

A major thrust of the City Center Design Concept Plan is to produce a plan and a set of guidelines that will form the foundation of a unified central urban district for Rohnert Park. The work the design team has done with the City administration, Staff and the citizens of Rohnert Park has been focused on the development of this foundation. The following chapter describes the overall organization of the City Center district. It is organized into the following major design components:

Site Organization/Land Use

Circulation, Transportation and Parking

City Center Streetscape Design

Parks and Open Space Systems

Landscape

Building Form and Detail

Design Details

These components should relate to one another to form an integrated whole. The next section presents an overall description of each component with associated design guidelines.

SITE ORGANIZATION/LAND USE

major organizational concept for the City Center features City Hall Drive as a pedestrian-oriented, "main street" with a central plaza, and landmark feature serving as a terminus at the east end of City Hall Drive. The axis will be balanced on the west end, at Commerce Boulevard and Padre Parkway,

with a landmark/gateway and an attractive anchor building visible from the freeway. A public cultural/arts facility with an associated park or secondary plaza will be included on Padre Parkway west of State Farm Drive. A network of pedestrian pathways, pocket parks and courtyards connect the "main street" north to a linear creek park, and south to parking located behind commercial frontages.

The City Library, City Hall, and Public Safety buildings will define the main plaza, creating a unified civic area. Cafes and restaurants with arcades and outdoor seating, as well as unique boutiques and other retail uses, will also be situated on the plaza perimeter, ensuring a variety of activity throughout the day and early evening, and on weekends.

City Hall Drive will be characterized by mixed-use, medium-intensity development, including ground floor retail uses with second-story office or residential units. Residential units will be developed along the south side of Hinebaugh Creek, offering access to a creek park, and with convenient connections to the bicycle/pedestrian trail.

The City Center will provide an experience unique to Rohnert Park. Many businesses in Rohnert Park are currently located at convenience neighborhood shopping centers that cater primarily to locals and residents. The City lacks a common center. Shopping centers are often characterized by super/grocery stores, pharmacies, and large-scale

discount retailers with adjoining expansive parking lots. These centers are conducive to quick, practical “in-and-out” style shopping. The scale of these commercial areas discourages walking between destination points, and the character they provide does not invite visitors to linger comfortably.

The City Center will offer unique shopping and entertainment experiences. The Center’s pedestrian-friendly “main street,” with destination boutique shops, specialty markets, cafes, restaurants, parks and public amenities within walking distance of one another, will contribute to an ambiance that draws not only locals, but regional visitors as well.

Potential types of uses for the City Center include the following:

Commercial/Retail Uses:

- *Specialty markets*, such as a deli, bakery, bagel shop, coffee bar, produce market, butcher shop, cheese shop, juice bar, an ice cream parlor, a frozen yogurt shop and a flower stand/shop;
- *Entertainment and eating establishments*, such as cafes, finer restaurants, a microbrewery, a wine bar, live music/jazz clubs, dance clubs, a small-scale performing arts theater, and a small arts movie theater;
- *Sports/fitness-related uses*, such as fitness clubs, spa and exercise studios for dance, yoga and martial arts;
- *Specialty retail boutique shops*, such as an antique/hand-crafted furniture shop, a garden

store, a bath shop, a lighting store, a hardware store, a jewelry store, a book store, specialty clothing/shoe stores, an office support store, a pet shop, and a music/audio store;

- *Art studios/workshops* for classes and for selling hand-crafted goods, such as a pottery studio, art galleries, a glass blowing studio, a wood-working shop, a folk art gallery, and a photography studio;
- *Overnight accommodations*, such as provided by a boutique hotel (20-50 rooms) and/or Bed & Breakfasts;
- A *post office* store front (retail unit); and
- *Services*.

Office Uses:

- *Professional offices; and*
- *Computer/high-tech.*
- Note: There are currently an unusually large number of banks within the City Center, and development of additional stand-alone banks should be discouraged unless incorporated into the ground floor of a mixed use development.

Residential Uses:

- Second-story loft spaces, work/live studios, residential apartments located above commercial/retail uses (35-65 dwelling units/acre).

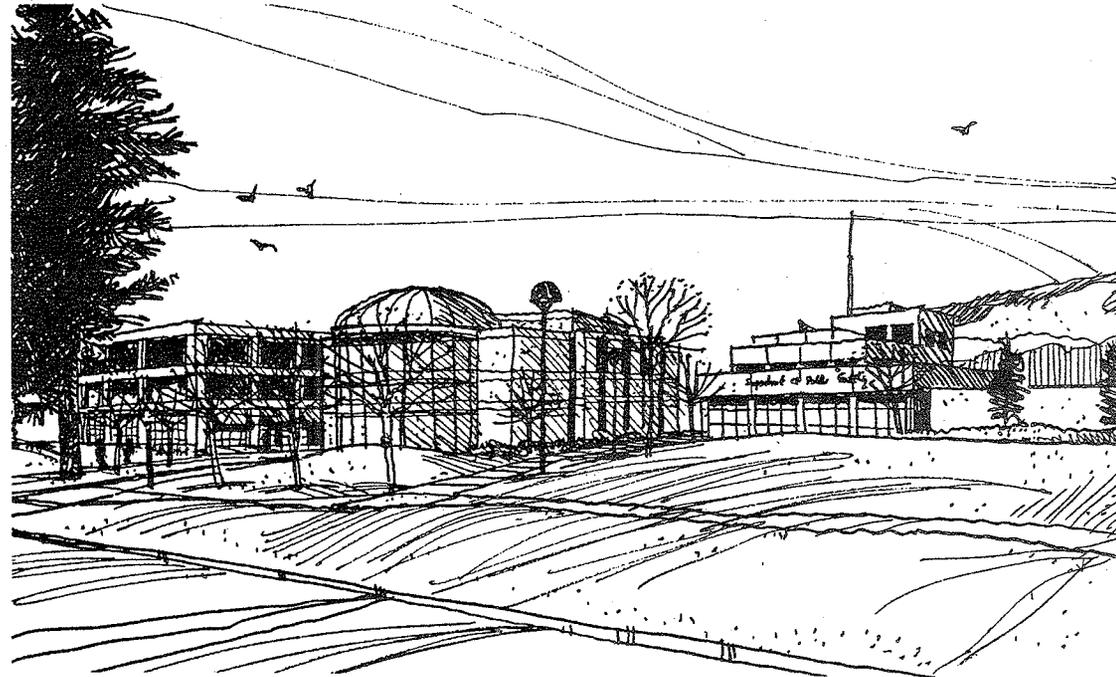
Community Events Uses:

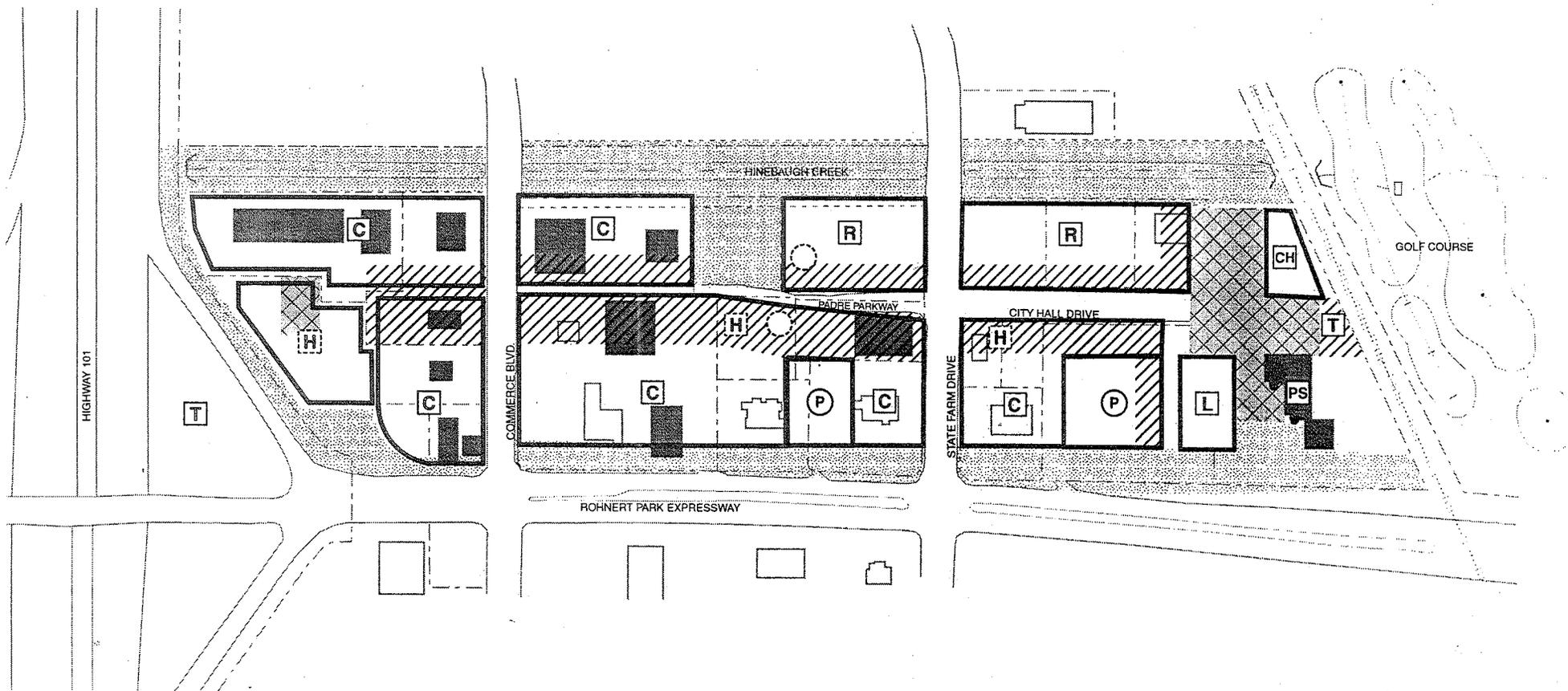
- *Farmers' markets* – Close off the “main” street on a weekday evening, and on weekend mornings;
 - *Festivals* for holidays or to celebrate the history/nature of the region, such for a wine, art or flower festival;
 - *Parades*;
 - Ceremonial and civic *events*;
 - Outdoor *theater/plays/concerts*; and
 - A *kiosk* in the main plaza to sell tickets for community events and entertainment venues, and to post information regarding community events.
- The Center should feature finer restaurants, cafes and coffee shops. “Drive-through” fast food restaurants should not be permitted.

The land use diagram on the following page describes the general location of these land uses.

Design Guidelines

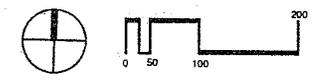
- City Hall Drive from the railroad, and west along Padre Parkway, to Highway 101 should function as the “main street” of the Center, serving as the backbone of community activity.
- The Center should include medium-intensity development characterized by 2-4 story buildings (a 2.0 maximum Floor Area Ratio). This will allow for multiple uses within a relatively small area, creating an active environment throughout the day.
- Mixed use development should include ground floor retail/commercial or office spaces and second-story residential units or office spaces.





LEGEND

- | | | |
|---|-----------------------------------|----------------------------------|
| C Mixed Use Commercial/Office | Retail Commercial Street | L Library |
| R Mixed Use Residential | Major Plaza | CH City Hall |
| H Potential Hotel/Motel Site | Landscaping, Parks, Open Space | PS Public Safety Building |
| T Future Transit Station/
Bus Park and Ride | Existing Buildings to be Retained | Potential Public Use |
| P Parking Structure | Existing Buildings to be Replaced | |



**ROHNERT PARK CITY CENTER
LAND USE DIAGRAM**

- The City Center’s central plaza will be located in the east block, defined by City Hall to the north, the railroad to the east, and Public Safety and the City Library to the south-east and south-west respectively. Commercial/retail uses such as boutiques, cafes, and restaurants with outdoor seating should be integrated into the plaza perimeter as well to provide places to sit and watch the plaza activity. The north section of the plaza should transition into a more naturalistic park space as it merges with Hinebaugh Creek. The plaza should also feature public art, water elements, seating, an outdoor stage, landscaping, lighting, trash receptacles, and a special colored/textured paving pattern.
- Hinebaugh Creek will be incorporated into the City Center Design and highlighted as a special feature, by designating a linear creek park along the south side of the creek, and by providing access to the creek via small “creek” parks that branch out toward City Hall Drive and Padre Parkway. These expanded “creek” parks will include attractive pedestrian corridors that link the “main street” to Hinebaugh Creek.
- The Center should provide residential units oriented toward the creek to maximize views of the creek and to provide access to the creek, creek parks and the adjacent pedestrian/bike trail.
- Although the City Library, City Hall and Public Safety buildings will be consolidated around the main plaza perimeter, additional public use buildings should be sited in the middle and west blocks to provide for additional attractions

throughout the Center. A cultural or arts-related center with an adjoining park or small-scale plaza could be located in the mid-block along City Hall Drive/Padre Parkway. A post office storefront could be incorporated in the mid-block as well.

- The west-block provides an opportunity for additional freeway-oriented commercial uses such as a new hotel/motel with an associated restaurant, which could create a terminus to the “main street” promenade.



CIRCULATION, ACCESS AND PARKING

The City Center circulation concept includes a “main street” with on-street parallel parking and one lane of travel in each direction. The main City Center plaza is located at the east end of City Hall Drive where the road narrows, allowing limited access to parking under City Hall and behind the Public Safety building. A turn-around redirects eastbound traffic.

Additional vehicular access to the Center will be provided via two new local streets off Rohnert Park Expressway through to the “main street” (City Hall Drive/Padre Parkway) and to parking lots behind commercial frontages.

Emergency access required by Public Safety to service the north-west part of the City will be provided via a private drive between the Public Safety building and the railroad, onto Rohnert Park Expressway. An associated timed signal light will be provided at Rohnert Park Expressway and State Farm Drive, and at Commerce Boulevard. The signal lights will provide priority “signal jumping” for emergency vehicles.

Public transportation routes associated with the City Center should include City bus transit service, shuttle services, and potentially, rail transit service as well.

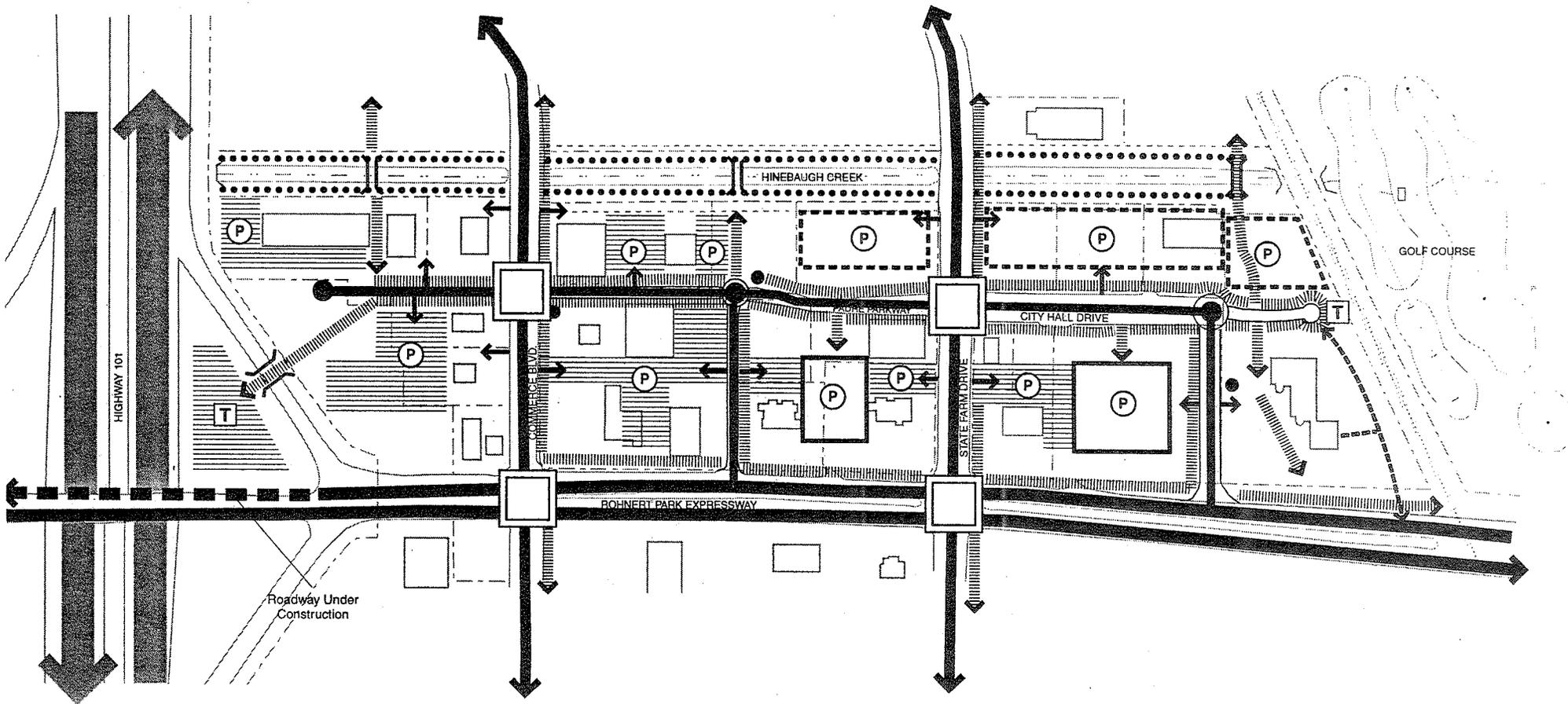
A bicycle/pedestrian path will be designated along Hinebaugh Creek to encourage alternative transportation.

Transportation-related improvements under development for the City Center area include: new lane improvements on Rohnert Park Expressway; widening of the over-pass at Rohnert Park Expressway and Highway 101; an exclusive right-turn lane for the north-bound entrance to Highway 101; and a new “park-and-ride” lot in the north-west corner of the Highway 101/Rohnert Park Expressway intersection.

Guidelines

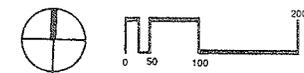
- Rohnert Park Expressway should be improved to enhance pedestrian comfort and safety through the use of mid-street crossing pedestrian safety zones (potentially with traffic lights), and improved pedestrian lighting and street furniture.
- New local streets will improve access to the City Center. These new streets will occur in the east-block between the railroad and State Farm Drive, and in the mid-block between State Farm Drive and Commerce Boulevard. Both will feature traffic circles displaying landscaping or decorative features. The new street between the railroad and State Farm Blvd. will occur just west of the new library and will include a vehicular drop-off area and service access to the library.

- At the intersection of the new east-block street and City Hall Drive, traffic continuing east on City Hall Drive will have limited access to parking underneath the new City Hall, and a turn-around will direct traffic back onto the “main street.”
- Bus service to the City Center will provide a travel alternative for residents, employees and visitors of the City Center. Bus transit stops should be distributed to serve west, middle and east blocks of the Center. Recommended locations include: the intersection of Commerce and Padre Parkway, the intersection of Padre Parkway and the new local street in the middle block; and in the east block at the drop-off adjacent to the proposed library. Bus stops should be well-lighted and clearly marked.
- Shuttle services should be provided to service seniors and the disabled living in the community.
- Public transportation should aim to tie the City Center to the Performing Arts Center, Sonoma State, major hotels, senior centers and other well-frequented destinations.
- Plans should not preclude the integration of a future rail stop or a future rail station in the City Center.
- The following are alternatives for accommodating a future rail station with parking in the City Center:
 1. Provide a pedestrian overpass and surface parking east of the railroad by shifting current golf course use;
 2. Acquire a parcel north of Hinebaugh Creek with assistance from the City Redevelopment Agency, and provide a bridge to parking;
 3. Relocate the Public Safety Building, to accommodate parking;
 4. Do not provide a full rail station with commuter parking, but instead support only a rail stop, or “kiss and ride” station that requires the use of alternative transportation.
- Pedestrian passageways should connect west, middle, and east blocks, north between the “main street” and the creek, and south between the “main street” and parking behind commercial frontages. These pedestrian connections should be designed to provide convenient and attractive access for visitors. Pedestrian corridors will be treated with special paving, landscaping, seating opportunities, and lighting, and should be edged by outdoor cafes/restaurants and additional commercial/retail frontages.
- Three pedestrian bridges should be developed to link the City Center to the offices and the day care center north of Hinebaugh Creek. Architectural elements, such as special railings or lighting, should be incorporated on the existing street crossings to celebrate and visually highlight the crossing of the creek.



LEGEND

- | | | | |
|-------|--------------------------|---|---|
| | Pedestrian/Bicycle Trail | ● | Future Bus Stop |
| == | Pedestrian Bridge | ⊠ | Future Transit Center & Bus Park and Ride |
| | Pedestrian Connection | □ | Crossing Improvements |
| - - - | Emergency Access Only | ⊙ | Surface Parking Lot |
| → | Vehicular Access | ⊚ | Below Grade Parking Garage |
| — | Collector/Local Street | ⊞ | Parking Structure |
| — | Arterial | | |



**ROHNERT PARK CITY CENTER
TRANSPORTATION AND CIRCULATION DIAGRAM**

- A bicycle and pedestrian path will be designated along Hinebaugh Creek to provide safe and convenient access to the City Center. The Hinebaugh Creek bicycle/pedestrian trail should be at least 10 feet wide to provide space for two-way, pedestrian and bicycle traffic. This path should be expanded to complete connections to destination points throughout Rohnert Park. Alternatives should be explored for extending the bicycle/pedestrian route east through the golf course, and west under the freeway. Bicycle parking facilities such as bike racks should be provided throughout the City Center.
- Curbside parallel parking will be provided along the “main street” for use by short-term visitors. (Employees and residents will be provided off-street parking.) Additional curbside parking should be marked on State Farm Blvd., Commerce and the new local connections.
- An estimated 2,200 spaces will be necessary to accommodate the parking needs of all employees, businesses, residents, and visitors of the City Center. These spaces may be provided in surface lots, parking structures, and below-grade parking spaces. All off-street parking should be screened from the surrounding area, and should be sited to minimize visibility from “main street” and Rohnert Park Expressway.
- Surface parking lots and garages should be sited at the back and sides of buildings, so that buildings, not parking, fronts the sidewalk along the “main street.” Access to rear parking will be from the side streets connecting from Rohnert Park Expressway to the “main street.” Curb cuts along “main street” should be minimized to ensure a safe, pleasant pedestrian atmosphere.
- Surface parking lots should be well-landscaped with trees and shrubs. Vegetation cools parking lots during hot summer months by providing shade and reducing asphalt surface area.
- All parking should be screened from view with trees, shrubs and berms.
- Concentrating parking spaces in a structure will reduce the need for large expanses of surface parking, which would detract from the ambiance of the City Center.
- Three parking structures should be developed in order to accommodate the required parking for higher intensity development of the City Center.
- Retail/office space should be provided on the outside of ground floor of parking structures to prevent the creation of “dead space” along street frontages.
- Podium parking can provide on-site spaces for mixed use retail, office and residential uses. Podium parking is parking that is placed on the first floor of mixed use projects or a half-story below grade. Podium parking is a good alternative for providing parking without detracting from the atmosphere of City Center. Parking edges should be screened with trees and shrubs.

CITY CENTER STREETScape DESIGN

The treatment of City Hall Drive, in terms of its landscaping, street furniture, parking, and in terms of the sidewalk's relationship to the street and adjacent buildings, contributes to the street's special character as a pedestrian-oriented "main street."

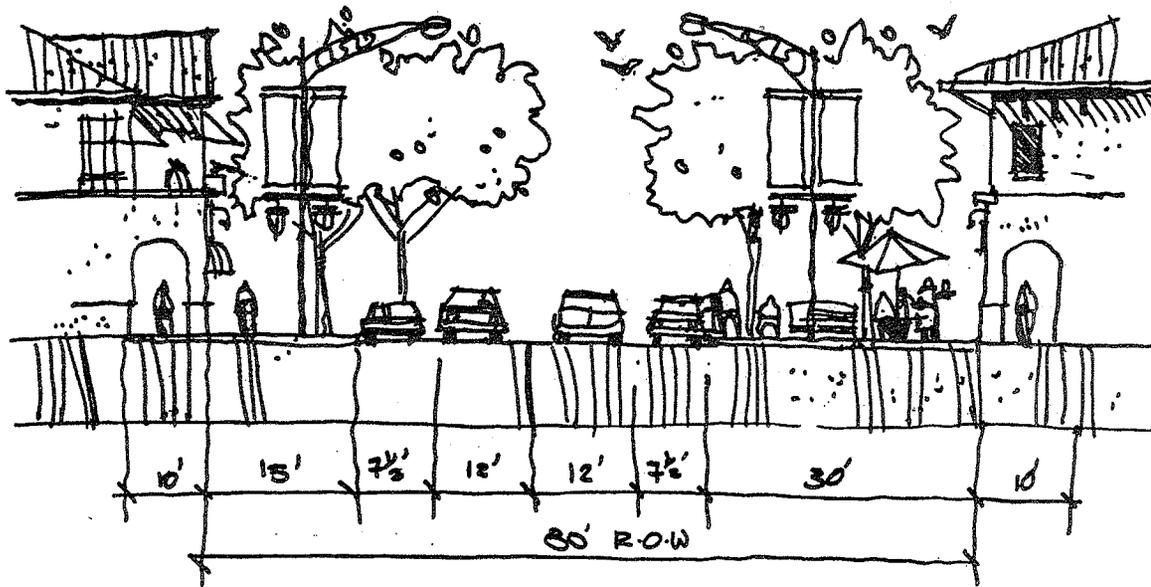
As the City Center's "main street," City Hall Drive and Padre Parkway west of State Farm, serve as the spine of the Center, extending west from the railroad to Commerce Boulevard. This major axis should be renamed so that it carries the same name along the entire Center corridor. A simple name, such as "main street" or "City Center Drive" would more accurately describe the Center's purpose, and would assist

visitors in orienting themselves to the area. The entire corridor should be developed as a continuous public right-of-way through to Highway 101.

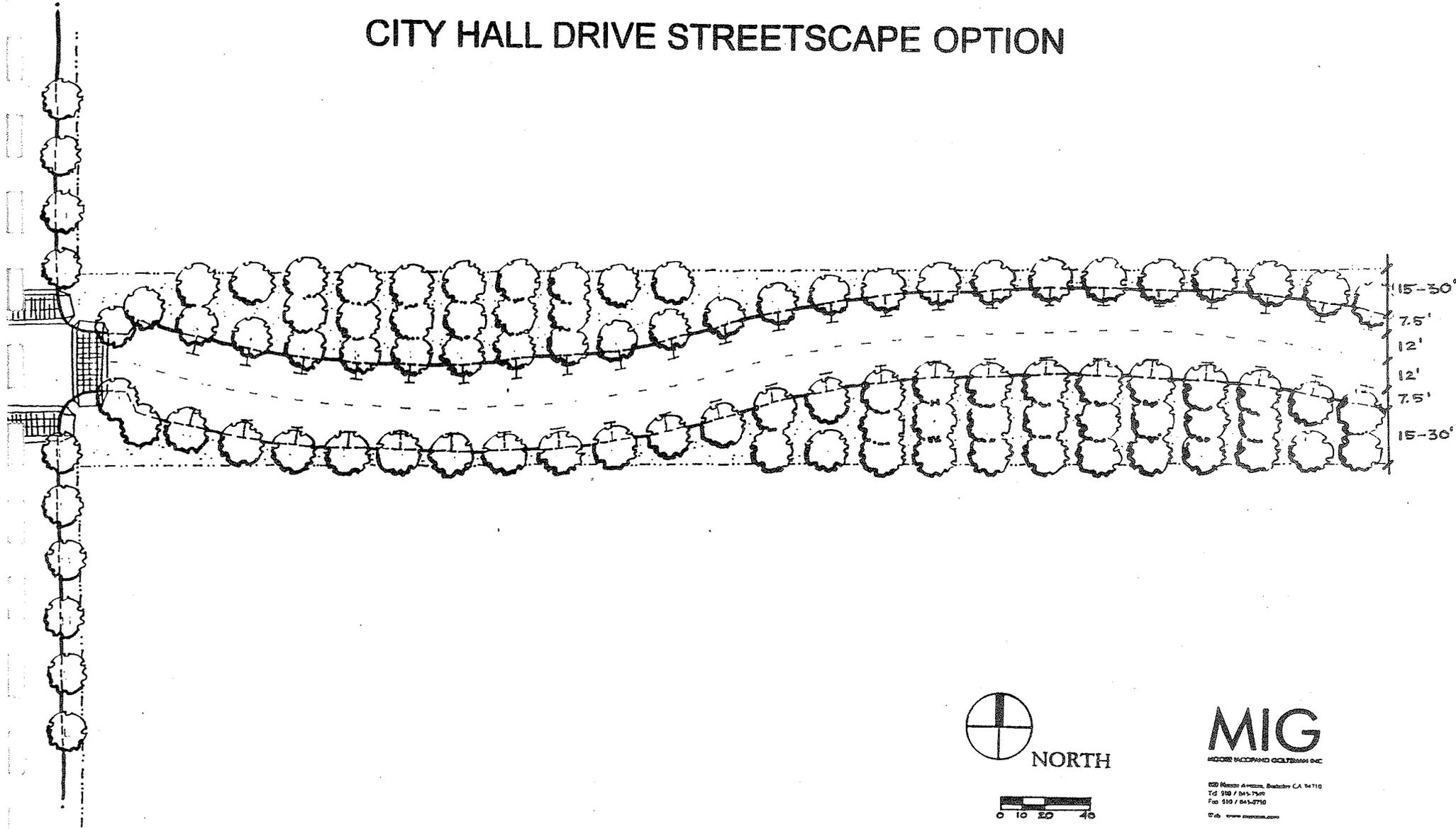
The "main street" will feature significant terminal points at each end, with a main plaza in the east-block and a landmark feature and building at the west end. The street will be flanked with medium-intensity mixed uses, including ground floor retail/commercial and offices, second-story offices or residential units, and public uses.

Design Guidelines

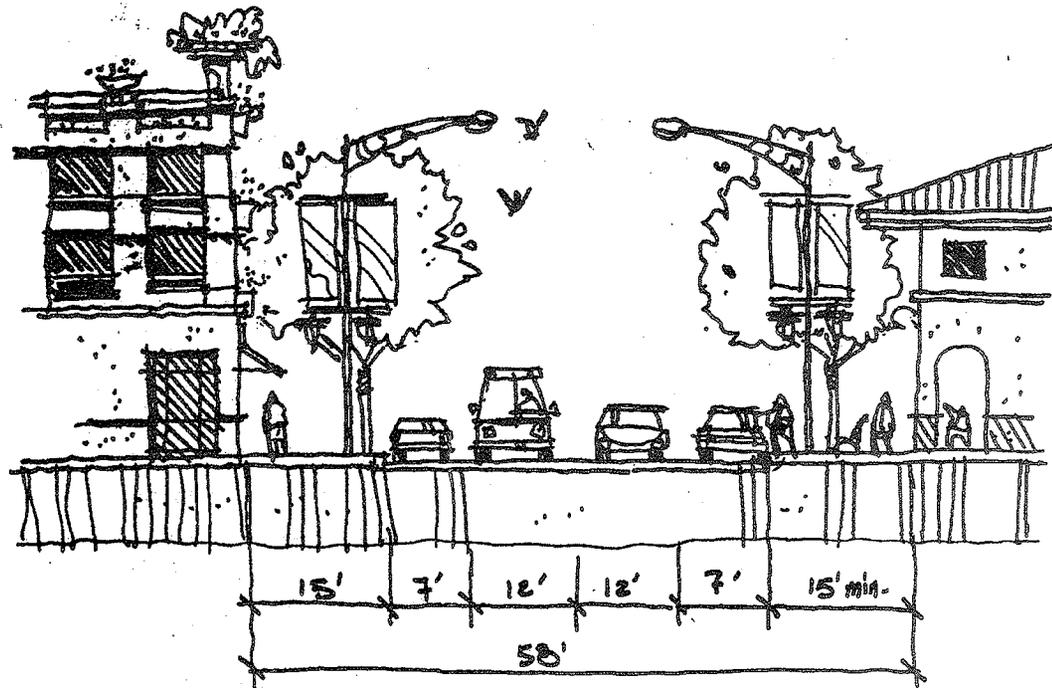
- The City Center streetscape will provide wide pedestrian-friendly sidewalks with street trees, generous landscaping, public art and plenty of seating opportunities. The streetscape should encourage people to stay and comfortably linger in the Center.
- Benches, seatwalls, tree-shaded sitting areas, and public courtyards with sculpture, attractive light fixtures, fountains, banners, other pedestrian furniture and flowers will contribute to a comfortable and enjoyable environment.
- City Hall Drive will gently curve along an arched path, promoting traffic calming, and allowing distribution of the widest walkways on both the north and south sides of the street.



CITY HALL DRIVE STREETScape OPTION



- Sidewalk materials in the City Center should incorporate a consistent color or texture and decorative paving pattern to unify the area and contribute to the special character of the Center.
- Similarly, crosswalks, should be defined with bulb-out safety corners and a special paving pattern to enhance safety and create interest.
- Decorative crosswalks will be featured on Rohnert Park Expressway at Commerce and at State Farm, and on the City Hall Drive “main street” at Commerce and at State Farm. These crosswalks should be raised so that they are level with the adjoining sidewalk to create ease of access for pedestrians, and to serve as traffic-calming features. Paving should feature a texture and color that contrasts with the roadway to mark safe crossing points in an attractive way for pedestrians, and to increase driver visibility.
- The Center’s Primary intersections should include special landmark features, such as at: Rohnert Park Expressway and State Farm; Rohnert Park Expressway and Commerce Boulevard; Rohnert Park Expressway and the railroad; Padre Parkway and Commerce Boulevard; and at City Hall Drive and State Farm Drive.
- City Hall Drive will follow an arched path, and will include one lane of travel in each direction (each lane should be 12’ wide). On-street parallel parking will be provided on both the north and south sides of the street (parking width should be approximately 7.’-6” wide).
- Wide, decorative sidewalks will be featured along the “main street,” to provide an attractive and comfortable environment for pedestrians. Sidewalks will vary in width with the curvature of the street. The minimum width should be 15’, reaching up to 30’. Wide sidewalks promote activity and public interaction in the Center. They allow places for people to stop and talk, to sit with young children, to eat, read and meet friends. When a sidewalk provides adequate space, it can become the “living room” of the community.
- Outdoor sidewalk displays, sales, cafes and restaurants are encouraged.



