



**FONTANA REDEVELOPMENT AGENCY**  
8353 SIERRA AVENUE, FONTANA, CALIFORNIA, 92335

**FOURTH  
FIVE-YEAR IMPLEMENTATION PLAN  
2009-10 THROUGH 2013-14**

- Downtown Redevelopment Project
- Southwest Industrial Park ("SWIP") Redevelopment Project
- North Fontana Redevelopment Project
- Jurupa Hills Redevelopment Project
- Sierra Corridor Commercial Redevelopment Project

Adopted December 9, 2009

## EXECUTIVE SUMMARY

Every five years, redevelopment agencies in the State of California are required to adopt implementation plans that establish five-year operational and financial work programs for carrying out the redevelopment and affordable housing responsibilities of the agencies. This document is the Redevelopment Component of the Fourth Five-Year Implementation Plan for the Fontana Redevelopment Agency. It covers the five-year planning period for fiscal years 2009-10 through 2013-14, and serves as a consolidated Implementation Plan for all five of the Agency's redevelopment project areas. An Updated Second Ten-Year Affordable Housing Compliance Plan has also been completed under a separate cover. It describes the Agency's affordable housing requirements for the current 10-year compliance period (FY 2004-05 to 2013-14), including obligations for producing, replacing, and expending funds for affordable housing. The Redevelopment Component and Updated Second Ten-Year Affordable Housing Compliance Plan meet the legal requirements mandated by Section 33490 of California Community Redevelopment Law, Health and Safety Code Sections 33000 *et. seq.*

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## INTRODUCTION

This document is the Redevelopment Component of the Fourth Five-Year Implementation Plan (“Plan”), or Implementation Strategy, for the Fontana Redevelopment Agency (“Agency”). It presents the Agency’s goals, objectives, anticipated projects and programs, and estimated expenditures for a five-year planning period from July 1, 2009 to June 30, 2014. The Plan covers the following redevelopment projects:

- Downtown Redevelopment Project (“Downtown Project”)  
(Adopted on December 16, 1975 by Ordinance No. 537)
- Southwest Industrial Park Redevelopment Project (“SWIP Project”)  
(Adopted on July 19, 1977 by Ordinance No. 567)
- Jurupa Hills Redevelopment Project (“Jurupa Hills Project”)  
(Adopted on October 6, 1981 by Ordinance No. 706)
- North Fontana Redevelopment Project (“North Fontana Project”)  
(Adopted on December 21, 1982 by Ordinance No. 739)
- Sierra Corridor Commercial Project (“Sierra Corridor Project”)  
(Adopted on June 16, 1992 by Ordinance No. 1055)

All of the above mentioned redevelopment projects are to be collectively referred to as the “Project Areas” or “Redevelopment Projects”. This Plan was adopted by the Agency following a duly noticed public hearing held on December 9, 2009.

The Implementation Strategy serves as a blueprint for current and future Agency activities to eliminate blight and implement its low and moderate income housing responsibilities. The Implementation Strategy is divided into two separate components: a Redevelopment Component and a Housing Component. The Redevelopment Component:

1. Reviews the goals and objectives of the Redevelopment Plan for each Redevelopment Project;
2. Identifies the Agency’s strategy to achieve those goals and objectives;
3. Presents the projects, programs, and expenditures (other than those relating to low and moderate income housing) that have been developed as a means to attain the goals and objectives; and
4. Describes how the goals and objectives, projects, programs, and expenditures will eliminate blight within the Project Areas.

Pursuant to Section 33490 of California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*, “CCRL”), an implementation plan must explain how the Agency will meet various requirements regarding low and moderate income housing. Generally, the goals, activities, and expenditures included in the Redevelopment Component do not address the housing requirements of the CCRL. Rather, the Housing Component provides an explanation of activities that will implement low and moderate income housing requirements. The Housing Component shows how the Agency’s goals and objectives for low and moderate income housing preservation and production will be implemented and how the statutory requirements for the set-aside and expenditure of tax increment revenues for housing purposes will be met.

The Implementation Strategy is a general statement of “direction” rather than an “unalterable course of action”. It is prepared to set priorities for redevelopment activities within the Project Areas for the five-year period covered by the Plan and incorporates the currently known financial constraints in developing a program of activities to accomplish essential near-term revitalization efforts. However, new issues and opportunities are commonly encountered during the course of administering the Redevelopment Plans for the Redevelopment Projects during the five-year period. Therefore, the Implementation Strategy may be amended if necessary to effectuate its purpose.

### **Contents of the Implementation Strategy**

Section 33490 of the CCRL requires this Plan to include the following:

- Specific Agency goals and objectives for the Project Areas;
- Specific programs, potential projects, and estimated expenditures proposed by the Agency over the five-year planning period; and
- An explanation of how Agency goals, objectives, programs, and expenditures will eliminate blight within the Project Areas and improve and increase the supply of housing to affordable to very low, low, and moderate income households.

The CCRL also requires that this Plan address the Agency’s affordable housing production and replacement housing needs and achievements. These items are specifically addressed in the Housing Component (“Second Ten-Year Affordable Housing Compliance Plan”), which is included as a separate document with this Plan.

### **BACKGROUND**

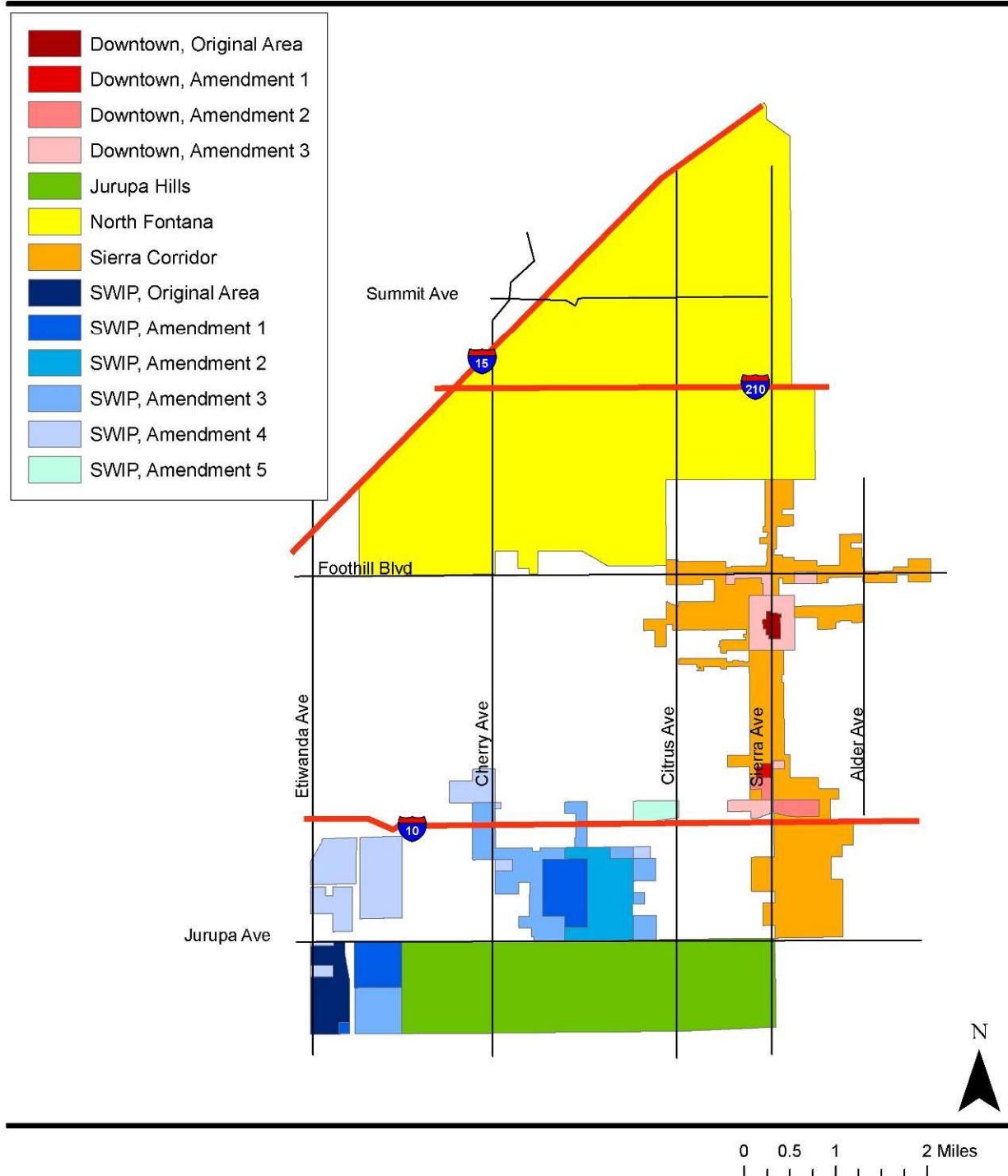
The City Council of the City of Fontana took action on June 5, 1973 to establish the Fontana Redevelopment Agency. With this action, the City embarked on a comprehensive effort to eliminate blight and adverse conditions within the City. The focus of the City’s revitalization efforts have been channeled through the adoption and implementation of its redevelopment plans. The Agency’s first redevelopment project area, the Downtown Project, was adopted in 1975. Since then, the Agency has adopted four additional Redevelopment Projects. Over the past 29 years, the Agency has accomplished numerous redevelopment, development, and infrastructure projects that have revitalized many properties within all of its Project Areas. Unfortunately, many of the blighting conditions that required the adoption of the Project Areas still exist or have been exacerbated over time. The recent national recession and the State’s efforts to take redevelopment revenues to balance the State budget have impacted redevelopment efforts and the activities of both the private and public sectors. The Agency continues to pursue the revitalization of the Project Areas by invoking the tools, mechanisms, and powers provided by the CCRL.

