



# Redevelopment 101



# What is Redevelopment



- State authorized law to fund local revitalization projects with property tax dollars
- Authorized in 1945 through California Health & Safety Code
- County Redevelopment Agency established in 1985
- A agency has five project areas covering 28 communities and five airports





# Riverside County Redevelopment Project Areas

## Project Area 1

- Home Gardens\*
- Murrieta\* \*
- Lakeland Village
- Wildomar\*
- El Cerrito
- Temescal\*

## I-215 Corridor Project Area

- Lakeview/ Nuevo
- Mead Valley
- Romoland\*
- Sun City/ Quail Valley\* \*
- Highgrove\*

## Jurupa Valley Project Area

- Rubidoux
- Glen Avon
- Pedley
- Mira Loma
- Belltown

## Mid County Project Area

- Garnet
- West Garnet\*
- Valle Vista\*
- Winchester
- Homeland
- North Hemet\* \*
- Cabazon

## Desert Communities Project Area

- East Blythe
- Mecca
- North Shore
- Palm Desert\*
- Ripley
- Thermal\*
- 1000 Palms
- Desert Center
- 100 Palms
- Oasis
- Blythe Airport\* \*
- Chariaco Airport
- Desert Center Airport
- Flabob Airport
- French Valley Airport
- Hemet-Ryan Airport\* \*

\* Located partially within a city

\* \* Located entirely within a city



# Project Area Time Limits

## Project Areas Adopted Before 1994

- Redevelopment activities 40 years\*
- Receipt of tax increment 50 years\*

## Project Areas Adopted After 1994

- Redevelopment activities 30 years
- Receipt of tax increment 45 years

\*One year extension was adopted pursuant to Ord. 835 for project areas adopted prior to 2006



# Eminent Domain

- Eminent Domain Authority has expired in all but three areas:
  - Homeland – Expires 5/11/2011
  - 1000 Palms area added in 1999 – Expires 7/20/2011
  - Highgrove area added in 1998 – Expires 11/24/2010
- Redevelopment Eminent Domain Authority has only been used once.
- Eminent Domain is not proposed in any of the current plan amendments



# Key Objectives

- Provide Economic Stimulus
- Eliminate Physical Blight
- Improve, Increase and Preserve Housing for those with Low to Moderate Income





# Redevelopment in Your Community



## Public Improvement Activities

- Improve Streets with Sidewalks, Landscaping and Lighting
- Installation of Sewer Lines and Water Lines
- Construction of Fire Stations, Community Sheriff Stations, Parks, Community Centers and Libraries
- Support and Construct Projects to Protect & Preserve the Environment



# Public Improvement Project

## Cabazon Sheriff Station

Before



After





# Redevelopment in Your Community

## Blight Elimination Activities

- Graffiti Abatement
- Demolition Grant Program
- Façade Improvement Program





# Redevelopment in Your Community

## Economic Incentive Activities

- Redevelopment is Your Only Local Source of Economic Stimulus Funding
- Eliminate Growth Impediments
- Create More Local Shopping Opportunities
- Rehabilitate and Improve Business Storefronts
- Fast Track Permit Processing
- Beautify Areas





# Redevelopment in Your Community

## Housing Improvement Activities

- Provide First-time Home Buyer Grants
- Help Homeowners Rehabilitate Homes
- Provide Assistance to Clean Up Properties
- Provide Infill Housing



# Home Gardens Infill Project

Before



After





# How Does It Work?

Right Now



Property Value =  
\$100,000

Property  
Taxes = 1%



\$1,000



# Where Your Taxes Go Without Redevelopment



Property Tax Payment  
\$1,000



STATE  
SCHOOLS  
COUNTY  
CITIES  
WATER DISTRICTS  
FLOOD CONTROL  
& More

# When a Property Increases in Value



Property Value =  
\$150,000

Property  
Taxes = (1%)