- Street furniture can help create a unified City Center image. Light fixtures, benches, trash receptacles, signage, planters and other street furniture should be consistent throughout the Center.
- Lighting should reflect a consistent City Center style, and should be located on City Hall Drive, along the creek-side pedestrian/bike path, and on Rohnert Park Expressway between the railroad and the Highway 101. Similar lights should be used on Commerce Boulevard, State Farm, on new service streets and in pedestrian areas. The scale of lights (height, size, number of light sources) should vary based on location. The largest lights should be located on major streets (Rohnert Park Expressway, Commerce, State Farm), smaller lights, still appropriate for vehicular circulation ways on secondary streets and major public spaces ("main street" and City Center plaza), and the smallest used for pedestrian paths (Hinebaugh Creek path).
- Seating is crucial to the success of good public spaces. A variety of seating opportunities should be incorporated along the "main street," along pedestrian corridors and in courtyards, plazas and parks. Places to sit can be provided by the use of benches or seat walls with a minimum 12" width and 14"-18" height (free-standing or serving dual use as retaining walls or planters). Sculptures, large rocks or stairs can also accommodate sitting. Providing comfortable places to sit will encourage people to socialize and linger, contributing to the vitality of the Center.
- Planters and/or potted plants, and street trees with decorative grates should be used to create a pleasant, colorful environment, and to enhance the special character of the Center.
- Street trees can be interspersed at street level between on-street, parallel parking spaces, serving as attractive parking barriers.
- Street trees should be planted a minimum of every 24' along the "main street."

PARKS AND OPEN SPACE SYSTEMS

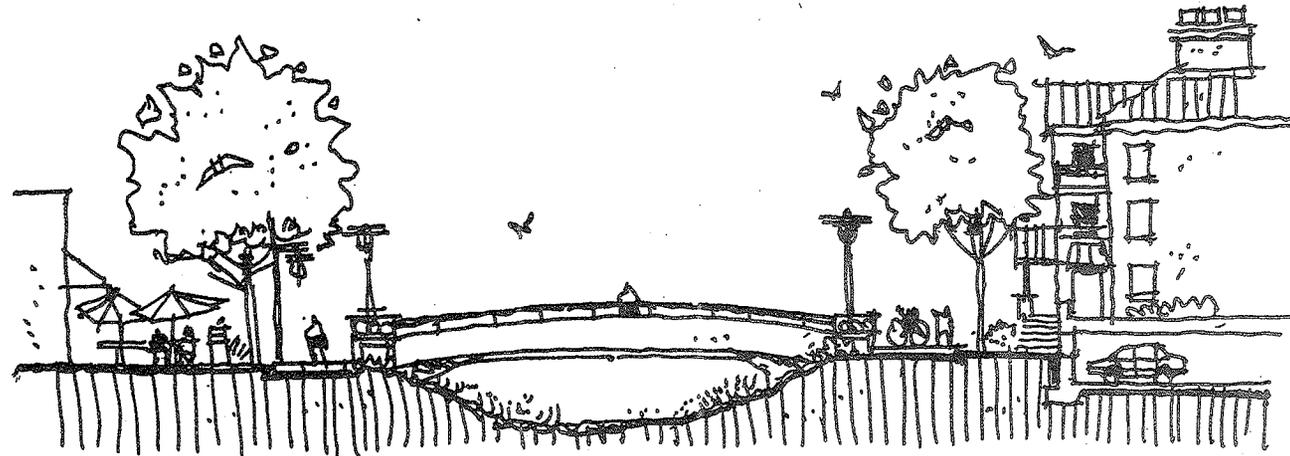
Open spaces in the City Center are composed of four major types:

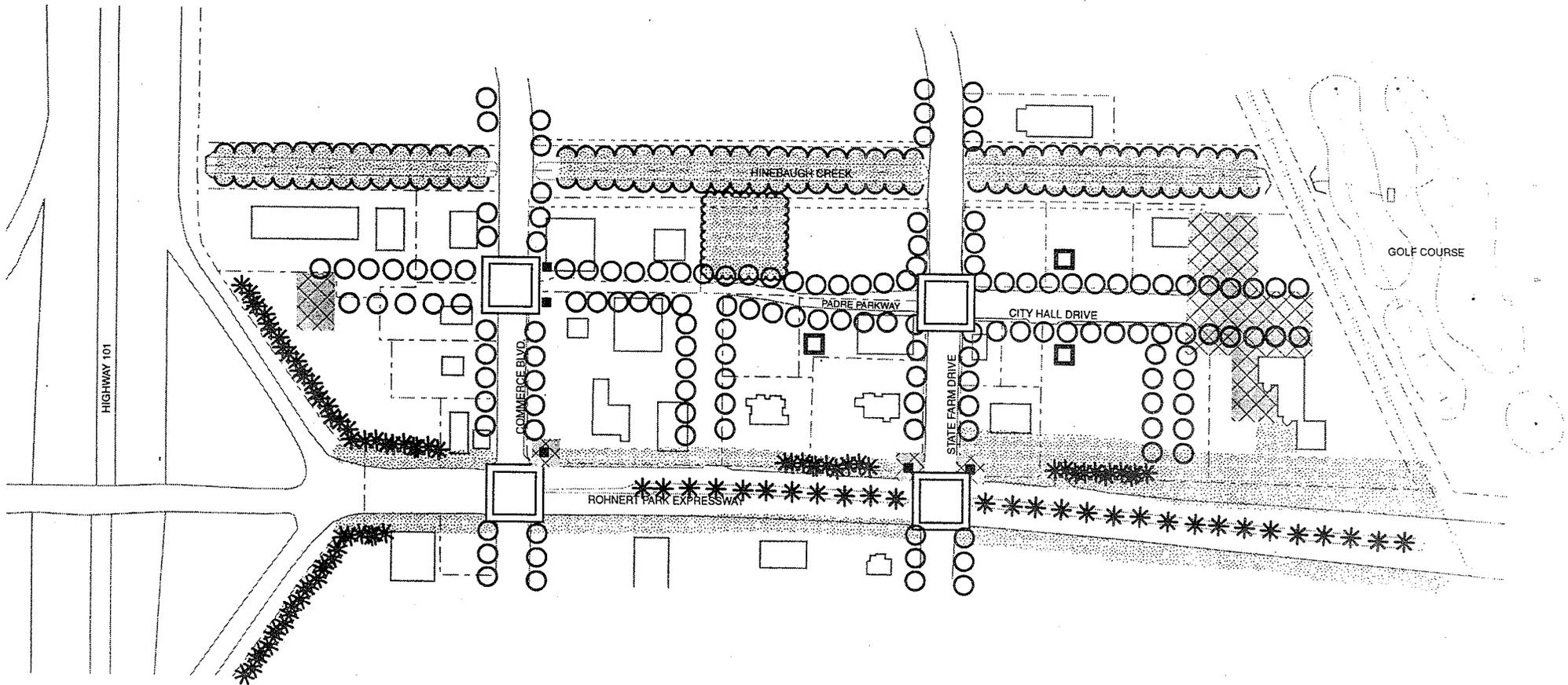
1. Plazas, courtyards and park spaces.
2. Landscaped Setback Spaces
3. Natural Creekside Areas; and
4. Pedestrian Walkways and Streetscape

A main plaza at the east end of City Hall Drive will serve as the primary public open space for the City Center area. Secondary smaller scale plazas and courtyards will be incorporated throughout the Center as well. Buildings should be situated to maximize opportunities to develop "outdoor rooms," and to allow for pedestrian connections between City Hall Drive and the creek.

A linear creek park along Hinebaugh Creek will serve as a special feature of the Center, with segments of the creek diverging toward City Hall Drive in small-scale creek parks. Access to the creek will facilitate public enjoyment of this natural feature, and provide a pleasant setting for picnicking, relaxing or playing.

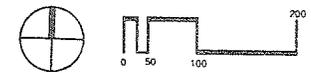
Community park space will be included in the Center's mid-block as well, providing relaxing, play and recreational opportunities proximate to shopping, living, and working uses.





LEGEND

- | | | | |
|--|------------------|---|----------------------------------|
|  | Major Plaza |  | Boulevard Trees |
|  | Creek Open Space |  | Median Landscaping |
|  | City Center Park |  | Screen Landscaping |
|  | Entry Feature |  | Parkway Landscaping |
|  | Courtyard/Plaza |  | Pedestrian Crossing Improvements |



**ROHNERT PARK CITY CENTER
OPEN SPACE AND LANDSCAPE DIAGRAM**

Design Guidelines

Plazas, Courtyards and Park Spaces

- Whenever possible, buildings should open out onto public gathering spaces such as plazas, courtyards and parks. Building entries, especially entries to restaurants, cafes and bars, should allow transitional “breathing” space with attractive plantings and lighting, where outdoor tables and seating could be located.
- Pocket parks and small-scale plazas should be incorporated as often as possible, especially in association with public buildings.
- Community parks and playgrounds for playing, picnicking and family gatherings should be incorporated into the Center as well.

Landscaped Setback Spaces

- Landscape setbacks should be utilized where a buffer or a transition space is needed between man-made elements (buildings, parking lots, parking structures) and pedestrian area (walkways, plazas, courtyards).
- The ground plane should be planted, preferably in drought tolerant ground cover.
- Shrubs and trees should mostly be as a foreground, creating masses of plants that work with a building’s design, direct the viewer’s vision to a desired point, block an undesired view or protect an open space from unwanted intrusion.

- When appropriate, the ground plane can be gently mounded (maximum slope of 3:1) to block unattractive views or to provide interest.

Creekside Areas

- A linear creek park along Hinebaugh creek will provide access to recreational open space for the adjacent residential units, and for visitors to the City Center. It should run continuously between the railroad and Commerce Boulevard. The park will reflect a more naturalistic character appropriate to a riparian setting.
- Creekside walkways or access areas should be set back a minimum of 25’ from the top of bank.
- Plantings along the creek should be consistent with a riparian area.

Pedestrian Walkways and Streetscape

- Creek park connections should be located in the west, middle, and east blocks, providing links north between the “main street” and the creek. These pedestrian connections should be treated as park-like space with special paving, landscaping, seating opportunities, and lighting. Some should also include small parks with segments of the creek diverging, and following the corridors towards the “main street.” Additionally, corridors will often be flanked by outdoor cafes and restaurants, and additional commercial and retail frontages.

LANDSCAPE

Landscape treatment for the City Center should focus on three major landscape zones. The landscape should transition from a semi-formal, “suburban” character with a generous landscape set-back along Rohnert Park Expressway, to a more formal “townscape” character along City Hall Drive, and finally to a naturalistic, informal character along the creek.

Design Guidelines

Semi-formal “Suburban” Landscape

- The semi-formal, “suburban” landscape should include generous landscape setbacks, with low, rolling grassy mounds, large canopied trees and shrubs organized in non-linear groupings.
- Drought tolerant, low-maintenance plants should be used to ease maintenance efforts in these large-scale settings.
- Design and Maintain Plantings to allow visual access where appropriate. Continue the practice of pruning up the Redwood Trees in the medians on Rohnert Park Expressway to ensure visibility into the Center.
- Lower the existing mounds located on the corners of Rohnert Park Expressway and State Farm and Rohnert Park Expressway and Commerce to allow visibility into the City Center. Incorporate special corner entry features, such as entry plazas with potted plants, specimen trees and flowering plant materials.

- Use earth berms and plantings to screen unsightly areas, such as parking lots, loading docks, transformers and dumpsters.
- Use of invasive species is prohibited.

Formal “Townscape” Landscape

- The formal “townscape” landscape design should include trees and shrubs that respond to architectural elements, such as plazas, walkways and associated buildings in an axial, organized rhythm.
- Trees planted at grade should feature decorative grates.
- Select a “street tree” that can be used consistently to line the “main street,” providing cohesion for the Center. These trees should be large-canopied, with strong branching structure. They should be trees that accept pruning-up well to allow easy viewing of retail and other signs.
- Accent trees and shrubs with special seasonal attributes, such as flowers, colorful or scented foliage, or attractive bark should be prioritized in the heart of the City Center, where they can be appreciated at the pedestrian scale.
- Plants/flowers that require more intensive care should be consolidated in feature areas where they can be more easily maintained, and paired with plants with similar water requirements.

- Raised planters should be constructed with at least a 12” width and a 14”-18” height, so that they can serve the dual purpose of functioning as seatwalls.
- The use of potted plants, planter boxes, raised beds, trellises and arbors should be encouraged in planting and architectural designs. The use of ornamental grapes on arbors or trellises should be considered to reflect Sonoma County’s history of growing
- Use earth berms and plantings to screen unsightly areas, such as parking lots, loading docks, transformers and dumpsters.
- Use of invasive species is prohibited.

where consequences of invasives and escaped exotics can be severe.

Note:

Recommended plants for the City Center to be provided by the City Arborist and located in the appendix.

Informal “Naturalistic” Landscape

- Plantings adjacent to the creek should reflect the natural character of this riparian setting.
- Planting designs should feature naturalistic, non-linear plant groupings.
- Use native plants where they are well-suited
- Consistently use plants with low maintenance requirements.
- Avoid the use of invasive plants.
- Use earth berms and plantings to screen unsightly areas, such as parking lots, loading docks, transformers and dumpsters.
- Use of invasive species is prohibited. This is especially serious in larger uncontained areas

BUILDING FORM AND DETAIL

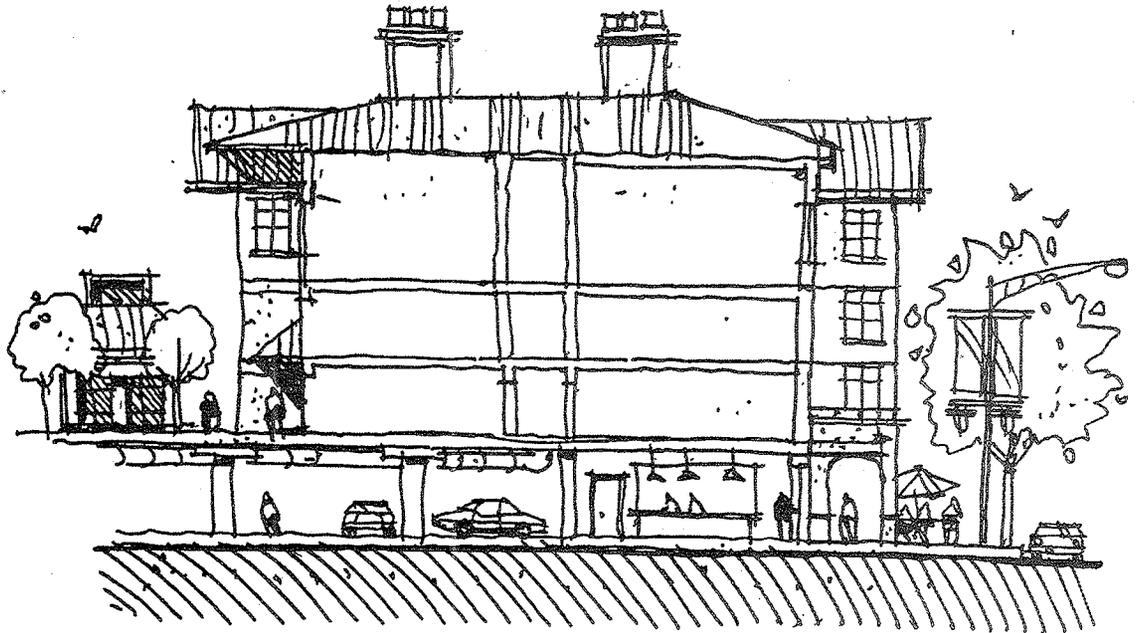
Rather than attempting to mimic a specific cultural or historic style, such as in “Spanish” or “Western” themes, buildings in the City Center should derive consistency through commonality in scale, building materials, relationship to the street and outdoor public spaces, and through unique details/patterns further described in the guidelines below. Buildings should reflect a coordinated image, yet present a distinctive architectural character.

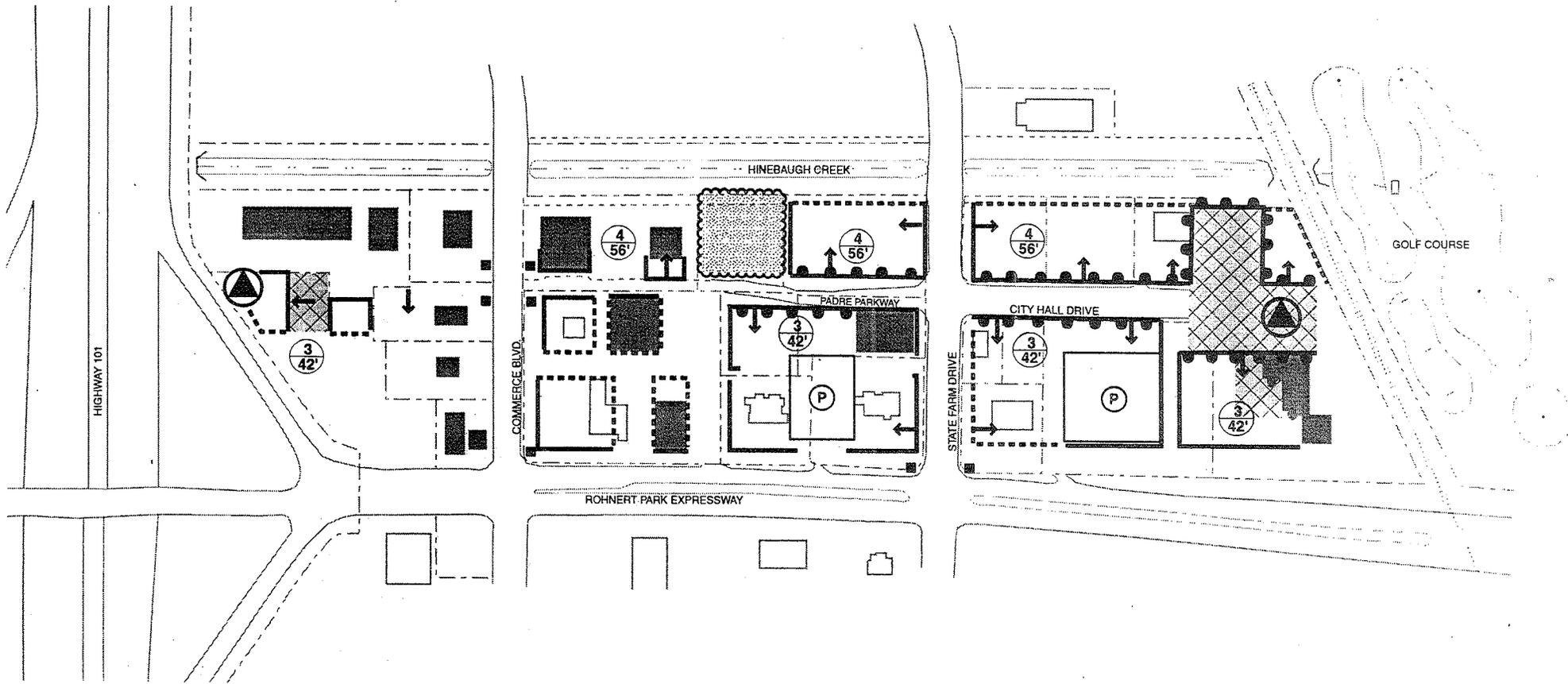
Thoughtful, well-conceived designs for the new library and City Hall are critical because these two new buildings will define the City Center character and level of quality, setting a precedent for future development in the City Center.

Design Guidelines

- Build up to the sidewalk - Buildings facing onto pedestrian streets and pedestrian corridors should be located directly behind sidewalks to create a continuous building face on City Hall Drive, Padre Parkway, new local streets, and pedestrian corridors connecting to Hinebaugh Creek and parking.
- Buildings should offer well-defined connections to human-scale outdoor spaces, through the use of patios, courtyards, and arcades.
- Buildings should be situated to maximize opportunities to develop “outdoor rooms,” and to allow for pedestrian connections between City Hall Drive and the creek.

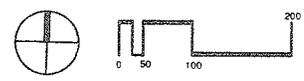
- Along City Hall Drive, buildings should feature arcades, covered corridors supported by columns.
- City Center buildings should be 2-4 stories high (with the exception of landmark buildings where higher stories are encouraged), with the highest buildings located in the commercial area. Ground floor commercial spaces facing the “main street” along City Hall Drive and Padre Parkway should reach 12-15 feet in ceiling height.





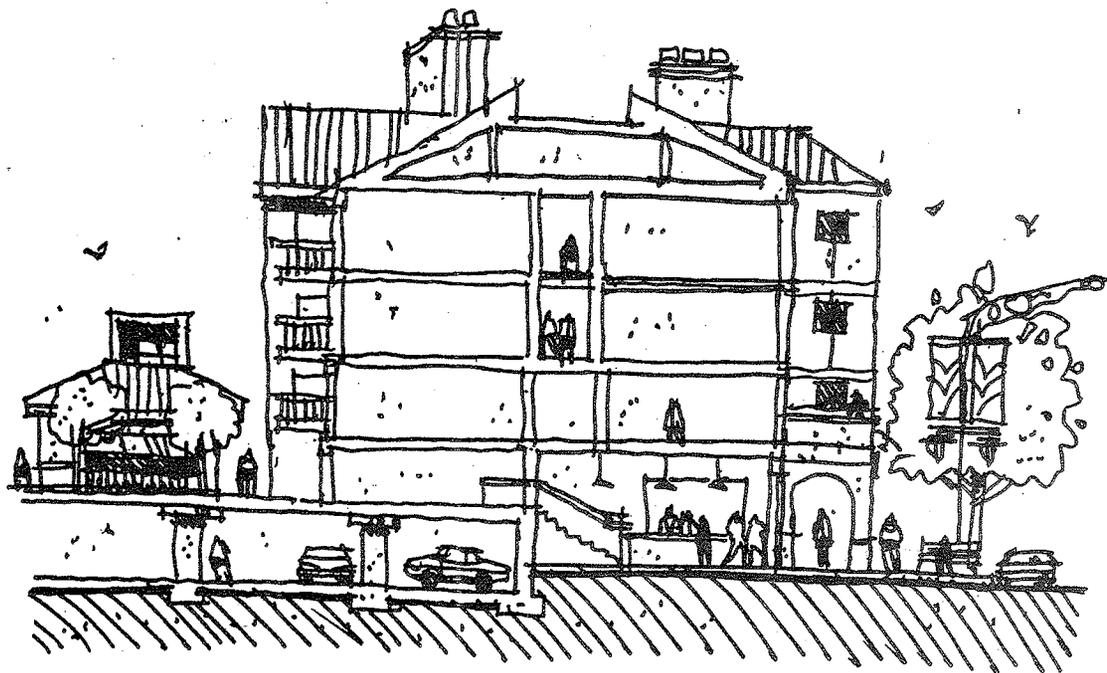
LEGEND

-  Major Plaza
-  Park
-  Entry Feature
-  n = No. Stories
N' = Building Height (ft.)
-  Landmark Element
-  Existing Buildings to be Retained
-  Existing Buildings to be Replaced
-  Arcade
-  Major Building Entries
-  Build-to Line
-  Setback Line



**ROHNERT PARK CITY CENTER
SITE DEVELOPMENT DIAGRAM**

- Corner sites provide opportunities for taller landmark building elements to be incorporated into the building design and site layout. Landmark elements may include towers, unique roof shapes, corner entries at 45-degree angles, unique façade treatments and taller buildings at the corners and at major building entries.
- Variation in facades should be encouraged: vary step-back of facades approximately 8-18"; include use of upper floor decks; avoid the use of undifferentiated steel and concrete facades.
- Buildings may be oriented so that they follow the gentle curve of the street, or situated so that they are staggered.
- Buildings should respond to sun angles, varying in height to maximize sun exposure in public outdoor spaces. For example, buildings between City Hall Drive and Hinebaugh Creek should be higher on the north side of City Hall Drive and gradually step down toward the creek.
- Residential developments with over 50 units should provide common recreation areas with amenities such as playgrounds, exercise facilities and pools. Recreation areas can be provided in the central core or roofs of mixed-use buildings.
- Residential units require outdoor ground floor patios (minimum 80 sq. ft. x 8 sq. ft. wide) and/or upper floor decks (minimum 50 sq. ft. x 6 sq. ft. wide).
- Decks and building orientation should be designed to maximize views of Taylor and Sonoma mountains to the east.
- Commercial/retail spaces should allow unobstructed visual access to the street with glass-fronted display areas, windows, doorways, and roll-up doors for open-air settings. Openings/visual connections should occupy a minimum of 60% of ground floor building frontages.
- Buildings should feature multiple entries along the street, distributed approximately every 20-28 feet to create interest, convenience, and activity to support a pedestrian-friendly environment.



- Buildings should avoid the use of large expanses of glass and/or mirrored glass, such as “ribbon windows or glass “curtainwalls.” Instead, windows should be organized so that they establish an attractive ratio and rhythm of solid to void along the street face.
- Awnings, trellises, arcades and upper floor decks or combinations of these elements should be included in building designs. These features contribute to the character and unity of the City Center, and create a more comfortable pedestrian scale environment.
- Building materials can vary according to specific building height and scale. More substantial, visually appealing materials, such as brick, masonry, granite, tiles, decorative concrete, or marble should be used at street level.
- Use of color stat is encouraged.

DESIGN DETAILS

In order to create an attractive and unique Center, natural and geographic features, such as views of the mountains and access to the creek, should be protected and highlighted.

Building and planting designs should aim to celebrate attractive qualities and screen unsightly elements.

Wayfinding elements, such as landmarks, gateways, and signage ensure visitor orientation and to enhance the Center's "sense of place"

Guidelines

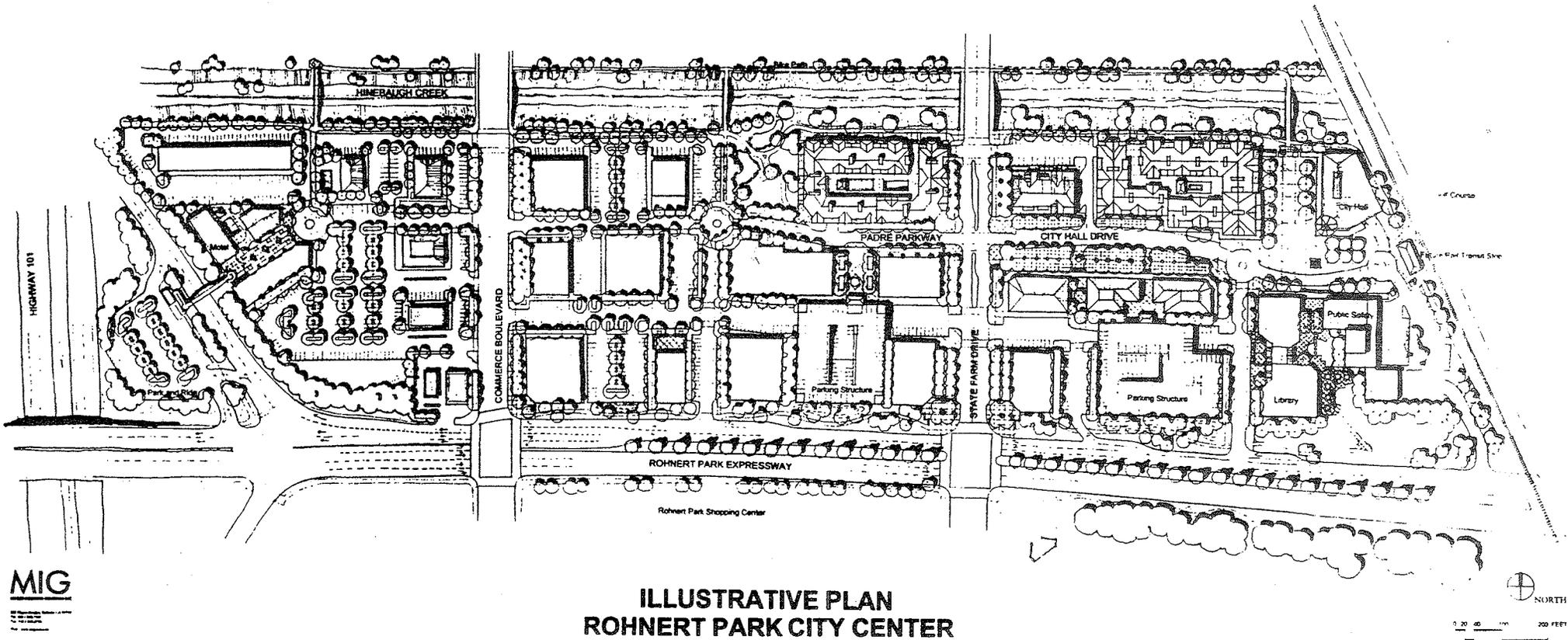
- Design and building orientation should maximize views of Taylor Mountain and Sonoma Mountain to the northeast.
- All outdoor storage areas should be located away from major pedestrian streets and screened with decorative fencing and landscaping.
- Landmarks should be incorporated to help delineate east-west terminal points of the "main street" axis.
- Entry features should be provided to frame entrances to the City Center. Intersections that warrant special landmark statements include: Rohnert Park Expressway and State Farm; Rohnert Park Expressway and Commerce Boulevard; State Farm Drive and City Hall Drive; and Commerce Boulevard and Padre Parkway.

- Signage should adequately convey directional information needed by motorists and pedestrians, provide sufficient business identification, and reflect the character and scale of pedestrian areas.
- Large, outdoor advertising signs should not be permitted in the City Center.
- All areas should be designed to be accessible.

Chapter V

Illustrative Plan

ILLUSTRATIVE PLAN



MIG

ILLUSTRATIVE PLAN ROHNERT PARK CITY CENTER

Chapter VI

Implementation Strategy

A well-defined program for implementation is the difference between a shelf document and a plan of action. This chapter presents a strategic approach to implementation of the City Center Concept Plan. It details a Strategic Action Plan, including the actions, projects, and programs the City and community will implement to achieve its desired vision. The Action Plan includes both policy-oriented actions, as well as more specific City departmental projects to develop facilities, programs, and services.

Strategic planning is a process of identifying the strengths and challenges facing the community; developing a vision for the future; and identifying and prioritizing the necessary actions, projects, programs and steps to achieve that future. The results of the strategic plan is a shared vision for the future and a framework for decision making, prioritizing community improvements, and the allocation of limited resources to accomplish the stated goals. In short, the strategic action plan is a community consensus on what needs to be done and how to accomplish it.

A strategic action plan is not a static plan. Strategic planning is dynamic and changes as projects are completed and the community collectively identifies new directions. Over time, resources, opportunities and new challenges will inevitably present themselves to the community. Thus, the implementation actions should be periodically reviewed and revised as actions have been accomplished and new actions, program

and priorities are developed to face these new challenges.

The Priority and Supporting Actions identified below are those most critical for the future success of the Rohnert Park City Center.

STRATEGIC FRAMEWORK

The Action Plan is based on the overall goals and vision developed with the community, and outlines the necessary actions for developing the *Rohnert Park City Center* in accordance with the community's desired vision.

The City of Rohnert Park is in a unique position to initiate major changes for the City Center area. The City is a major property owner and has identified and funded two major projects – a new City Library and a new City Hall. These two major investments are a major catalyst to jump-starting City Center revitalization. Coupled with new street improvements along City Hall Drive and Padre Parkway, the completion of a new central plaza space will quickly set the stage for new private investment and for achieving the City Center Vision.

The City of Rohnert Park, however, does not have the financial resources to implement the entire plan all at once. Therefore, the Action Plan phases projects over time. While the action items have been prioritized, the planning process should remain flexible to accommodate unexpected circumstances

such as changes in funding availability or shifts in the community's needs and priorities.

Implementation Principles

Four principles guide the overall implementation of the Strategic Action Plan:

- *Build on what we have.* Successful existing programs must continue to be supported as new initiatives are implemented.
- *Encourage public-private and community partnerships.* The successful implementation of the Action Plan is contingent upon the continued support and cooperation the entire community, including the public and private sectors, community groups, and residents.
- *Identify roles and responsibilities.* The dedication, commitment, and accountability provided by a lead organization is key to successful implementation.
- *Monitor and evaluate ongoing progress.* Periodic assessments help to identify barriers to success and determine if “mid-course corrections” are needed. Furthermore, demonstrated success helps sustain and increase community support, commitment and enthusiasm toward common goals.

The Strategic Action Framework (Figure 1) illustrated on the following page provides an outline of specific actions that can be carried out over time to achieve the City's vision, goals and policies for the future. The Strategic Action Framework establishes a series of projects and programs in a phased, prioritized

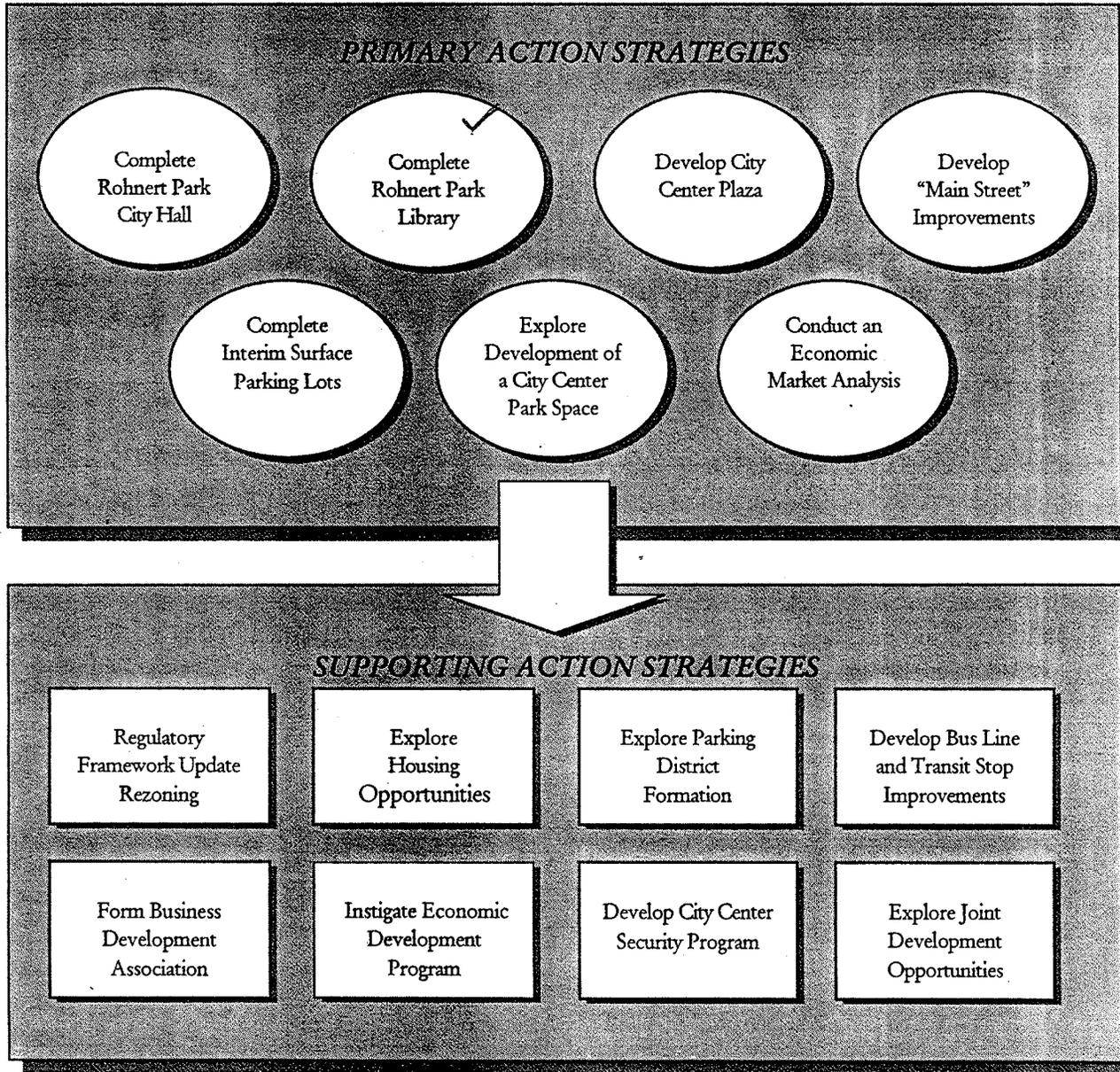
framework directing the City's efforts and limited resources to accomplish the General Plan goals. It is intended as a document to guide the overall coordination of implementation activities for the City Center project.