On December 6, 1994, the Agency adopted its first Five-Year Implementation Plan (FY 1994/95-1998/99). The second Five-Year Implementation Plan was adopted on December 7, 1999 (FY 1999/00-2003/04) and the third Five-Year Implementation Plan was adopted on November 16, 2004 (FY 2004/05-08/09). All three Five-Year Implementation Plans cover the five Project Areas that encompass an estimated 16,448 acres of the City’s incorporated territory. Additionally, pursuant to the requirements of the CCRL, the Agency has held a mid-term public hearing on the progress of each Five Year Implementation Plan and has subsequently published a Progress Report for each plan.

A map of the Project Areas is presented in Figure 1.

**FONTANA REDEVELOPMENT AGENCY  
REDEVELOPMENT PROJECT AREAS**

FIGURE 1



## Plan Limitations

Each Redevelopment Project Area is subject to its own time and financial limits as required by the CCRL. These limitations are summarized below.

### Key Redevelopment Plan Limitations

**Table 1**

Project Area	Plan Duration	Collect TI/ Repay Debt	Incur New Debt	Eminent Domain	TI Limit	Bonded Debt Limit
<b>Downtown</b>						
Original Area	1/17/2026	1/15/2027	Expired	4/15/2016	1.75 MADS (debt service coverage)	50,000,000
Amendment 1		7/31/2031			230,000	
Amendment 2		9/4/2032			41,000,000	
Amendment 3		1/17/2036			16,400,000	
<b>Southwest (SWIP)</b>						
Original Area	8/18/2017	8/18/2027	Expired	None	496,000,000	85,000,000
Amendment 1	8/16/2019	8/16/2029				
Amendment 2	7/31/2020	7/31/2030				
Amendment 3	1/20/2024	1/20/2034				
Amendment 4	1/3/2025	1/3/2035				
Amendment 5	8/6/2032	8/6/2042				
<b>Jurupa Hills</b>						
Original Area	11/5/2022	11/5/2032	Expired	Expired	OPA obligation	135,000,000
<b>North Fontana</b>						
Original Area	1/6/2024	1/6/2034	No limit	7/21/2017 in three subareas	1.50 MADS (debt service coverage)	200,000,000
<b>Sierra Corridor</b>						
Original Area	7/16/2033	7/16/2043	No limit	None	1,000,000,000	400,000,000

*Note: "MADS" = Maximum Annual Debt Service*

## Summary of Agency Accomplishments

The Agency has made several accomplishments in each of its Project Areas over the last five years. The following presents a summary of projects and programs completed during the last implementation plan period.

- The first of three phases of the Downtown Façade Rehabilitation program was completed between 2006 and 2007.
- In 2008, construction of the Lewis Library and Technology Center was completed in the Downtown Project Area.
- Street improvements were completed in the Southwest Industrial Project Area on Cherry Avenue between Jurupa and Slover Avenues in 2008.
- The Agency continued to honor the Ten-Ninety Limited Owner Participation Agreement in the Jurupa Hills Project Area, which advanced the Agency \$167 million for infrastructure improvements.

- The Village of Heritage Community Center was completed in the North Fontana Project Area in 2008.
- The Agency contributed \$3.5 million to construct the new Fire Station 79 in the North Fontana Project Area in 2008.
- The Jesse Turner Health and Fitness Center was completed in the North Fontana Project Area in 2008.
- Street improvements were made on Sierra Avenue between Baseline Road in the North Fontana Project Area.
- In the Sierra Corridor Project Area, the Agency made landscape improvements at the Interstate 10/Sierra Avenue interchange and constructed a storm drain along the north side of Foothill Boulevard between Juniper and Sierra Avenues in 2008.
- The Agency made infrastructure improvements to facilitate the construction of the Empire Center Hotel in the Sierra Corridor Project Area in 2008.
- A 1937 movie theater was renovated into a dinner theater and special events complex with Agency assistance in 2008 in the Downtown Project Area.

### **Blighting Conditions**

Redevelopment projects are established to remedy conditions of blight as defined by the CCRL; the definition of blight has evolved since the various Project Areas were established beginning in 1975. The current definition of blight, as stated in Section 33031 of the CCRL, is set forth below:

- Buildings in which it is unsafe or unhealthy for persons to live or work. These conditions may be caused by serious building code violations, serious dilapidation and deterioration caused by long-term neglect, construction that is vulnerable to serious damage from seismic or geologic hazards, and faulty or inadequate water or sewer utilities.
- Conditions that prevent or substantially hinder the viable use or capacity of buildings or lots. These conditions may be caused by buildings of substandard, defective, or obsolete design or construction given the present general plan, zoning, or other development standards.
- Adjacent or nearby incompatible land uses that prevent the development of those parcels or other portions of the project area.
- The existence of subdivided lots that are in multiple ownership and whose physical development has been impaired by their irregular shapes and inadequate sizes, given present general plan and zoning standards and present market conditions.
- Depreciated or stagnant property values.
- Impaired property values, due in significant part, to hazardous wastes on property where the agency may be eligible to use its authority as specified in Article 12.5 (commencing with section 33459).
- Abnormally high business vacancies, abnormally low lease rates, or an abnormally high number of abandoned buildings.
- A serious lack of necessary commercial facilities that are normally found in neighborhoods, including grocery stores, drug stores, and banks and other lending institutions.
- Serious residential overcrowding that has resulted in significant public health or safety problems. As used in this paragraph, "overcrowding" means exceeding the standards

referenced in Article 5 (commending with Section 32) of Chapter 1 of Title 25 of the California Code of regulations.

- An excess of bars, liquor stores, or adult-oriented businesses that has resulted in significant public health, safety, or welfare problems.
- A high crime rate that constitutes a serious threat to the public safety and welfare.

The CCRL also characterizes inadequate public improvements or inadequate water or sewer utilities as blight when the aforementioned conditions are present.