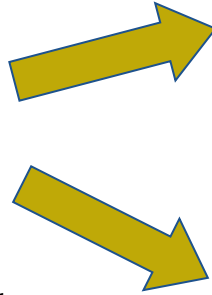
\$1,500



# Where Your Taxes Go With Redevelopment



Property Taxes on Original Value  
\$1,000



STATE  
SCHOOLS  
COUNTY  
CITIES  
WATER DISTRICTS  
FLOOD CONTROL  
& More



Property Taxes on Increased Value  
\$500



**REDEVELOPMENT AGENCY**



# Redevelopment Shares Funds With the Community



**20¢**



## Pass-through to Public Agencies

- County General Fund
- School Districts
- Water Districts
- Parks Districts

**20¢**



## Housing Set Aside

- Housing Construction
- Housing Programs

## Community Projects

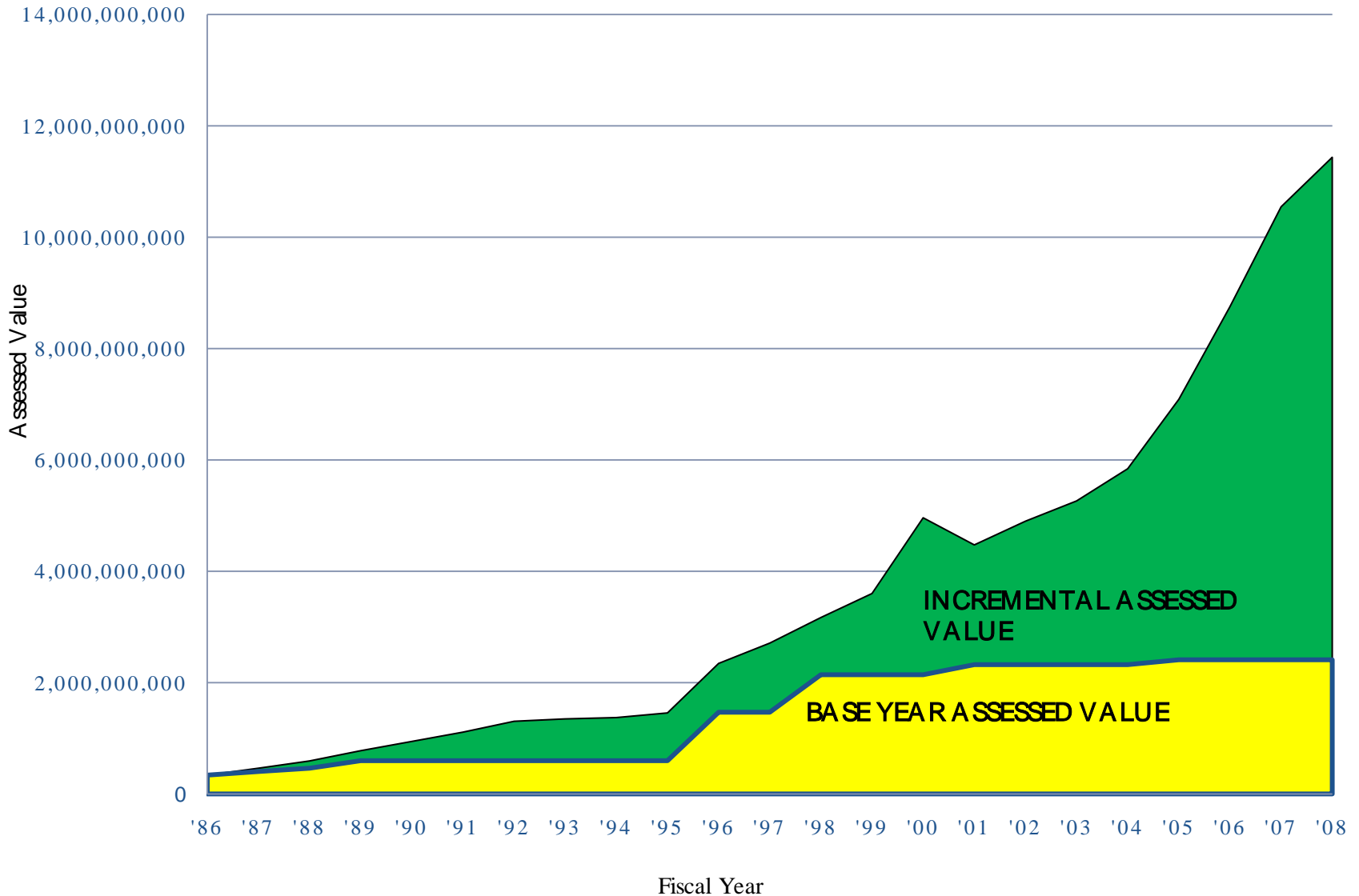
- Sheriff Stations
- Fire Stations
- Libraries
- Parks & Community Centers
- Sidewalks and Roads