Implementation actions and programs are assigned a relative priority according to the following two-tiered Strategy Framework - Primary Actions and Supporting Actions.

Primary Action Strategies

- *Complete Rohnert Park City Hall.* Build a new City Hall in the City Center area. An attractive City Hall building will provide a distinguishing landmark for Rohnert Park's Civic Center area. The new facility will consolidate all City departments in one place, and provide space for anticipated growth of City staff.
- *Complete Rohnert Park Library.* Build a new library facility in the City Center area. The central location of the new library will make this valuable resource more accessible to all residents of Rohnert Park.
- *Develop City Center Plaza.* Design and develop a central plaza for informal gatherings, lunch crowds, library visitors, and ceremonial community events.
- *Develop “Main Street” Improvements.* Design and implement streetscape improvements, including street trees and landscaping, lighting, street-furniture, trash receptacles, traffic calming, and pedestrian safety features.

FIGURE 1: STRATEGIC ACTION FRAMEWORK



- *Complete Interim Surface Parking Lots.* Develop surface parking lots for use by city employees, library users, and retail establishments. These parking lots would be located behind retail frontages and would preserve space for parking structures as higher intensity development occurs in the future.
- *Conduct Economic Market Analysis.* The vision for the City Center identifies potential new uses to create a vital and active street life as a focal point in the community. An in-depth market analysis would determine the economic potential for these new uses and develop strategies for encouraging their location in the City Center area.
- *Explore Development of a City Center Park.* This project involves the development of the City Center Park in the mid-block location adjacent to Hinebaugh Creek. The City should investigate the potential of land purchase or a land swap with current property owners of the site for the future park improvements.
- *Explore Mixed-use Housing Opportunities.* This strategy would explore the potential development of mixed use housing options for the vacant site in the City Center area. A variety of tenants, such as senior housing and live/work spaces above retail and office uses are intended for these sites. Residents will support local shops and restaurants, increase the level of activity in the area, and improve security by providing “eyes on the street”. This project would explore potential for joint venture, public private partnerships, and redevelopment initiatives to meet these housing goals.
- *Initiate an Economic Development Program.* This strategy would develop an overall economic development program for the City Center area to promote the development and intensification of existing underutilized sites, and for the promotion of business that add to the live and vitality of the City Center.
- *Regulatory Framework Update - Rezoning.* The Civic Center area must be rezoned to allow for the land uses designated in this concept plan. Creation of an overlay City Center Zone may be appropriate action.
- *Develop Bus Line and Transit Stop Improvements.* This strategy would undertake changes to the existing bus and transit systems in Rohnert Park to meet the transit goals of the City Center Plan. This project involves coordination and cooperation with local and regional transportation agencies and bus services to provide new stops and route changes. This project would also investigate the potential for local electric shuttle services, and

Supporting Action Strategies

- *Explore Parking Assessment District Formation.* This project would study the creation of a Parking Assessment District to pay for the construction of parking garages in the Civic Center area. Property owners and tenants may be assessed according to type of land use, floor space, number of employees, or other fair means of cost distribution.

future commuter rail services along the existing railroad tracks.

- *Explore Joint Development Opportunities.* This strategy would explore and encourage joint development opportunities between the City and local property owners and developers to intensify the City Center sites. The City can take a lead role in encouraging redevelopment of existing sites to help “jump start” revitalization of the area.

This strategy would also explore opportunities and incentives to encourage private investment and intensification of existing underutilized sites in the City Center area.

- *City Center Security Program.* This strategy would explore the development of a security program for the City Center area including Bicycle police patrols, security lighting and security telephones, private security escort patrols, and activity programs for public places to discourage vagrants from sleeping and camping in open spaces.
- *Form a Business Development Association.* This strategy would investigate the potential of forming a City Center business Development Association made up of local property owners and major business in the City Center. The objective is to create an organization of local businesses to help coordinate the improvements and programs outlined in the City Center Concept Plan, and encourage business development and improvements for the area.

The Action Plan Matrix

The Action Matrix on the following pages presents the priority projects and indicates the estimated cost, potential funding sources, phasing/timing, and responsible party for each of the action items. The priority projects were selected for their civic contribution, and for their high potential to catalyze further development and activity in the Rohnert Park Civic Center area.

These actions, projects and programs are the tools the City and the community will utilize to achieve its desired future. For each action, the Action Plan matrix identifies:

- *Implementation Responsibility.* The responsible organization(s) or entity that could most appropriately assume the lead role for the implementation of the action;
- *Estimated Project Costs.* Project costs estimates are provided as “order of magnitude” estimates to give a relative degree of investment necessary for implementation. Detailed cost estimates would be necessary for each implementation action as part of the ongoing action program;
- *Time Frame.* The time frame within which the action could reasonably be undertaken (immediate: 0-1 year; near-term (1-3 years); mid-term (3-5 years); and long-term (5+ years); and
- *Potential Funding.* The potential funding sources that could possibly support the action.

FIGURE 2: STRATEGIC ACTION MATRIX

Priority Projects

Action Project	Development Cost Estimate	Potential Funding Sources	Phasing/ Timing	Implementation Responsibility
Complete Rohnert Park City Hall	\$4-6 million	<ul style="list-style-type: none"> ▪ Bond ▪ City General Fund 	Immediate	<ul style="list-style-type: none"> ▪ City of Rohnert Park
Complete Rohnert Park Library	\$6-8 million	<ul style="list-style-type: none"> ▪ Bond ▪ City General Fund ▪ Corporate Donations/Sponsors 	Immediate	<ul style="list-style-type: none"> ▪ City of Rohnert Park ▪ Sonoma County Library ▪ Friend's of the Library
Develop City Center Plaza	\$1-2 million	<ul style="list-style-type: none"> ▪ General Funds ▪ City Bonds ▪ Park Dedication Fees ▪ Corporate Sponsors 	Near Term	<ul style="list-style-type: none"> ▪ City of Rohnert Park
"Main Street" Streetscape Improvements	\$1.5-2 million	<ul style="list-style-type: none"> ▪ General Funds ▪ Gas Tax ▪ Grants ▪ Bonds ▪ Special District 	Near Term	<ul style="list-style-type: none"> ▪ City of Rohnert Park
Investigate Town Center Park Space Development	\$50-60,000 Study \$1-1.5 million construction costs	<ul style="list-style-type: none"> ▪ Investigate Land Swap ▪ City General Funds ▪ City Parks Bonds ▪ City Parks Dedication Fees ▪ Redevelopment Funds 	Immediate/Near Term	<ul style="list-style-type: none"> ▪ City of Rohnert Park
Conduct City Center Economic Marketing Analysis	\$50-80,000	<ul style="list-style-type: none"> ▪ City General Funds ▪ Redevelopment Funds 	Immediate	<ul style="list-style-type: none"> ▪ City of Rohnert Park ▪ Local Business Association
Develop Interim Surface Parking	\$750,000-\$1.2 million	<ul style="list-style-type: none"> ▪ Bonds ▪ City General Fund ▪ Parking District 	Immediate	<ul style="list-style-type: none"> ▪ City of Rohnert Park

Phasing/Timing

Immediate: 0-1 year; Near Term: 1-5 years; Mid-term: 5-10 years; Long Term: 5-15 years

VI-6 IMPLEMENTATION STRATEGY

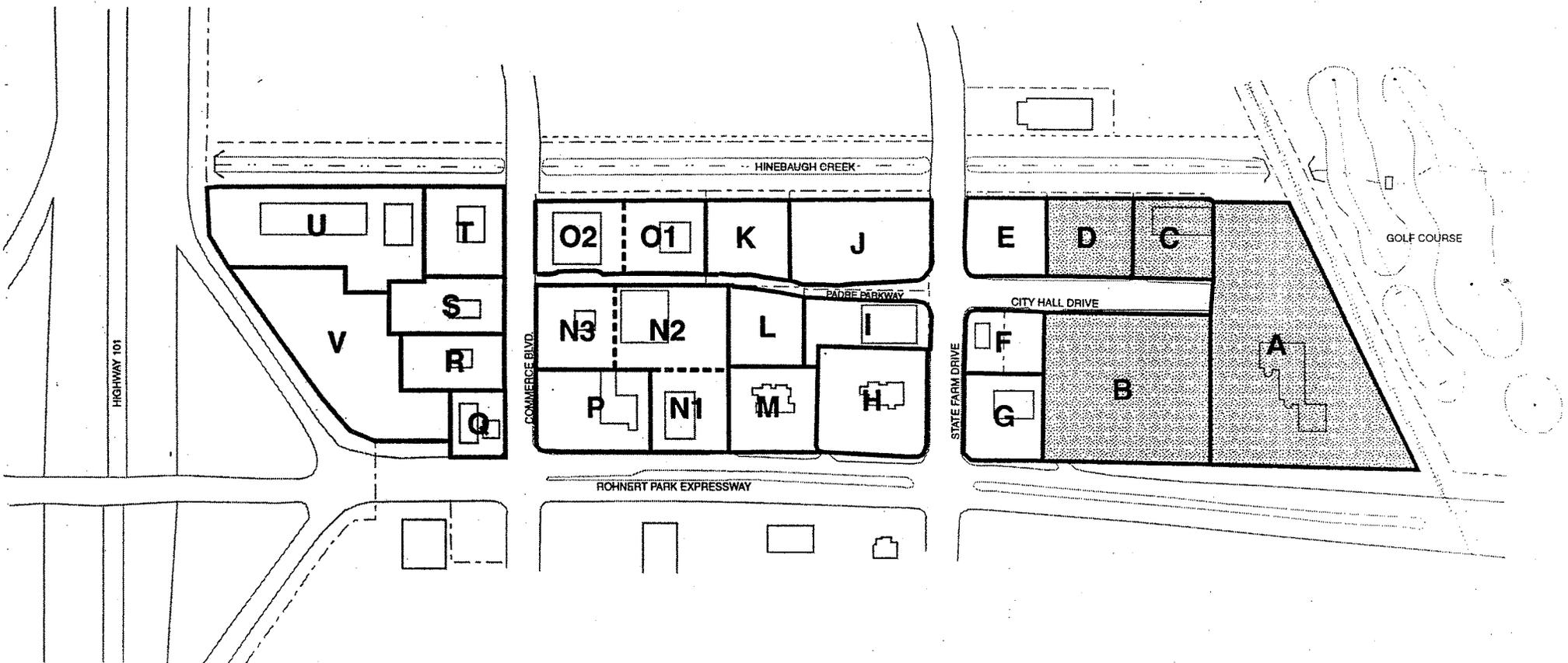
Supporting Projects

Action Project	Development Cost Estimate	Potential Funding Sources	Phasing/ Timing	Implementation Responsibility
Hinebaugh Creek Linear Park	\$1-1.5 million	<ul style="list-style-type: none"> ▪ City Parks Funds ▪ Corporate Donations ▪ Special Grants ▪ Flood Control District 	Mid-Term/Long-Term	<ul style="list-style-type: none"> ▪ City of Rohnert Park ▪ Flood control District
Mixed Use Housing Development	Joint Development Project Private Investment	<ul style="list-style-type: none"> ▪ Private Development ▪ Joint Venture/Partnerships 	Near Term/Mid-term	<ul style="list-style-type: none"> ▪ City of Rohnert Park ▪ Private Developers ▪ Local Property Owners
Parking Structure	\$5-7 million/Structure 412-15,000/Space	<ul style="list-style-type: none"> ▪ Bonds ▪ Joint venture ▪ Parking Assessment District 	Mid-term/Long Term	<ul style="list-style-type: none"> ▪ City of Rohnert Park ▪ Redevelopment Agency ▪ Local Property Owners
City Center Rezoning	\$60-75,000 Local Planning Study	<ul style="list-style-type: none"> ▪ City General Funds 	Immediate	<ul style="list-style-type: none"> ▪ City of Rohnert Park, Planning Department
City Center Business Development and Marketing	\$50-75,000 Marketing Program	<ul style="list-style-type: none"> ▪ City of Rohnert Park ▪ City Center Business Association 	Near Term	<ul style="list-style-type: none"> ▪ City of Rohnert Park ▪ City Center Business Association
City Center Security Program	\$50-75,000/year	<ul style="list-style-type: none"> ▪ City General Funds ▪ City Center Business Association 		<ul style="list-style-type: none"> ▪ City of Rohnert Park ▪ City Center Business Association

Phasing/Timing

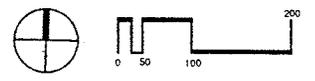
Immediate: 0-1 year; Near Term: 1-5 years; Mid-term: 5-10 years; Long Term: 5-15 years

Appendices



LEGEND

 City-Owned Parcels



**ROHNERT PARK CITY CENTER
DEVELOPMENT SITES**

Rohnert Park City Center Concept Plan
SITE DEVELOPMENT POTENTIAL

Site	Activity - Use	Site Area Ac.	Residential Units Du	Commercial Floor Area (sq.ft.)	Parking (Spaces)	Street Parking (Spaces)	Total Site Area (Sq. Ft.)	FAR (Floor Area Ratio)
Eastern Block								
A	Public Safety	1.32		34,000	40		57,456	0.59
	Library	1.15		26,001	0		50,094	0.52
	Library Expansion			14,000	0			
	City Hall	1.15		20,001	140		50,094	0.40
	City Hall Additional Space			30,000	0			
	Plaza/Open Space	1.35					58,662	
	Subtotal	4.97	-	124,002	180		216,306	0.57
B1	Retail/Offices	3.35		5,600			146,058	
	Parking Structure				696			
B2	Retail/Offices			43,000		18		
B3	Surface Parking				40			
	Subtotal	3.35	-	48,600	736		146,058	0.33
C	Mixed Use	0.89	50	6,051	60	5	38,955	1.44
D	Mixed Use	0.98	50	6,050	60	5	42,678	1.31
E	Proposed Eye Doctors	0.91		24,000	60	5	39,645	0.61
F	Retail/Office	0.66		24,000	11		28,950	0.83
	Subtotal - East Block	11.77	100	232,703	1,107	33	512,592	0.47
Mid-Block								
G	Security Pacific Bank	0.94		30,000	40		41,045	0.73
H	West America Bank	1.61		30,000	30		70,002	0.43
	Parking Structure				600	7		
I	Offices	0.96		19,000	20	7	41,997	0.45
J	Office Retail	1.85	80	14,080	97	7	80,676	1.17
K	City Center Park	1.04				5	45,510	0.00
L	Office/Retail	0.83		21,000	17	11	36,350	0.58
M	Redwood Credit Union/Office	1.04		30,000	17	6	45,332	0.66
	Subtotal	8.29	80	144,080	821	43	360,912	0.62
N1	Retail/Office			10,160	43		123,110	
N2	Retail/Office			15,600	59			
N3	Retail			9,000	28	5		
	Subtotal	2.83	0	34,760	130	5	123,110	0.28
O1	Offices	2.08		20,000	73		90,511	
O2	Retail			15,600	39	5		
	Subtotal	2.08	-	35,600	112	5	90,511	0.39
P	Bank/Office	1.50		30,000	64	5	65,398	0.46
	Subtotal - Mid-Block	14.69	80	244,440	1,127	58	639,931	0.51
TOTALS		26.46	180	477,143	2,234	91	1,152,523	0.41

MIG, Inc.

April 1999

RECOMMENDED CITY CENTER TREES

Small Trees

15' – 30' at Maturity – use in 2' and 3' planter parkways

Maples (Acer)

Vine Maple (*A. circinatum*)

David's Maple (*A. davidii*)

Amur Maple (*A. ginnala*)

Japanese Maples (*A. palmatum*)

Many varieties available, featuring leaf color and shape features

Hedge Maple (*A. campestre*)

Chinese Maple (*A. tartaricum*)

Magnolia

Saucer Magnolia (*M. soulangiana*)

Southern Magnolia (*M. grandiflora* 'St. Mary')

Star Magnolia (*M. stellata*)

Choose smaller varieties

Bronze Loquat (*Eriobotrya deflexa*)

California Redbud (*Cercis occidentalis*)

Citrus Varieties

Crabapple (*Malus*)

Crape Myrtles (*Lagerstroemia indica*)

Many varieties. Now available with different colored flowers and mildew resistant

Dogwood (*Cornus florida*)

Dogwood (*Cornus kousa*)

Many varieties ('Chinensis')

Eastern Redbud (*Cercis canadensis*)

Several varieties and colors

Flowering Cherry (*Prunus yedeonsis* 'Akebono')

Flowering Plum (*Prunus cerasifera*)

'Thundercloud' and 'Krauter Vesuvius'

Hornbeam (*Carpinus betulus*)

'Fastigata'

Myoporum laetum and Myoporum 'Pacificum'

Olive (*Olea europeaea*)

'Majestic Beauty' and 'Swanbill'

Pineapple Guava (*Feijoa sellowiana*)

Pittosporum (*Pittosporum undulatum*)

Mock orange

Pomegranate (*Punica granatum*)

Several varieties fruiting and non-fruiting

Raphiolepis 'Majestic Beauty'

Prune as small single-trunk tree

Smoketree (*Cotinus coggygia*, *Cotinus coggyria*

'Purpureus' and Cotinus oboyatus 'Rhus')

Strawberry Tree (*Arbutus unedo* and

Arbutus 'Marina')

Washington Hawthorn (*Crataegus Phaenopyrum*)

Medium-Sized Trees

30' – 40' at Maturity – use in 4' and 5' planter parkways

Maples (Acer)

- Chinese Maple (*Acer truncatum*)
- Hedge Maple (*Acer campestre*)
- Trident Maple (*Acer buergeranum*)
- Variegated Box Elder (*Acer negundo*
‘Variegatum’)

- Anise Magnolia (*Magnolia salicifolia*)
- Brazilian Pepper (*Schinus terebinthifolius*)
- Bronze Loquat (*Eriobotrya deflexa*)
- California Pepper (*Schinus molle*)
- Chinese Elm (*Ulmus parvifolia*)
“*Sempervirens*”
- Chinese Flame Tree (*Koelreuteria bipinnata*)
- Chinese Tallow (*Sapium sebiferum*)
- Eastern Redbud (*Cercis Canadensis*)
- Flowering Pear (*Pyrus calleryana*)
Varieties have differing shapes.
‘*Aristocrat*’ (*Upright, branching, pyramidal*)
‘*Bradford*’ (*Horizontal limbs*)
‘*Redspire*’ (*Pyramidal upright branching*)
‘*Chanticleer*’ (*Narrow, almost columnar*)
- Flowering Plum (*Prunus cerasifera*)
‘*Thundercloud*’ and *Prunus cerasifera* ‘*Krauter Vesuvius*’
- Goldenchain Tree (*Laburnum anagyroides*)
- Golden Rain Tree (*Koelreuteria paniculata*)
- Italian Alder (*Alnus cordata*)
- Japanese Pagoda (*Sophora japonica*)

- Magnolia (*Magnolia grandiflora*)
Variety ‘St. Mary’s’
- Mayten (*Maytenus boaria*)
- Moraine Ash (*Fraxinus holotricha* ‘*Moraine*’)
- Olive (*Olea europaea*)
Varieties: Mission, Sevillano, Manzanillo
- Pistache (*Pistacia chinensis*)
- Silktree (*Albizia julibrissin*)
- Zelkova (*Z. serrata*)
Sawleaf zel

Large Trees

40' – 80' at maturity or in open areas – use in parkway planters with 6' minimum width.

Hackberries (Celtis)

- Chinese Hackberry (C. sinensis)
- Common Hackberry (C. occidentalis)
- European Hackberry (C. australis)

Maples (Acer)

Many Fall colors and crown shapes

- Bigleaf Maple (A. macrophyllum)
- Norway Maple (A. platanoides)
- Red Maple (Acer rubrum)
Varieties to choose from: 'Red Sunset,' 'October Glory,' 'Autumn Blaze,' 'Scarlet'
- Sugar Maple (A. saccharum)
- Sycamore Maple (A. pseudoplatanus)

Oaks (Quercus)

- Black Oak (Q. kelloggii)
- Cork Oak (Q. suber)
- Eastern Red Oak (Q. rubra)
- English Oak (Q. robur)
- Holly Oak (Q. ilex)
- Live Oak (Q. agrifolia)
- Pin Oak (Q. palustris)
- Scarlett Oak (Q. coccinea)
- Valley Oak (Q. lobata)

- Camphor (Cinnamomum camphora)
- Copper Beech (Fagus sylvatica var purpurea)
- Green Ash (Fraxinus pennsylvanica)
- Little Leaf Linden (Tilia cordata)
- London Plane Tree (Platanus acerifolia)
Disease resistant varieties
- Magnolia (Magnolia grandiflora)
Varieties 'Sommers' and 'Russet'
- Maidenhair Tree (Ginkgo biloba)
- Red Horse Chestnut (Aesculus x carnea)

Accent Trees

Showy Flowers or Fall colors

Maples (Acer)

- Boxelder (*A. negundo*)
- Japanese Maple (*A. palmatum*)
- Red, Snake-Bark Maple (*A. rubrum*)
- Vine Maple (*A. circinatum*)

- Sunburst Locust (*Gleditsia triacanthos* 'Sunburst')
- Tamarisk (*Tamarix parviflora*)
- Washington Hawthorn (*Crataegus phaenopyrum*)

- Atlas Cedar (*Cedrus atlantica*)
- California Buckeye (*Aesculus californica*)
- Copper Beech (*Fagus sylvanga* 'purpurea')
- Crabapple (*Malus*)
- Crape Myrtle (*Lagerstroemia*)
- Dawn Redwood (*Sequoia*)
- Dogwood (*Cornus*)
- English Holly (*Ilex aquifolium*)
- Flowering Plum (*Prunus serrulata*)
- Goldenchain Tree (*Laburnum anagyroides*)
- Golden Rain Tree (*Koelreuteria paniculata*)
- Hollywood Juniper (*Juniperus* 'Kaizuka')
- Italian Cypress (*Cupressus sempervirens*)
- Maidenhair Tree (*Ginkgo biloba*)
- Mountain Ash (*Fraxinus*)
- Pomegranate (*Punica granatum*)
- Redbud (*Cercis*)
- Red Horse Chestnut (*Aesculus x carnea*)
- Saucer Magnolia (*Magnolia soulangiana*)
- Strawberry Tree (*Arbutus*)

Conifers

Cedars (*Cedrus*)

Atlas Cedar (*C. atlantica*)

Deodora Cedar (*C. deodora*)

Pines (*Pinus*)

Bishop Pine (*P. muricata*)

Canary Island Pine (*P. canariensis*)

Mexican Pinon Pine (*P. cembroides*)

Japanese Black Pine (*P. thunbergiana*)

Shore Pine (*P. contorta*)

Bald Cypress (*Taxodium distichum*)

Colorado Blue Spruce (*Picea pungens* 'Glauca')

Dawn Redwood (*Metasequoia glyptostroboides*)

Giant Sequoia (*Sequoiadendron gigantea*)

Hollywood Juniper (*Juniperus chinensis* 'Torulosa')

Incense Cedar (*Calocedrus decurrens*)

Italian Cypress (*Cupressus sempervirens*)

Japanese Cryptomeria (*Cryptomeria japonica*)

Redwood (*Sequoia*)

'Aptos Blue' and 'Soquel' varieties only

Western Red Cedar (*Thuja plicata*)

Riparian

Streamside and water-loving trees

Maple (Acer)

Most varieties

Bigleaf Maple (*Acer macrophyllum*)

California native

Alder (*Alnus*)

American Sweet Gum (*Liquidambar styraciflua*)

Ash (*Fraxinus*)

Bald Cypress (*Taxodium distichum*)

Bay (*Umbellularia californica*)

California native

California Pepper (*Schinus molle*)

Cottonwood (*Populus nigra*, et al.)

Dawn Redwood (*Metasequoia glyptostroboides*)

English Elm (*Ulmus procera*)

Eucalyptus

Selected smaller, floral varieties

Flowering Plum (*Prunus*)

Giant Sequoia (*Sequoiadendron giganteum*)

Horse Chestnut (*Aesculus californica*)

Linden (*Tilia*)

Magnolia (*Magnolia grandiflora*)

Olive (*Olea europaea*)

Redwood (*Sequoia*)

Silktree (*Albizia julibrissin*)

Tamarisk (*Tamarix*)

Tulip Tree (*Liriodendron tulipifera*)

Willow (*Salix lasiosepis*)

ACKNOWLEDGMENTS

ROHNERT PARK CITY COUNCIL

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Vicki Vidak-Martinez, Vice Mayor
Armando F. Flores, Councilmember
Jake Mackenzie, Councilmember
Linda Spiro, Councilmember

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Linda Spiro, Councilmember
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Lee Braun, Building Official
Bob Cassel, Fire Services Commander
Joseph Gaffney, City Engineer
Lynn Goldberg, Planning Consultant
Michael Grice,
Performing Arts Center Director

Michael Harrow, Finance Director
Carol Leivo, Assistant City Manager
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Engineering Technician II
Patrick Rooney, Public Safety Director
Wendie Schulenburg,
Planning & Community Development
Director
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Exhibit E

Five Year Implementation Plan for Fiscal Years 2009-10 through 2013-14

RESOLUTION NO. 2010-06

A RESOLUTION OF THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF ROHNERT PARK ADOPTING AND APPROVING THE FY 2009/10 THROUGH 2013/14 FIVE YEAR IMPLEMENTATION PLAN FOR THE ROHNERT PARK REDEVELOPMENT PROJECT AREA

WHEREAS, Section 33490(a)(1)(A) of the California Community Redevelopment Law, Health and Safety Code 33000 et. seq. ("Redevelopment Law") requires all redevelopment agencies to adopt an Implementation Plan every five years, following a noticed public hearing; and

WHEREAS, the Redevelopment Plan for a redevelopment project known and designated as "Rohnert Park Redevelopment Project" has been adopted and approved by Ordinance No. 479 adopted on July 14, 1987 as amended by Ordinance No. 646 adopted January 26, 1999, Ordinance No. 758 adopted on May 9, 2006 and Ordinance No. 770 adopted on November 28, 2006, and all requirements of law for and precedent to the adoption and approval of the Redevelopment Plan, as amended, have been duly complied with; and

WHEREAS, Section 33490(a)(1)(A) requires that an implementation plan contain the specific goals and objectives of the redevelopment agency for each project area, the specific programs, including potential projects, and estimated expenditures proposed to be made during the next five years, and an explanation of how the goals and objectives, programs, and expenditures will eliminate blight within the project area and implement the requirements of Sections 33334.2, 33334.4, 33334.6, and 33413 of Redevelopment Law; and

WHEREAS, pursuant to Section 33490 of Redevelopment Law, the Community Development Commission of the City of Rohnert Park ("Commission") has prepared an implementation plan for the Rohnert Park Redevelopment Project Area as included herewith as Exhibit A ("Implementation Plan"); and

WHEREAS, pursuant to Section 33490 of Redevelopment Law, the Commission has conducted a duly noticed public hearing on the proposed Implementation Plan; and

NOW, THEREFORE, BE IT RESOLVED by the Community Development Commission of the City of Rohnert Park that it does hereby authorize and approve the Implementation Plan for the Rohnert Park Redevelopment Project Area in the form attached herewith as Exhibit A.

BE IT FURTHER RESOLVED that this approval and adoption of the Implementation Plan does not constitute approval of any specific program, project or expenditure, and does not change the need to obtain any required approval of a specific program, project, or expenditure from the Commission or City.

DULY AND REGULARLY ADOPTED this 27th day of April, 2010.

COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF CITY OF ROHNERT PARK

Pam Stafford
Chair



ATTEST:

Juni Siffert
Secretary

BELFORTE: AYE BREEZE: AYE CALLINAN: AYE MACKENZIE: AYE STAFFORD: AYE
AYES: (5) NOES: (0) ABSENT: (0) ABSTAIN: (0)

EXHIBIT "A"
IMPLEMENTATION PLAN

RESOLUTION NO. 2010-121

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROHNERT PARK ADOPTING THE FY 2009/10 THROUGH 2013/14 FIVE YEAR IMPLEMENTATION PLAN FOR THE ROHNERT PARK REDEVELOPMENT PROJECT AREA

WHEREAS, Section 33490(a)(1)(A) of the California Community Redevelopment Law, Health and Safety Code 33000 et. seq. (“Redevelopment Law”) requires all redevelopment agencies to adopt an Implementation Plan every five years, following a noticed public hearing;

WHEREAS, the Redevelopment Plan for a redevelopment project known and designated as “Rohnert Park Redevelopment Project” has been adopted and approved by Ordinance No. 479 adopted on July 14, 1987 as amended by Ordinance No. 646 adopted January 26, 1999, Ordinance No. 758 adopted on May 9, 2006 and Ordinance No. 770 adopted on November 28, 2006, and all requirements of law for and precedent to the adoption and approval of the Redevelopment Plan, as amended, have been duly complied with;

WHEREAS, Section 33490(a)(1)(A) requires that an implementation plan contain the specific goals and objectives of the redevelopment agency for each project area, the specific programs, including potential projects, and estimated expenditures proposed to be made during the next five years, and an explanation of how the goals and objectives, programs, and expenditures will eliminate blight within the project area and implement the requirements of Sections 33334.2, 33334.4, 33334.6, and 33413 of Redevelopment Law;

WHEREAS, pursuant to Section 33490 of Redevelopment Law, the Community Development Commission of the City of Rohnert Park (“Commission”) has prepared an implementation plan for the Rohnert Park Redevelopment Project Area as included herewith as Exhibit A (“Implementation Plan”);

WHEREAS, pursuant to Section 33490 of Redevelopment Law, the Commission has conducted a duly noticed public hearing on the proposed Implementation Plan;

WHEREAS, the Commission approved and adopted the proposed Implementation Plan on April 27, 2010;

WHEREAS, on May 27, 2003, the City Council of the City of Rohnert Park adopted Ordinance No. 695 requiring the City to establish an Affordable Housing Trust Fund;

WHEREAS, the City Council of the City of Rohnert Park (“Council”) desires to utilize the housing component of the Implementation Plan to direct the administration and use of funds in the Housing Trust Fund;

WHEREAS, in order to utilize the Implementation Plan to direct the administration and use of funds in the Housing Trust Fund, the Council shall adopt the Implementation Plan; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Rohnert Park that it does hereby adopt the Implementation Plan for the Rohnert Park Redevelopment Project Area in the form attached herewith as Exhibit A.

BE IT FURTHER RESOLVED that this adoption of the Implementation Plan does not constitute approval of any specific program, project or expenditure, and does not change the need to obtain any required approval of a specific program, project, or expenditure from the Commission or City.

DULY AND REGULARLY ADOPTED this 12th day of October, 2010.

CITY OF ROHNERT PARK

ATTEST:

Jenni Siggins
City Clerk



Sam Stafford
Mayor

BELFORTE: <u>AYE</u> BREEZE: <u>NO</u> CALLINAN: <u>ABSENT</u> MACKENZIE: <u>AYE</u> STAFFORD: <u>AYE</u> AYES: (3) NOES: (1) ABSENT: (1) ABSTAIN: (0)

EXHIBIT "A"
IMPLEMENTATION PLAN



FIVE YEAR IMPLEMENTATION PLAN

COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF ROHNERT PARK

2009-10 through 2013-14



INTRODUCTION

About this Implementation Plan

In fulfillment of Article 16.5 of California Community Redevelopment Law, Health and Safety Code Section 33000, et. seq. ("Redevelopment Law"), the Community Development Commission of the City of Rohnert Park ("CDC") has prepared this Implementation Plan for the Rohnert Park Redevelopment Project Area ("Implementation Plan"). Included in this document are the CDC's anticipated redevelopment and affordable housing programs for 2009-10 through 2013-14.

The implementation plan document conforms to the City of Rohnert Park's General Plan and has been prepared according to guidelines established in the programs and goals outlined in the Housing Element of the General Plan.

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ABOUT THE PROJECT AREA

Who, What, When Where, and Why

Rohnert Park was founded in 1954 as a master-planned community on the former site of the Rohnert Seed Farm, located along the Northwestern Pacific railroad right-of-way. The original master plan envisioned 8 neighborhoods, a school and a 5-acre park. Development began shortly thereafter, and in 1962, Rohnert Park became a city with 2,775 residents and 903 homes. For a short time, Sonoma State University was located in the city limits before moving just outside the City to their current location. The presence of the University and other Bay Area development trends resulted in a boom in population and growth through the 1980's.

As the community's supply of developable land began to dwindle, the City turned its attention to the revitalization of older parts of the community. In response to the desire to ensure the sustainability of existing neighborhoods and commercial areas and curb urban sprawl, the City Council adopted the Redevelopment Plan for the Rohnert Park Redevelopment Project Area ("Redevelopment Plan") by Ordinance No. 479 on July 14, 1987. The Redevelopment Plan has been amended three times. The first amendment occurred in 1999 and was adopted to comply with changes in the Redevelopment Law. The second amendment in May 2006 eliminated the time limit on incurring indebtedness and extended the redevelopment plan duration and the time limit to collect tax increment revenue by one year. The third amendment, adopted in November 2006, increased the limit on the amount of bonded indebtedness that can be outstanding at any one time.