## **GOALS AND OBJECTIVES FOR ALL PROJECT AREAS**

The following are Goals and Objectives of both the City Council and the Redevelopment Agency, which are applicable to all Project Areas over the next five-year term. Overall, implementation of the goals and objectives will enhance and upgrade the physical, social and economic conditions within the Project Areas, thereby improving the quality of life in Fontana.

### **Goal: The Agency Will Practice Sound Fiscal Management**

**Objectives:** The Agency will meet this goal by producing timely and accurate financial information, emphasizing capital formation and developing long-term funding and debt management plans. The Agency will also meet all legal and contractual obligations related to Agency activities. Additionally, the Agency intends to fully fund liabilities and reserves while living within its means and investing in the future.

### **Goal: The Agency Seeks to Promote Economic Development in All Project Areas**

**Objectives:** The Agency has outlined the following objectives to accomplish this goal: to concentrate on job creation, pursue business retention, expansion and attraction, establish a quick and consistent development process, be business friendly at all levels of operation, strive to constantly improve the city's competitiveness, and aggressively pursue the annexation of unincorporated areas.

During the five-year planning period, the Agency intends to develop and implement programs for the enhancement and renovation of businesses within the Project Areas to promote their economic viability, retention and growth. This will help eliminate and prevent the reoccurrence and spread of blight and deterioration within the Project Areas. The Agency will also provide incentives to stimulate private sector investment in the Project Areas and encourage residents, business persons, public agencies and community organizations located within the Project Areas to revitalize their properties. Additional efforts will be focused on expanding developable land by making underutilized land available for development while developing safeguards against potential noise and pollution. The Agency will also work to replan, redesign, and develop undeveloped areas and assemble land into suitable parcels in an effort to strengthen the economic base of the Project Areas and the community.

### **Goal: The Agency Intents to Improve Overall Public Safety**

**Objectives:** The Agency intends to improve overall public safety by increasing the operational efficiency, visibility and availability of the Fontana Police Department. Additionally, the Agency will emphasize community oriented policing and will collaborate with existing city programs to help

combat gang and drug activity and reduce crime. It is the intention of the Agency to maximize fire and emergency medical services resources.

**Goal: The Agency Seeks to Reinvest in Fontana's Infrastructure (Streets, Sewers, Parks, Etc.)**

**Objectives:** Objectives outlined by the Agency to meet this goal include providing for the development of new infrastructure, focusing on the relief of traffic congestion, maintaining and improving the City's existing infrastructure and improving the overall aesthetics of the community. The Agency will work proactively to provide adequate roadways and traffic circulation improvements to correct street alignment problems and substandard alleys. Road hazards are also to be eliminated so as to provide adequate street and freeway access throughout and adjacent to the Project Areas and the City.

The Agency will work to improve drainage conditions that constrain the development of various parcels within the Project Areas. Additionally, the Agency will provide improvements to educational, cultural, residential and other community facilities within the Project Areas and the City.

**Goal: The Agency Will Promote Quality Affordable Housing for All Residents**

**Objectives:** The Agency will meet this goal by continuing programs that promote the rehabilitation of the existing housing stock where appropriate. The Agency will provide, improve or preserve low and moderate income housing as is required to satisfy the needs and requirements of the various age and income groups of the community, maximizing the opportunity for individual choice, and meeting the requirements of State law.

## PROJECTS AND PROGRAMS

The following describes the Agency's accomplishments in each of the Project Areas during the past five years. The following also describes the economic development and redevelopment programs proposed for the Project Areas for the five-year planning period (FY 2009-10 through 2013-14). Anticipated expenditures are based upon preliminary staff estimates and are subject to change based upon available funding.

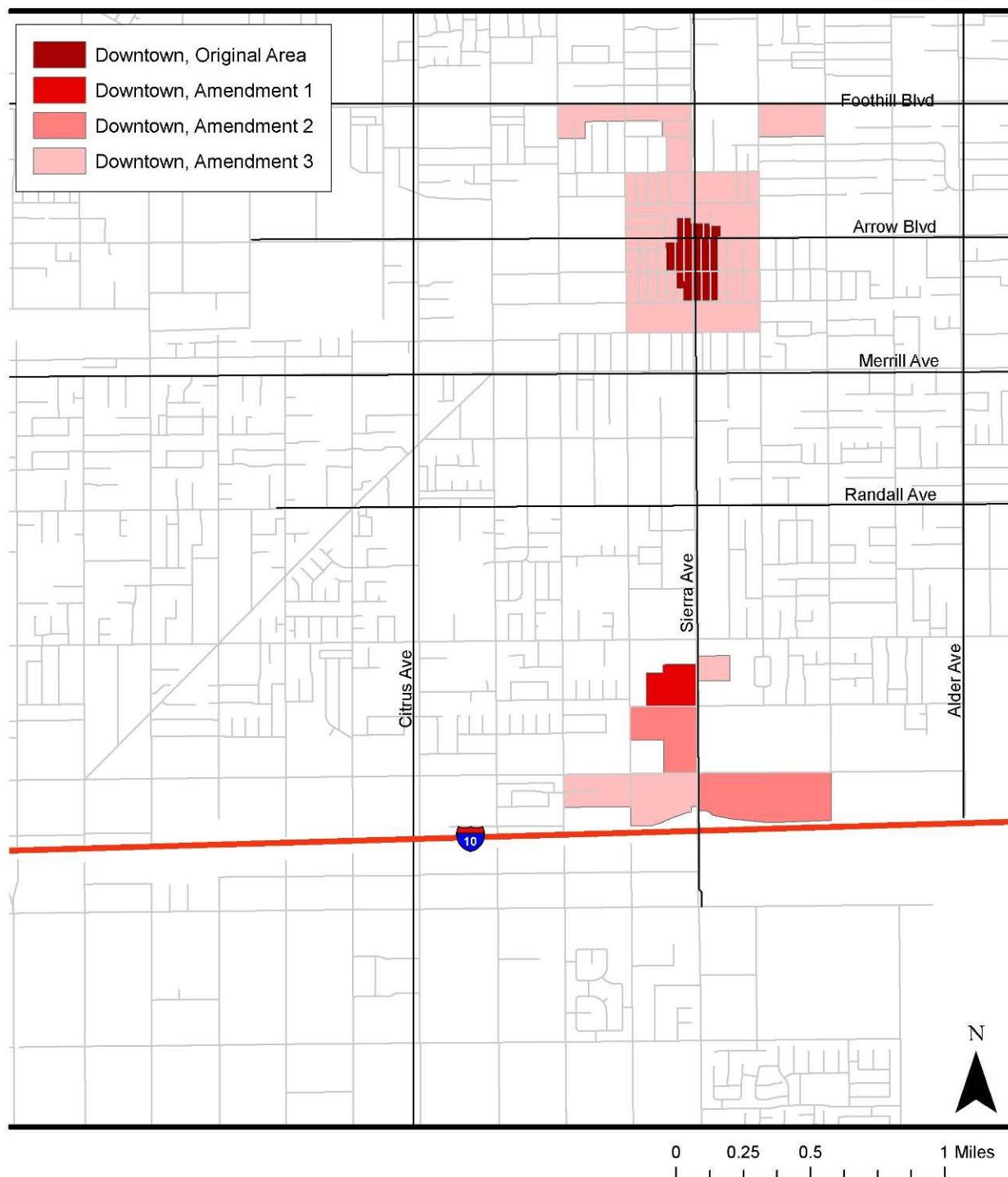
Adoption of this Plan does not approve any of the projects listed below. Projects to be undertaken by the Agency are subject to discretionary approvals by the Agency, as well as environmental clearance as determined by staff. Pursuant to Section 33490(a)(1)(B) of the CCRL, adoption of an implementation plan shall not constitute a "project" as defined by the California Environmental Quality Act (Public Resources Code Section 21000 et seq.), and inclusion of any project or program in the implementation plan shall not eliminate environmental analysis that would otherwise be required.