**60¢**



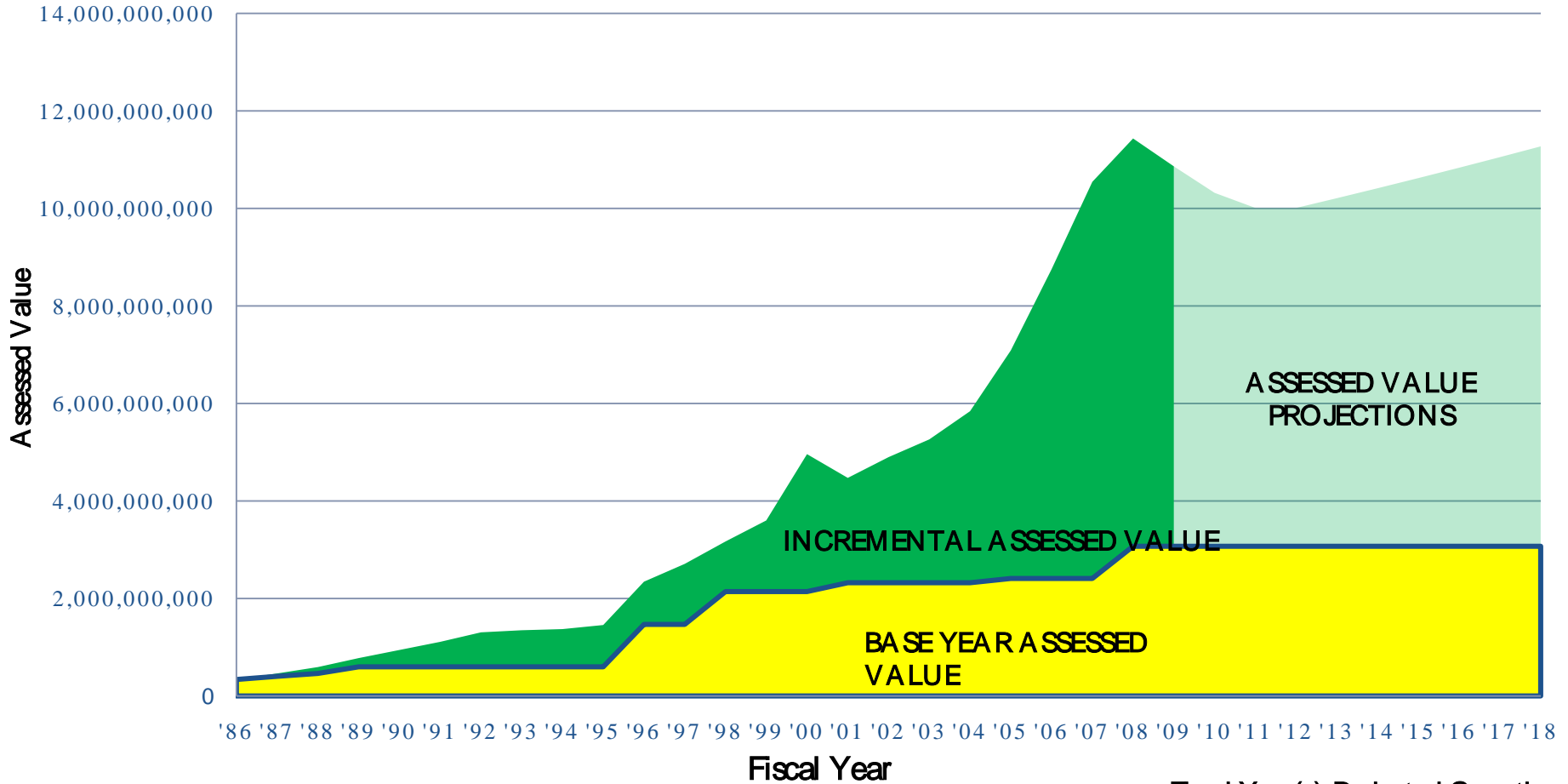


# Assessed Value Growth in Redevelopment Areas





# Projected Assessed Value Growth in Redevelopment Areas



Fiscal Year(s)	Projected Growth
'09, '10	5% decrease
'11	3% decrease
'12	no change
'13 - '18	2% increase



# Redevelopment Statistics

- 25 Redevelopment Agencies exist in Riverside County –mostly in cities