Long-term revitalization activities are guided by the 40-year Redevelopment Plan for the Rohnert Park Redevelopment Project Area ("Project Area"). Redevelopment projects in the Project Area have included improvements to public facilities and infrastructure, renovation and construction of affordable housing, and partnerships with private industry to create jobs and expand the local economy. This Implementation Plan focuses on specific redevelopment goals and programs sought for the next five years.

Redevelopment Plan and Project Area Highlights

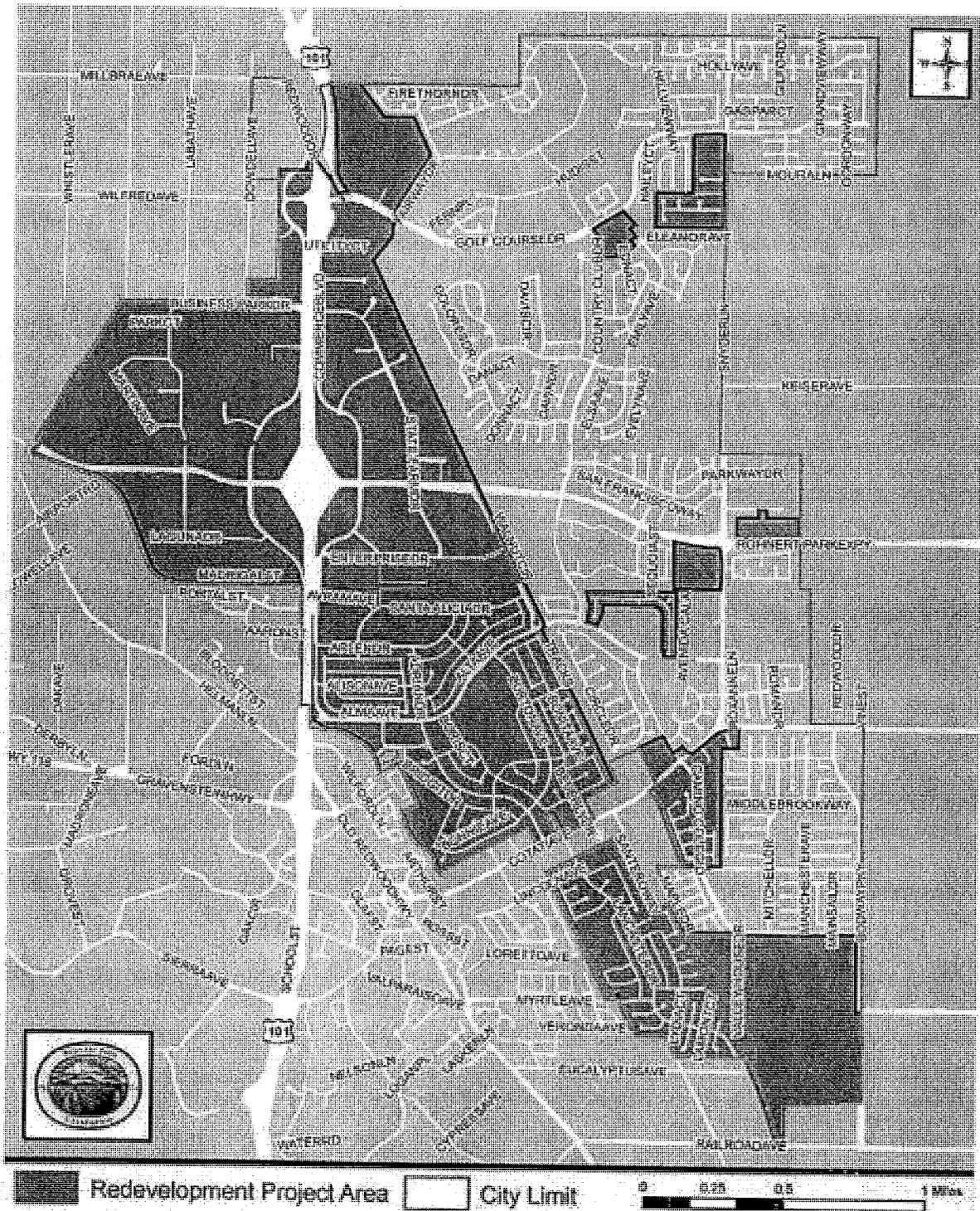
Notable Timeframes and Limitations			What is There
Redevelopment Plan	<i>Adopted</i>	7/14/1987	1,711 Acres
	<i>Expires</i>	7/14/2028	
Incur Indebtedness	<i>Expires</i>	N/A	
Eminent Domain Authority	<i>Expired</i>	1999	
Collect Tax Increment ¹	<i>Expires</i>	7/14/2038	
Tax Increment Revenue Limit ²		1.75 x max annual debt service on indebtedness	
Outstanding Bond Debt Limit ²		\$150,000,000	

¹ Agency may collect tax increment revenue beyond this date to repay certain obligations incurred prior to January 1, 1994, and meet specific affordable housing objectives.

² Tax Increment Revenue and Outstanding Bond Debt Limits exclude low/mod income housing funds as well as payments paid to other taxing entities pursuant to Health and Safety Code Section 33401.

Source: Rohnert Park Redevelopment Plan; Metroscan Information Services on June, 2009.

Project Area Map



RECENT REDEVELOPMENT ACCOMPLISHMENTS

The Public Value & Benefit of Redevelopment

Over the last five years, the CDC has championed many successful projects and programs in the Project Area, including the following:

Baseball Stadium Reuse. The CDC and the City joined efforts with Kemen & Son, Inc. to demolish stadium structures at the former Crushers baseball stadium in order to facilitate development of a replacement commercial use. The City of Rohnert Park entered into an Option to Purchase Agreement with Redwood Equities, LLC, on April 8, 2003, allowing Redwood Equities the option to purchase the former baseball stadium owned by the City. On January 24, 2006, the CDC authorized the use of redevelopment funds to pay for wetland mitigation costs associated with the proposed reuse and redevelopment of the property.

Courseco Lease Agreement. The CDC contributes toward a financial obligation with Courseco Inc. pursuant to a lease agreement for the management of two municipal golf courses. As part of the lease agreement, an annual contribution of 1% of golf revenue is required to be made to a Capital Improvement Fund for future golf course improvements. The required contribution commenced January 2005, increases to 2% of golf revenue in January 2014, and extends through the end of the lease term in 2023.

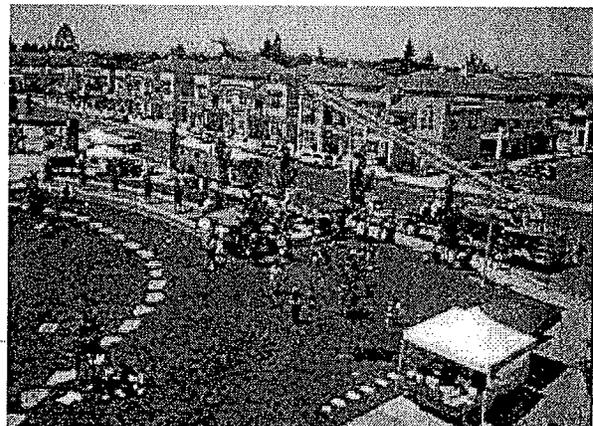
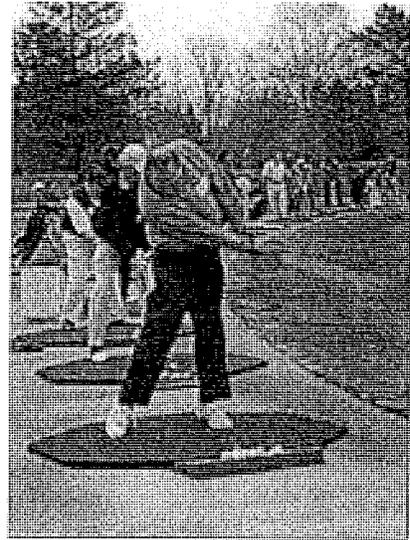
Public Infrastructure Projects. The CDC completed Phase 1 of the Eastside Trunk Sewer Project. Phase I will promote in-fill development and the redevelopment of underutilized and abandoned or vacant parcels within the Project Area, including the Sonoma Mountain Village site (formerly the Agilent site), the Southwest Boulevard area, and the Commerce Boulevard area.

Corridor Master Plans. CDC staff initiated preparation of concept plans to improve and modernize major commercial corridors in the Project Area, including Commerce Boulevard, Southwest Boulevard and State Farm Drive. The proposed Rohnert Park Corridor Concept Plans and Implementation Strategy were presented to the Planning Commission in early 2009, and upon their adoption will help the City identify priorities and specific improvements on both public right-of-way and private property based on a community-based planning process, and applicable transportation and land use principles.

Economic Development Program. The CDC entered into an agreement with MuniServices, LLC for an Economic Development Study that was completed in July 2007. In September 2008, the CDC approved an Agreement for Services with the Chamber of Commerce for the purpose of promoting economic development and implementing the City's Economic Development Strategic Action Plan.

Downtown Infill Projects. Activities related to the implementation of two infill projects in the Downtown area including completing the design phase of the Public Safety Re-Alignment (renamed Fire Station No. 1 Expansion). The CDC also acquired the City Center parking lot across from the Public Library. This property is to be combined with two other CDC owned parcels for a mixed-use project.

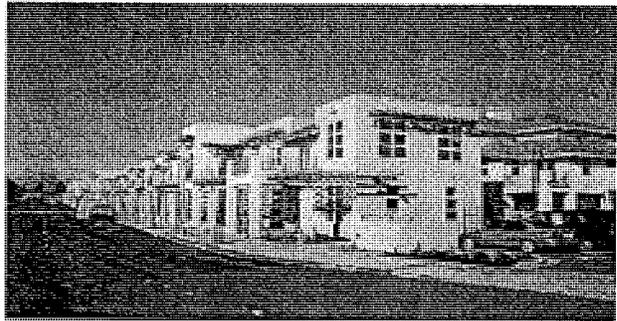
City Center Plaza Development. The City Center Plaza Development Project includes public open space and a community plaza in the heart of downtown Rohnert Park. It provides a place for all citizens and residents of the City to congregate for community activities and events.



City Hall Site Reuse/Mixed-Use Avram Development. Three contiguous parcels were acquired by the CDC in 2007 for future affordable housing. The CDC intends to seek developer proposals for this site during the next Implementation Plan period.

Commercial Building Improvement Program. The CDC provided a loan to Rainbow-Copeland Creek LLC from the 2007H Series Tax Allocation Bonds for energy efficient rehabilitation in lieu of affordability covenants for 55 years on all 171 units in this development. The City's senior age restriction agreement was also extended to 2062. The improvements funded by this loan promote environmental sustainability and energy efficiency.

Rohnert Park Community Center. In fiscal year 2006-07, the CDC provided funds for the Community Center Beam Replacement and Americans with Disabilities Act ("ADA") Improvements. Community Development Block Grant funding was used to leverage the CDC's funding for the ADA improvements.



Burton Avenue Recreation Center Roof Replacement. A roof replacement project at the Burton Avenue Recreation Center was completed in April 2006 with CDC funding.

Redevelopment Plan Amendment. On May 9, 2006, the CDC amended the Redevelopment Plan to eliminate the existing time limit on incurring debt and amend certain time limitations with respect to the Redevelopment Plan. On November 28, 2006, the CDC amended its Redevelopment Plan to increase the amount of bonded debt capacity it can have outstanding at any one time.

The Arbors. The CDC provided \$4.015 million per an Affordable Housing Loan Agreement with Burbank Housing Development Corporation for the development of The Arbors, a 56-unit multi-family rental project on City Plaza Drive. This project was completed in 2007 and is affordable to low and very-low-income families.

Valley Village Mobile Home Park Covenant Purchase. The CDC purchased affordability covenants for 114 mobile home park units in November 2005. The covenants will restrict age (i.e., for qualifying senior citizens) and occupancy on these units for 55 years for very low and low-income households. As this project is just outside the Project Area, 57 of units are eligible to be counted toward the CDC's housing production goals.

Vida Nueva. The CDC and Burbank Housing worked together to develop a 24-unit very-low-income permanent housing project for previously homeless families. The CDC contribution toward this project was \$2.495 million and it was completed in December 2008.



REDEVELOPMENT PLAN GOALS

Section 1000 of the Redevelopment Plan provides focus and direction for the CDC's efforts for revitalizing the Project Area; the following goals frame the overall strategy for this Implementation Plan and will serve as a guide for activities over the next five years.



CLEAN

Clean, Value, and Respect. To stimulate and provide new private investment opportunities by revitalizing property characterized by deterioration, blight or functional obsolescence and to encourage continued investment in the Project Area where growth is planned.



GROW

Compound on Past Success. To foster the development of a sense of community identity within the Project Area. To improve the visual image of the City and, specifically, the Project Area, by reinforcing existing assets and by expanding the potentials of the Project Area.



PRESERVE

Create a Stronger Local Economy. To improve employment opportunities, economic stability and productivity and to increase public revenues within the Project Area. Strengthen retail and other commercial functions. To encourage the use of local resources in the development of the Project Area whenever economically feasible.



INVEST

Prudently Invest in Public Infrastructure. To eliminate environmental deficiencies by achieving a coordinated pattern of commercial, industrial and public land uses in the Project Area with adequate public improvements including but not limited to streets, utilities and flood control improvements.



ACCESS

Use Land Wisely. To encourage the development of commercial uses along major thoroughfares. To ensure a variety of commercial, office, and/or industrial lands uses which will physically and economically complement development within the Project Area. To foster the establishment of landscape buffers between incongruous land uses.



LIVE

Housing for All Families. Consistent with Redevelopment Law, increase, improve, and expand the community's supply of affordable housing.

PROPOSED REDEVELOPMENT PROGRAM

Five Year Work Program for Reinvestment & Revitalization

Over the next five years, the CDC plans to implement the following redevelopment projects and programs using available funding sources. The list below describes the projects proposed, what blighting conditions will be addressed or eliminated, approximate costs and the Redevelopment Plan goals that will be achieved.

On April 30, 2007, the CDC issued the Rohnert Park Redevelopment Project Tax Allocation Bonds, Series 2007R which provided \$35,290,616 for redevelopment projects. Available bond proceeds, as well as tax increment revenues, will be utilized to implement the projects and programs identified in the CDC's Five-Year Implementation Plan. Preliminary cost estimates are for the five year Implementation Plan period.

The CDC's ability to fund projects will be impacted by the State's taking of redevelopment funds to help balance the State's budget in fiscal years 2009-10 and 2010-11. Pursuant to California Assembly Bill 26, all redevelopment agencies are required to deposit a pre-determined payment in a county "Supplemental" Educational Revenue Augmentation Fund ("SERAF"), to be distributed to schools to meet the State's Proposition 98 obligations to education. Preliminary estimates of the amount required to be paid by the CDC in fiscal years 2009-10 and 2010-11 are \$4.1 million and \$845,119, respectively. As a result, some of the projects listed below may be delayed until such time as the CDC has available revenues to fund these projects and programs. However, all projects and programs that the CDC would like to implement during the five-year period have been included for the purposes of this Implementation Plan in the event that funding does become available.

Project/Description	Preliminary Cost Estimates	Goals Achieved
<p>Economic Development Program</p> <p>In order to stimulate private investment in the Project Area, the CDC may provide financial assistance to the Sonoma County Tourism Bureau and engage professional services as needed to promote economic development pending the Interim Executive Director's assumption of his former duties which include the promotion of economic development.</p> <p>Additionally, the CDC may fund and facilitate activities and programs to promote economic development, attract and retain businesses, create jobs and support workforce training and development that meets the needs of local employers.</p> <p>Completion of this program would address depreciated property values and impaired investments in the Project Area.</p> <p>Timeframe2009-10 through 2013-14</p>	<p>\$1,000,000</p>	 <p>INVEST</p>  <p>PRESERVE</p>  <p>GROW</p>

COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF ROHNERT PARK
 Five Year Implementation Plan: FY 2009-10 through FY 2013-14

Project/Description	Preliminary Cost Estimates	Goals Achieved
<p>Property Acquisition Program</p> <p>The CDC will establish this program to buy property within the Project Area to facilitate the redevelopment of the property pursuant to the goals and objectives of the Redevelopment Plan.</p> <p>Completion of this program would address depreciated property values and impaired investments in the Project Area.</p> <p>Timeframe2009-10 through 2013-14</p>	<p>To Be Determined</p>	 INVEST  PRESERVE  GROW
<p>Sonoma Mountain Business Cluster</p> <p>The CDC has been providing financial assistance to the Sonoma Mountain Business Cluster to assist technology entrepreneurs and start-up companies in achieving success through the provision of an affordable infrastructure, an intellectual and entrepreneurial environment, a supportive services network and mentorship.</p> <p>Completion of this program would address depreciated property values and impaired investments in the Project Area.</p> <p>Timeframe2009-10 through 2013-14</p>	<p>\$888,000</p>	 INVEST  PRESERVE  GROW
<p>Corridor Master Plans</p> <p>The CDC will begin to fund public improvements proposed in the Master Plans for three of the City's corridor areas: Southwest Boulevard, Commerce Boulevard and State Farm Drive.</p> <p>Completion of this program would correct inadequate public signage in the Project Area.</p> <p>Timeframe2009-10 through 2013-14</p>	<p>\$200,000</p>	 INVEST  PRESERVE  GROW  ACCESS

COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF ROHNERT PARK
 Five Year Implementation Plan: FY 2009-10 through FY 2013-14

Project/Description	Preliminary Cost Estimates	Goals Achieved
<p>Rohnert Park Community Center</p> <p>The CDC is planning to implement a Community Center campus-wide master planning effort and construction of a first phase. Improvements will also include decommissioning the fountain located at the Community Center as it poses potential legal and financial liability to the City. The preliminary cost estimate includes design costs associated with this planning effort as well as the first phase of construction.</p> <p>Additionally, the CDC pays the City \$80,333 annually for the land for the Community Center.</p> <p>Completion of this project would correct inadequate public improvements.</p> <p>Timeframe2009-10 through 2013-14</p>	<p>\$2,000,000</p>	 <p>CLEAN</p>  <p>PRESERVE</p>  <p>ACCESS</p>
<p>Recreational and Community Facilities Improvements</p> <p>In an effort to improve the quality of life for Project Area residents, the CDC will explore opportunities to improve recreational and community facilities serving the Project Area. Several projects have been identified as beneficial to the Project Area, including year-round sports turf for sports fields, an aquatics facility and water/spray park.</p> <p>Completion of this project would address inadequate public improvements.</p> <p>Timeframe2009-10 through 2013-14</p>	<p>\$2,400,000</p>	 <p>ACCESS</p>
<p>Commercial District Revitalization</p> <p>The CDC will implement a program to provide funding for revitalization projects in the commercial districts within the Project Area.</p> <p>Completion of this project would address depreciated property values and impaired investments.</p> <p>Timeframe2009-10 through 2013-14</p>	<p>\$2,000,000</p>	 <p>INVEST</p>  <p>PRESERVE</p>  <p>GROW</p>

COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF ROHNERT PARK

Five Year Implementation Plan: FY 2009-10 through FY 2013-14

Project/Description	Preliminary Cost Estimates	Goals Achieved
<p>Commercial Building Improvement Program</p> <p>The CDC is considering the implementation of a program to provide property owners with incentives to upgrade commercial properties. A façade improvement program would be an example of the types of projects that the CDC could support.</p> <p>Completion of this project would address depreciated property values and impaired investments.</p> <p>Timeframe2009-10 through 2013-14</p>	<p>\$1,500,000</p>	 INVEST  GROW  CLEAN
<p>Landscape Program</p> <p>The CDC is proposing a landscape program to replace existing landscaping with lower maintenance plants in order to reduce costs and resources.</p> <p>Completion of this project would address depreciated property values and impaired investments.</p> <p>Timeframe2009-10 through 2013-14</p>	<p>\$1,000,000</p>	 CLEAN  INVEST  GROW
<p>Temporary Fire Station Facility</p> <p>The CDC desires to modify an existing City-owned building to utilize it as a temporary fire station to service portions of the Project Area and City. This facility would provide service until such time as funding is available for a permanent facility.</p> <p>Completion of this project would correct inadequate public improvements.</p> <p>Timeframe2009-10 through 2013-14</p>	<p>\$250,000</p>	 CLEAN  ACCESS
<p>Downtown In-Fill Projects</p> <p>The CDC desires to utilize a portion of existing bond proceeds for the implementation of the Corridor Master Plans and other projects which contribute to the development of Rohnert Park's downtown. These projects would include those identified in the Corridor Master Plans.</p> <p>Completion of these projects would address depreciated property values and impaired investments.</p> <p>Timeframe2009-10 through 2013-14</p>	<p>\$2,300,000</p>	 CLEAN  INVEST  ACCESS  GROW

COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF ROHNERT PARK
 Five Year Implementation Plan: F.Y. 2009-10 through F.Y. 2013-14

Project/Description	Preliminary Cost Estimates	Goals Achieved
<p>Courseco Lease Agreement</p> <p>The CDC provides financial assistance to the Capital Improvement Fund for future improvements at the Foxtail North and Foxtail South Golf Courses. The CDC's contribution of 1% of golf revenue to the Capital Improvement Fund began in January 2005, increases to 2% of golf revenue in January 2014, and extends through the end of the term of the agreement in 2023.</p> <p>Additionally, the CDC contributes funds to correct inadequate public improvements.</p> <p>Completion of this project would correct inadequate public improvements.</p> <p>Timeframe2009-10 through 2013-14</p>	<p>\$275,000</p>	 <p>ACCESS</p>  <p>GROW</p>
<p>Performing Arts Center</p> <p>The CDC makes reoccurring annual loan payments for the Performing Arts Center ("PAC") located at 5409 Snyder Lane. The permanent financing for the facility's construction was refinanced in 1999 and will be paid off in the year 2024. The CDC also pays the City \$80,333 annually for the PAC land.</p> <p>Completion of this project would address inadequate public improvements.</p> <p>Timeframe2009-10 through 2013-14</p>	<p>\$1,801,665</p>	 <p>CLEAN</p>  <p>ACCESS</p>
<p>Callinan Sports and Fitness Center</p> <p>The CDC pays the City \$80,333 annually for the land for this center. The Callinan Sports Center is among one of the finest facilities in the State and offers a wide variety of recreational facilities. It is open to both members and guests.</p> <p>Completion of this project would correct inadequate public improvements.</p> <p>Timeframe2009-10 through 2013-14</p>	<p>\$401,665</p>	 <p>CLEAN</p>  <p>ACCESS</p>
<p>Total Preliminary Cost Estimate</p>	<p>\$16,016,330</p>	

PROPOSED HOUSING PROJECTS AND PROGRAMS

Five Year Work Program for Building Community Assets

Over the next five years, the CDC plans to implement the following affordable housing projects and programs. The list below describes the projects proposed, what blighting conditions would be eliminated, approximate costs, and the Redevelopment Plan goals that would be achieved. On April 30, 2007, the CDC issued the Rohnert Park Redevelopment Project Tax Allocation Bonds Series 2007H which yielded \$25,785,289 for housing projects. In June 2009, the CDC tendered \$9,630,000 of the Series 2007H Bonds in order to lower the annual interest expense on the bonds. The remaining bond proceeds, including the housing set-aside, will be utilized to implement the projects and programs identified in the CDC Five-Year Implementation Plan.

Project/Description	Preliminary Cost Estimates	Goals Achieved
<p>Neighborhood Beautification Program</p> <p>The CDC will implement a Neighborhood Beautification Program to provide assistance to residential property owners for improvements such as painting, landscaping and other improvements. This program may also assist with the cost of undergrounding utilities in the A Section neighborhood.</p> <p>Completion of this project would address depreciated property values and impaired investments.</p> <p>Timeframe2009-10 through 2013-14</p>	<p>\$350,000</p>	 <p>LIVE</p>  <p>CLEAN</p>  <p>GROW</p>
<p>Avram Development - Request for Proposals</p> <p>The CDC will prepare a Request for Proposals for the development of affordable housing at the former city hall site (6750 Commerce Blvd., & 100 and 120 Avram Avenue) known as the Avram site.</p> <p>Completion of this project would address depreciated property values and impaired investments. This project will also aid the CDC in meeting affordable housing mandates, goals and policies.</p> <p>Timeframe2009-10 through 2013-14</p>	<p>\$70,000</p>	 <p>LIVE</p>  <p>CLEAN</p>  <p>GROW</p>
<p>Existing City Hall Site Reuse</p> <p>The CDC will provide a subsidy for the development of an affordable housing project on the former City Hall site (6750 Commerce Blvd. & 100 and 120 Avram Avenue).</p> <p>Completion of this project would address depreciated property values and impaired investments. This project will also aid the CDC in meeting affordable housing mandates, goals and policies.</p> <p>Timeframe2009-10 through 2013-14</p>	<p>\$4,352,000</p>	 <p>LIVE</p>  <p>CLEAN</p>  <p>GROW</p>

Project/Description	Preliminary Cost Estimates	Goals Achieved
<p>Southwest Boulevard Shopping Center Site</p> <p>As one potential site for mixed-use housing identified in the City's Housing Element, the CDC may assist in facilitating the redevelopment of this property, located at the southwest corner of Adrian Drive and Southwest Boulevard. The Housing Element anticipates that as many as 100 housing units could be developed at this location with redevelopment of the existing shopping center. For this planning period, the CDC estimates construction of 50 housing units, including 12 affordable housing units; 4 very-low income and 8 low-income housing units.</p> <p>The Southwest Shopping Center is privately held by several entities. Any mixed-use housing project proposed for the property would require the interest and cooperation of the property owners.</p> <p>Completion of this project would address depreciated property values and impaired investments.</p> <p>Timeframe2009-10 through 2013-14</p>	\$1,720,000	 LIVE  CLEAN  GROW
<p>Existing Southwest Fire Station Reuse</p> <p>The CDC will acquire the former fire station located at 435 Southwest Boulevard in fiscal year 2009-10 for the purposes of either redeveloping the property with 17 very-low income housing units, or an alternative use focused on creating a public assistance site.</p> <p>Completion of this project would address depreciated property values and impaired investments.</p> <p>Timeframe2009-10 through 2013-14</p>	\$2,000,000	 LIVE  CLEAN  GROW
<p>Housing Rehabilitation Loan Program</p> <p>The CDC approved a Housing Rehabilitation Program in 1999 and contracts with the Sonoma County Community Development Commission to assist with the implementation of the program. Funding for the Housing Rehabilitation Program will be derived from three sources; tax increment, CDBG funds and the CalHome Program.</p> <p>Completion of this project would address depreciated property values and impaired investments.</p> <p>Timeframe2009-10 through 2013-14</p>	\$500,000	 LIVE  CLEAN  GROW

COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF ROHNERT PARK

Five Year Implementation Plan - FY 2009-10 through FY 2013-14

Project/Description	Preliminary Cost Estimates	Goals Achieved
<p>Assistance to Community-Based Organizations (Rebuilding Together, SCAYD/Homeless Prevention, and COTS)</p> <p>The CDC provides assistance to the following community-based organizations:</p> <ol style="list-style-type: none"> 1.... <u>Rebuilding Together</u> - a non-profit community organization that provides free health and safety repairs to homes occupied by low-income families with children, seniors, and disabled individuals. 2.... <u>Sonoma County Adult and Youth Development ("SCAYD")</u> - the CDC provides assistance to eligible residents experiencing financial difficulty by providing one-time only emergency rental or deposit assistance for housing. 3.... <u>COTS</u> - the CDC owns five (5) homes in the City for which it has contracted with COTS to administer a Shared Housing Program for 15-20 households. The CDC provides ongoing support for the administration of this program. <p>Completion of this project would address depreciated property values and impaired investments</p> <p>Timeframe2009-10 through 2013-14</p>	\$1,380,000	   
<p>Vida Nueva</p> <p>The CDC provides funding for permanent assisted-care services at Vida Nueva. The CDC has a contractual obligation to provide the service provider, COTS, with five payments of \$75,000, four of which will occur during the fiscal year 2009/10 through 2013/14 period.</p> <p>Completion of this project would address depreciated property values and impaired investments.</p> <p>Timeframe2009-10 through 2012-13</p>	\$225,000	   
<p>Acquisition of Affordability Covenants</p> <p>If housing funds are available, the CDC would purchase affordability covenants to restrict occupancy of Rohnert Park rental units for 55 years to low and very-low-income households.</p> <p>Completion of this project would address depreciated property values and impaired investments.</p> <p>Timeframe2009-10 through 2012-13</p>	\$2,000,000	   

COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF ROHNERT PARK

Five Year Implementation Plan: FY 2009-10 through FY 2013-14

Project/Description	Preliminary Cost Estimates	Goals Achieved
<p>Subsidies for Non-Profit Housing Development</p> <p>The CDC would like to utilize bond proceeds to provide subsidies to qualified non-profit housing developers to increase affordable housing opportunities within the Project Area and City.</p> <p>Completion of this project would address depreciated property values and impaired investments.</p> <p>Timeframe2009-10 through 2012-13</p>	<p>\$3,300,000</p>	 <p>LIVE CLEAN GROW</p>
<p>Total Preliminary Cost Estimate</p>	<p>\$15,897,000</p>	

HOUSING COMPLIANCE PLAN

Ten Year Outlook of Affordable Housing

This Section of the Plan contains the Ten-Year Affordable Housing Compliance Plan ("Compliance Plan") for the Rohnert Park Redevelopment Project Area in accordance with Section 33490(a)(2) of the Redevelopment Law. The Compliance Plan incorporates a summary of the CDC's affordable housing production and expenditure activities to address the requirements of Sections 33334.2, 33334.4, 33334.6, and 33413 of the Redevelopment Law, while presenting an affordable housing production plan for the next five years, the ten-year planning period (2004-05 through 2013-14), and over the life of the Redevelopment Plan.

This Compliance Plan sets forth, among other things, the CDC's program for ensuring that the appropriate number of very low-, low-, and moderate-income housing units will be produced as a result of new construction or substantial rehabilitation in the Project Area, as well as the CDC's proposed expenditures of moneys from the Low-and-Moderate-Income Housing Fund ("LMIHF").

Contents of the Compliance Plan

This Compliance Plan has been developed to accomplish the following goals:

- To account for the number of affordable dwelling units, either constructed or substantially rehabilitated in the Project Area, since its adoption;
- To forecast the estimated number of new, substantially rehabilitated or price-restricted dwelling units to be developed or purchased within the Project Area during the planning periods 2009-10 through 2013-14, 2014-15 through 2018-19, and over the life of the Redevelopment Plan;
- To forecast the estimated number of very low-, low- and moderate-income dwelling units to be developed, substantially rehabilitated, or purchased by the CDC during the planning periods 2009-10 through 2013-14, 2014-15 through 2018-19, and over the life of the Redevelopment Plan;
- To project the CDC's estimated revenues and expenditures during the planning period and identify the availability of LMIHF moneys for funding affordable housing activities;
- To identify implementation policies/programs and potential projects for affordable housing development;
- To establish a timeline for implementing this Compliance Plan to ensure that the requirements of Section 33413 are met during the ten-year period between fiscal years 2009-10 and 2018-19; and
- To review the consistency of CDC affordable housing goals, objectives, and programs pursuant to the City's Housing Element.

Housing Production

This Compliance Plan identifies all new residential construction or substantial rehabilitation that has occurred within the Project Area since adoption of the Plan in order to determine affordable housing production needs. It accounts for past residential construction and substantial rehabilitation, and includes projections of new dwelling units that may be constructed or substantially rehabilitated during the current ten-year planning period which extends through June 30, 2014.

The Affordable Housing Production table on the following page (Table 1) summarizes the total housing units, both market rate and affordable, produced within the Project Area to date, identifies the actual and projected production requirements, and summarizes the CDC's past production activities (both inside and outside the Project Area). This information is based on historical housing development and projected housing development for the planning periods 2009-10 through 2013-14, 2014-15 through 2018-19, and over the life of the Redevelopment Plan. Historical construction and substantial rehabilitation statistics were provided by the CDC. It should be noted that neither the existing housing units nor projections for future dwelling units include any units to be developed by the CDC. However, the CDC will continue to cooperate with and provide assistance and incentives to private developers in order to fulfill the CDC's affordable housing production requirements.

Planning Period Production Needs

The CDC does not directly develop or substantially rehabilitate housing units. However, per Section 33413(b) of the Redevelopment Law, not less than 15 percent of the units produced by persons or entities other than the CDC must be affordable to low-and-moderate-income households. Not less than 40 percent of the required affordable units must be available to very-low-income households at an affordable housing cost. In addition, to satisfy the CDC's production requirements, new or substantially rehabilitated units must have recorded 55-year income restrictions or covenants for rental units and 45-year income restrictions or covenants for owner occupied units. The affordable housing units may be constructed inside or outside the Project Area, but units outside the Project Area may only be counted on a 2-for-1 basis. If low-and-moderate-income housing funds are available, the CDC may also purchase affordability covenants on very-low or low-income multifamily units.

The Housing Production Needs table (Table 1) on the following page summarizes the housing production activities within the Project Area, including the first five years of the Ten Year Planning Period, and identifies the projected production requirements for FY 2009-10 through 2013-14 of the planning period and over the life of the Redevelopment Plan. As stated above, historical construction and substantial rehabilitation statistics were provided by the CDC. The number of affordable units required is based on statutory thresholds, and the CDC is responsible for ensuring that the appropriate number of affordable units is created during a ten year period.

It should be noted that neither the existing housing units nor projections for future dwelling units include any units to be developed by the CDC. However, the CDC will continue to cooperate with and provide assistance and incentives to private developers, in order to fulfill the CDC's affordable housing production requirements

COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF ROHNERT PARK
 Five Year Implementation Plan: FY 2009-10 through FY 2013-14

Table 1: Actual and Projected Housing Production Needs by Time Period

Time Period	Actual/Assumed Housing Units Constructed and Substantially Rehabilitated in Project Area	Required Affordable Units ¹	
		Total	Very Low
1987-88 to 2003-04 ²	1,535	230	92
Ten Year Planning Period	1,293	194	78
2004-05 to 2008-09 (Actual) ³	651	98	39
2009-10 to 2013-14 (Forecast) ⁴	642	96	39
2014-15 to 2018-19	550	83	33
2019-20 to 2026-27	200	30	12
Redevelopment Plan Duration (1987 to 2038) ⁵	3,578	537	215

Notes:

- 1/ All required units based on 15 percent of actual/assumed units developed by entities other than the Agency. No units developed by the Agency.
- 2/ Provided by City staff.
- 3/ Total units produced within the Project Area based on actual units per City staff
- 4/ Affordable Units Produced based on actual or estimated affordable units produced (or covenants purchased) during each planning period inside or outside the Project Area.
- 5/ The surplus affordable units in a 10-year period may be applied against the unit production requirements during the following ten-year compliance period, while any deficit affordable units must be first produced during the following ten-year compliance period.