### **Downtown Redevelopment Project Area**

The Redevelopment Plan for the Downtown Redevelopment Project Area (“Project Area”) was approved and adopted by the City Council of the City of Fontana (“City Council”) on December 16, 1975 by Ordinance No. 537. The Redevelopment Plan has subsequently been amended on eight occasions. Amendment Nos. 1 through 3 added territory to the Project Area with adoption of Ordinance Nos. 661, 696 and 698 between 1980 and 1984. The City Council approved and adopted Amendment No. 4 with Ordinance No. 857 on December 22, 1986 to amend time and financial limits. Amendment No. 5 modified time limits to conform with Assembly Bill (“AB”) 1290, as codified in Section 33333.6 of the CCRL, with the approval and adoption of Ordinance No. 1138 on November 15, 1994. Amendment No. 6, adopted on March 16, 2004, extended the Agency’s eminent domain authority to April 15, 2016. Amendment No. 7, adopted on December 21, 2004 by Ordinance No. 1466, extended the effectiveness of the redevelopment plan and time limit to receive tax increment by one year pursuant to Senate Bill (“SB”) 1045. Amendment No. 8, adopted on June 26, 2007 by Ordinance No. 1552, adopted an eminent domain program pursuant to SB 57. The Downtown Redevelopment Project totals approximately 389 acres and is comprised of three noncontiguous areas situated along the City’s commercial corridors. The boundaries of the Downtown Redevelopment Project, which includes properties along Sierra Avenue and Valley Boulevard, are illustrated on the following page.

## DOWNTOWN REDEVELOPMENT PROJECT AREA

FIGURE 2



### Prior Five-Year Period Accomplishments

The Agency has actively pursued redevelopment of the Downtown Redevelopment Project Area (including all amendment areas) since the original adoption of the Redevelopment Plan in 1975. During the past five-year implementation plan period, the Agency completed the first phase of its Downtown Façade Rehabilitation program. The program aims to develop consistent building facades that enhance the visual appearance of the downtown street blocks. It includes the reconstruction of rear alleys. The first phase improved facades on Sierra Ave from Valencia Ave to Orange Way between September 2006 and August 2007, costing the Agency approximately \$1.4 million. The second and third phases will be completed over the next five years.



The Agency also completed the construction of the Lewis Library and Technology Center during the last implementation plan period. The \$60 million, 93,000 square foot library includes children, young adult, adult, fiction, non-fiction, reference, historic museum, 330 seat auditorium, and audiovisual sections. It was constructed between November 2005 and April 2008 and the Agency contributed approximately \$25 million.

## Remaining Blighting Conditions

Despite these achievements, blighting conditions persist in the Downtown Redevelopment Project Area. Limited tax increment revenues left after debt service and other financial obligations has previously prohibited the Agency from implementing additional programs and projects to eliminate blighting conditions documented in the Third Five Year Implementation Plan. The continuing blighting conditions include:

- Deteriorated, dilapidated, and unsafe buildings and structures
- Buildings or structures which exhibit age, obsolescence and defective design
- Structures which are substandard in design and lack adequate parking, loading facilities, and storage
- Economic maladjustment, dislocation, and disuse
- Mixed, shifting, and conflicting/incompatible uses
- Inadequate public improvements, infrastructure, or community facilities
- Depreciated or stagnant property values which impair private investment and the Agency's ability to pursue redevelopment activities
- High vacancy rates, high business or rental turnover rates, and low rental rates
- Vacant and/or abandoned buildings

## Downtown Project Five-Year Implementation Plan Strategies

The Agency has established the following strategies for the Five-Year Implementation Plan for the Downtown Redevelopment Project:

- Provide funding for operation and administration of Project Area activities as required by the CCRL.
- Meet existing financial obligations and agreements by funding debt service loan payments and Owner Participation and other Developer Agreement obligations.
- Accumulate remaining funds to enable the Agency to pursue revitalization in the future, including stabilizing and improving existing businesses located in the Downtown area.
- In the central core, eliminate blight, enhance visual appearance, and stimulate business growth by continuing the Downtown Façade Renovation Program and the Historical Mural Program.
- Provide public improvements and facilities throughout the Project Area that eliminate blight, stimulate business growth, and create jobs.

## Financial Resources

Table 2-1 on the following page presents the revenues (excluding low to moderate income housing fund revenues) the Agency may have available for the next five years to fund implementation plan activities. The projections are based on a two percent annual increase in secured assessed values over the five year period. No growth rates were assumed for unsecured or utility values. Outlined in the tables are projected tax increment receipts, taxing entity's fiscal mitigation payments, loan and debt service payments, and projected Agency administration costs. Funds available to implement future programs are identified as the remaining funds net of these operation and debt service obligations.

Projected Revenues and Expenditures - Downtown Project Area

Table 2-1

	1 2009-10	2 2010-11	3 2011-12	4 2012-13	5 2013-14	Five Year TOTAL
<b>Beginning Cash Balance (including reserves and bond proceeds)</b>	<b>1,843,043</b>	<b>1,011,985</b>	<b>1,265,496</b>	<b>1,449,628</b>	<b>1,569,637</b>	
<b>Revenues</b>						
Net Tax Increment Revenue	1,683,800	1,717,400	1,751,300	1,786,100	1,821,800	8,760,400
Interest Revenue	50,000	-	-	-	-	50,000
<b>Total</b>	<b>1,733,800</b>	<b>1,717,400</b>	<b>1,751,300</b>	<b>1,786,100</b>	<b>1,821,800</b>	<b>\$8,810,400</b>
<b>Total Available Funds</b>	<b>3,576,843</b>	<b>2,729,385</b>	<b>3,016,796</b>	<b>3,235,728</b>	<b>3,391,437</b>	
<b>Operations and Debt Service Costs</b>						
Debt Service	1,077,858	1,076,889	1,180,168	1,279,091	1,277,369	5,891,375
Administration, Maintenance, Overhead	5,500	5,500	5,500	5,500	5,500	27,500
<b>Total</b>	<b>1,083,358</b>	<b>1,082,389</b>	<b>1,185,668</b>	<b>1,284,591</b>	<b>1,282,869</b>	<b>5,918,875</b>
<b>Funds Available for Projects</b>	<b>2,493,485</b>	<b>1,646,996</b>	<b>1,831,128</b>	<b>1,951,137</b>	<b>2,108,568</b>	
<b>Project Fund (including bond proceeds held in Project Fund)</b>	<b>1,481,500</b>	<b>381,500</b>	<b>381,500</b>	<b>381,500</b>	<b>381,500</b>	<b>3,007,500</b>
<b>Total Costs</b>	<b>2,564,858</b>	<b>1,463,889</b>	<b>1,567,168</b>	<b>1,666,091</b>	<b>1,664,369</b>	<b>\$8,926,375</b>
<b>FUND BALANCE SURPLUS/(SHORTFALL)</b>	<b>1,011,985</b>	<b>1,265,496</b>	<b>1,449,628</b>	<b>1,569,637</b>	<b>1,727,068</b>	
Cash Flow Reserve	710,451	727,064	739,239	750,820	762,250	
<b>Ending Cash Available</b>	<b>301,534</b>	<b>538,432</b>	<b>710,389</b>	<b>818,817</b>	<b>964,818</b>	

**Notes:**

Tax increment revenue is net of housing and tax sharing agreements

The State's proposed SERAF shift for 2009-10 and 2010-11 is not shown due to an anticipated lawsuit challenging the taking.

The Agency is awaiting the outcome of the lawsuit and will make the payments if necessary.

Source: City of Fontana Management Services Department, RDA Update June 2009

Due to the State's effort to take redevelopment funds to balance the State Budget, the Agency may be required to make Educational Revenue Augmentation Fund ("ERAF") payments during the planning period. In Fiscal Year 2008-09, the State of California approved a budget contingent upon a shift of tax increment monies from redevelopment agencies to be applied to ERAF. The California Redevelopment Association filed a lawsuit on behalf of all redevelopment agencies asserting that the take from redevelopment was unconstitutional based on the CRL. On April 30, 2009 a judgment in favor of redevelopment agencies was rendered, affirming that the take was unconstitutional and therefore illegal. The State has confirmed it will not appeal this decision.