- 384 Redevelopment Agencies exist in the state
- Estimated that 1 job is created for every \$11,000 in redevelopment funds invested
- \$516 Million invested through Riverside County Redevelopment Agency resulted in 46,900 jobs created since 1986\*

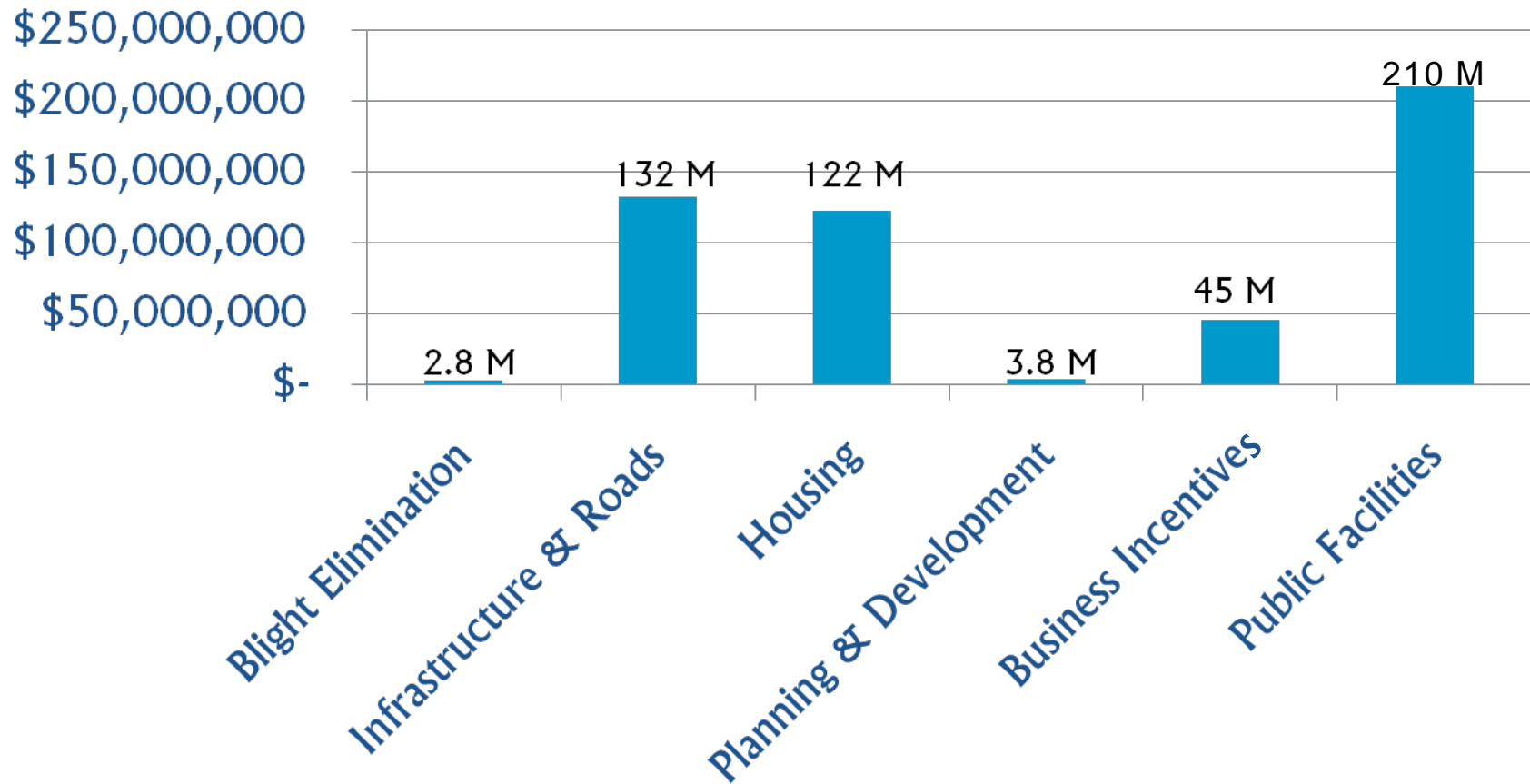
\* Source Gus Koehler at Time Structures