Source: City of Rohnert Park.

According to actual and projected development information supplied by City staff, there were 1,535 housing units built in the Project Area between 1987 and 2004; creating the inclusionary housing need for 230 affordable housing units of which 92 units are required to be restricted to very-low income households.

In the current Ten Year Planning Period, it is anticipated that the CDC will need to meet inclusionary requirements for 194 affordable units, including 78 units restricted to very low households. During the fiscal year 2004-05 through 2008-09 planning period, several residential developments occurred within the Project Area with a combined total of 651 housing units, resulting in inclusionary housing requirements of 98 affordable housing units, including 39 very-low income units. The CDC also projects that the proposed development of the Southwest Station Site, Southwest Boulevard Shopping Center and former City Hall site (Avram property), as well as other market-rate residential development within the Project Area, will produce 642 housing units and create an inclusionary housing need for 96 units, including 39 very-low income units.

After the completion of the 2009-10 through 2013-14 planning period for this Compliance Plan, it is expected that there will be 550 additional housing units produced within the Project Area between fiscal years 2014-15 through 2018-19, creating a need for 83 affordable housing units; 33 of these units must be made affordable to very-low income households. Further, City staff estimates that an additional 200 housing units will be developed between fiscal years 2019-20 and 2026-27, triggering a requirement for 30 affordable housing units, 12 of which must be made affordable to very-low income households. In summary, over the duration of the Redevelopment Plan, it is estimated that 537 affordable units may be needed, including 215 very-low income units.

Affordable Units Produced or Reserved

Per Section 33413(b)(4) of the Redevelopment Law, the affordable housing production requirements must be met every ten years, which would reflect the compliance planning period ending June 30, 2014. If the CDC requirements are not met by the end of each 10-year period, the agency shall meet these goals on an annual basis until the requirements for the 10-year period are met. If the agency has exceeded the requirements within the 10-year planning period, the agency may count the units that exceed the requirement in order to meet the requirements during the next 10-year period.

The Housing Production Fulfillment table on the following page (Table 2) summarizes the CDC's past production activities, including the first five years of the Ten Year Planning Period, and identifies the anticipated plans to meet identified production requirements for the 2009-10 through 2013-14 planning period and over the life of the Redevelopment Plan.

COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF ROHNERT PARK
 Five Year Implementation Plan: FY 2009-10 through FY 2013-14

Table 2: Fulfillment of Affordable Housing Production Requirements by Time Period

Time Period	Units Required (from Table 1)		Units Produced		Additional Units Required		Net Surplus Units Produced	
	Total	Very Low	Total	Very Low	Total	Very Low	Total	Very Low
1987-88 to 2003-04	230	92	491	150	0	0	261	58
Arlen Drive Condominiums			17	0				
Alamont Apartments			92	23				
Aaron House Rehab			1	1				
Tower Apartments			50	0				
The Gardens			20	8				
Muirfield Apartments			24	24				
Kisco/Oakview			41	4				
Covenant Purchases								
Rancho Feliz MHP			178	60				
Las Casitas MHP			63	25				
Shared Living/Innovative Housing			5	5				
10 Year Planning Period	194	78	273	183	0	0	79	105
2004-05 to 2008-09(Actual) ¹	98	39						
Redwood Creek			35	0				
Centreville			12	6				
Marcheseillo			7	1				
Park Gardens II			2	1				
Arbors			56	33				
Vida Nueva			24	24				
Covenant Purchases								
Valley Village MHP			57	57				
2009-10 to 2013-14(Projected)	96	39						
Southwest Station Site			17	17				
Southwest Blvd. Shopping Center			8	4				
Avram/Old City Hall			55	40				
2014-15 to 2018-19	83	33	224	75	0	0	142	42
Southwest Blvd. Shopping Center			50	0				
Sonoma Mountain Village			120	48				
Stadium			54	27				
Redevelopment Plan Duration (1987-2038)	507	203	988	408	0	0	481	205

Notes:

1/ Affordable Units Required based on actual or estimated Total Units Produced during each planning period within the Project Area pursuant to CRL Section 33413 (b).

Source: City of Rohnert Park.

The CDC has proactively worked with private entities to facilitate the production of the required number of inclusionary units over the current Ten Year Planning Period. Based on the CDC's actual and planned developments, the number of affordable housing units produced will be in excess of the units required at the end of the same period. As shown in Table 1, housing development within the Project Area during the fiscal year 2004-05 through 2008-09 planning period triggered a requirement for 98 affordable housing units, including 39 very-low income units. Additionally, as stated previously, the CDC projects that the proposed development of the Southwest Station Site, Southwest Boulevard Shopping Center and former City Hall site (Avram property), as well as other market-rate residential development within the Project Area, will produce 642 housing units and create an inclusionary housing need for 96 units, including 39 very-low income units. Therefore, over the current ten

year Compliance Plan period, the CDC must ensure that a total of 194 affordable units are produced, including 78 units available to very-low income households.

As shown in Table 2, the affordable housing development within the Project Area during this ten year period, both actual and projected development, will result in a total of 273 affordable housing units, 183 of which are, or will be, available to very-low income households. This creates a surplus of 79 affordable housing units. If very-low income housing units are isolated in this analysis, the CDC would have a surplus of 105 housing units. According to the Redevelopment Law, any surplus affordable housing units produced can be applied toward future affordable housing production requirements within 10 years.

Therefore, as shown in Table 2 on the previous page, the CDC will have met its requirements for very low-income units through June 30, 2014, and is projected to have a 79 unit surplus of affordable housing units. This surplus of low- and moderate-income units allows the CDC flexibility with regard to negotiating with developers for future residential development projects.

Production Needs over Duration of Redevelopment Plan

As shown on Table 1, during the fiscal year 2014-15 through 2018-19 planning period addressed in this Compliance Plan, it is estimated that development projects will yield approximately 550 residential units in the Project Area. The potential development will trigger a requirement for 83 affordable housing units; 33 very low-, and 50 low- or moderate-income restricted units, which are expected to be built as part of the projects (Table 2). Similarly, an estimated 200 housing units are projected to be developed in the Project Area between 2019-20 through the duration of the Redevelopment Plan (fiscal year 2026-27), generating an inclusionary production need of 30 affordable housing units; 18 low-and-moderate-income housing units and 12 very-low-income housing units. These required units are also expected to be developed as part of the housing projects. The CDC may also apply any surplus affordable housing units developed within the previous ten year period to these required units. This allows the CDC flexibility to work with future developers.

Replacement Housing Needs

The Redevelopment Law requires that whenever dwelling units housing low-and-moderate-income households are destroyed as part of a CDC project, the CDC is responsible for ensuring that an equivalent number of replacement units are constructed or substantially rehabilitated. These units must provide at least the same number of bedrooms destroyed, and 100 percent of the replacement units must be affordable to the same or lower income categories (i.e. very low, low, and moderate) as those removed. The CDC receives a full credit for replacement units created inside or outside the Project Area. According to CDC staff, no units have been destroyed by CDC activity. Additionally, no units are expected to be destroyed or removed as a part of a CDC project during the planning period or over the life of the Redevelopment Plan.

Low and Moderate Income Housing Fund

The CDC's primary source of funding for housing program implementation is the annual set-aside deposits of 20 percent of the CDC's total tax increment in the low-and-moderate-income Housing Fund. The Redevelopment Law requires that not less than 20 percent of all tax increment revenue allocated to the CDC must be used to increase, improve, and preserve the community's supply of housing available, at affordable housing cost, to persons and families of very low-, low-, and moderate-incomes. Table 3 below presents a projection of housing fund revenues and estimated expenditures including the amounts that may be available for housing production activities over the 10-year planning period.

In accordance with Redevelopment Law section 33490(a)(2)(A)(i) and based on actual deposits and expenditures to and from the LMIHF in the preceding years, RSG worked with City staff to project the future cash flow for the fund for the next 5 and 10 years. As Table 3 on the next page, it is assumed that the 20 percent of increment deposit to the LMIHF will grow by a conservative 2 percent annual rate. Administration and planning expenditures are assumed to grow at a conservative annual rate of 1 percent after fiscal year 2013-14.

Beginning on July 1, 2009, the CDC had a LMIHF balance of \$0. Annual deposits to the LMIHF are expected to range from approximately \$2.6 to \$2.7 million annually. In addition, the CDC currently has a balance of \$13.7 million in 2007H Tax Allocation Bond proceeds to be spent on low-and-moderate-income housing projects and programs.

Table 3: Projected Housing Set Aside Deposits

Fiscal Year	LMIHF Deposits	
	Annual	Cumulative
2009-10	\$ 2,605,309	\$ 2,605,309
2010-11	2,605,309	5,210,617
2011-12	2,605,309	7,815,926
2012-13	2,672,937	10,488,862
2013-14	2,741,918	13,230,780

Targeting of LMIHF Expenditures

As set forth by Section 33334.4 of the Redevelopment Law, each agency shall expend, over the duration of the 10-year compliance plan period moneys in the LMIHF in proportion to the community needs, both in terms of the income categories as well as for non age-restricted units for low-income households.

Effective January 1, 2002, expenditure of housing set-aside revenues is subject to certain legal requirements. At a minimum, the CDC's low and moderate income housing set-aside revenue is to be expended in proportion to the community's need for very low and low income housing, as well as the proportion of the low income population under the age of 65. New legal requirements took effect in 2006 that modified the previous limitation of spending Housing Fund monies on households under the age of 65. Section 33334.4(b) of Redevelopment Law had previously required that an agency spend its Housing Fund monies "in at least the same proportion as the low-income population under age 65 bears to the most recent census." The new statute provides a higher level of specificity to spend monies "in at least the same proportion as the number of low-income households with a member under age 65 bears to the total number of low-income households of the community as reported in the most recent census."

The percentage of very low and low income household expenditure requirements are based on Association of Bay Area Governments Regional Housing Needs Assessment ("RHNA") requirements for the City of Rohnert Park for the planning period of January 1, 2006 through June 30, 2014. The percentage of low income households under the age of 65 is based on Comprehensive Housing Affordability Strategy ("CHAS") reports of 2000 Census data as required by SB 527 adopted in 2005. Data relating to low income households under the age of 65 is not readily available from the Census. However, CHAS uses an extrapolation of Census data to calculate the number of low income households under the age of 62; which is the data that may be closest to that which is required by the Redevelopment Law and used in this Plan.

The current RHNA numbers, prepared by the Association of Bay Area Governments for the period 2007 through 2014, as stated in the City's Housing Element, reflect a Citywide need for 875 affordable housing units including 273 moderate-income units, 231 low-income units, and 371 very low-income units. For LMIHF expenditure purposes, the RHNA numbers reflect a minimum proportional expenditure obligation of 42.4 percent for very low-income households, and 26.4 percent for low-income households, while not more than 31.2 percent may be expended to assist moderate-income households.

According to the CHAS data, 17 percent of the City's Census 2000 households were over the age of 62, while 83 percent of households were under the age of 62, as shown above in Table 4.

Table 4 on the following page presents the Agency's requirements over the Ten Year Planning Period for Housing Fund expenditures, from January 1, 2002 June 30, 2014.

Table 4: Housing Expenditure Targeting Requirements

Household Type	Minimum Percentage of Housing Set-Aside Expenditures Between 2002 and 2014	
	Before 1/06 ¹	After 1/06 ²
Households Under Age 65 ^{3 & 4}	91.9%	83.0%
Very Low Income Households	31.5%	42.4%
Low Income Households	21.9%	26.4%

Notes:

- 1/ Prior to January 1, 2006, percentage targets for households under age 65 were based on total households, not just low income households. Prior to January 1, 2006, the breakdown of the City's Regional Housing Needs Assessment fair share goals included 31 percent to very low income households and 22 percent to low income households.
- 2/ Effective January 1, 2006, AB 527 (Alquist) enacted a change to how targets to households under age 65 should be determined, specifically to limit the percentage to low income households in the community. As a result, the targets changed in 2006. However, because such data is not available directly from the Census, common practice is to use data for households under the age of 62 as reported in the Comprehensive Housing Affordability Strategy. (<http://socds.org/chas/index.htm>)
- 3/ According to 2000 Census data, 12,864 of a total of 15,505 households (83 percent) are under age 65. (www.census.gov)
- 4/ Targets beginning January 1, 2006 based on CHAS data as shown.

Source: ESRI Business online, Bay Area Association of Governments; State of Cities Data System

Between 2002 and 2006, the CDC's expenditures on non-senior housing were expected to be proportional to the prior requirement of 91.9% percent. Expenditures on very-low and low income households within the same period were expected to be at least 31.5 percent and 21.9 percent of total LMIHF expenditures, respectively.

However, for expenditures after 2006, and including this current implementation plan period, the minimum requirement for non-senior housing expenditures is 83 percent of total LMIHF expenditures. The minimum requirement for very-low and low housing after 2006 is 42.4 percent and 26.4 percent of total LMIHF expenditures, respectively. Over the next five years of the compliance planning period, available LMIHF revenue is required to be allocated based on these RHNA-based ratios.

Housing Set-Aside Expenditures since January 2002

The proportionality requirements affect expenditures over a ten year period, although the Redevelopment Law permits the initial compliance to be reported for a period beginning January 2002 and ending June 30, 2014. Table 5 on the following page documents the amount of LMIHF revenues utilized since January 2002 for these income categories. The CDC is required to fulfill its target requirements by FY 2013-14.

Table 5: Expenditure Targeting Status - Actual and Planned Expenditures

	Total ^{1/}	Very Low Income	Low Income	Households Under Age 65
Expenditure Targeting Summary				
Actuals (2001-02 through 2008-09)	\$ 16,818,484	\$ 8,608,507	\$ 7,076,398	\$13,236,338
Planned (2009-10 through 2013-14) ^{2/}	\$ 10,747,000	7,866,411	2,880,589	10,720,911
Planning Period Projected Totals	27,565,484	16,474,918	9,956,987	23,957,249
Planning Period Targets ^{3/}		13,521,821	11,507,395	25,072,397
Potential Surplus/(Shortfall)		2,953,097	(1,550,408)	(1,115,149)

Notes:

- 1/ Based on FY 2004-05 thru 2008-09 Implementation Plan and City of Rohnert Park HCD Reports and housing data. Also includes moderate income household and senior housing expenditures which are not subject to proportionality requirements.
- 2/ Planned expenditures based on projects listed in 2009-10 Implementation Plan and are subject to change.
- 3/ Targets based on estimates of planned expenditures and targeting percentages shown in Table 4. Actual targets are based on actual expenditures at the end of the 2001-02 - 2013-14 compliance period.

Source: Five Year Implementation Plan 2004-05 through 2008-09, City of Rohnert Park HCD Reports, financial statements and estimated housing fund expenditures

Total Expenditures

As Table 5 demonstrates, the CDC has spent approximately \$16.8 million from the LMIHF between fiscal years 2001-02 through 2008-09 on various affordable housing projects and programs. During the next five years, fiscal years 2009-10 through 2013-14, the CDC estimates that approximately \$10.7 million of LMIHF will be spent on programs for very low, low and moderate income households.

Very Low Income

Based on these actual and planned expenditures for very low income households, the CDC will meet and exceed the proportional spending targets for very-low income households by the end of the ten year planning period ending fiscal year 2013-14. Actual expenditures since January 2002 total \$8.6 million, and planned expenditures over the next five years are estimated at \$7.9 million, resulting in a combined total of \$16.5 million. Planning period targets are based on RHNA figures and are estimated at \$13.5 million. As shown in Table 5, the CDC will exceed these requirements and have a surplus of approximately \$3 million. Historically, the CDC has focused expenditures primarily on very-low income household, as shown by the \$2.9 million surplus in expenditures for this income category.

Low Income

Actual and planned expenditures for low income households during the Housing Compliance Plan 10-year period are \$7.1 million and \$2.9 million, respectively, resulting in a total of \$10 million for this income category. However, the planning period targets, based on RHNA figures, dictate that the CDC needed to spend \$11.5 million on low income housing projects and programs. Information presented in Table 5 above reflects this anticipated shortfall of approximately \$1.5 million for low income households based on planning period targets. The CDC will need to expend additional LMIHF on low income projects beyond those identified in this Implementation Plan in order to comply with income targets anticipated at this point in time.

Households Under Age 65

With regard to LMIHF expenditures for households under the age of 65, Table 5 on the previous page shows that over the ten-year compliance period, the CDC will have spent approximately \$24 million on affordable housing projects for households under the age of 65. Pursuant to current CHAS guidelines, the targeted minimum expenditure for households under the age of 65 for the planning period is \$25.1 million. Table 5 on the previous page shows a shortfall of approximately \$1.1 million of expenditures for households under the age of 65. It is important to note that the CDC anticipates only \$26,000 in LMIHF expenditures between fiscal year 2009-10 and 2013-14, on the Rebuilding Together and SCAYD/Homeless Prevention Programs. The remaining \$10.7 of anticipated housing expenditures during this period will be spent assisting households under the age of 65.

Family Units Assisted by the Housing Fund

State law also requires a recap of the affordable housing projects for families (households under the age of 65) assisted by the LMIHF over the past implementation plan period. Table 6 on the following page summarizes these statistics by project from July 2004 through June 2009.

COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF ROHNERT PARK
 Five Year Implementation Plan: FY 2009-10 through FY 2013-14

Table 6: Housing Expenditures on Non-Senior Family Projects

Project/Location	Housing Set-Aside Expenditures	Units Assisted by Housing Set-Aside Fund (FY 2001-02 through 2008-09)					Total
		Extr. Low	Very Low	Low	Moderate		
Family Projects	\$13,236,338 82%	91	281	809	30	1,211	
First Time Homebuyer	\$ 977,000	0	3	24	29	56	
Rehab Loan Program	\$ 691,651	0	11	11	1	23	
Transitional Housing Program and property purchases	\$ 2,103,760	62	0	0	0	62	
Homeless prevention (SCYAD, Petaluma People Services, Sonoma Grove)	\$ 868,167	0	138	473	0	611	
Rebuilding Together	\$ 568,850	29	0	70	0	99	
Las Casitas MHP	\$ 250,000	0	0	38	0	38	
Rancho Feliz	\$ 500,000	0	60	118	0	178	
The Arbors	\$ 4,015,000	0	22	34	0	56	
Vida Nueva	\$2,495,000	0	23	0	0	23	
COTS Support Services	\$ 459,812	0	20	0	0	20	
Kisco	\$ 307,097	0	4	41	0	45	
Senior Projects	\$ 2,998,975 18%	0	91	247	0	338	
Oakview	\$ 450,000	0	4	37	0	41	
Valley Village Mobile Home Park	\$ 1,200,000	0	57	57	0	114	
Rebuilding Together	\$ 8,000	0	2	0	0	2	
Outside P.A. Rebuild Together	\$ 4,000	0	1	0	0	1	
Sonoma Co. CDC Rehab. Program	\$ 126,318	0	3	0	0	3	
SCYAD/Homeless Prevention	\$ 10,657	0	7	0	0	7	
Copeland Creek Apartments	\$ 1,200,000	0	17	153	0	170	
Totals	\$16,235,312 100%	91	372	1,056	30	1,549	

Source: City of Rohnert Park HCD Reports and City staff.

Housing Units Constructed during Prior Implementation Plan Period without LMIHF

During the prior implementation plan period, the Redwood Creek (232 total units with 35 units available to low income households), Centreville (76 total units, with 12 low and 6 very-low income units), and Park Gardens II (20 units, with 1 very low and 1 low income units) projects were constructed within the Project Area without Agency assistance. These restricted units were produced by implementation of its Inclusionary Housing Ordinance on each of these developments.

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Exhibit F
Broker Price Opinion
APN 143-051-065 & 143-051-066

BROKER PRICE OPINION

TO: Linda Babonis
Economic Development Manager
130 Avram Avenue
Rohnert Park CA 94928
(v) 707.588.2233

PROPERTY ADDRESS: 6230 State Farm Drive
415 City Hall Drive
Rohnert Park CA 94928

SITUS: Sonoma County APNs 143-051-065 and 143-051-066

PURPOSE: To provide value estimate and probable sales price for Long-Range Property Management Plan

NEIGHBORHOOD: Property is located in Central Rohnert Park in a transitional commercial/residential and public/institutional neighborhood within the 32-acre Rohnert Park City Center Concept Plan Area. Newer development includes mixed use retail/residential, professional office and retail; public use includes linear park, public library, public safety headquarters, public plaza, and public parking lot.

MARKET CONDITIONS: This urban sub-market is stabilizing after post-recession diminution of commercial property values and concurrent increase in marketing time. There has been little new construction in the commercial sector in Sonoma County or Rohnert Park for the past six years. A "re-set" of commercial property values occurred in late 2010 that resulted in property values similar to those of a decade earlier. Although jobs growth in Sonoma County is outpacing the state's metropolitan areas, full economic recovery is contingent upon sustained jobs growth and lower unemployment.

SITE SIZE: 29,445± sf (0.67± ac)

PROPERTY TYPE: Property is a generally level site carrying Mixed-Use zoning that allows a FAR of 1.5 for non-residential and 2.0 for mixed-use. Access is good, off-site improvements are complete, and public utilities are available. Currently improved with 2,486± square foot veterinary office building, driveway and paved parking areas of minimal value. Value estimate assumes that the site is vacant and available for development to its highest and best use.

COMPARABLE SALES:

	<u>Sale No.1</u>	<u>Sale No.2</u>	<u>Sale No.3</u>	<u>Sale No.4</u>	<u>Sale No.5</u>
Address	10 E. Coati Coati	58 Wilfred Rohnert Park	18820 Son.Hwy Santa Rosa	400 S. A St. Santa Rosa	1711 SR Ave Santa Rosa
List Price	N/A	N/A	\$345,000	N/A	\$199,000
Sales Date	9/04/2012	12/13/12	10/31/12	3/29/13	6/10/13
Sales Price	\$310,000	\$1,500,000	\$275,000	\$65,000	\$150,000
Sales Price psf	\$8.27	\$27.55	\$10.11	\$12.43	\$20.73
DOM	N/A	N/A	106	N/A	264
Distance	2 m. south	1 m. west	10 m. n/e	7 m. north	5 m. north
Size	0.86± ac 37,501± sf	1.25± ac 54,450± sf	0.62± ac 27,199± sf	0.12± ac 5,227± sf	0.17± ac 7,236± sf
Proposed Use	Comm'l	Comm'l.	Comm'l.	Parking lot	Comm'l.
Zoning	SPD	RR10	LC	CG	CG
Comments	Finished lots	Raw land	Finished grade	Paved lot	Finished lot
Comparability	Inferior	Superior	Inferior	Inferior	Similar

COMPETITIVE LISTINGS:

	<u>No.1</u>	<u>No.2</u>
Address	6020 State Farm Dr Rohnert Park	19366/19370 Sonoma Hwy Sonoma
List Price	\$775,000	\$300,000
List Price psf	\$12.00	\$23.74
DOM	N/A	N/A
Distance	1/4 m. north	20 m. west
Size	1.49± ac 64,761± sf	0.29± ac 12,632± sf
Proposed Use	Comm'l	Comm'l.
Zoning	I-L/O	Comm'l.
Comments	Parking lot	Finished lots
Comparability	Inferior	Superior

MARKETING STRATEGY:

Suggested marketing plan would be to demolish the building on the corner parcel (APN 143-051-065) and market together with the contiguous interior parcel (APN 143-051-066) to increase the pool of potential purchasers for a larger economically feasible development project.

ESTIMATED MARKETING TIME:One year or less

SUGGESTED LIST PRICE: \$550,000

PROBABLE SALES PRICE: \$500,000

MOST LIKELY BUYER:

Most likely buyer is owner/user or developer for build-to-suit.

COMMENTS:

Value estimate based on land only pursuant to owner's representations of condition of the improvements. Listing No.1 recently reduced by 40% from \$1,250,000.

Prepared by: Lyn Crocker Date Prepared: 7.16.13

Lyn Crocker
Broker Associate • CA BRE# 00697983
office: 707. 569.1862 • direct: 707.538.7772
crocker@mmrecommercial.com

Mason McDuffie commercial real estate
50 E Street•Santa Rosa CA 95404

Exhibit G

Broker Price Opinion

APN 045-081-007 & 045-082-053

BROKER PRICE OPINION

TO: Linda Babonis
Economic Development Manager
130 Avram Avenue
Rohnert Park CA 94928
(v) 707.588.2233

PROPERTY ADDRESS: Redwood Drive
Rohnert Park CA 94928

SITUS: Sonoma County APNs 045-081-007 & 045-082-053

PURPOSE: To provide value estimate and probable sales price for Long-Range Property Management Plan

NEIGHBORHOOD: Property is located in the northwest quadrant of Rohnert Park adjacent to the Wilfred-Dowdell Specific Plan Area. Redwood Drive in the vicinity of the subject parcels serves as a freeway frontage road from Rohnert Park's northerly urban boundary to State Highway 116. Highway commercial uses are located along Redwood Drive. Newer development includes a 534,000± sf resort casino scheduled for opening in November 2013.

MARKET CONDITIONS: The Rohnert Park submarket is stabilizing after post-recession diminution of commercial property values and concurrent increase in marketing time. There has been little new construction in the commercial sector in Sonoma County or Rohnert Park for the past six years. A "re-set" of commercial property values occurred in late 2010 that resulted in property values similar to those of nearly a decade earlier. Although jobs growth in Sonoma County is outpacing the state's metropolitan areas, full economic recovery is contingent upon sustained jobs growth and lower unemployment.

PARCEL SIZE: APN 045-081-007 6,875± sf
APN 045-082-053 6,534± sf

PROPERTY TYPE: Property comprises two triangularly shaped parcels with frontage on Redwood Drive. Zoning is C-R: Regional Commercial and the General Plan is Regional Commercial. The parcels represent surplus property and, according to the Planning Director, neither is independently developable under the City's current zoning and land use regulations.

MARKETING STRATEGY: Properties may have value and/or utility to contiguous properties as plottage.

ESTIMATED MARKETING TIME: N/A

SUGGESTED LIST PRICE: N/A

PROBABLE SALES PRICE: N/a

MOST LIKELY BUYER: Most likely buyers are owners of contiguous parcels.

COMMENTS: Properties cannot be independently developed; thus no estimated marketing time or suggested list price. Probable sales price would depend upon the contributory value to the respective contiguous parcels depending on the enhancement to these larger parcels. The most recent sales indicators for adjacent properties were two sales to Amy's Kitchen Restaurant Holdings at \$22.00 and \$27.00 per square foot.

Prepared by: Lyn Crocker Date Prepared: 7.16.13

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Exhibit H
Bond Counsel Opinion

MEMORANDUM

TO: Linda Babonis **FILE NO.** 024702-0001
FROM: David R. McEwen
DATE: July 19, 2013
SUBJECT: Sale of Property Purchased With Bond Proceeds

The Community Development Commission of the City of Rohnert Park (the “Commission”) issued its \$34,680,000 Rohnert Park Redevelopment Project Tax Allocation Bonds, Series 2007R and its \$26,760,000 Rohnert Park Redevelopment Project Housing Tax Allocation Bonds, Series 2007H on April 18, 2007. Interest on the bonds was exempt from federal taxation so long as the Commission complied with the requirements of the Internal Revenue Code. The applicable provisions of the Code, which will be summarized below, were addressed in a separate memo dated February 3, 2011 (a copy of that Memo accompanies this Memo). As you have previously indicated a portion of the proceeds were used to purchase properties which were intended to be used in accordance with the requirements of the Code.

As a result of the adoption of ABx1 26, as modified by AB 1484 (the Dissolution Act”), the Commission was dissolved on February 1, 2012. The Dissolution Act requires the Successor Agency to the Commission to dispose of the assets of the Commission including the disposition of real property that will not be used for a public purpose. To accomplish this, the Successor Agency is required to prepare a Long Range Property Management Plan (the “Plan”). The Plan will provide for the sale and development of all or a portion of the properties acquired with bond proceeds. As will be discussed below, absent a corrective action, the sale of these properties to a non-governmental entity for purposes of development would cause interest on the bonds to become subject to federal income tax.

Federal Tax Issues

As a general proposition, interest on bonds issued by a local governmental entity, such as the Commission, is excluded from gross income of the recipient for federal income tax purposes. However, interest on a bond which is a private activity bond is not exempt from federal income tax unless it falls within certain exceptions. A bond issue will be treated as a private activity bond if the

issuer reasonably expects that the issue will meet the private business tests or the private loan test or if the issuer takes deliberate action after the date of issue which causes the tests to be met. The sale of the properties in accordance with the Plan would constitute a deliberate action.

Private Business Tests. The private business tests are satisfied if more than 10 percent of the proceeds of an issue are used in the trade or business of a non-governmental person and the payment of the principal of or the interest on more than 10 percent of the proceeds of the issue is directly or indirectly secured by privately used property or to be derived from payments with respect to such property.

Private Loan Test. The private loan test is satisfied if the lesser of 5 percent or \$5,000,000 of the proceeds of the issue is to be used directly or indirectly to make or finance loans to nongovernmental persons.

Deliberate Action

The Service has recognized that over the life of a bond issue, circumstances may change and that even though a deliberate action may be taken which would cause the bonds to become taxable private activity bonds, the bonds may remain tax exempt if certain remedial actions are taken. Section 1.141-12 provides that an action that causes an issue to meet the private business test or the private loan financing test is not treated as a deliberate action if one of three remedial actions is taken and five additional conditions are met. These five conditions are set forth in Section 1.141-12(a)(1)-(5) as follows:

“(1) *Reasonable expectations test met.* The issuer reasonably expected on the issue date that the issue would meet neither the private business tests nor the private loan financing test for the entire term of the bonds. For this purpose, if the issuer reasonably expected on the issue date to take a deliberate action prior to the final maturity date of the issue that would cause either the private business tests or the private loan financing test to be met, the term of the bonds for this purpose may be determined by taking into account a redemption provision if the provisions of § 1.141-2(d)(2)(ii)(A) through (C) are met.

“(2) *Maturity not unreasonably long.* The term of the issue must not be longer than is reasonably necessary for the governmental purposes of the issue (within the meaning of § 1.148-1(c)(4)). Thus, this requirement is met if the weighted average maturity of the bonds of the issue is not greater than 120 percent of the average reasonably expected economic life of the property financed with the proceeds of the issue as of the issue date.

“(3) *Fair market value consideration.* Except as provided in paragraph (f) of this section, the terms of any arrangement that results in satisfaction of either the private business tests or the private loan financing test are bona fide and arm’s-length, and the new user pays fair market value for the use of the financed property. Thus, for example, fair market value may be determined in a manner that takes into account restrictions on the use of the financed property that serve a bona fide governmental purpose.

“(4) *Disposition proceeds treated as gross proceeds for arbitrage purposes.* The issuer must treat any disposition proceeds as gross proceeds for purposes of section 148. For purposes of eligibility for temporary periods under section 148(c) and exemptions from the requirement of section 148(f), the issuer may treat the date of receipt of the disposition proceeds as the issue date of the bonds and disregard the receipt of disposition proceeds for exemptions based on expenditure of proceeds under § 1.148-7 that were met before the receipt of the disposition proceeds.

“(5) *Proceeds expended on a governmental purpose.* Except for a remedial action under paragraph (d) of this section, the proceeds of the issue that are affected by the deliberate action must have been expended on a governmental purpose before the date of the deliberate action.”

It appears from the information that I have that the conditions in (1) and (2) above have been met. In order to satisfy the requirements of (3) concerning fair market value consideration, an appraisal of the properties to determine that the proposed purchase price is at least equal to fair market value should be obtained. The arms-length transaction requirement is met if the properties are sold following normal real estate sale practices, including listing the property and selling to the highest offer that is at least equal to the appraised value. The requirements of (4) and (5) will be met

by the use of the proceeds of sale to establish and irrevocable escrow to redeem a pro rata portion of the applicable series of 2007 Bonds.

If all of the above conditions are met, then the issuer must take one of the following remedial actions to avoid causing the bonds to become private activity bonds.

Bond Redemption

Notwithstanding the nature of the disposition proceeds, or the amount thereof, if all of the applicable series of 2007 Bonds are redeemed, the interest will continue to be tax-exempt. The requirement to redeem all of the Bonds applies where the disposition proceeds are comprised of cash and other consideration such as a promissory note for a portion of the sale proceeds.

Where, as in the present case, the disposition proceeds will be less than the outstanding principal amount of the bonds, the disposition proceeds must be paid in cash and must be used to redeem a pro-rata portion of the bonds within 90 days of the date of the action or to establish an irrevocable escrow for the redemption of a pro-rata portion of the bonds on the first available call date. The 2007 Bonds are currently callable on any date on or after August 1, 2017. No part of the disposition proceeds may be used for any purpose other than redemption of the Bonds.

Alternative Use of Proceeds

As a second alternative, if all of the disposition proceeds are cash, then the issuer may spend such proceeds for an alternative governmental purpose within two years of the date of the action. If all of the proceeds are not spent within the two-year period, the balance must be spent to redeem bonds or to establish an escrow for the redemption of the bonds. In light of the requirements and restrictions of the Dissolution Act, it would not appear likely that this alternative corrective action could be used.

Alternative Use of Facility

While it is highly unlikely that the Commission could meet the requirements to satisfy the third alternative, the sale of the property will not be treated as a deliberate action if (i) the facility is used in an alternative manner, (ii) the non-qualified bonds are treated as reissued as of the date of the action for purposes of Internal Revenue Code Section 55 59, 141, 142, 144, 145, 146, 147, 149 and

150 and as provided in these sections are treated as qualified bonds, (iii) the acquisition may not be financed with tax exempt bonds and (iv) any excess proceeds are used to redeem bonds. In order to qualify under this final alternative, the disposition of the property would have to meet all of the requirements for treatment as a multifamily mortgage revenue bond, including but not limited to, an allocation from the debt limit allocation committee, a public hearing before the City Council, a limitation of 2% on the amount of the prior issues that could be spent on costs of issuance and most importantly the requirement that the prior bonds be subject to Alternative Minimum Tax. This latter requirement has a significant impact on existing bond holders and could only be complied with with their consent.