Following this judgment, the State of California approved the Fiscal Year 2009-10 budget egregiously relying on another ERAF shift from redevelopment agencies over the next two years, now called the Supplemental Educational Revenue Augmentation Fund ("SERAF"). While the California Redevelopment Association believes this shift of tax increment from redevelopment falls under the same circumstances as the previous attempt, the Agency may potentially be required to make SERAF shifts over the next two years. This shift of dollars from redevelopment could severely impact the Agency's ability to complete many of the projects both committed and anticipated over the next five year period. The California Redevelopment Association anticipates filing another lawsuit in an effort to thwart this and future takes from redevelopment. As recommended by the California Redevelopment Association, the potential SERAF shift is not shown in the cash flow, however the Agency will make the payments if required by law.

### **Anticipated Projects and Programs (2009/10 to 2013/14)**

The Agency will continue to implement projects and programs over the next five years to revitalize the Downtown Project Area, including several projects to enhance the appearance and enjoyment of outdoor areas. The following summary matrix describes the proposed non-housing projects and programs planned for the next five years. The matrix describes each proposed project, gives the projected time frame for implementation, identifies Agency goals to be achieved, and identifies the blighting conditions to be addressed. Anticipated program expenditures are based on projected tax increment revenue expected for FY 2009-10 to 2013-14, as detailed in Table 2-1 above. Greater or lesser funding may be available depending on actual assessed valuation changes in the Downtown Project Area over the next five years.

## 2009-10 to 2013-14 Five Year Implementation Plan Projects - Downtown

TABLE 2-2  
Estimated  
Agency Cost

Program	Time Frame	Description	Goals Achieved	Blight Mitigated	Estimated Agency Cost
<b>REDEVELOPMENT (NON-HOUSING) PROGRAM</b>					
<b>Downtown Revitalization</b>	Ongoing	This program improves the core of the downtown area as depicted in the original Downtown Project Area.	Remove blight  Encourage private sector investment  Diversify and expand economic base  Aid in Downtown revitalization effort  Owner Participation and Development Agreements	Depreciated/stagnant property values  Deteriorated/dilapidated structures  Lack of infrastructure and community facilities  High vacancy/low rental rates	\$ 5,000,000
<b>Historical Murals Program</b>	Ongoing	Themed murals for the visual enhancement and revitalization of Downtown Fontana. The murals depict the historical and cultural heritage of Fontana.	Remove Blight  Enhance visual appearance of Sierra Avenue buildings  Stimulate business growth  Job creation	Depreciated/stagnant property values  High vacancy/low rental rates	\$ 71,434
<b>Downtown Façade Rehabilitation</b> Phase II: E/S of Sierra from Valencia to Arrow Boulevard Phase III: W/S of Sierra from Valencia to Arrow Boulevard	2007 to 2009 2009 to 2011	Multi-phase program that involves developing consistent building facades that enhance the visual appearance of downtown street blocks. Includes the reconstruction of rear alleys. The timeframe includes the design and construction phases.	Remove Blight  Enhance the visual appearance of Sierra  Stimulate business growth	Depreciated/stagnant property values  Deteriorated/dilapidated structures  Lack of infrastructure and community facilities  High vacancy/low rental rates	\$ 3,773,425 1,566,925 2,206,500
<b>Downtown Street Furniture</b>	2009 to 2010	Installation of outdoor street furniture benches in the downtown.	Eliminate blight  Provide new public facility	Lack of infrastructure and community facilities	\$ 150,000
<b>Miller Park Amphitheater</b>	2011 to 2012	Construction of an outdoor amphitheater and band shell.	Remove blight  Provide new public facility	Lack of infrastructure and community facilities	\$ 1,000,000

## 2009-10 to 2013-14 Five Year Implementation Plan Projects - Downtown

TABLE 2-2 cont.  
Estimated Agency Cost

Program	Time Frame	Description	Goals Achieved	Blight Mitigated	Estimated Agency Cost
<b>REDEVELOPMENT (NON-HOUSING) PROGRAM</b>					
<b>Pillars Project</b>	2009 to 2011	This project focuses on the construction of a series of Pillars depicting the history of Fontana by decade through Miller Park. Architectural design is underway and the project could be ready for construction in July 2009.	Remove Blight  Enhance visual appearance of Civic Center Plaza  Stimulate business growth  Job creation	Lack of infrastructure and community facilities	\$ 800,000
<b>Center Stage Plaza</b>	2010 to 2011	Construction of an outdoor plaza immediately south of Center Stage, providing pleasant space for intermission and a small entertainment venue.	Eliminate blight  Provide new public facility	Lack of infrastructure and community facilities	\$ 750,000
<b>Civic Center Edge Project</b>	2010 to 2011	Construction of a consistent streetscape edge around the boundaries of the Civic Center.	Eliminate blight  Provide new public facility  Revitalize the downtown	Lack of infrastructure and community facilities	\$ 700,000
<b>Charley's</b>	2008 to 2009	Design and construction of a new parking lot and entrance/exit to create a more efficient flow of traffic and enhance the location's aesthetics.	Eliminate blight  Provide new public facility  Revitalize the downtown	Lack of infrastructure and community facilities  Lack of adequate parking  Economic maladjustment	\$ 175,000
<b>SCAG Compass Program</b>	2009 to 2010	Provision of an economic feasibility study for the downtown.	Eliminate blight  Provide new public facility	Depreciated/stagnant property values  High vacancy/turnover, Low rental rates	\$ -0-  (Paid with a grant from SCAG)
<b>GRAND TOTAL FIVE YEAR NON-HOUSING PROGRAM COST</b>					\$ 12,419,859

**Southwest Industrial Park Redevelopment Project Area**

The Southwest Industrial Park (“SWIP”) Redevelopment Project was originally adopted in 1977, and subsequently amended eight times. Amendment Nos. 1 through 5 added territory to the Project Area by adoption of Ordinance Nos. 628, 653, 770, 790, and 1056 between 1979 and 1992. Amendment No. 6 modified time limits to conform with AB 1290, as codified in Section 33333.6 of the CCRL, by adoption of Ordinance No. 1140 on November 15, 1994. Amendment No. 7, adopted on December 21, 2004 by Ordinance No. 1467, extended the effectiveness of the redevelopment plan and time limit to receive tax increment by one year pursuant to SB 1045. Amendment No. 8, adopted on June 26 2007 by Ordinance No. 1556, adopted an eminent domain program pursuant to SB 53. The Agency is preparing Amendment No. 9 to add approximately 1,101 acres of territory, which is to be considered for adoption in mid 2010. The SWIP Redevelopment Project totals approximately 2,326 acres of land primarily designated for industrial and light manufacturing uses. The boundaries of the SWIP Redevelopment Project are illustrated on the following page.