# Redevelopment Investment 1986-2009 \$516 Million

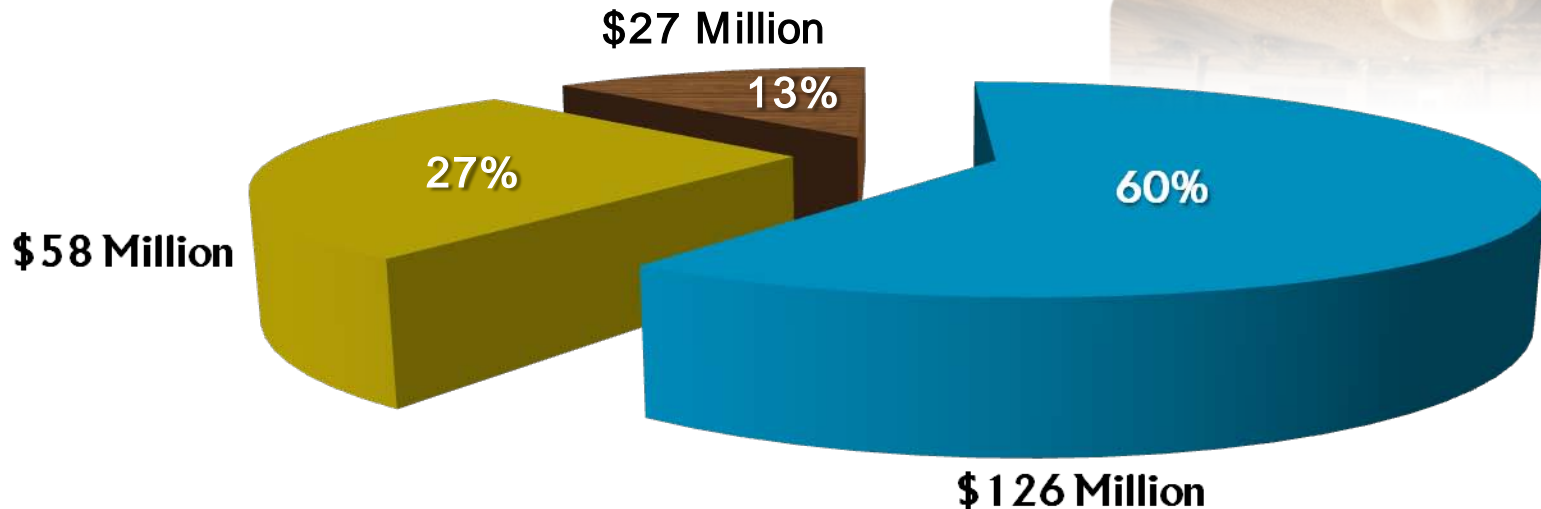
## Investment





# Benefiting Entities Facilities: \$211 Million

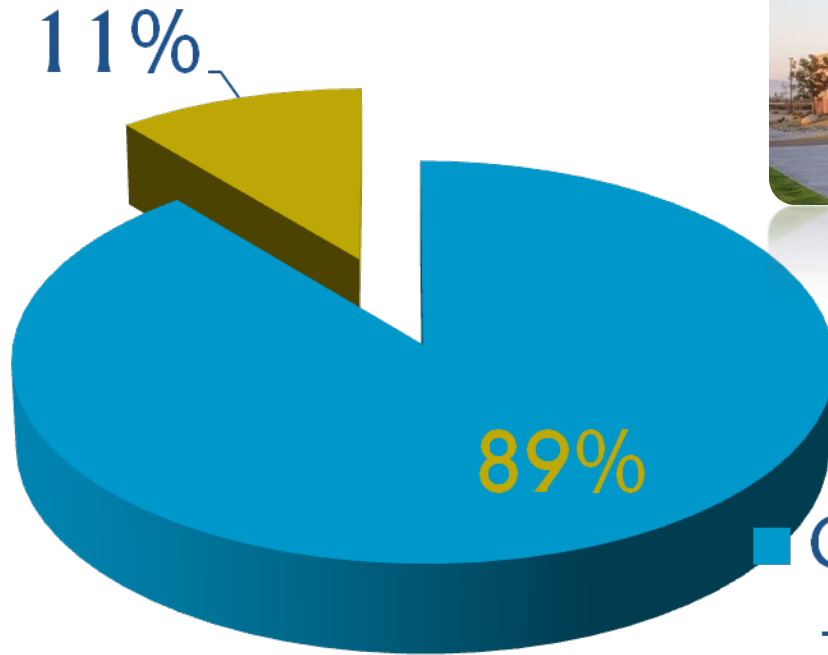
- County
- County/Joint Use
- Non-County (Special Districts, Park Districts)





# Benefiting Entities

## Infrastructure: \$137 Million



■ **County** **\$122 Million**

-Primarily transportation related

■ **Other Agencies** **\$15 Million**



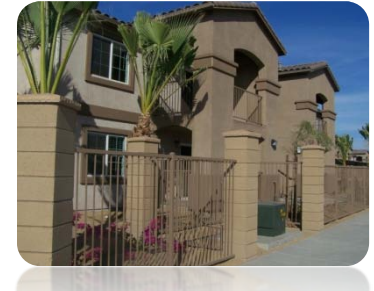
# Redevelopment Support of State Budget

- Redevelopment Agencies have supported the state budget seven times since 1992
- 1.045 Billion has been transferred to the State Educational Revenue Augmentation Fund (ERA F)
- \$7.2 Million has been shifted to ERA F from Riverside County
- In each case, legislation required that the County provide ERA F funding if redevelopment agencies failed to do so; County Redevelopment has always met its obligation.
- The \$350 million ERA F shift for 08/09 has been determined unconstitutional and no payment will be made. County cost would have been nearly \$6 Million.



# Redevelopment Support of County Budget

•RDA has supported the County General Fund by funding and constructing essential facilities and investing in the community.



## Facilities

- 13 Fire Stations
- 6 Sheriff Stations
- 10 Libraries
- 13 Service Centers
- 3 Code Offices
- 2 Health Clinics
- 8 Childcare Centers
- 3 Senior Centers
- 8 School Facilities
- 8 Recreation Centers
- 9 Community Centers
- 31 Parks

## Infrastructure

- 165 Road Improvement & Beautification Projects
- 18 Water System Projects
- 15 Flood Control Projects
- 7 Sewer System Projects
- 3 Other Type

## Affordable Housing

- 1,756 1<sup>st</sup> Time Homebuyers
- 3,923 Home Repairs
- 3,000+ Affordable Housing Units



# Redevelopment

## Bringing Economic Stimulus to your Community

- Helps Meet County's Need & Budget
- Eliminates Blight  
(Cabazon - Main St., Rubidoux – Mission Blvd.)
- Encourages Revitalization of Communities and Economic Vitality
- Redevelopment – Here for the Community





# Redevelopment 101