STRADLING YOCCA CARLSON & RAUTH

MEMORANDUM

To: Ms. Linda Babonis
Housing & Redevelopment Manager
Community Development Commission
of the City of Rohnert Park

FROM: David R. McEwen

DATE: February 3, 2011

SUBJECT: Private Activity Bond Test

INTRODUCTION

The Community Development Commission of the City of Rohnert Park (the “Agency”) has issued its 2007R and 2007H Tax Allocation Bonds (the “Bonds”) for the purpose of financing the implementation of the Redevelopment Plan (the “Project”). The Agency has requested advice regarding whether it may lease, sell or otherwise transfer property acquired with Bond proceeds to third parties, and whether it may make non-forgivable, interest bearing loans to business with Bond Proceeds. The Agency is also seeking advice as to whether it may develop commercial uses on property acquired with proceeds of the 2007H Bonds.

ANALYSIS

Although, generally, interest on any state or local bond¹ is excluded from gross income for federal tax purposes, the exclusion does not apply to certain “private activity bonds.”² Bonds are characterized as private activity bonds if they meet either one of two tests: (i) the two-part private business test or (ii) the private loan test.

I. TWO-PART PRIVATE BUSINESS TEST

A bond is a “private activity bond” if it is part of an issue in which *both* the (1) private business use test AND the (2) private payment or security test are satisfied. These tests, which are

¹ Code § 103(a).

² Id. The exclusion does not apply to any “private activity bond” unless it is a “qualified bond.” A “qualified bond” is defined as one of the following: an exempt bond; a qualified mortgage bond; a qualified veterans’ mortgage bond; a qualified small issue bond; a qualified student loan bond; a qualified redevelopment bond; or a qualified 501(c)(3) bond. Code § 141(e).

described below, are applied on a “bond issue” by “bond issue” basis.³ The Tests described below are applied on a cumulative basis as well. Thus if the Agency enters into two separate transactions, neither of which exceed the 10% threshold individually, but together satisfy the tests, they will be considered to have met the test.

A. Private business use test. The private business use test (the first part of the test) is satisfied if more than 10% of the bond proceeds of an issue are to be used, directly, or indirectly, in a trade or business of any person or entity other than a state or local governmental unit. Thus, this test requires an understanding of two concepts: (1) what constitutes “private business use” and (2) how to measure private use.

1. What is “private business use?” For this purpose, the concept of “use” is very broad in that it includes any actual or beneficial use of bond proceeds by any ultimate user or beneficiary of such proceeds, other than a state or local governmental unit. Thus, the Agency can lease or sell property to other state or local governmental units for their exclusive use without causing private business use issues.

Use by a person or entity (that is not a state or local governmental unit) can occur pursuant to any arrangement, including an arrangement involving a series of transactions, whenever a nongovernmental person uses the property in its trade or business. For purposes of the private business use test, a person is said to “use” Bond proceeds if it: (i) owns financed property, (ii) leases bond financed property, (iii) manages the bond financed property under certain management contracts, (iv) purchases or agrees to purchase the property under certain specified arrangements, (v) sponsors certain research arrangements that relates to the financed property, (vi) otherwise enjoys special legal entitlements for the beneficial use of the financed property, or (vii) solely in the case of financed property that is not available for use by the general public, receives special economic benefit from the financed property.

Based on the above rules, the sale or lease of property acquired with Bond proceeds to private entities will satisfy the private business use test.

2. How do you measure private business use? Once it has been determined that

³ The Agency can ascertain whether bonds are part of an “issue” by reviewing the applicable Tax Certificate contained in the official transcript for the applicable Bonds.

there is, in fact, private business use of a Bond financed property, the next step requires a determination of whether such business use exceeds the permissible 10% private business use limitation (reduced to 5% where there is “unrelated” or disproportionate use as discussed below).

The Agency must first ascertain which properties have been financed by a particular Bond issue and the relative cost paid with the issue’s Bond proceeds. Next, the Agency must determine the percentage of the applicable properties (and the percentage of the cost of the properties allocated to the applicable Bond issue) subject to private business use. Generally, allocations are based on cost of the properties and the square footage so utilized.

In determining whether the 10% (or 5% for unrelated use) threshold has been exceeded, the Agency is allowed to average use over time. The amount of private use of Bond-financed property is determined according to the average percentage of private use of that property during the measurement period.⁴ The measurement period begins on the later of the issue date or the date the property is placed in service, and the period ends on the earlier of the last date of the reasonably expected economic life of the property or the latest maturity date of any Bond of the issue financing the applicable property. The average percentage of private use is the average of the percentages of private use during the 1-year periods within the measurement periods. The percentage of private use of property for any 1-year period is the average private use determined during that year by comparing the amount of private use during the year to the total amount of actual use during that year. Special rules are provided for simultaneous use, use of discrete portions, uses that are expected to have a significantly greater fair market value than the exempt use of the same property, and common areas.

The following rules apply in making a 1-year determination:

Use at Different Times. For property used for private business use and governmental use at different times, the average amount of private business use generally is based on the amount of time that the property is used for private business use as a percentage of total time for all actual use. “Dark time” is disregarded.

⁴ Treas. Reg. § 1.141-3(g).

Simultaneous Use. If government use and private business use occur simultaneously, the entire property is treated as having private business use. (For example, a governmentally owned property that is leased by a nongovernmental person in a manner that results in private business use is treated as entirely used for a private business use.) However, if such use is on the same basis (i.e., the private and government use of the property are of the same type), then the average amount of private business use may be determined on a reasonable basis (e.g., relative use, value of use, relative amount of time used). For example, if a government-owned garage with unassigned spaces is used for government use and for private business use, then it is only partially used for a private business use.

Discrete Portion. Measurement of the use of proceeds allocated to a discrete portion of a property is determined by treating the discrete portion as a separate property. For example, a discrete portion might include one floor of a Bond financed building.

Allocations Based on Fair Market Value. If private business use is reasonably expected as of the issue date to have a significantly greater fair market value than governmental use, then the private business use (for each 1-year period) must be based on FMV and not another measure (such as average time of use).

Common Areas. For common areas, the amount of private business use within a property is based on a reasonable method that properly reflects the proportionate benefit to be derived from the users.

B. Private Payment or Security Test. Even though the 10% (or 5% for unrelated use) threshold is exceeded, a Bond will not be a taxable private activity bond unless the private security or payment test is also satisfied. The “private security or payment test” is the second prong of the private business test; it is only if this test is satisfied *in addition to* the private business use test

described above, that a Bond issue will be said to be a private activity bond.⁵

The private security or payment test is satisfied if the payment of debt service on more than 10% (5% for unrelated use) of the proceeds of the Bond issue is (under the terms of the issue or any underlying arrangement) either (i) directly or indirectly to be derived from payments (whether or not to the issuer) in respect of property, or borrowed money, used or to be used for a private business use (the “private payment test”) or (ii) directly or indirectly secured by any interest in property used or to be used for a private business use or payments in respect of such property (the “private security test”).

1. What constitutes private payments and private security?

For this purpose, private payments include both direct and indirect payments made by private persons (not state or local governmental units) who are treated as using bond proceeds, regardless of whether they are formally pledged as security or directly used to pay debt service on the Bonds. Private payments made by a user are taken into account only to the extent allocable to the use of Bond proceeds by that person. Payments by private users of bond proceeds to persons other than the issuer of Bond proceeds can be taken into account.

Example: Agency M issues tax allocation bonds with proceeds of \$10 million to finance a nine story office building. M leases one floor of the office building to Corporation T, a nongovernmental person, for the term of the bonds in exchange for rental payments; Corporation T is to utilize the leased space for purposes that assist the Agency. Under all the facts and circumstances, T is treated as “using” more than 10 percent of all the proceeds. If the present value of lease payments to be made by Corporation T will be less than 10 percent of the present value of the total debt service on the bonds, the bonds will not be treated as private activity bonds because the private payment test will not be met.

⁵ For example, if a governmental unit were to issue bonds and use the proceeds to make a grant to a private business without requiring the private business to repay the grant directly or indirectly (assume the issuer used its taxing power as the sole security for the bond issue), the bonds would not be private activity bonds because there would be no private security or payment.

Payments by a person for use of proceeds are allocable to the payment of debt service only to the extent that their present value does not exceed the present value of the debt service on those proceeds. Thus, if 7% of bond proceeds is used by a person, payments by that person are taken into account as private payments only to the extent the present value of those payments does not exceed 7% of the debt service on the issue.

Payments by a person for use of proceeds do not include payments allocable to the payment of ordinary and necessary expenses as such expenses are directly attributable to the operation and maintenance of the property used by that person. General overhead and administrative expenses are not directly attributable to such operations and maintenance. For example, if an issuer receives \$5000 of rent during the year for use of space in a tax-exempt Bond financed property, and pays \$500 of that rent for ordinary and necessary expenses properly allocable to the operation and maintenance of that space, such \$500 would not be considered a private payment and only the balance of the \$5,000 rental payment would be taken into account under the private security or payment test.

2. How do you measure private payments or private security? Generally, the present value of the payment taken into account is compared to the present value of the debt service to be paid over the term of the issue. Debt service does not include amounts paid from the Bond sale proceeds or investment proceeds; thus, debt service does not include payments for capitalized interest funded with Bond proceeds. Debt service is adjusted to take into account payments and receipts that adjust the yield for purposes of rebate calculation. Thus, debt service includes fees paid for qualified guarantees and payments for qualified hedges. Present value is determined by using the bond yield as the discount rate and by discounting all amounts to the issue date.

C. **Unrelated Use.** The 10% limitations described above are reduced to 5% for private business uses that are “not related” to the governmental uses financed by the issue and for payments or security relating to such uses. A private use is “related” to the governmental use of the bond proceeds if it is “functionally related” to the governmental use. The determination of whether a private business is related to a government use financed with the proceeds of an issue is made on a case-by-case basis. The operational relationship between the government use and the private business use is emphasized. Generally, a “related use” property must be located within or adjacent to the governmentally used property. For example, leased space in a classroom building for the use of a

local business that is not providing programs or otherwise working in conjunction with the Agency to achieve the Agency's purpose may be unrelated use and subject to the 5% limitation.

II. PRIVATE LOAN TEST.

The private loan test independently treats bonds as private activity bonds if more than the lesser of 5% or \$5 million of the bond proceeds are to be used (directly or indirectly) to make or finance loans to non-governmental persons.⁶ For this purpose, a loan may arise from both direct loans and transactions in which indirect benefits economically equivalent to a loan are conveyed. The determination of whether a loan is made depends on the substance of a transaction and not its form.⁷ Courts have looked to many different factors to determine whether an advance of money is a loan. No single factor is determinative, and many factors must be considered.

For purposes of the private loan test, a "grant" is not considered to be a "loan."⁸ The term grant is defined as "a transfer for a governmental purpose of money or property to a transferee that is not a related party to or an agent of the transferor."⁹ The transfer must not impose any obligation or condition to directly or indirectly repay any amount to the transferor. This provision does not require that the repayment be in any particular form (e.g., in cash) and does not require that the amount of any repayment relate to the amount of the transfer. However, obligations or conditions intended solely to assure expenditure of the transferred moneys in accordance with the governmental purpose of the transfer do not prevent a transfer from being a grant.¹⁰

The IRS has determined that certain transactions, although in form loans, will be treated as grants for purposes of the private loan test. In PLR 9203021, a city developed a variety of homeowner and developer programs to provide adequate housing and issued bonds to finance the

⁶ Code § 141(c)(1).

⁷ See, e.g., Treas. Reg. § 1.141-5.

⁸ Treasury Reg. § 1.141-5(c)(3).

⁹ Treas. Reg. § 1.148-6(d)(4)(iii). Treas. Reg. § 1.150-1(b) defines the term "related party" as any member of the same controlled group.

¹⁰ *Id.*

programs. Under the developer programs¹¹, the city sold multifamily housing projects to developers

¹¹ Specifically, PLR 9203021 describes the developer programs as follows:

Under the developer programs, the city typically transfers money to a developer for the acquisition and rehabilitation of city-owned multifamily housing projects. Upon completion of the rehabilitation, the housing units are rented to low-income or otherwise disadvantaged persons at rates subject to low-income housing statutes and regulations. The subsidy from the city enables the developer to realize a positive cash flow despite the low rental rates. As a condition to receiving the advances from the city, the developer executes an Enforcement Note and Lien in favor of the city for the amount of the advance. The purpose of the Enforcement Note and Lien is to ensure that the housing continues to be made available to the targeted individuals.

Under Program F, the city contracts with a for-profit developer to renovate and operate city-owned, multifamily, low-income housing projects acquired by the city through tax foreclosures. The city provides funds for renovation, and later may sell the projects to the developer. The opportunity to purchase the projects at a price below the fair market value of the buildings is an incentive for the developers to participate in Program F. If the city does decide to sell to the developer, the purchase price of the project is arbitrarily set at \$ 2,500 per dwelling unit, an amount less than the appraised value.

The developer grants an Enforcement Note and Lien to the city on each unit in an amount equal to the excess of the appraised value of the unit over \$ 2,500. No interest or principal is due on the Enforcement Note during its 10-year term. After 10 years, the entire amount of the Enforcement Note is due. However, if during the 10-year term the developer has complied with certain covenants imposed by the Lien, the entire amount of the Enforcement Note is forgiven. If the developer fails to comply with any of the covenants, repayment is accelerated and the city may require payment of all or part of the amount due under the Enforcement Note. The covenants include compliance with the city's rent stabilization regulations and an agreement not to convert the project into a co-operative or condominiums.

In Program G, the city advances money to not-for-profit developers to acquire and rehabilitate single room occupancy buildings. After rehabilitation, the units are rented to low income persons at rates subject to low income housing statutes and regulations.

The advance to the developer is evidenced by an Enforcement Note and Lien. The Enforcement Note is nonrecourse, bears interest at one percent, and matures in either 15 or 30 years. No payments of principal or interest are required until maturity, and no prepayments are permitted. The amount of the Enforcement Lien is reduced ratably to zero during the last five years of the term of the Enforcement Note and Lien, as long as the developer continues to make the housing available exclusively for low income persons referred to it by the city. Upon any default of the developer's covenants, all principal and accrued interest on the Enforcement Note and Lien are immediately due and payable. The covenants include requirements that vacancies be filled by persons who are homeless, have a low income, or are otherwise disadvantaged, and that rents comply with low income housing statutes and regulations.

Program H is similar to Program G. The features of the Enforcement Note and Lien for this program are the same as those used for Program G, except the Enforcement Note bears no interest.

Under Program I, a not-for-profit developer buys city-owned buildings for one dollar each and gives the city an interest free 20- year Enforcement Note and Lien for the value appraised before rehabilitation. The developer is liable for payment of the Enforcement Note during rehabilitation. After rehabilitation, the developer retains ownership of the land but sells the building to the

for the acquisition or renovation of housing projects. The developers were then required to maintain below-market rental rates and other beneficial conditions for an extended period of time. The city controlled the activities of the developers through a mortgage note and lien (“Enforcement Note and Lien”). The IRS ruled that the transfers in the homeowner and developer programs were not loans under Section 141(c) but were, in substance, grants. Any payments received from an Enforcement Note and Lien were characterized as a forfeiture of a grant resulting from a failure to fulfill the conditions of the grant rather than as payments with respect to property. Accordingly, the IRS determined that any payments received under the Enforcement Notes and Liens were not payments in respect of property or borrowed money used for private business under Section 141(b)(2); consequently, the city was determined to have made grants (not loans) and interest earned on the bonds was excludable from gross income under Section 103(a). Specifically, the IRS looked to the following factors to determine that the transactions were in substance grants:

- ◆ the Enforcement Notes and Liens generally bore no interest and had no debt service schedule;
- ◆ the Enforcement Notes and Liens were subordinate to any purchase money mortgage;
- ◆ in its financial statements, the city treated the Enforcement Notes and Liens in the same manner as grants, and that treatment was in accordance with generally accepted accounting principles;

homeowners, who assume liability under the Enforcement Note and Lien. The principal amount of the Note will be forgiven in the twentieth year if the developer and the homeowners comply with certain program requirements. The most important requirement is that any resale or re-rental of a unit must be limited to households with incomes at or below 80 percent of the area median adjusted for family size. If a purchaser meets the income restrictions, that purchaser may assume the Enforcement Note and Lien; if not, the amount of the Enforcement Note and Lien becomes immediately due and payable.

The developer is also subject to additional restrictions in a regulatory agreement. These restrictions last for the full 20-year term of the Enforcement Note and Lien and are covenants that run with land. The restrictions require the developer to abide by the resale and re-rental restrictions, to certify annually the total family annual income of all tenants or owners, and to refrain from discrimination.

- ◆ the city did not treat the Enforcement Notes and Liens as assets of the city and did not include in its budget any payments it received under the Enforcement Notes and Liens;

- ◆ the amount of the Notes were due only if the developer violated certain conditions such as not maintaining the housing units or not making units available to low or moderate income individuals in a nondiscriminatory fashion. The IRS noted that it was the developer that controlled not only when, but also whether a repayment would occur; and the requirement for repayment (in the event of a violation of a covenant) was reduced over time eventually to zero.

III. USE OF HOUSING FUNDS

The use of property acquired with proceeds of the 2007H Bonds also raise questions related to the proper expenditures of housing funds under the Community Redevelopment Law.

State Law Requirements

Health and Safety Code Section 33334.2 requires the Agency to deposit not less than 20% of its tax increment revenues into a Low and Moderate Income Housing Fund (the "Housing Fund") for the purpose of increasing, improving and preserving the community's supply of low- and moderate-income housing available at affordable housing costs¹² to qualified persons and families.¹³ In carrying out the purposes of Section 33334.2, an Agency is authorized to expend the monies in the Housing Fund for the purpose of:

- (1) acquiring real property or building sites;
- (2) improving real property or building sites with on-site and off-site improvements;
- (3) donating real property to private or public persons or entities
- (4) financing insurance improvements;
- (5) constructing buildings or structure;

¹² The meaning of affordable housing cost depends on income levels and whether the housing is rental or owner occupied. For the very-low income persons, affordable housing cost means 30% of 50% of median income; for lower income families, affordable housing cost means 30% of 60% for rental units and 30% of 70% for owner-occupied units; for moderate income families, affordable housing cost means 30% of 110% of median income for rental housing and 35% of 110% of median for owner-occupied units.

¹³ Very-low income persons and families means those whose income is 50% or below of median income; lower-income persons and families means those whose income is between 51% and 80% of median income; and moderate income persons and families means those whose income is between 81% and 120% of median income.

- (6) acquiring buildings or structures;
- (7) rehabilitating buildings or structures;
- (8) providing subsidies to or for the benefit of qualified persons and families;
- (9) developing plans, paying principal and interest on indebtedness or paying financing and carrying charges;
- (10) maintaining the community's supply of mobile homes; and
- (11) preserving the availability of affordable housing units in housing developments threatened with conversion to market rate.

The moneys in the Housing Fund may be spent inside or outside the project area, provided the Agency and City Council adopt a resolution containing a finding that the expenditure outside of the project area will be of benefit to the project area. I believe this finding has been made before in connection with the adoption of the budget; however, we need to verify that the findings have been made.

There are a number of areas that need to be addressed in more detail, including expenditures for on- and off-site improvements, expenditures for administrative costs and income and age targeting.

Off-Site Improvements

In order to qualify for funding with Housing Fund moneys expenditures for on-site and off-site improvements must satisfy both of the following requirements:

1. The improvements must be part of new construction or rehabilitation of affordable units for low or moderate income persons directly benefited by the improvements and the improvements must be a "reasonable and fundamental component of the housing units."

2. The agency must record covenants against the housing units as required by Section 33334.3(f).

Unless all of the housing units will be restricted with affordability covenants, only a percentage of the cost of on-site or off-site improvements can be funded with moneys in the Housing Fund. The allowable percentage is determined by dividing the number of housing units that are restricted by the total number of housing units in the project, if the project is a housing project or by

dividing the cost of the affordable units by the total cost of the project if the project is a mixed use project.

Before spending any of the Housing Fund moneys for on-site or off-site improvements, it is important that the Agency document the relevant factors to support such an expenditure. This should be included in the staff report prepared in connection with the approval of the Project or the funding of the project. A record of this justification should be retained for at least ten years.¹⁴

Administrative Costs

Section 33334.3(d) requires that expenditures for general administrative activities not be disproportionate to the amount actually spent for the costs of production, improvement or preservation of affordable housing units. In addition, the Agency must make an annual finding that its planning and administrative expenses are necessary for the production, improvement and preservation of affordable housing units. Subsection (e) of Section 33334.3 provides:

“(e) (1) Planning and general administrative costs which may be paid with moneys from the Low and Moderate Income Housing Fund are those expenses incurred by the agency which are directly related to the programs and activities authorized under subdivision (e) of Section 33334.2 and are limited to the following:

(A) Costs incurred for salaries, wages, and related costs of the agency’s staff or for services provided through interagency agreements, and agreements with contractors, including usual indirect costs related thereto.

(B) Costs incurred by a nonprofit corporation which are not directly attributable to a specific project.

(2) Legal architectural, and engineering costs and other salaries, wages, and costs directly related to the planning and execution of a specific project which are authorized under subdivision (e) of Section 33334.2 and which are incurred by a nonprofit housing sponsor are not planning and administrative costs for the purposes of this section, but are instead project costs.”

¹⁴ The statute of limitation for a challenge to the expenditure of housing fund moneys is ten years – Health and Safety Code Section 33334.2(j).

The restrictions described above apply to general administrative expenses. They do not apply to administrative costs directly related to a specific project. Such expenses should be treated as part of the project costs and not administrative costs. Again careful thought should be given to this and the basis for determining whether specific costs are to be funded as administrative expenditures or projects costs should be documented and maintained for ten years.

Income and Age Targeting

Section 33334.4 requires the Agency to assist very low and low-income persons in at least the same proportions as the ratio of the number of housing units needed in each of those income categories bears to the total number of units needed for very-low, low or moderate income persons. Agencies are also required to spend Housing Funds over the ten-year implementation period for persons regardless of age in the same proportion as the City's population under 65 years of age bears to the City's total population. The Agency is allowed to reduce the required targeting percentage as a result of housing units produced by either legally controlled funding sources, such as CDBG funds or HOME funds.

RESOLUTION NO. OSB 2014-03

**A RESOLUTION OF THE OVERSIGHT BOARD FOR THE
SUCCESSOR AGENCY CITY OF ROHNERT PARK
APPROVING AN AMENDED
LONG-RANGE PROPERTY MANAGEMENT PLAN**

WHEREAS, the Redevelopment Dissolution Law (AB1x 26, enacted June 28, 2011, as amended by AB 1484, enacted June 27, 2012) provided for creation of the Successor Agency to the Community Development Commission of the City of Rohnert Park ("**Successor Agency**") and required the Successor Agency to expeditiously wind-down the affairs of the former Community Development Commission as directed by the oversight board created pursuant to Section 34179 of the California Health and Safety Code ("**Oversight Board**"); and

WHEREAS, following the successful completion of certain statutory prerequisites, the Successor Agency received a Finding of Completion from the State of California Department of Finance ("**DOF**") by letter dated April 26, 2013; and

WHEREAS, Health and Safety Code Section 34191.5(b) requires each successor agency to prepare a Long Range Property Management Plan ("**Plan**") that addresses the disposition and use of the real properties of the former redevelopment agency, which shall be submitted to the oversight board and DOF for approval no later than six months following issuance to the successor agency of a Finding of Completion; and

WHEREAS, Successor Agency staff prepared a Plan that was approved by the City Council acting as the Successor Agency by Resolution No. 2013-125 adopted on August 27, 2013 and by the Oversight Board by Resolution No. OSB 2013-04 adopted on September 20, 2013, and the Plan was thereafter submitted to DOF for review and approval; and

WHEREAS, in reviewing the Successor Agency's Plan, DOF staff have provided the Successor Agency with preliminary comments and requests for clarification of certain items included in the Plan; and

WHEREAS, Successor Agency staff, working with Successor Agency counsel, have prepared an Amended Long Range Property Management Plan ("**Amended Plan**") to address the concerns and questions raised by DOF; and

WHEREAS, the Amended Plan was reviewed and approved by the City Council acting as the Successor Agency by City Council Resolution No. 2014-137 adopted on April 8, 2014.

NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY CITY OF ROHNERT PARK DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Amended Plan attached to this Resolution is hereby approved.

Section 2. The staff of the Successor Agency is hereby further authorized and directed to make such additional technical and clarifying changes to the Amended Plan as may be necessary to

secure DOF approval and to take such other and further actions as are necessary to facilitate DOF review and to carry out the purposes and intent of this Resolution.

DULY AND REGULARLY ADOPTED this 9th day of April, 2014.

ATTEST:

**OVERSIGHT BOARD FOR THE SUCCESSOR
AGENCY CITY OF ROHNERT PARK**

Eydie Tacata, Clerk of the Board

Shirlee Zane, Chair

Zane: _____ Mackenzie: _____ Calvert: _____ Jolley: _____ Masterson: _____ Ponton: _____ Thompson: _____

AYES: () NOES: () ABSENT: () ABSTAIN: ()

**Attachment to Resolution
(Final Amended Plan with accepted
changes will be inserted when available.)**



Mission Statement

“We Care for Our Residents by Working Together to Build a Better Community for Today and Tomorrow.”

**CITY OF ROHNERT PARK
OVERSIGHT BOARD AGENDA REPORT**

Meeting Date: April 9, 2014
 Submitted By: John McArthur, Director of Public Works and Community Services
 Agenda Title: **Approve Expenditures of Excess Bond Proceeds from Community Development Commission 2007R Tax Allocation Bonds for Specified Public Improvements Consistent with Bond Covenants**

RECOMMENDED ACTION:

Staff recommends that the Oversight Board adopt a resolution taking the following actions:

1. Make a finding that the proposed expenditures of Excess Bond Proceeds from the Community Development Commission 2007R Tax Allocation Bonds (Bonds) for proposed public improvements are consistent with the Bonds covenants; and
2. Direct Successor Agency staff to include the proposed public improvements as expenditures of Excess Bond Proceeds on the Recognized Obligation Payment Schedule (ROPS) for the January-June 2015 (ROPS 14-15B) period.

BACKGROUND:

In April 2013, the Successor Agency to the Community Development Commission of the City of Rohnert Park (“Successor Agency”) received its Finding of Completion from the State Department of Finance (“DOF”). Pursuant to the terms of AB 1X 26 as amended by AB 1484 (collectively the “Redevelopment Dissolution Act”), the City now has the following options with respect to proceeds from the issuance of the Bonds:

1. Utilize the proceeds in a manner that is consistent with the original bond covenants per Health and Safety Code section 34191.4(c).
2. If the proceeds cannot be used in manner consistent with original bond covenants, the proceeds must be used to defease the bonds or to purchase those same outstanding bonds on the open market for cancellation.

On January 14, 2014, the City Council directed staff to prepare for further consideration a proposed capital improvements project list for funding from Bonds proceeds. On February 11, 2014, the City Council approved the capital project list described below and directed staff to proceed with the next steps in the process, including securing an opinion from bond counsel that the bond expenditure plan is consistent with the bond covenants and obtaining the approval of the Oversight Board for the proposed expenditures.

On March 27, 2014, bond counsel provided an opinion that the proposed Bonds proceeds expenditure plan is consistent with the original bond covenants. The opinion is attached to this Staff Report.

ANALYSIS:

Staff has developed, and the City Council has approved, a Facility Capital Projects List with the objective of prioritizing facility capital improvements designed to eliminate unfunded liabilities and/or reduce net operating expenses. Prioritization considerations included the determination of critical needs that must be addressed within a specified period of time. The identified proposed projects meeting the bond covenant requirements have been classified into two categories:

1. High Priority – needed within 2 years
2. Medium Priority – needed within 3-5 years

The projects are listed in order of priority.

High Priority Projects

1. Community Center Roof Replacement - \$239,400

The Community Center roof must be fully replaced within the next two years. If the roof is not replaced, the building will be subject to extensive water intrusion damage leading to very expensive repairs and perhaps eventual closure of the building.

A portion of the Community Center roof has already been replaced with Phase I of the roof replacement project completed in the fall of 2013. Phase II would complete the entire community center roof replacement.

2. Benicia Pool Renovation *or* Spray Park Installation - \$510,720

B-Pool is in need of significant renovation including resurfacing, ADA compliance upgrades, as well as deck and diving board replacement. The renovation work will need to be completed within the next year in order to keep the pool open to the public.

An alternative for consideration would be to convert the facility to a spray park. At a comparable cost associated with the needed pool repairs and upgrades, the installation of a spray park would provide some unique benefits to both city operations and the community. Spray parks require no heating or lifeguards and require less maintenance. Thus energy costs and staffing costs would decrease significantly reducing the financial burden to the General Fund. Spray parks have proven to be very popular amenities in other communities, and a spray park could enrich Rohnert Park's recreation portfolio by providing a unique complement to the other two pools.

3. Sports Center Locker Rooms Retrofit/Rebuild – \$478,800

Both the men's and the women's locker rooms are in need of significant renovation and remodeling. This project consists of repairing dry rot, installing new vanities and fixtures, installing shower stalls, lighting upgrades, new surfaces (tile), ADA upgrades, and removal of the decommissioned spas.

4. Public Safety Main HVAC Replacement - \$528,000

The HVAC system at the Public Safety Main building is in critical need of replacement. The chiller has lost one of its two vital compressors and the control system is no longer functioning. This system must be replaced within the next year. Additional benefits of replacing the essential Public Safety HVAC system include reduced energy consumption and lower power costs due to the newer equipment being much more energy efficient.

5. PAC HVAC Replacement (4 Units) – \$462,000

The Performing Arts Center has nine individual air conditioning units that are very near the end of their service life. Although the air conditioning units are currently functioning, due to their age, staff has had increasing difficulty finding repair/replacement parts. Staff is recommending replacing these units incrementally over the next five to ten years. Replacing four units at this time would improve overall system reliability and reduce energy costs because newer units are more efficient. Also, the replaced units could be used as spare parts for the other units should they fail before eventual replacement.

6. Senior Center Roof Replacement - \$234,000

The Senior Center roof must be replaced within three to five years to avoid extensive damage to the building from water intrusion.

7. Alicia, Benicia, and Ladybug Park Restroom Renovation - \$101,000

These park restrooms have been closed for over three years. Restroom service is currently provided with porta-potties. Previously, when the restrooms were open to the public, they were frequently vandalized resulting in costly repairs. Most vandalism incidents occurred after normal hours, typically at night when the park is closed. Adding certain security features to the restroom facilities could curtail vandalism incidents. This project is comprised of two major components: 1) replacing the restroom fixtures and privacy stalls with commercial grade materials that are vandalism resistant, and 2) installing security features including auto-locking doors with intrusion alarm capability, as well as motion sensing exterior lighting and video surveillance.

Bonds proceeds must be used for projects within the former redevelopment project area. Alicia, Benicia, and Ladybug Park restrooms are the only park restrooms that can use bond funding for capital improvements since they are the only park restrooms within the project area.

If this project successfully deters vandalism, it could serve as a pilot project to plan possible future public restroom reopening in other areas of the City.

Medium Priority Projects

1. Senior Center Restroom Renovation - \$109,200

Both the men's and the women's restrooms are in need of significant renovation. This project consists of repairing dry rot, new vanities and fixtures, floor cover replacement, lighting upgrades, and ADA upgrades.

2. Performing Arts Center Roof - \$1,276,800

The Performing Arts Center Roof must be replaced within the next three to five years. The project cost estimate is based upon replacing the current wood shingle roof with a standing seam metal roof similar to the Sports Center Roof.

3. Community Center Complex Parking Lot Paving - \$1,308,720

The pavement throughout the Community Center parking lot is aged and in need of rehabilitation work. The pavement should receive an overlay within the next three to five years to avoid extensive failure. Postponing this work too far into the future may require more extensive repairs or even complete reconstruction resulting in much higher costs. This project consists of a paving overlay and restriping the entire complex parking lot.

CONCLUSION:

Using the proceeds from the issuance of the Bonds for the capital improvements listed above is consistent with the bond covenants and would restore valuable community assets. Approving the proposed public improvements list provides a unique opportunity to restore aging facilities, provides an immediate benefit to the community, and will reduce maintenance costs.

NEXT STEPS

Following Oversight Board approval, and subject to DOF review of the approval resolution, Successor Agency staff will incorporate the proposed Bonds expenditures into the draft ROPS that will be considered by the Oversight Board for the January-June 2015 (ROPS 14-15B) period.

City Manager Approval Date: 4/3/2014

City Attorney Approval Date: 4/2/2014

Attachments: 1. Resolution
 2. Exhibit A to Resolution (Proposed Public Improvements list)
 3. Bond Counsel Opinion

RESOLUTION NO. OSB 2014-04

**RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY
CITY OF ROHNERT PARK APPROVING EXPENDITURES OF EXCESS BOND
PROCEEDS FOR SPECIFIED PROPOSED PUBLIC IMPROVEMENTS CONSISTENT
WITH BOND COVENANTS**

WHEREAS, the Redevelopment Dissolution Law (AB 1x 26, enacted June 28, 2011, as amended by AB 1484, enacted June 27, 2012) provided for creation of the Successor Agency (“Successor Agency”) to the Community Development Commission of the City of Rohnert Park (“CDC”) and required the Successor Agency to expeditiously wind-down the affairs of the CDC as directed by the oversight board created pursuant to Section 34179 of the California Health and Safety Code (“Oversight Board”); and

WHEREAS, following the successful completion of certain statutory prerequisites, the Successor Agency received a Finding of Completion from the State of California Department of Finance by letter dated April 26, 2013; and

WHEREAS, Health and Safety Code Section 34191.4(c) provides that once the finding of completion has been issued by the Department of Finance, the successor agency is authorized to use bond proceeds for the purposes for which the bonds were sold; and

WHEREAS, the Successor Agency may designate the use of and commit indebtedness obligation proceeds that were derived from indebtedness issued for redevelopment purposes on or before December 31, 2010, and that remain available after the satisfaction of enforceable obligations that have been approved on a Recognized Obligation Payment Schedule (“ROPS”) and that are consistent with the indebtedness obligation covenants (hereafter, “Excess Bond Proceeds”); and

WHEREAS, the CDC issued its Rohnert Park Redevelopment Project Tax Allocation Bonds, Series 2007R (the “Bonds”) in the total original principal amount of \$34,680,000; and

WHEREAS, the Series 2007R Bonds were issued pursuant to that certain Third Supplemental Indenture of Trust, dated as of April 1, 2007, between the CDC and Union Bank of California as trustee (“Trustee”), supplemental to a Master Indenture dated as of May 1, 1991 (collectively, the “Indenture”); and

WHEREAS, the Indenture requires that the Bonds proceeds be expended for redevelopment purposes and in compliance with federal Tax Code requirements, as further provided in the Tax Certificate executed by the CDC in connection with issuance of the Bonds and described in the Official Statement for the Bonds; and

WHEREAS, there are approximately \$5.7 million in Excess Bond Proceeds remaining; and

WHEREAS, the Successor Agency desires to use the Excess Bond Proceeds to pay costs related to capital improvements of certain publicly-owned facilities identified in Exhibit A to this Resolution (“Proposed Public Improvements”); and

WHEREAS, on February 11, 2014, the City Council of the City of Rohnert Park approved the attached list of Proposed Public Improvements to be funded from Bonds proceeds; and

WHEREAS, bond counsel has provided an opinion that the expenditure of the Excess Bond Proceeds for the Proposed Public Improvements is consistent with the original Bonds covenants.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Oversight Board of the Successor Agency to the Community Development Commission of the City of Rohnert Park as follows:

1. Based on the foregoing recitals, incorporated herein by this reference, the Oversight Board hereby finds that the Proposed Public Improvements are consistent with the Bonds covenants.