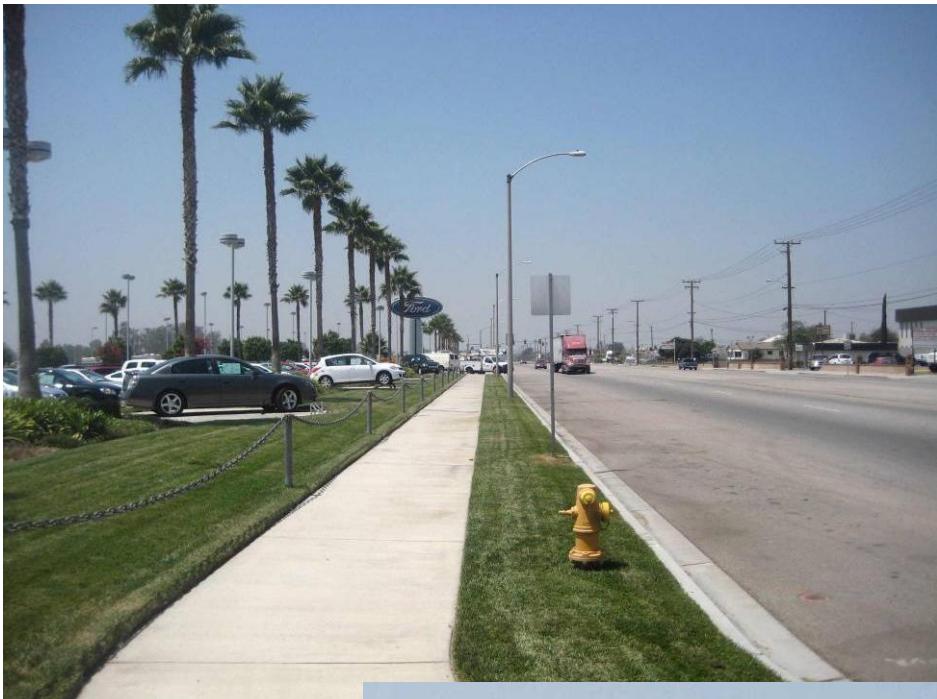
## SOUTHWEST INDUSTRIAL PARK PROJECT AREA (SWIP)

FIGURE 3



### Prior Five-Year Period Accomplishments

During the past five year implementation plan period, the Agency completed street improvements on Cherry Avenue between Jurupa and Slover Avenues. Improvements include street widening, four new lanes, 5,000 linear feet of sewer and storm drain, raised median, curb, gutter, sidewalk, decorative street lighting, and decorative traffic signals. They were completed in July 2008 and cost the Agency approximately \$9 million.



## Remaining Blighting Conditions

Despite Agency efforts to eliminate and alleviate blighting conditions within the SWIP Project Area, significant blight remains. A lack of remaining tax increment revenues left after debt service and other financial obligations have been met has prevented the complete implementation of programs and projects by the Agency to eliminate remaining blighting conditions. Remaining blighting conditions include:

- Buildings or structure which exhibit age, obsolescence, deterioration, and dilapidation
- Economic maladjustment, dislocation, disuse, and buildings of substandard design
- Mixed, shifting, and conflicting/incompatible land uses
- Inadequate public improvements, infrastructure, or community facilities
- Lots of irregular form or shape for intended uses laid out in disregard to topographic or other physical conditions
- Inadequate railroad crossings and traffic and circulation facilities which hinder public safety and industrial development
- High Crime Rate

The Fourth Five Year Implementation Plan identifies a number of projects and programs, as well as corresponding revenues and expenditures, which the Agency believes are most likely to occur over FY 2009-10 through 2013-14.

## SWIP Project Five-Year Implementation Plan Strategies

The Agency has established the following strategies for the Five-Year Implementation Plan for the SWIP Redevelopment Project:

- Provide funding for operation and administration of Project Area activities as required by the CCRL.
- Meet existing financial obligations and agreements by funding debt service loan payments and Owner Participation and other Developer Agreement obligations.

Make infrastructure improvements throughout the Project Area to eliminate blight, encourage private sector investment, and improve circulation. This includes I-10 interchange improvements to provide better access to and from the industrial and job centers.

## Financial Resources

Table 3-1 on the following page presents the revenues (excluding low to moderate income housing fund revenues) the Agency may have available for the next five years to fund implementation plan activities. The projections are based on a two percent annual increase in secured assessed values over the five year period. No growth rates were assumed for unsecured or utility values. Outlined in the tables are projected tax increment receipts, taxing entity's fiscal mitigation payments, loan and debt service payments, and projected Agency administration costs. Funds available to implement future programs are identified as the remaining funds net of these operation and debt service obligations.

## Projected Revenues and Expenditures - Southwest Industrial Park Project Area

Table 3-1

	1 2009-10	2 2010-11	3 2011-12	4 2012-13	5 2013-14	Five Year TOTAL
<b>Beginning Cash Balance (including reserves and bond proceeds)</b>	<b>9,207,841</b>	<b>7,108,187</b>	<b>9,553,505</b>	<b>12,166,591</b>	<b>15,214,482</b>	
<b>Revenues</b>						
Net Tax Increment Revenue	7,653,100	7,806,200	7,962,300	8,121,500	8,283,800	39,826,900
Interest Revenue	65,000	380,000	400,000	400,000	360,000	1,605,000
<b>Total</b>	<b>7,718,100</b>	<b>8,186,200</b>	<b>8,362,300</b>	<b>8,521,500</b>	<b>8,643,800</b>	<b>41,431,900</b>
<b>Total Available Funds</b>	<b>16,925,941</b>	<b>15,294,387</b>	<b>17,915,805</b>	<b>20,688,091</b>	<b>23,858,282</b>	
<b>Operations and Debt Service Costs</b>						
Debt Service	4,953,872	4,877,001	4,885,333	4,609,728	4,608,825	23,934,760
Administration, Maintenance, Overhead	11,000	11,000	11,000	11,000	11,000	55,000
<b>Total</b>	<b>4,964,872</b>	<b>4,888,001</b>	<b>4,896,333</b>	<b>4,620,728</b>	<b>4,619,825</b>	<b>23,989,760</b>
<b>Funds Available for Projects</b>	<b>11,961,068</b>	<b>10,406,386</b>	<b>13,019,472</b>	<b>16,067,363</b>	<b>19,238,457</b>	
<b>Project Fund (including bond proceeds held in Project Fund)</b>	<b>4,852,881</b>	<b>852,881</b>	<b>852,881</b>	<b>852,881</b>	<b>852,881</b>	<b>8,264,405</b>
<b>Total Costs</b>	<b>9,817,753</b>	<b>5,740,882</b>	<b>5,749,214</b>	<b>5,473,609</b>	<b>5,472,706</b>	<b>\$32,254,165</b>
<b>FUND BALANCE SURPLUS/(SHORTFALL)</b>	<b>7,108,187</b>	<b>9,553,505</b>	<b>12,166,591</b>	<b>15,214,482</b>	<b>18,385,576</b>	
Cash Flow Reserve	2,645,442	2,678,739	2,710,214	2,748,989	2,785,311	
ERAF Reserve	3,200,000	4,973,280	5,329,056	5,329,056	4,319,225	
<b>Ending Cash Available</b>	<b>1,262,745</b>	<b>1,901,486</b>	<b>4,127,321</b>	<b>7,136,437</b>	<b>11,281,040</b>	

## Notes:

*Tax increment revenue is net of housing and tax sharing agreements*

*The State's proposed SERAF shift for 2009-10 and 2010-11 is not shown due to an anticipated lawsuit challenging the taking.*

*The Agency is awaiting the outcome of the lawsuit and will make the payments if necessary.*

*Source: City of Fontana Management Services Department, RDA Update June 2009*

Due to the State's effort to take redevelopment funds to balance the State Budget, the Agency may be required to make Educational Revenue Augmentation Fund ("ERAF") payments during the planning period. In Fiscal Year 2008-09, the State of California approved a budget contingent upon a shift of tax increment monies from redevelopment agencies to be applied to ERAF. The California Redevelopment Association filed a lawsuit on behalf of all redevelopment agencies asserting that the take from redevelopment was unconstitutional based on the CRL. On April 30, 2009 a judgment in favor of redevelopment agencies was rendered, affirming that the take was unconstitutional and therefore illegal. The State has confirmed it will not appeal this decision.