2. The staff of the Successor Agency is hereby directed to include all or a portion of the expenditures from the Excess Bond Proceeds for the Proposed Public Improvements on the ROPS for the January-June 2015 (ROPS 14-15B) period and to take such other and further actions as are deemed necessary to carry out the purposes and intent of this Resolution.

DULY AND REGULARLY ADOPTED this 9th day of April, 2014.

ATTEST:

**OVERSIGHT BOARD FOR THE SUCCESSOR
AGENCY CITY OF ROHNERT PARK**

Eydie Tacata, Clerk of the Board

Shirlee Zane, Chair

Zane: _____ Mackenzie: _____ Calvert: _____ Jolley: _____ Masterson: _____ Ponton: _____ Thompson: _____

AYES: () NOES: () ABSENT: () ABSTAIN: ()

**EXHIBIT A TO
RESOLUTION NO. OSB 2014-04**

PROPOSED PUBLIC IMPROVEMENTS

FACILITY CAPITAL PROJECTS PRELIMINARY PLANNING WORKSHEET

Available 2007R TAB Funds = \$5.7 million

Priority Considerations

Project	Urgency	Estimated Cost (\$)	Contingency (\$)	Total Construction (\$)	Soft Cost (\$)	Project Total (\$)
<u>2007R Funds:</u>						
Community Center Roof Replacement	high	150,000	30,000	180,000	59,400	239,400
B-Pool Renovation or Spray Park	high	320,000	64,000	384,000	126,720	510,720
Sports Center Locker Rooms Retrofit/Rebuild	high	300,000	60,000	360,000	118,800	478,800
Public Safety Main HVAC Replacement	high	400,000	80,000	480,000	48,000	528,000
PAC HVAC Replacement (4 units)	high	350,000	70,000	420,000	42,000	462,000
Senior Center Roof Replacement	high	150,000	30,000	180,000	54,000	234,000
A, B, and L-Park Restroom Renovation	high	80,000	16,000	96,000	5,000	101,000
<u>Subtotal High Priority</u>						<u>\$ 2,553,920</u>
Senior Center Restroom Renovation	medium	70,000	14,000	84,000	25,200	109,200
PAC Roof Replacement	medium	800,000	160,000	960,000	316,800	1,276,800
Library Parking Lot Paving and Landscaping	medium	145,000	29,000	174,000	60,900	234,900
Community Center Parking Lot Overlay	medium	820,000	164,000	984,000	324,720	1,308,720
<u>Subtotal Medium Priority</u>						<u>\$ 2,929,620</u>
Total Bond Funds						5,483,540

urgency scale

High = needed within 2 years

Medium = needed within 3-5 years

STRADLING YOCCA CARLSON & RAUTH

TO: City of Rohnert Park Successor Agency FILE NO. 024675-0004
FROM: David R. McEwen 
DATE: March 27, 2014
SUBJECT: Expenditure of Bond Proceeds

You have asked, in my capacity as bond counsel, for my opinion as to whether the projects listed on Exhibit A hereto (the "Proposed Projects") are eligible for payment with the proceeds of the Community Development Commission of the City of Rohnert Park, Rohnert Park Redevelopment Project Tax Allocation Bonds, Series 2007R (the "2007R Bonds").

On June 28, 2011, the California Legislature adopted ABx1 26 (the "Dissolution Act") and ABx1 27 (the "Opt-in Bill"). The California Supreme Court subsequently upheld the provisions of the Dissolution Act and invalidated the Opt-in Bill resulting in the Prior Agency being dissolved as of February 12, 2012. All rights, powers, duties and obligations of the Prior Agency were transferred to the Successor Agency from the Prior Agency on that date. The Dissolution Act was amended by AB1484 adopted by the Legislature on June 27, 2012. AB1484 added numerous limitations and restrictions as well as some express authorizations to the Dissolution Act. In particular, it added Section 34191.4 which gave express authority to any agency that has been issued a "finding of completion" by the Department of Finance ("DOF"), to expend proceeds of bonds issued prior to December 31, 2010. Section 34191.4(c) provides as follows:

(c) (1) Bond proceeds derived from bonds issued on or before December 31, 2010, shall be used for the purposes for which the bonds were sold.

(2) (A) Notwithstanding Section 34177.3 or any other conflicting provision of law, bond proceeds in excess of the amounts needed to satisfy approved enforceable obligations shall thereafter be expended in a manner consistent with the original bond covenants. Enforceable obligations may be satisfied by the creation of reserves for projects that are the subject of the enforceable obligation and that are consistent with the contractual obligations for those projects, or by expending funds to complete the projects. An expenditure made pursuant to this paragraph shall constitute the creation of excess bond proceeds obligations to be paid from the excess proceeds. Excess bond proceeds obligations shall be listed separately on the Recognized Obligation Payment Schedule submitted by the successor agency. [emphasis added].

(B) If remaining bond proceeds cannot be spent in a manner consistent with the bond covenants pursuant to subparagraph (A), the proceeds shall be used to defease the bonds or to purchase those same outstanding bonds on the open market for cancellation.

It is my understanding that the Successor Agency has been issued a finding of completion by the Department of Finance (“DOF”). It is also my understanding that none of the Proposed Projects were the subject of an enforceable obligation that has been listed on any ROPS. Therefore, any expenditure of bond proceeds must be consistent with the original bond covenants. These covenants are found in the Master Indenture, dated as of May 1, 1991, and in the Tax Certificate delivered at the time of the issuance of the Bonds.

The Master Indenture, as supplemented by the Third Supplemental Indenture of Trust, dated as of April 1, 2017 (collectively, the “Indenture”), contains a covenant to expend the proceeds for purposes of redevelopment as well as a covenant to comply with the requirements of the federal Tax Code. The Tax Certificate, a copy of which is attached hereto as Exhibit B, contains numerous covenants dealing with various requirements of the federal Tax Code. Of particular importance are the covenants concerning private use (Page 2-3) and the temporary period covenant (Page 4).

Section 1(c) of the Tax Certificate provides in part as follows:

Purpose of Obligations. The Obligations are being sold and delivered for the purpose of (a) financing certain capital costs of the Issuer as described in Exhibit A attached hereto (the “Project”)...

Finally, the Official Statement delivered in connection with the issuance of the Bonds contains the following provisions:

“The Project

Projects anticipated to be funded by the Commission from net proceeds of the Series 2007 Bonds include public improvements in the downtown business district, including street improvements, landscaping, signage, and various infrastructure and traffic circulation system improvements in the Project Area, including intersection and signalization projects and improvements to certain housing projects. See “THE FINANCING PLAN” herein.”

“THE FINANCING PLAN

The Series 2007 Bonds are being issued for the purpose of (i) financing certain public improvements, including certain housing projects, in the Project Area; (ii) purchasing municipal bond debt service reserve fund policies in order to satisfy the reserve requirements for the respective reserve accounts and (iii) paying costs of issuance of the Series 2007 Bonds.”

The descriptions of the Proposed Projects indicate that all of the projects are publicly owned and therefore satisfy the covenants concerning no private use. Further, these projects are consistent with projects described in the Tax Certificate and Official Statement. Based on the above, it is my opinion that the Proposed Projects are consistent with the original bond covenants.

FACILITY CAPITAL PROJECTS PRELIMINARY PLANNING WORKSHEET

Available 2007R TAB Funds = \$5.7 million

Goal: Complete projects that save the City money.

Save the City money defined as: eliminating unfunded liabilities or reducing net operating expense

Project	Priority Considerations				Estimated Cost (\$)	Contingency (\$)	Total Construction (\$)	Soft Cost (\$)	Project Total (\$)
	Urgency	Unfunded Liability	Reduces Direct Operating Costs	Increases Revenue					
2007R Funds:									
Community Center Roof Replacement	high	yes	no	no	150,000	30,000	180,000	59,400	239,400
B-Pool Renovation or Spray Park	high	yes	yes	maybe	320,000	64,000	384,000	126,720	510,720
Sports Center Locker Rooms Retrofit/Rebuild	high	yes	no	maybe	300,000	60,000	360,000	118,800	478,800
Public Safety Main HVAC Replacement	high	yes	yes	no	400,000	80,000	480,000	48,000	528,000
PAC HVAC Replacement (4 units)	high	yes	yes	no	350,000	70,000	420,000	42,000	462,000
Senior Center Roof Replacment	high	yes	no	no	150,000	30,000	180,000	54,000	234,000
A, B, and L-Park Restroom Renovation	high	yes	no	no	80,000	16,000	96,000	5,000	101,000
Subtotal High Priority								\$ 2,553,920	
Senior Center Restroom Renovation	medium	yes	no	no	70,000	14,000	84,000	25,200	109,200
PAC Roof Replacement	medium	yes	no	no	800,000	160,000	960,000	316,800	1,276,800
Library Parking Lot Paving and Landscaping	medium	yes	no	no	145,000	29,000	174,000	60,900	234,900
Community Center Parking Lot Overlay	medium	yes	no	no	820,000	164,000	984,000	324,720	1,308,720
Subtotal Medium Priority								\$ 2,929,620	
Total Bond Funds								5,483,540	

urgency scale

High = needed within 2 years

Medium = needed within 3-5 years

<p>\$34,680,000 COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF ROHNERT PARK ROHNERT PARK REDEVELOPMENT PROJECT TAX ALLOCATION BONDS SERIES 2007R</p>	<p>\$26,760,000 COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF ROHNERT PARK ROHNERT PARK REDEVELOPMENT PROJECT HOUSING TAX ALLOCATION BONDS SERIES 2007H</p>
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TAX CERTIFICATE

The Community Development Commission of the City of Rohnert Park (the “Issuer”) hereby makes the following representations of facts and expectations and covenants to comply with the requirements of this Tax Certificate in connection with the \$34,680,000 Community Development Commission of the City of Rohnert Park, Rohnert Park Redevelopment Project Tax Allocation Bonds, Series 2007R (the “Series 2007R Bonds”) and the \$26,760,000 Community Development Commission of the City of Rohnert Park, Rohnert Park Redevelopment Project Housing Tax Allocation Bonds, Series 2007H (the “Series 2007H Bonds” and together with the Series 2007R Bonds, the “Obligations”). These representations and covenants are in furtherance of the covenants contained in Section 7.2 of the Indenture of Trust, dated as of April 1, 2007 and the Indenture of Trust, dated as of May 1, 1991, as supplemented by a First Supplemental Indenture, dated as of January 1, 1999, a Second Supplemental Indenture, dated as of September 1, 2001 and a Third Supplemental Indenture, dated as of April 1, 2007 (together, the “Issuance Documents”), entered into by Issuer and Union Bank of California, N.A. (the “Trustee”), and in part are made pursuant to Section 1.141-2(d)(2) and Section 1.148-2(b)(2) of the Treasury Regulations. Capitalized terms used herein which are not otherwise defined herein shall have the respective meanings set forth in the Issuance Document.

* * *

I. General Matters.

(a) Authority for Issuance. The undersigned and other officers and members of the Issuer are charged with the responsibility of authorizing and requesting the issuance of the Obligations.

(b) Sale of Obligations. The Obligations are being delivered to Stone & Youngberg LLC as underwriter (the “Underwriter”) on the date hereof.

(c) Purpose of Obligations. The Obligations are being sold and delivered for the purpose of (a) financing certain capital costs of the Issuer as described in Exhibit A attached hereto (the “Project”), (b) paying costs of issuance with respect to the Obligations (the “Issuance Costs”), and (c) purchasing a financial guaranty bond insurance policy and surety bond from Financial Guaranty Insurance Company (the “Credit Enhancer”) with respect to the Obligations (the “Credit Enhancement”).

(d) Nature of Issue. All the Obligations are being sold and issued at the same time, have been sold pursuant to the same plan of financing, and are reasonably expected to be paid from substantially the same source of funds. Accordingly, the Obligations are a single issue of obligations for certain federal income tax purposes relating to the exclusion from gross income of interest on the Obligations. No other governmental obligations which are reasonably expected to be paid from substantially the same source of funds are being sold or issued at substantially the same time and sold pursuant to the same plan of financing as the Obligations.

* * *

II. Private Activity.

(a) Governmental Use of Proceeds. Absent an opinion of nationally-recognized bond counsel that the exclusion from gross income of interest on the Obligations will not be adversely affected for federal income tax purposes, the Issuer will not allow any of the proceeds of the Obligations, or any refinanced obligations thereof, or any of the facilities financed or refinanced with such obligations to be used in the trade or business of any nongovernmental persons (other than in their roles as members of the general public) and will not loan any of the proceeds of the Obligations or any refinanced obligations to any nongovernmental persons. In furtherance of the foregoing, the Issuer represents the following with respect to the use of proceeds of the Obligations and the facilities financed and refinanced therewith.

(b) In General. Except as specifically provided below, no more than 10% of the proceeds of the Obligations or the Project (based on the cost of the components of the Project or, with respect to a unitary structure, on the relative fair rental value of such components) has been or will be used in the aggregate for any activities that constitute a "Private Use" (as such term is defined in subsection (e) below):

(i) certain proceeds of the Obligations are expected to be utilized to make grants for multifamily projects; and

(ii) certain proceeds of the Obligations are expected to be utilized to make rehabilitation grants.

No more than 10% of the principal of or interest on the Obligations, under the terms thereof or any underlying arrangement, has been or will be secured by any interest in property (whether or not the Project) used for a Private Use or in payments in respect of property used for a Private Use, or will be derived from payments in respect of property used for a Private Use. In particular, the Issuer (nor a related party) will not receive private payments, within the meaning of Treasury Regulation § 1.141-4 the present value of which is in excess of ten percent (five percent with respect to Unrelated or Disproportionate Use as defined in subparagraph (d) below) of the present value of debt service on the obligations, all within the meaning of Internal Revenue Code §141(b)(2) and Treasury Regulation § 1.141-4.

(c) No Private Loan Financing. No more than the lesser of 5% of the proceeds of the Obligations or \$5,000,000 will be used to make or finance loans to any person other than to a state or local governmental unit (other than loans to finance any governmental tax or assessment of general application for a specific essential governmental function or loans that are used to acquire or carry Nonpurpose Investments (as such term is defined below)).

(d) No Disproportionate or Unrelated Use. No more than 5% of the proceeds of the Obligations or the Project has been or will be used for a Private Use that is unrelated or disproportionate to the governmental use of the proceeds of the Obligations (an “Unrelated or Disproportionate Use”), and no more than 5% of the principal of or interest on any of the Obligations has been or will be, under the terms of the Obligations or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Use that is an Unrelated or Disproportionate Use or in payments in respect of property used or to be used for a Private Use that is an Unrelated or Disproportionate Use.

(e) Definition of Private Use. For purposes of this Tax Certificate, the term “Private Use” means any activity that constitutes a trade or business that is carried on by persons or entities other than governmental entities. The leasing of property financed or refinanced with proceeds of the Obligations or the use by or the access of a person or entity other than a governmental unit to property or services on a basis other than as a member of the general public shall constitute a Private Use.

(f) Management and Service Contracts. With respect to management and service contracts, the determination of whether a particular use constitutes Private Use under this Tax Certificate shall be determined on the basis of applying the relevant sections of the Treasury Regulations and Revenue Procedure 97-13. As of the date hereof, no portion of the proceeds derived from the sale of the Obligations is being used to provide property subject to contracts or other arrangements with persons or entities engaged in a trade or business (other than governmental units) that involve the management of property or the provision of services with respect to property financed or refinanced by proceeds of the Obligations that do not comply with the standards of the Treasury Regulations or Revenue Procedure 97-13.

* * *

III. Arbitrage Certifications.

The following states the expectations of the Issuer with respect to the amount and uses of the proceeds of the Obligations and certain other monies or property:

(a) Source and Use of Funds. The total proceeds to be derived by the Issuer from the sale of the Obligations, in the aggregate amount of \$61,330,905.75 (representing \$61,440,000.00 face amount of the Obligations, plus net original issue premium of \$952,647.65, less Underwriter’s discount of \$430,626.00, and less \$631,115.90 to be retained by the Underwriter to pay for the Credit Enhancement and Surety Bond) are expected to be needed and fully expended as follows:

(i) \$255,000.00 of such proceeds will be deposited in the Costs of Issuance Fund and, together with investment earnings thereon, will be expended to pay Issuance Costs within one year of the date hereof;

(ii) \$35,290,616.84 of such proceeds will be transferred to the Issuer for deposit in the Redevelopment Fund and such amount, together with the earnings thereon, will be utilized for Project costs;

(iii) \$25,785,288.91 of such proceeds will be transferred to the Issuer for deposit in the Housing Fund and such amount, together with the earnings thereon, will be utilized for Project costs.

(b) Over-Issuance. The total proceeds to be received by the Issuer from the sale of the Obligations, together with anticipated investment earnings thereon, do not exceed the total amount necessary for the purposes described above.

(c) Temporary Period. The Issuer has entered into a binding obligation to expend at least five percent (5%) of the proceeds of the Obligations on the Project. Work on the construction and acquisition of the Project will proceed with due diligence to the completion thereof, and at least eighty-five percent of the proceeds derived from the sale of the Obligations will be expended within three years of the date hereof on the Project.

(d) Working Capital. Operational expenditures to be financed by the Obligations are described in Exhibit A attached hereto (the "Working Capital Expenditures"). The Working Capital Expenditures do not exceed five percent (5%) of the proceeds derived from the sale of the Obligations and are directly related to the Project.

(e) Funds and Accounts. The Issuance Document creates and establishes the following funds and accounts with respect to the Obligations:

- (i) the Special Fund, and within such fund,
 - (1) the Interest Account,
 - (2) the Principal Account,
 - (3) the Costs of Issuance Account,
 - (4) the Reserve Account, and
 - (5) the Surplus Account;
- (ii) the Redemption Fund;
- (iii) the Excess Investment Earnings Fund;
- (iv) the Housing Fund; and
- (v) the Redevelopment Fund.

(f) Sinking Funds.

(i) Bona Fide Debt Service Funds. The Interest Account, the Principal Account and the portion of the Redemption Fund, that is reasonably expected to be depleted annually (collectively, the "Bona Fide Debt Service Funds"), will be used primarily to achieve a proper matching of revenues (and certain other monies) and payments of principal and interest with respect to the Obligations within each year. Amounts deposited in the Bona Fide Debt Service Funds will be depleted at least once a year except for a reasonable carryover amount, if any, which, in the

aggregate, will not exceed the greater of (i) one year's earnings on such funds for the immediately preceding bond year, or (ii) one-twelfth of the annual debt service with respect to the Obligations for the immediately preceding bond year.

(ii) Reserved.

(iii) No Other Proceeds. Other than the Bona Fide Debt Service Funds, there are no funds or accounts of the Issuer established pursuant to the Issuance Document, or otherwise, that are reasonably expected to be used for the payment of principal and interest with respect to the Obligations or that are pledged as collateral for the Obligations and for which there is a reasonable assurance that amounts on deposit therein will be available for the payment of principal and interest with respect to the Obligations if the Issuer encounters financial difficulties. The term of the Obligations is not longer than is reasonably necessary for the governmental purpose of the issue, and the weighted average maturity of the Obligations does not exceed 120 percent of the average reasonably expected economic life of the financed Project.

(g) Rebate Liability Account. Amounts deposited in the Excess Investment Earnings Fund are to assist the Issuer with compliance of Section 148(f) of the Code.

(h) Investment. The proceeds derived from the sale of the Obligations and the amounts on deposit in the aforementioned funds and accounts may be invested as follows:

(i) Amounts deposited in the Bona Fide Debt Service Funds may be invested at an unrestricted yield for a period not in excess of 13 months from the date of deposit of such amounts to such funds. Amounts described in the previous sentence that may not be invested at an unrestricted yield pursuant to such Subparagraph shall be invested either at a yield not in excess of the yield on the Obligations or in Tax-Exempt Obligations (as defined in Section IV hereof).

(ii) Proceeds of the Obligations held in the Redevelopment Fund and Housing Fund to pay Project costs, in the Costs of Issuance Account, or in the Excess Investment Earnings Fund, may be invested at an unrestricted yield for a period of three years from the date hereof.

(iii) Investment earnings on obligations acquired with the amounts described in Subparagraph (ii) may be invested at an unrestricted yield for a period not to exceed the applicable period described in Subparagraph (ii) or one year from the date of receipt, whichever period is longer.

(iv) Amounts described in Subparagraphs (ii) or (iii) above that may not be invested at an unrestricted yield pursuant to such Subparagraphs shall be invested either at a yield not in excess of the yield on the Obligations plus 1/8th of one percentage point or in Tax-Exempt Obligations.

(v) Amounts held in the Excess Investment Earnings Fund (not described above), and the Surplus Account may be invested without regard to yield.

(vi) Amounts held in the Redemption Fund (not described above) will be invested at a yield not in excess of the yield on the Obligations or in Tax-Exempt Obligations.

(i) Yield.

(i) For purposes of this Section III of this Tax Certificate, yield is calculated as set forth in Section 148 of the Code and Section 1.148-4 of the Treasury Regulations. Thus, yield generally means that discount rate which when used in computing the present value of all unconditionally payable payments representing principal, interest, and the fees of qualified guarantees paid and to be paid with respect to the Obligations produces an amount equal to the issue price of the Obligations. The issue price of the Obligations is \$62,392,647.25 which is equal to the initial offering price of the Obligations to the public (excluding bond houses, brokers and similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount (at least 10 percent) of each maturity of the Obligations was or is reasonably expected to be sold, as represented by the Underwriter in Exhibit C. Yield with respect to the obligations allocable to proceeds of the Obligations, is that discount rate which when used in computing the present worth of the payments of principal and interest with respect to the obligations produces an amount equal to the purchase price of the obligation.

(ii) The Credit Enhancement may be taken into account with respect to computing yield on the Obligations. The Underwriter has represented that the present value of the fees for the Credit Enhancement are reasonably expected to be less than the present value of the expected interest savings on the Obligations as a result of the Credit Enhancement, determined by using the yield on the Obligations, determined with regard to the Credit Enhancement, as the discount rate. The Credit Enhancement imposes a secondary liability of the Credit Enhancer that unconditionally shifts substantially all of the credit risk for certain payments on the Obligations. The Underwriter has represented that the fees for the Credit Enhancement do not exceed a reasonable arm's-length charge for the transfer of credit risk with respect to payments on the Obligations. The Credit Enhancer has represented that the fees for the Credit Enhancement do not include any payment for any direct or indirect services other than the transfer of credit risk. Certain certifications of the Credit Enhancer are attached hereto as Exhibit E.

(iii) Special Rule for Optional Redemption. None of the Obligations (i) is subject to optional redemption within five years of the date hereof, or (ii) bears interest at increasing interest rates (i.e., a stepped coupon bond). Each of the Series 2007R Bonds maturing on August 1, 2018, August 1, 2030, and August 1, 2037 and Series 2007H Bonds maturing August 1, 2024 and August 1, 2025, is being issued at an issue price that exceeds the stated redemption price thereof at maturity by more than one-fourth of one percent multiplied by the product of the stated redemption price at maturity and the number of complete years to the first optional redemption date for the Obligation; therefore, such Obligations must be treated as redeemed at the stated redemption price on the optional redemption date that would produce the lowest yield on the issue. Consequently, such Obligations will be treated as redeemed on August 1, 2017 at par for purposes of computing the Obligation yield.

(iv) The Issuer has not invested any proceeds of the Bonds pursuant to an investment contract (within the meaning of § 1.148-1(b) of the Treasury Regulations). In the event the Issuer acquires an investment contract with any of the proceeds of the Bonds, the Issuer and the provider of the investment contract will make certain representations in compliance with § 1.148-5(d)(6)(iii) of the Treasury Regulations.

(v) Absent an opinion of nationally recognized bond counsel that the exclusion from gross income of interest on the Obligations will not be adversely affected for federal income tax

purposes, the Issuer will not enter into any hedges (including swaps or caps) with respect to the Obligations.

(j) Yield Reduction Payments. Notwithstanding the provisions of Section (h) above that require the Issuer to invest proceeds derived from the sale of the Bonds and investment earnings thereon at a yield not in excess of the yield on the Bonds, the yield on certain nonpurpose investments acquired with proceeds of the Bonds will not be considered to be higher than the applicable yield limitation described in Section (h) above if the Issuer makes “yield reduction payments” to the United States Treasury at the time and in the amounts described in § 1.148-5(c) of the Treasury Regulations. The Issuer covenants to retain and consult with Bond Counsel prior to making any “yield reduction payments” pursuant to § 1.148-5(c) of the Treasury Regulations.

(k) No Artifice or Device. The Obligations are not and will not be part of a transaction or series of transactions (i) that attempts to circumvent the provisions of Section 148 of the Code, or any successor thereto, and the regulations promulgated thereunder or under any predecessor thereto, enabling the Issuer or any related person to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, and (ii) that increases the burden on the market for tax-exempt obligations in any manner, including, without limitation, by selling bonds that would not otherwise be sold, or selling more bonds, or issuing bonds sooner, or allowing bonds to remain outstanding longer, than otherwise would be necessary.

* * *

IV. Rebate Compliance.

(a) Covenants. The Issuer hereby covenants to comply with the rebate requirements of Section 148(f) of the Code.

The Issuer acknowledges that the United States Department of the Treasury has issued certain regulations with respect to certain requirements relating to compliance with Section 148(f) of the Code. The Issuer covenants that it will determine precisely what is required with respect to Section 148(f) of the Code and will comply with any requirements applicable to the Obligations.

The Issuer acknowledges that, to the extent that an exception to the rebate requirements of Section 148(f) of the Code is not available with respect to the Obligations, under Section 148(f) of the Code, the federal government must be paid the sum of (i) the excess of the amount earned on all “nonpurpose investments” with respect to the Obligations over the amount that would have been earned had such investments been invested at a rate equal to the yield with respect to the Obligations, plus (ii) any income attributable to the excess described in (i) (the “Rebate Requirement”).

The Issuer acknowledges that currently, unless an exception to the Rebate Requirement is available, compliance with Section 148(f) of the Code generally involves a multi-step process: (1) ascertaining the funds (the “Gross Proceeds”) and investments (the “Nonpurpose Investments”) subject to the Rebate Requirement of Section 148(f) of the Code after applying, if applicable, a universal cap with respect to the Obligations (the “Universal Cap”), (2) creating an investment history cash flow report with respect to the investment of Gross Proceeds of the Obligations, (3) determining the yield with respect to the Obligations (the “Yield”), (4) future

valuing receipts and payments in the cash flow report (including certain deemed receipts and payments) using the Yield as the discount factor, and (5) determining the amount of rebatable arbitrage with respect to the Obligations and paying the appropriate amount to the United States Treasury. See Treas. Reg. §§ 1.148-O through 1.148-11, 1.149(d)-1, and 1.150-1 for rules with respect to rebate compliance methodology. See Subparagraph (b)(i) below for a description of Nonpurpose Investments with respect to the Obligations, Subparagraph (b)(ii) below for a description of Gross Proceeds of the Obligations, Subparagraph (b)(iii) below for the description of a Universal Cap with respect to the Obligations, Subparagraph (b)(iv) below for a description of Yield with respect to the Obligations for purposes of compliance with Section 148(f) of the Code, and Subparagraph (d) and (e) with respect to allocating Gross Proceeds, recordkeeping, and permitted investment of Gross Proceeds.

The Issuer also acknowledges that additional or different requirements may be applicable to the Obligations if certain exceptions are satisfied. See Paragraph (c) herein.

(b) Operative Terms.

(i) Nonpurpose Investments. Subject to the limitation in Subparagraph (b)(iii) below, Nonpurpose Investments are generally securities, obligations, annuity contracts or any other investment-type property that are not acquired to carry out the governmental purpose of the Obligations that are allocated to Gross Proceeds. However, Nonpurpose Investments do not include:

(A) United States Treasury - State and Local Government Series, Demand Deposit Securities; or

(B) Tax-exempt obligations. The term “tax-exempt obligations” for the purposes of this Tax Certificate includes only obligations the interest on which is excludable from gross income for federal income tax purposes that do not constitute “specified private activity bonds” for purposes of Section 57(a)(5)(C) of the Code. The term “tax-exempt obligations” does, however, include stock in a “qualified regulated investment company,” which is a corporation that (A) is a regulated investment company within the meaning of Section 851(a) of the Code and meets the requirements of Section 852(a) of the Code for the taxable year; (B) has only one class of stock authorized and outstanding; (C) invests all of its assets in tax-exempt obligations (as defined above) to the extent practicable; and (D) has at least 98% of its gross income derived from interest on, or gain from the sale or other disposition of, tax-exempt obligations or at least 98% of the weighted average value of its assets is represented by investments in tax-exempt obligations.

(ii) Gross Proceeds. Subject to the limitation in Subparagraph (b)(iii) below, “Gross Proceeds” with respect to the Obligations means:

(A) amounts actually or constructively received from the sale (or other disposition) of the Obligations;

(B) amounts actually or constructively received from investing amounts described in (A);

(C) amounts (other than proceeds derived from the sale of the Obligations) that are reasonably expected to be or are in fact used to pay debt service with respect to the Obligations;

(D) amounts pledged as security for the payment of debt service with respect to the Obligations or otherwise serving as a reserve fund with respect to the Obligations;

(E) “transferred proceeds” of the Obligations; and

(F) any other amounts which are replacement proceeds of the Obligations within the meaning of Treasury Regulation § 1.148-1(c).

(iii) Universal Cap. Except as provided below, in no event shall the value of Nonpurpose Investments allocated to Gross Proceeds of the Obligations exceed the Universal Cap of the Obligations computed in accordance with Section 1.148-6 of the Treasury Regulations. The Universal Cap of the Obligations is equal to the value of the outstanding Obligations computed in accordance with Section 1.148-4 of the Treasury Regulations. The value of a Nonpurpose Investment on a date allocated to Gross Proceeds of the Obligations for this purpose is equal to the value of such investment in accordance with Treasury Regulation § 1.148-5(d). The Universal Cap value and the value of Nonpurpose Investments are to be computed as of the first day of each bond year that commences after the second anniversary of the issue date and if the applicable obligations, are a refunding issue, as of each date that, without regard to the Universal Cap, proceeds of any refunded issue become “transferred proceeds” of the Obligations within the meaning of Section 1.148-9 of the Treasury Regulations (a “Cap Computation Date”). Amounts described in Subparagraph (c)(i) are not subject to the Universal Cap. Between Cap Computation Dates, Nonpurpose Investments cease to be allocated to the Obligations to the extent they are expended or otherwise cease to be allocated to the Obligations under Section 1.148-6 of the Treasury Regulations. To the extent Nonpurpose Investments cease to be allocated to the obligations of an Obligations, other investments become so allocated up to the amount of the unused Universal Cap, computed in accordance with Section 1.148-6 of the Treasury Regulations. If on a Cap Computation Date Nonpurpose Investments have a value in excess of the Universal Cap, an amount of such investments necessary to eliminate that excess ceases to be allocated to the Obligations. Nonpurpose Investments cease to be allocated to the Obligations in the following order, within the meaning of Section 1.148-6 of the Treasury Regulations:

(1) first, amounts held in a sinking fund, pledged fund, or reserve or replacement fund for the Obligations (other than proceeds derived from the sale of the Obligations),

(2) second, transferred proceeds, and

(3) third, proceeds derived from the sale of the Obligations and earnings thereon, all within the meaning of Section 1.148-6 of the Treasury Regulations.

(4) A failure to do a Universal Cap calculation on a Cap Computation Date will not result in noncompliance with Section 148(f) of the

Code if, in the absence of that failure, the Obligations would have satisfied the Rebate Requirement.

(iv) Yield See Section III hereof.

(c) Rebate Exception.

(i) Bona Fide Debt Service Funds. The Issuer will be relieved of the obligation to pay the Rebate Requirement with respect to amounts earned on funds in the Bona Fide Debt Service Funds.

(ii) Expenditure Exceptions. There are three expenditure exceptions from the Rebate Requirement - the "Two-Year Exception," the "Six-Month Exception," and the "Eighteen-Month Exception." The Issuer will be relieved of the obligation to pay the Rebate Requirement with respect to that portion of the proceeds of the Obligations described in each applicable Subclause (1) below of each Clause (A), (B), and (C), if the applicable requirements set forth in each applicable Subclause (2) below are satisfied of each Clause (A), (B), and (C).

(A) Two-Year Exception.

(1) The portion of the "available construction proceeds" (as defined below) of the Obligations at least 75 percent of which are to be used for construction expenditures (including reconstruction and rehabilitation) with respect to property that is to be owned by a governmental unit or an organization described in Section 501(c)(3) of the Code and exempt from federal income tax under Section 501(a) of the Code is described in this Subclause. The term "available construction proceeds" means an amount equal to the portion of the issue price (as defined in Section III of this Tax Certificate) of the Obligations described in this Subclause, increased by earnings thereon. Available construction proceeds do not include amounts to be used to pay Issuance Costs of the Obligations (other than earnings thereon described above).

(2) This exception will be treated as being satisfied if at least 10% of the available construction proceeds of the Obligations are expended for the governmental purposes of the Obligations within the six-month period beginning on the date of issue of the Obligations, at least 45% of such amounts are expended for the governmental purposes of the Obligations within the one-year period beginning on the date of issue of the Obligations, at least 75% of such amounts are expended for the governmental purposes of the Obligations within the 18-month period beginning on the date of issue of the Obligations, and all of such amounts are expended for the governmental purposes of the Obligations within the two-year period beginning on the date of issue of the Obligations. The requirement that 100% of the available construction proceeds of the Obligations be expended within two years may be reduced to not below 95% provided that the amount not expended is held by the Issuer for a period not exceeding one year as a "reasonable retainage" as required or permitted by construction contracts with contractors. The requirement that 100% of the Gross Proceeds be expended within two years

may be reduced by an amount equal to the lesser of 3% of the issue price of the Obligations or \$250,000.00 if the Issuer exercised due diligence to complete the Project.

(B) Six-Month Exception. The Issuer will be relieved of the obligation to pay the Rebate Requirement with respect to the portion of the proceeds of the Obligations described in Subclause (1) below if the requirements described in Subclause (2) below are satisfied.

(1) All Gross Proceeds of the Obligations (other than “transferred proceeds” of the Obligations, and amounts described in Subparagraph (c)(i) of this Section IV of this Tax Certificate), are described in this Subclause.

(2) This exception will be treated as having been satisfied if all Gross Proceeds of the Obligations subject to this exception are expended for the governmental purposes of the Obligations no later than the day that is six months after the date of issue of the Obligations.

(C) Eighteen-Month Exception. The Issuer will be relieved of the obligation to pay the Rebate Requirement with respect to the portion of the proceeds of the Obligations described in Subclause (1) below if the requirements described in Subclause (2) below are satisfied.

(1) All Gross Proceeds of the Obligations allocable to new money purposes that may be invested at an unrestricted yield, including reasonably expected investment earnings as of the date hereof (other than amounts described in Subparagraph (c)(i) of this Tax Certificate are described in this Subclause.

(2) This exception will be treated as being satisfied if at least 15% of such monies are expended for the governmental purposes of the Obligations within the six-month period beginning on the date of issue of the Obligations, at least 60% of such monies are expended for the governmental purposes of the Obligations within the one-year period beginning on the date of issue of the Obligations, and 100% of such monies are expended for the governmental purpose of the Obligations within the 18-month period beginning on the date of issue of the Obligations. The requirement that 100% of the Gross Proceeds be expended within 18 months may be reduced to not below five percent (5%) of the proceeds derived from the sale of the Obligations subject to this exception that is retained for reasonable business purposes relating to the property financed with the Obligations provided such monies are expended within 30 months of the issue date of the Obligations. Additionally, the requirement that 100% of the Gross Proceeds be expended within 18 months may be reduced by an amount equal to the lesser of 3% of the issue price of the Obligations or \$250,000.00 if the Issuer exercised due diligence to complete the Project.

(iii) Expectations. The Issuer reasonably expects that at least seventy-five percent of the proceeds of the Obligations deposited in the Redevelopment Fund and Housing Fund, and earnings thereon, are expected to be used for Project construction expenditures.

(iv) Elections.

(1) Seventy-Five Percent Test. Pursuant to Treasury Regulation § 1.148-7(f)(1)(i), the Issuer expressly elects to satisfy the requirements of Section 148(f)(4)(C)(iv)(I) of the Code based upon its reasonable expectations.

(2) Penalty in Lieu of Rebate. Pursuant to Section 148(f)(4)(C)(vii) of the Code, the Issuer may elect, on the date hereof, to pay a penalty (the “1½% Penalty”), with respect to each six-month period after the date the Obligations are issued, equal to 1½ percent of the amount of available construction proceeds (as described above), which as of the close of the six-month period are not spent as required by Paragraph (c)(ii)(A)(2). The 1½% Penalty shall cease to apply: (A) if the available construction proceeds are expended, (B) if a special three percent penalty (the “3% Penalty”) is paid in accordance with Section 148(f)(4)(C) of the Code, or (C) after the latest maturity date of any Obligation (including any refunding bond). All penalties are to be paid to the United States not later than 90 days after the period to which the penalty relates. The Issuer expressly does not elect to pay the penalty described in Section 148(f)(4)(C)(vii) of the Code in lieu of the Rebate Requirement described in Section 148(f)(2) of the Code, the 3% Penalty described in Section 148(f)(4)(C)(viii) of the Code, or to terminate the 1½% Penalty pursuant to Section 148(f)(4)(C)(ix) of the Code. Additionally, the Issuer expressly does not elect to exclude earnings on any reasonably required reserve fund as available construction proceeds pursuant to Section 148(f)(4)(C)(vi)(IV) of the Code.

(3) Bifurcation. The Issuer expressly does not elect to treat the issue of Obligations as separate bond issues for purposes of Section 148(f)(4) of the Code.

(d) Prohibited Investments and Dispositions. The Issuer acknowledges that compliance with Section 148(f) of the Code may involve taking no action to artificially reduce the Rebate Requirement by the manner of investing Gross Proceeds. The Issuer covenants that absent an opinion of nationally recognized bond counsel that the exclusion from gross income of interest with respect to the Obligations will not be adversely affected, it will comply with the rules of this Subsection to assure compliance with Section 148(f) of the Code.

(i) No Nonpurpose Investment may be acquired with Gross Proceeds for an amount in excess of the fair market value of such Nonpurpose Investment. No Nonpurpose Investment may be sold or otherwise disposed of for an amount less than the fair market value of the Nonpurpose Investment.

(ii) The fair market value of any Nonpurpose Investment is the price which a willing buyer would pay to a willing seller to acquire the Nonpurpose Investment in a bona fide,

arm's-length transaction, with no amounts to artificially reduce or increase the yield on the Nonpurpose Investment. Fair market value generally is determined on the date on which a contract to purchase or sell the Nonpurpose Investment becomes binding (i.e., the trade date rather than the settlement date). The purchase or sales price of a Nonpurpose Investment is not adjusted (except as provided below) to take into account any administrative costs of the Nonpurpose Investment. A brokerage commission or similar fee for an investment contract is included as a receipt with respect to the investment contract and for investments for a yield restricted defeasance escrow to the extent the commission exceeds the lesser of (A) \$33,000.00 and (B) .2% of the computational base or, if more, \$3,000; provided, a brokers fee or similar fee is included as a receipt to the extent all brokers fees or similar fees of the issue of Obligations exceed \$93,000.00. For purposes of this Tax Certificate "computational base" means (A) for a guaranteed investment contract, the amount of Gross Proceeds to be deposited in the contract, and (B) for investments (other than guaranteed investment contracts) to be deposited in a yield restricted defeasance escrow, the amount of Gross Proceeds initially invested in those investments. For calendar years after 2004, the dollar limits described in this Subsection may be increased for cost-of-living adjustments. See Treas. Reg. § 1.148-5(e)(2)(iii). Certain administrative costs, including reasonable direct administrative costs, other than carrying costs, such as brokerage commissions or selling commissions, but not legal and accounting fees, recordkeeping, custody and similar costs, may be taken into account in computing the Rebate Requirement with respect to investments. See Treas. Reg. § 1.148-5. General overhead costs and similar indirect costs of the Issuer such as employee salaries and office expenses and costs of computing rebatable arbitrage may not be taken into account. The following provisions provide guidelines as to when the Nonpurpose Investment will be deemed to be acquired for its fair market value. Other methods may be used, however, to establish fair market value.

(iii) Nonpurpose Investments that are investment contracts and investments purchased for a yield restricted defeasance escrow will be considered acquired and disposed of for an amount equal to the fair market value of such obligations if the following requirements are satisfied:

(A) The Issuer makes a bona fide solicitation for the purchase of the investment. A bona fide solicitation is a solicitation that satisfies all of the following requirements:

(1) The bid specifications are in writing and are timely forwarded to potential providers.

(2) The bid specifications include all material terms of the bid. A term is material if it may directly or indirectly affect the yield or the cost of the investment.

(3) The bid specifications include a statement notifying potential providers that submission of a bid is a representation that the potential provider did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the Issuer or any other person (whether or not in connection with the bond issue), and that the bid is not being submitted solely as a courtesy to the Issuer or any other person for purposes of satisfying the requirements of paragraph (B)(1) or (2) below.

(4) The terms of the bid specifications are commercially reasonable. A term is commercially reasonable if there is a legitimate business purpose for the term other than to increase the purchase price or reduce the yield of the investment. For example, for solicitations of investments for a yield restricted defeasance escrow, the hold firm period must be no longer than the Issuer reasonably requires.

(5) For purchases of guaranteed investment contracts only, the terms of the solicitation take into account the Issuer's reasonably expected deposit and drawdown schedule for the amounts to be invested.

(6) All potential providers have an equal opportunity to bid. For example, no potential provider is given the opportunity to review other bids (i.e., a last look) before providing a bid.

(7) At least three reasonably competitive providers are solicited for bids. A reasonably competitive provider is a provider that has an established industry reputation as a competitive provider of the type of investments being purchased.

(B) The bids received by the Issuer meet all of the following requirements:

(1) The Issuer receives at least three bids from providers that the Issuer solicited under a bona fide solicitation meeting the requirements of paragraph (A) of this section and that do not have a material financial interest in the issue. A lead underwriter in a negotiated underwriting transaction is deemed to have a material financial interest in the issue until 15 days after the issue date of the issue. In addition, any entity acting as a financial advisor with respect to the purchase of the investment at the time the bid specifications are forwarded to potential providers has a material financial interest in the issue. A provider that is a related party to a provider that has a material financial interest in the issue is deemed to have a material financial interest in the issue.

(2) At least one of the three bids described in paragraph (B)(1) of above is from a reasonably competitive provider, within the meaning of paragraph (A)(7) of this section.

(3) If the Issuer uses an agent to conduct the bidding process, the agent did not bid to provide the investment.

(C) The winning bid meets the following requirements:

(1) *Guaranteed investment contracts.* If the investment is a guaranteed investment contract, the winning bid is the highest yielding bona fide bid (determined net of any broker's fees).

(2) *Other investments.* If the investment is not a guaranteed investment contract, the following requirements are met:

a. The winning bid is the lowest cost bona fide bid (including any broker's fees). The lowest cost bid is either the lowest cost bid for the portfolio or, if the Issuer compares the bids on an investment-by-investment basis, the aggregate cost of a portfolio comprised of the lowest cost bid for each investment. Any payment received by the Issuer from a provider at the time a guaranteed investment contract is purchased (e.g., an escrow float contract) for a yield restricted defeasance escrow under a bidding procedure meeting the requirements of paragraph (iii) is taken into account in determining the lowest cost bid.

b. The lowest cost bona fide bid (including any broker's fees) is not greater than the cost of the most efficient portfolio comprised exclusively of State and Local Government Series Securities from the United States Department of the Treasury, Bureau of Public Debt. The cost of the most efficient portfolio of State and Local Government Series Securities is to be determined at the time that bids are required to be submitted pursuant to the terms of the bid specifications.

c. If State and Local Government Series Securities from the United States Department of the Treasury, Bureau of Public Debt are not available for purchase on the day that bids are required to be submitted pursuant to terms of the bid specifications because sales of those securities have been suspended, the cost comparison of (C)(2)(b) is not required.

(D) The provider of the investments or the obligor on the guaranteed investment contract certifies the administrative costs that it pays (or expects to pay, if any) to third parties in connection with supplying the investment.

(E) The Issuer retains the following records with the bond documents until three years after the last outstanding bond is redeemed:

(1) For purchases of guaranteed investment contracts, a copy of the contract, and for purchases of investments other than guaranteed investment contracts, the purchase agreement or confirmation.

(2) The receipt or other record of the amount actually paid by the Issuer for the investments, including a record of any administrative costs paid by the Issuer, and the certification under paragraph (D) above.

(3) For each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results.

(4) The bid solicitation form and, if the terms of the purchase agreement or the guaranteed investment contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation. For example, if the Issuer purchases a portfolio of investments for a yield restricted defeasance escrow and, in order to satisfy the yield restriction requirements of Code Section 148, an investment in the winning bid is replaced with an investment with a lower yield, the Issuer must retain a record of the substitution and how the price of the substitute investment was determined. If the Issuer replaces an investment in the winning bid portfolio with another investment, the purchase price of the new investment is not covered by the safe harbor unless the investment is bid under a bidding procedure meeting the requirements of paragraph (iii).

(5) For purchases of investments other than guaranteed investment contracts, the cost of the most efficient portfolio of State and Local Government Series Securities, determined at the time that the bids were required to be submitted pursuant to the terms of the bid specifications.

(iv) Nonpurpose Investments that are certificates of deposit with a fixed interest rate, a fixed principal payment schedule, a fixed maturity, and a substantial penalty for early withdrawal, will be considered acquired for their fair market value if the following requirements are satisfied:

(A) the yield on the certificate of deposit is not less than the yield on reasonably comparable direct obligations of the United States; and

(B) the yield on the certificate of deposit is not less than the highest yield that is published or posted by the provider to be currently available from the provider on comparable certificates of deposit offered to the public.

(v) Except as otherwise provided in paragraph(d), any Nonpurpose Investment that is not of a type traded on an established securities market, within the meaning of Code §1273, shall be rebuttably presumed to be acquired or disposed of for an amount in excess of the fair market value of the Nonpurpose Investment.

(vi) The fair market value of a United States Treasury obligation that is purchased directly from the United States Treasury is its purchase price.

(e) Bond Year. For purposes of this Certificate, Bond Year ends on each August 1 and begins on each August 2; provided that the first Bond Year begins on the date hereof and the last Bond Year ends on the date no Obligations are outstanding.

* * *

V. Recordkeeping and Allocation of Gross Proceeds.

(a) Recordkeeping. The Issuer must maintain sufficient records to support compliance with the provisions of this Tax Certificate and to support the exclusion from gross income of interest on the Obligations for federal income tax purposes, including, but not limited to, the following:

(i) basic records relating to the Obligations (e.g., indenture, loan agreement, and opinions);

(ii) documentation evidencing expenditure of Obligations proceeds;

(iii) documentation evidencing use of Obligations financed property (e.g., management and service contracts);

(iv) documentation evidencing sources of payment and security for Obligations;
and

(v) documentation pertaining to the investment of Obligations proceeds (including rebate calculations).

In particular, the Issuer will maintain or cause to be maintained detailed records with respect to each security, obligation, annuity contract, or an other investment-type property allocated to Gross Proceeds, including: (i) purchase date, (ii) purchase price, (iii) information establishing fair market value on the date such investment is allocated to Gross Proceeds, (iv) any accrued interest paid, (v) face amount, (vi) coupon rate, (vii) periodicity of interest payments, (viii) disposition price, (ix) any accrued interest received, and (x) disposition date. The Issuer shall establish separate sub-accounts or take other accounting measures in order to account fully for all Gross Proceeds. The Issuer shall maintain books and records with respect to the allocation of Gross Proceeds in accordance with this Tax Certificate. All records required to be maintained pursuant to this Tax Certificate must be kept as long as the Obligations are outstanding plus three years after all Obligations are retired, and with respect to Obligations refunded by the Obligations, for the same period required for the Obligations.

(b) Allocation. The Issuer may use any reasonable, consistently applied accounting method to account for Gross Proceeds of the Obligations in accordance with Treasury Regulation § 1.148-6; for purposes of allocating Gross Proceeds to capital expenditures intended to be financed pursuant to this Tax Certificate after the date of issue of the applicable tax-exempt obligation, and paid to unrelated third parties (“Qualified Capital Expenditures”), the Issuer may use the following accounting methods: “specific tracing,” “gross-proceeds-spent-first,” “first-in, first-out,” or a ratable allocation method. The Issuer covenants to consult with nationally recognized bond counsel with respect to the applicable method of allocation of Gross Proceeds to expenditures that are not Qualified Capital Expenditures. In addition, the accounting method applied must account uniformly for (i) Gross Proceeds commingled with other moneys in excess of \$25,000 and such other commingled moneys and (ii) Gross Proceeds for each fiscal year or interim fiscal period therein during which the issue is outstanding. Another accounting method may, however, be utilized for moneys if it is for a bona fide purpose unrelated to federal income tax restrictions. If Gross Proceeds are commingled with other moneys (other than in an open-end regulated investment company) in an amount in excess of \$25,000 (a “Commingled Fund”), the following additional requirements must be satisfied. First, all payments and receipts with respect to investments in the Commingled Fund must

be allocated among the different moneys ratably based upon either (i) average daily balances during a "Computation Period" (as defined below) or (ii) the average of the beginning and ending balances of the amounts in the Commingled Fund for a Computation Period that does not exceed one month. A Commingled Fund may use as its Computation Period any consistent time period within its fiscal year that does not exceed three months. Not less frequently than at the end of each Computation Period, the Commingled Fund must compute and allocate to different types of moneys all payments, receipts, income, gain or losses realized, and expenditures. Second, except as provided below, the Commingled Fund must treat all of its investments as if sold at fair market value on the last day of the fiscal year or as of the last day of each Computation Period, and so allocate net gains or losses from such deemed sales (the "Mark-to-Market Requirement"). A Commingled Fund need not satisfy the Mark-to-Market Requirement if (i) the remaining weighted average maturity of all investments held by the Commingled Fund during a fiscal year does not exceed eighteen months and such investments consist exclusively of debt obligations, (ii) the Commingled Fund serves as a common reserve fund or sinking fund for two or more issues of the same issuer or (iii) the Issuer (and any related party) do not own more than twenty-five percent of beneficial interests in the Commingled Fund. Common reserve funds or sinking funds for two or more issues must be ratably allocated (not less frequently than once every five years and on each date a new issue is added or retired (if relative original principal amounts are used to so allocate)) in accordance with (i) the value of the bonds under Treasury Regulation § 1.148-4(e), (ii) the relative amounts of the remaining maximum annual debt service payable on the issues, or (iii) the relative original stated principal amounts of the outstanding issues. Notwithstanding any other provision of this Tax Certificate, the allocation methodology applied must be consistent for all purposes of this Tax Certificate.

The Issuer must account for the allocation of Gross Proceeds to expenditures not later than eighteen months after the later of the date the expenditure is paid and the date the applicable 2005 Project is placed in service and in any event, by the date sixty days after the fifth anniversary of the issue date of the Bonds or the date 60 days after the retirement of the Bond if earlier.

* * *

VI. Miscellaneous.

(a) Federal Guarantee. The Issuer will not invest any of the proceeds of the Obligations in a manner which would result in the Obligations being considered "federally guaranteed" within the meaning of Section 149(b) of the Code, except as permitted therein (i.e., will not cause interest with respect to the Obligations to be included in gross income for federal income tax purposes).

(b) Information Reporting. Attached as Exhibit F is a copy of the Form 8038-G filed with respect to the Obligations.

(c) No Pooling. The Issuer does not expect to use and will not use the proceeds of the Obligations to make or finance loans to two or more ultimate borrowers.

(d) Hedge Bonds. Not more than 50% of the proceeds of the Obligations allocable to new money purposes will be invested at a guaranteed rate of return for a term of four years or more.

* * *

VII. Concluding Matters.

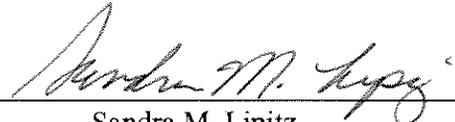
(a) Reliance. The expectations of the Issuer concerning certain uses of Obligation proceeds and certain other moneys described herein and other matters are based in whole or in part upon representations of other parties as set forth in this Tax Certificate or the exhibits attached hereto. The Issuer is not aware of any facts or circumstances that would cause it to question the accuracy or reasonableness of any representations made in this Tax Certificate or exhibits attached hereto.

(b) Authority. The undersigned is an authorized representative of the Issuer, and is acting for and on behalf of the Issuer in executing this Tax Certificate. To the best of the knowledge and belief of the undersigned, there are no other facts, estimates or circumstances that would materially change the expectations as set forth herein, and said expectations are reasonable.

(c) Amendment. Notwithstanding any provision of this Tax Certificate, the Issuer may amend this Tax Certificate and thereby alter any actions allowed or required by this Tax Certificate if such amendment is based on an opinion of bond counsel that the exclusion from gross income of interest with respect to the Obligations will not be adversely affected.

Dated: April 18, 2007

COMMUNITY DEVELOPMENT COMMISSION
OF THE CITY OF ROHNERT PARK

By: 

Sandra M. Lipitz
Treasurer

EXHIBIT A

DESCRIPTION OF PROJECT COSTS PAID OR TO BE PAID FROM PROCEEDS OF THE OBLIGATIONS

The 2007 Non-Housing Projects

City Center Plaza/Pedestrian Improvements

Purchase City Parking Lot for D/T Development

Community Center Plaza

Public Safety Bay Realignment

Corridor Master Plan

- Infrastructure Improvements
- Implementation of Projects
- Façade Improvement Program

Public infrastructure – CIP/PFFP

- West Side Public Safety
- Southwest Station
- Municipal Pools Rehab Replacement

Sonoma Mountain Village Infrastructure Improvements

The 2007 Housing Projects

Purchase City Hall Lot for Affordable Housing Development

Purchase Property adjacent to City Hall Lot for Affordable Housing Development

Preservation of Affordable Units – Rehab

Sonoma Mountain Village Affordable Housing

Affordable Housing Grant Programs

EXHIBIT B

[Reserved]

EXHIBIT C

CERTIFICATE OF THE UNDERWRITER

Stone & Youngberg LLC (the "Underwriter") has acted as the Underwriter of the \$34,680,000 Community Development Commission of the City of Rohnert Park, Rohnert Park Redevelopment Project Tax Allocation Bonds, Series 2007R (the "Series 2007R Bonds") and the \$26,760,000 Community Development Commission of the City of Rohnert Park, Rohnert Park Redevelopment Project Housing Tax Allocation Bonds, Series 2007H (the "Series 2007H Bonds" and together with the Series 2007R Bonds, the "Obligations"), and hereby certifies and represents the following, based upon the information available to it:

A. Issue Price.

1. As of the date the purchase agreement was entered into by the Issuer and the Underwriter with respect to the Obligations (the "Sale Date"), the Underwriter reasonably expected to sell each maturity of the Obligations to the general public (excluding bond houses, brokers, or similar persons acting in the capacity of underwriters or wholesalers) in a bona fide public offering at the prices listed on Schedule A.

2. In our opinion, the issue prices of the Obligations set forth in Schedule A are within a reasonable range of, and should reflect, the fair market prices for such Obligations as of the Sale Date.

3. As of the date of execution of the attached Tax Certificate, all of the Obligations have actually been offered to the general public at the prices listed in Schedule A.

4. At least 10% of each maturity of the Obligations have been sold or were reasonably expected to be sold at the prices referred to in Schedule A.

B. Credit Enhancement.

1. The present value of the amount paid to obtain the Credit Enhancement (as defined in the Tax Certificate) is less than the present value of the interest reasonably expected to be saved as a result of having the Credit Enhancement, using the yield with respect to the Obligations as the discount factor for this purpose.

2. To the best knowledge of the undersigned, the fees paid and to be paid for the Credit Enhancement represent a commercially reasonable arms-length charge for the transfer of credit risk

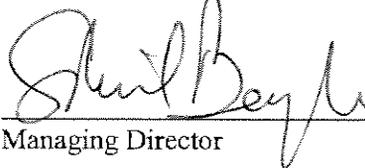
C. Arbitrage Yield.

1. We have calculated the arbitrage yield with respect to the Obligations to be 4.447679%, in accordance with Section III (i) of the Tax Certificate.

All terms not defined herein have the meanings ascribed to those terms in the attached Tax Certificate.

Dated: April 18, 2007

STONE & YOUNGBERG LLC

By: 
Its: Managing Director

SCHEDULE A-1
SERIES 2007R BONDS

Price of Obligations Offered or Reasonably Expected to be
Offered to the General Public in a Bona Fide Public Offering

<u>Maturity Date</u>	<u>Amount</u>	<u>Rate</u>	<u>Price</u>
8/1/2007	\$1,210,000	4.000%	100.147%
8/1/2008	290,000	4.000	100.644
8/1/2009	410,000	4.000	101.085
8/1/2010	425,000	4.000	101.379
8/1/2011	440,000	4.000	101.650
8/1/2012	960,000	3.600	99.900
8/1/2013	995,000	4.000	101.833
8/1/2014	1,035,000	5.000	108.098
8/1/2015	1,085,000	5.000	108.678
8/1/2016	1,140,000	4.000	101.313
8/1/2017	1,185,000	5.000	109.241
8/1/2018	830,000	5.000	108.623 ⁽¹⁾
8/1/2019	870,000	4.000	99.228
8/1/2020	905,000	4.000	98.474
8/1/2021	775,000	4.000	97.547
8/1/2022	805,000	4.125	98.268
8/1/2023	840,000	4.125	97.616
8/1/2024	875,000	4.250	98.429
8/1/2025	910,000	4.250	98.123
8/1/2030 Term Bond	5,245,000	5.000	105.848 ⁽¹⁾
8/1/2037 Term Bond	13,450,000	5.000	105.422 ⁽¹⁾

⁽¹⁾ priced to par call date

SCHEDULE A-2
SERIES 2007H BONDS

Price of Obligations Offered or Reasonably Expected to be
Offered to the General Public in a Bona Fide Public Offering

<u>Maturity Date</u>	<u>Amount</u>	<u>Rate</u>	<u>Price</u>
8/1/2007	\$ 715,000	4.000%	100.147%
8/1/2008	25,000	4.000	100.644
8/1/2009	30,000	4.000	101.085
8/1/2010	155,000	3.500	99.842
8/1/2011	160,000	4.000	101.650
8/1/2012	165,000	4.000	101.808
8/1/2013	175,000	4.000	101.833
8/1/2014	180,000	4.000	101.768
8/1/2015	400,000	4.000	101.619
8/1/2016	415,000	4.000	101.313
8/1/2017	635,000	4.000	100.835
8/1/2018	690,000	4.000	100.000
8/1/2019	715,000	4.000	99.228
8/1/2020	745,000	4.000	98.474
8/1/2021	940,000	4.000	97.547
8/1/2022	975,000	4.125	98.268
8/1/2023	1,015,000	4.125	97.616
8/1/2024	1,060,000	5.000	106.448 ⁽¹⁾
8/1/2025	1,110,000	5.000	106.276 ⁽¹⁾
8/1/2030 Term Bond	6,375,000	4.375	97.778
8/1/2037 Term Bond	10,080,000	4.375	96.653

⁽¹⁾ priced to par call date

EXHIBIT D

[Reserved]

EXHIBIT E
CERTIFICATE OF BOND INSURER



Financial Guaranty Insurance Company
125 Park Avenue
New York, NY 10017
T 212-312-3000
F 212-312-3093

April 18, 2007

Community Development Commission of the City of Rohnert Park

Stradling Yocca Carlson & Rauth, a Professional Corporation

Re: \$34,680,000.00 in aggregate principal amount of Community Development Commission of the City of Rohnert Park, (County of Sonoma, California) Rohnert Park Redevelopment Project, Tax Allocation Bonds, Series 2007R

Ladies and Gentlemen:

In connection with the issuance of the above-referenced obligations (the "Bonds"), Financial Guaranty Insurance Company, doing business in California as FGIC Insurance Company ("Financial Guaranty") is issuing a municipal bond insurance policy and a debt service reserve fund policy guaranteeing the payment of principal and interest on the Bonds when due (collectively, the "Insurance Policy").

This letter is to advise you that:

- (i) The Insurance Policy is an unconditional and recourse obligation of Financial Guaranty (enforceable by or on behalf of the holder of the Bonds) to pay the scheduled payments of principal and interest on the Bonds when due in the event of a failure by the Community Development Commission of the City of Rohnert Park, California (the "Issuer") to make such payments.
- (ii) The insurance premium is required to be paid as a condition to the issuance of the Insurance Policy and is a charge for the transfer of substantially all of the credit risk for the payment of principal and interest on the Bonds.
- (iii) Financial Guaranty is not a co-obligor on the Bonds.
- (iv) Except for the premium paid to Financial Guaranty for the Insurance Policy, Financial Guaranty (and any related party within the meaning of section 1.150-1(b) of the Income Tax Regulations) will not use any portion of the proceeds of the Bonds.



April 18, 2007

- (v) No portion of the premium paid to Financial Guaranty for the Insurance Policy represents a payment for any direct or indirect services, other than the transfer of credit risk, including costs of underwriting or remarketing the Bonds or the cost of insurance for casualty to property financed with the proceeds of the Bonds.
- (vi) The Issuer is not entitled to a refund of any portion of the premium paid for the Insurance Policy in the event that any of the Bonds are retired prior to their stated maturity

Very truly yours,

A handwritten signature in cursive script, appearing to read "Isabel Guerra", is written over a horizontal line.

Isabel Guerra
Senior Counsel

07010141
07010142



Financial Guaranty Insurance Company
125 Park Avenue
New York, NY 10017
T 212-312-3000
F 212-312-3093

April 18, 2007

Community Development Commission of the City of Rohnert Park

Stradling Yocca Carlson & Rauth, a Professional Corporation

Re: \$26,760,000.00 in aggregate principal amount of Community Development Commission of the City of Rohnert Park, (County of Sonoma, California) Rohnert Park Redevelopment Project, Housing Tax Allocation Bonds, Series 2007H

Ladies and Gentlemen:

In connection with the issuance of the above-referenced obligations (the "Bonds"), Financial Guaranty Insurance Company, doing business in California as FGIC Insurance Company ("Financial Guaranty") is issuing a municipal bond insurance policy and a debt service reserve fund policy guaranteeing the payment of principal and interest on the Bonds when due (collectively, the "Insurance Policy").

This letter is to advise you that:

- (i) The Insurance Policy is an unconditional and recourse obligation of Financial Guaranty (enforceable by or on behalf of the holder of the Bonds) to pay the scheduled payments of principal and interest on the Bonds when due in the event of a failure by the Community Development Commission of the City of Rohnert Park, California (the "Issuer") to make such payments.
- (ii) The insurance premium is required to be paid as a condition to the issuance of the Insurance Policy and is a charge for the transfer of substantially all of the credit risk for the payment of principal and interest on the Bonds.
- (iii) Financial Guaranty is not a co-obligor on the Bonds.
- (iv) Except for the premium paid to Financial Guaranty for the Insurance Policy, Financial Guaranty (and any related party within the meaning of section 1.150-1(b) of the Income Tax Regulations) will not use any portion of the proceeds of the Bonds.



April 18, 2007

- (v) No portion of the premium paid to Financial Guaranty for the Insurance Policy represents a payment for any direct or indirect services, other than the transfer of credit risk, including costs of underwriting or remarketing the Bonds or the cost of insurance for casualty to property financed with the proceeds of the Bonds.
- (vi) The Issuer is not entitled to a refund of any portion of the premium paid for the Insurance Policy in the event that any of the Bonds are retired prior to their stated maturity

Very truly yours,



Isabel Guerra
Senior Counsel

07010139
07010140

EXHIBIT F
INFORMATION REPORTING
FORM 8038-G

Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(e)

▶ See separate instructions.

OMB No. 1545-0720

Department of the Treasury
Internal Revenue Service

Caution: If the issue price is under \$100,000, use Form 8038-GC.

Part I Reporting Authority If Amended Return, check here

1 Issuer's name COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF ROHNERT PARK		2 Issuer's employer identification number 68 0157382	
3 Number and street (or P.O. box if mail is not delivered to street address) 6750 Commerce Boulevard		Room/suite	4 Report number 3 2007- 01
5 City, town, or post office, state, and ZIP code Rohnert Park, California 94928		6 Date of issue April 18, 2007	
7 Name of issue ROHNERT PARK REDEVELOPMENT PROJECT TAX ALLOCATION BONDS SERIES 2007R and HOUSING SERIES 2007H		8 CUSIP number 77539VCJ6	
9 Name and title of officer or legal representative whom the IRS may call for more information Sandra M. Lipitz, Treasurer		10 Telephone number of officer or legal representative (707) 585-6718	

Part II Type of Issue (check applicable box(es) and enter the issue price) See instructions and attach schedule

11 <input type="checkbox"/> Education	11	
12 <input type="checkbox"/> Health and hospital	12	
13 <input type="checkbox"/> Transportation	13	
14 <input type="checkbox"/> Public safety	14	
15 <input type="checkbox"/> Environment (including sewage bonds)	15	
16 <input checked="" type="checkbox"/> Housing	16	26,368,484.20
17 <input type="checkbox"/> Utilities	17	
18 <input checked="" type="checkbox"/> Other. Describe ▶ Miscellaneous public infrastructure	18	36,024,163.45
19 If obligations are TANs or RANs, check box <input type="checkbox"/> If obligations are BANs, check box <input type="checkbox"/>		
20 If obligations are in the form of a lease or installment sale, check box <input type="checkbox"/>		

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	8/1/2037	\$ 62,392,647.65	\$ 61,440,000.00	19.2696 years	4.447679 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22 Proceeds used for accrued interest	22	-0-
23 Issue price of entire issue (enter amount from line 21, column (b))	23	62,392,647.65
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	685,626.00
25 Proceeds used for credit enhancement	25	631,115.90
26 Proceeds allocated to reasonably required reserve or replacement fund	26	-0-
27 Proceeds used to currently refund prior issues	27	-0-
28 Proceeds used to advance refund prior issues	28	-0-
29 Total (add lines 24 through 28)	29	1,316,741.90
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	61,075,905.75

Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)

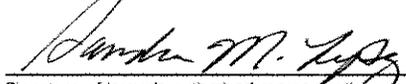
31 Enter the remaining weighted average maturity of the bonds to be currently refunded	▶	N/A	years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded	▶	N/A	years
33 Enter the last date on which the refunded bonds will be called	▶	N/A	
34 Enter the date(s) the refunded bonds were issued	▶	N/A	

Part VI Miscellaneous

35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	-0-
36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36a	-0-
b Enter the final maturity date of the guaranteed investment contract	▶	N/A
37 Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37a	-0-
b If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the name of the issuer	▶	N/A
	▶	N/A
38 If the issuer has designated the issue under section 265(b)(3)(B)(i)(iii) (small issuer exception), check box	▶	<input type="checkbox"/>
39 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box	▶	<input type="checkbox"/>
40 If the issuer has identified a hedge, check box	▶	<input type="checkbox"/>

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Sign Here


4/18/07
Sandra M. Lipitz, Treasurer
 Signature of issuer's authorized representative Date Type or print name and title



CERTIFICATE OF MAILING

\$61,440,000

**COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF ROHNERT PARK
ROHNERT PARK REDEVELOPMENT PROJECT
TAX ALLOCATION BONDS, SERIES 2007R
HOUSING TAX ALLOCATION BONDS, SERIES 2007H**

I, Sheila L. Baldwin, of Stradling Yocca Carlson & Rauth, A Professional Corporation, 660 Newport Center Drive, Suite 1600, Newport Beach, California 92660, hereby state and certify that for and on behalf of the Community Development Commission of the City of Rohnert Park, and on the date hereof, I caused to be mailed a **Form 8038-G, Information Return for Tax-Exempt Governmental Obligations** relating to the above-captioned financing, postage prepaid, to the Internal Revenue Service Center, Ogden, Utah 84201, a true copy of which Form is attached hereto.

Dated: July 26, 2007



Sheila L. Baldwin
STRADLING YOCCA CARLSON & RAUTH,
A Professional Corporation