Following this judgment, the State of California approved the Fiscal Year 2009-10 budget egregiously relying on another ERAF shift from redevelopment agencies over the next two years, now called the Supplemental Educational Revenue Augmentation Fund ("SERAF"). While the California Redevelopment Association believes this shift of tax increment from redevelopment falls under the same circumstances as the previous attempt, the Agency may potentially be required to make SERAF shifts over the next two years. This shift of dollars from redevelopment could severely impact the Agency's ability to complete many of the projects both committed and anticipated over the next five year period. The California Redevelopment Association anticipates filing another lawsuit in an effort to thwart this and future takes from redevelopment. As recommended by the California Redevelopment Association, the potential SERAF shift is not shown in the cash flow, however the Agency will make the payments if required by law.

### **Anticipated Projects and Programs (2009/10 to 2013/14)**

The Agency will continue to implement projects and programs over the next five years to alleviate blight in the Southwest Industrial Project Area, including several infrastructure improvement projects. The following summary matrix describes the proposed non-housing projects and programs planned for the next five years. The matrix describes each proposed project, gives the projected time frame for implementation, identifies Agency goals to be achieved, and identifies the blighting conditions to be addressed. Anticipated program expenditures are based on projected tax increment revenue expected for FY 2009-10 to 2013-14, as detailed in Table 3-1 above. Greater or lesser funding may be available depending on actual assessed valuation changes in the Southwest Industrial Project Area over the next five years.

## 2009-10 to 2013-14 Five Year Implementation Plan Projects - SWIP

TABLE 3-2  
Estimated  
Agency Cost

Program	Time Frame	Description	Goals Achieved	Blight Mitigated	
<b>REDEVELOPMENT (NON-HOUSING) PROGRAM</b>					
<b>Redevelopment Plan Amendment No. 9</b>	2008 to 2010	Add approx. 1,100 acres of Land to the SWIP Project Area	Eliminate blight, encourage private sector investment, give focused attention and financial investment to reverse deteriorating trends, create jobs, revitalize the business climate, and rehabilitate and add to the housing stock	Amendment will eliminate blight in the Added Area	\$ 471,220
<b>Comprehensive Transportation Capital Improvement Projects</b>		Provide funding to correct traffic and circulation deficiencies.	Remove blight Encourage private sector investment	Underutilized properties due to inadequate public facilities or improvements	\$ 6,267,376
<b>I-10 Beech Interchange</b>	2003 to 2018	Design and construct new interchange and add an additional exit and entrance point for east and west bound traffic on the I-10 at Beech Avenue	Improve public infrastructure/circulation		637,526
<b>I-10 Cherry Interchange</b>	2003 to 2014	Widen existing interchange to four lanes north and south bound			102,820
<b>I-10 Citrus Interchange</b>	2002 to 2014	Interchange reconstruction to four lanes on the north and south bound			1,397,774
<b>Jurupa Street Capital Improvement Projects Phases I, II and III</b>		Street improvements which consist of ultimate street widening to six lanes, storm drain culvert, sewer main, raised landscaped median with median lighting, and decorative traffic signals and decorative street lighting from Sierra Avenue to Poplar Avenue			
Phase I: Sierra to Poplar	2008 to 2009				2,158,256
Phase III: Cherry to Live Oak	2009 to 2010				-

## 2009-10 to 2013-14 Five Year Implementation Plan Projects - SWIP

TABLE 3-2 cont.  
Estimated  
Agency Cost

Program	Time Frame	Description	Goals Achieved	Blight Mitigated	Estimated Agency Cost
<b>REDEVELOPMENT (NON-HOUSING) PROGRAM</b>					
<b>Philadelphia-San Sevaine Channel Road Crossing</b>	TBD	Complete street improvements at the Philadelphia Crossing of the San Sevaine Channel, install a roadway over the channel box and improve the street.			960,000
<b>Slover Widening - Etiwanda</b>	2011	Widen Slover Avenue from the intersection of Slover and Etiwanda to the rail tracks 800 feet to the east.			411,000
<b>T/S Etiwanda Slover - Traffic Signal Modification Improvements</b>	2008 to 2011	Intersection improvements, modification of traffic signals, safety lighting and communication conduit for future fiber optic cable.			600,000
<b>GRAND TOTAL FIVE YEAR NON-HOUSING PROGRAM COST</b>					<b>\$6,738,596</b>

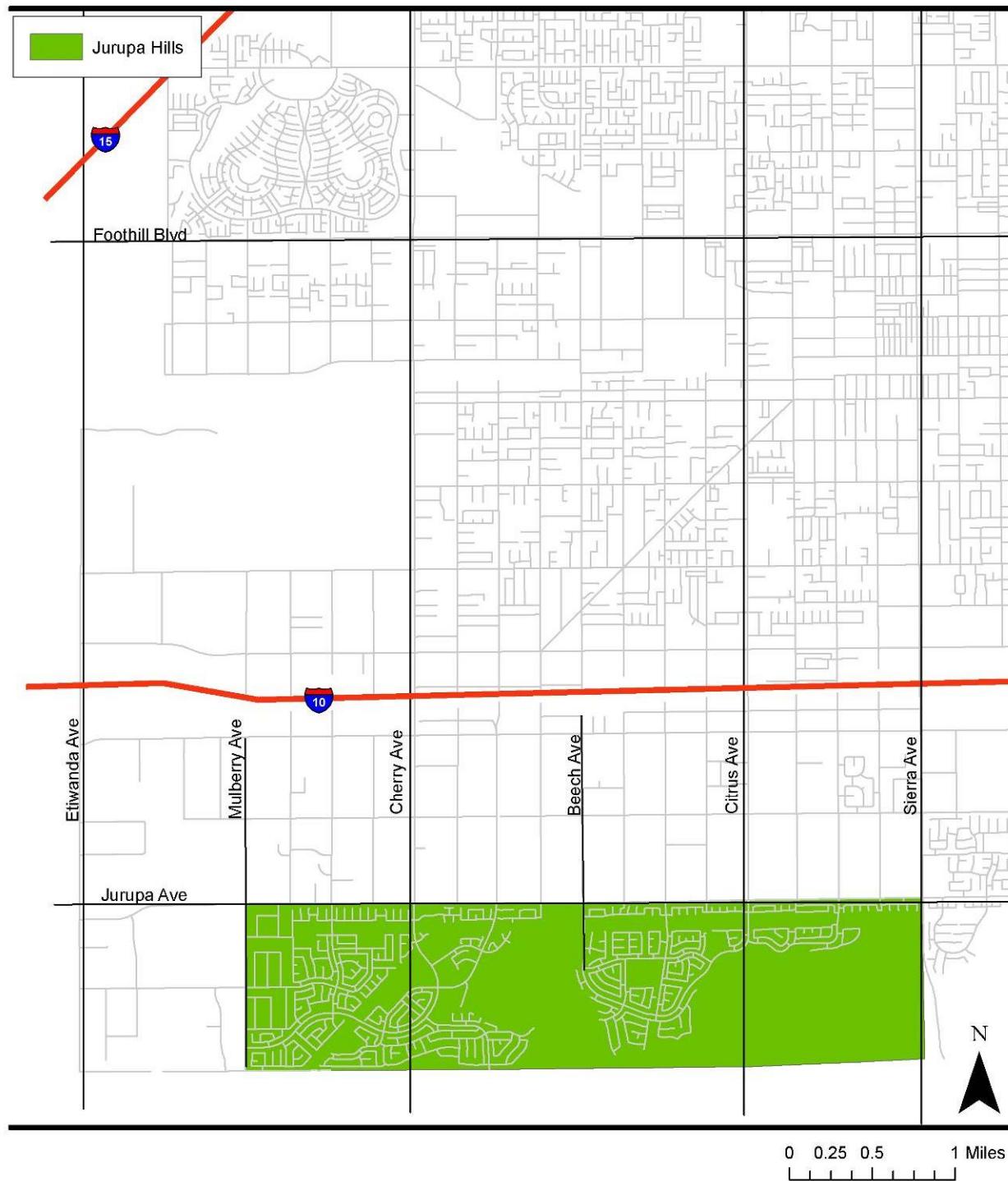
### **Jurupa Hills Redevelopment Project Area**

The Jurupa Hills Redevelopment Project, adopted in October of 1981, contains approximately 2,607 gross acres of land and provides for the following land uses: 1,160 acres of property developed with lower and moderately priced housing that has attracted first time home buyers; 49 acres of property designated for commercial development; and 1,398 acres dedicated to public facilities, including schools, utility corridors, neighborhood parks and the Martin Tudor Regional Park. The Jurupa Hills Redevelopment Project encompasses major portions of the southern area of the City and is generally bounded by Jurupa Avenue on the north, Sierra Avenue to the east, the San Bernardino/Riverside County line to the south, and Mulberry Avenue to the west. The boundaries of the Jurupa Hills Redevelopment Project, illustrated the following page, match those of the Southridge Village Specific Plan Area which was adopted by the City Council in May 1982. The Redevelopment Plan for the Jurupa Hills Redevelopment Project has been amended twice to amend time and financial limits. Amendment No. 3 was adopted on November 15, 1994 by Ordinance No. 1137 to modify time limits to conform with AB 1290, as codified in Section 33333.6 of the CCRL. Amendment No. 4 was adopted on December 21, 2004 by Ordinance No. 1468 to increase the effectiveness of the redevelopment plan and time limit to receive tax increment by one year pursuant to SB 1045. Amendment No. 5 was adopted on June 26, 2007 by Ordinance No. 1553 to adopt an eminent domain program pursuant to SB 53. None of these amendments increased or decreased the acreage of the Project Area.

The City, Agency and Ten-Ninety Ltd. have previously entered into an Owner Participation Agreement, a Facilitation Agreement, and numerous other agreements relating to the development of the Southridge Village Specific Plan. Collectively, these agreements set forth the regulations and standards for development, identify the public infrastructure requirements and responsibilities, and establish the methodology for the disbursement of tax increment funds.

## JURUPA HILLS REDEVELOPMENT PROJECT AREA

FIGURE 4



## Prior Five-Year Period Accomplishments

As a result of the original Ten-Ninety Limited Owner Participation Agreement and subsequent agreements, the Master Developer (Ten-Ninety Limited) advanced the Agency \$167 million for infrastructure improvements, which allowed the start of the elimination of blighting conditions in the Jurupa Hills Redevelopment Project Area. In return, the Agency has granted the Master Developer first claim on all tax increment revenue generated by the Project up to a maximum of the amount borrowed (including principal and interest) or the expiration of the Project. Subsequent agreements between the Master Developer, the Agency, and the City assigns and grants to the Agency the use of a certain portion of the residual tax revenues for Agency projects and expenses. The City would receive any balance of the portion of the residual tax revenues after the Agency share has been paid in order to satisfy negative fiscal impacts created by the undertaking of the development of Southridge Village, the major development in the Project Area.

## Remaining Blighting Conditions

The Agency has implemented a successful, proactive redevelopment program in the Jurupa Hills Redevelopment Project Area since the adoption of the original Redevelopment Plan in 1981. Through various programs and projects, the Agency has made substantial progress in alleviating conditions of blight within the Project Area and generally revitalizing the area. However, despite this success, some blighting conditions remain, including:

- Underutilized properties due to inadequate public facilities or improvements such as streets, storm drain channels and sewer systems

## Jurupa Hills Project Five-Year Implementation Plan Strategies

The Agency has established the following strategies for the Five-Year Implementation Plan for the Jurupa Hills Redevelopment Project:

- Provide funding for operation and administration of Project Area activities as required by the CCRL.
- Meet existing financial obligations and agreements by funding debt service loan payments and Owner Participation and other Developer Agreement obligations.

Provide funding to meet obligations pursuant to the Agency's agreements with Ten-Ninety Ltd.

## Financial Resources

Table 4-1 on the following page presents the revenues (excluding low to moderate income housing fund revenues) the Agency may have available for the next five years. The projections are based on a two percent annual increase in secured assessed values over the five year period. No growth rates were assumed for unsecured or utility values. Outlined in the tables are projected tax increment receipts, taxing entity's fiscal mitigation payments, loan and debt service payments, and projected Agency administration costs.

## Projected Revenues and Expenditures - Jurupa Hills Project Area

Table 4-1

	1 2009-10	2 2010-11	3 2011-12	4 2012-13	5 2013-14	Five Year TOTAL
<b>Beginning Cash Balance (including reserves and bond proceeds)</b>	-	-	-	-	-	
<b>Revenues</b>						
Net Tax Increment Revenue	13,551,000	13,822,500	14,098,250	14,380,500	14,669,250	70,521,500
Interest Revenue	100,000	100,000	100,000	100,000	100,000	500,000
<b>Total</b>	<b>13,651,000</b>	<b>13,922,500</b>	<b>14,198,250</b>	<b>14,480,500</b>	<b>14,769,250</b>	<b>\$71,021,500</b>
<b>Total Available Funds</b>	<b>13,651,000</b>	<b>13,922,500</b>	<b>14,198,250</b>	<b>14,480,500</b>	<b>14,769,250</b>	
<b>Operations and Debt Service Costs</b>						
Debt Service	5,943,531	5,937,219	5,933,008	5,930,604	5,924,609	29,668,971
Ten Ninety Interest	7,551,469	7,829,281	8,109,242	8,393,896	8,688,641	40,572,529
Administration, Maintenance, Overhead	156,000	156,000	156,000	156,000	156,000	780,000
<b>Total</b>	<b>13,651,000</b>	<b>13,922,500</b>	<b>14,198,250</b>	<b>14,480,500</b>	<b>14,769,250</b>	<b>71,021,500</b>
<b>Funds Available for Projects</b>	-	-	-	-	-	
<b>Project Fund (including bond proceeds held in Project Fund)</b>	-	-	-	-	-	-
<b>Total Costs</b>	<b>13,651,000</b>	<b>13,922,500</b>	<b>14,198,250</b>	<b>14,480,500</b>	<b>14,769,250</b>	<b>\$71,021,500</b>
<b>FUND BALANCE SURPLUS/(SHORTFALL)</b>	-	-	-	-	-	
Cash Flow Reserve	-	-	-	-	-	
<b>Ending Cash Available</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

## Notes:

Tax increment revenue is net of housing and tax sharing agreements

The State's proposed SERAF shift for 2009-10 and 2010-11 is not shown due to an anticipated lawsuit challenging the taking.

The Agency is awaiting the outcome of the lawsuit and will make the payments if necessary.

Source: City of Fontana Management Services Department, RDA Update June 2009

Due to the State's effort to take redevelopment funds to balance the State Budget, the Agency may be required to make Educational Revenue Augmentation Fund ("ERAF") payments during the planning period. In Fiscal Year 2008-09, the State of California approved a budget contingent upon a shift of tax increment monies from redevelopment agencies to be applied to ERAF. The California Redevelopment Association filed a lawsuit on behalf of all redevelopment agencies asserting that the take from redevelopment was unconstitutional based on the CRL. On April 30, 2009 a judgment in favor of redevelopment agencies was rendered, affirming that the take was unconstitutional and therefore illegal. The State has confirmed it will not appeal this decision.

Following this judgment, the State of California approved the Fiscal Year 2009-10 budget egregiously relying on another ERAF shift from redevelopment agencies over the next two years, now called the Supplemental Educational Revenue Augmentation Fund ("SERAF"). While the California Redevelopment Association believes this shift of tax increment from redevelopment falls under the same circumstances as the previous attempt, the Agency may potentially be required to make SERAF shifts over the next two years. This shift of dollars from redevelopment could severely impact the Agency's ability to complete many of the projects both committed and anticipated over the next five year period. The California Redevelopment Association anticipates filing another lawsuit in an effort to thwart this and future takes from redevelopment. As recommended by the California Redevelopment Association, the potential SERAF shift is not shown in the cash flow, however the Agency will make the payments if required by law.

**Anticipated Projects and Programs (2009/10 to 2013/14)**

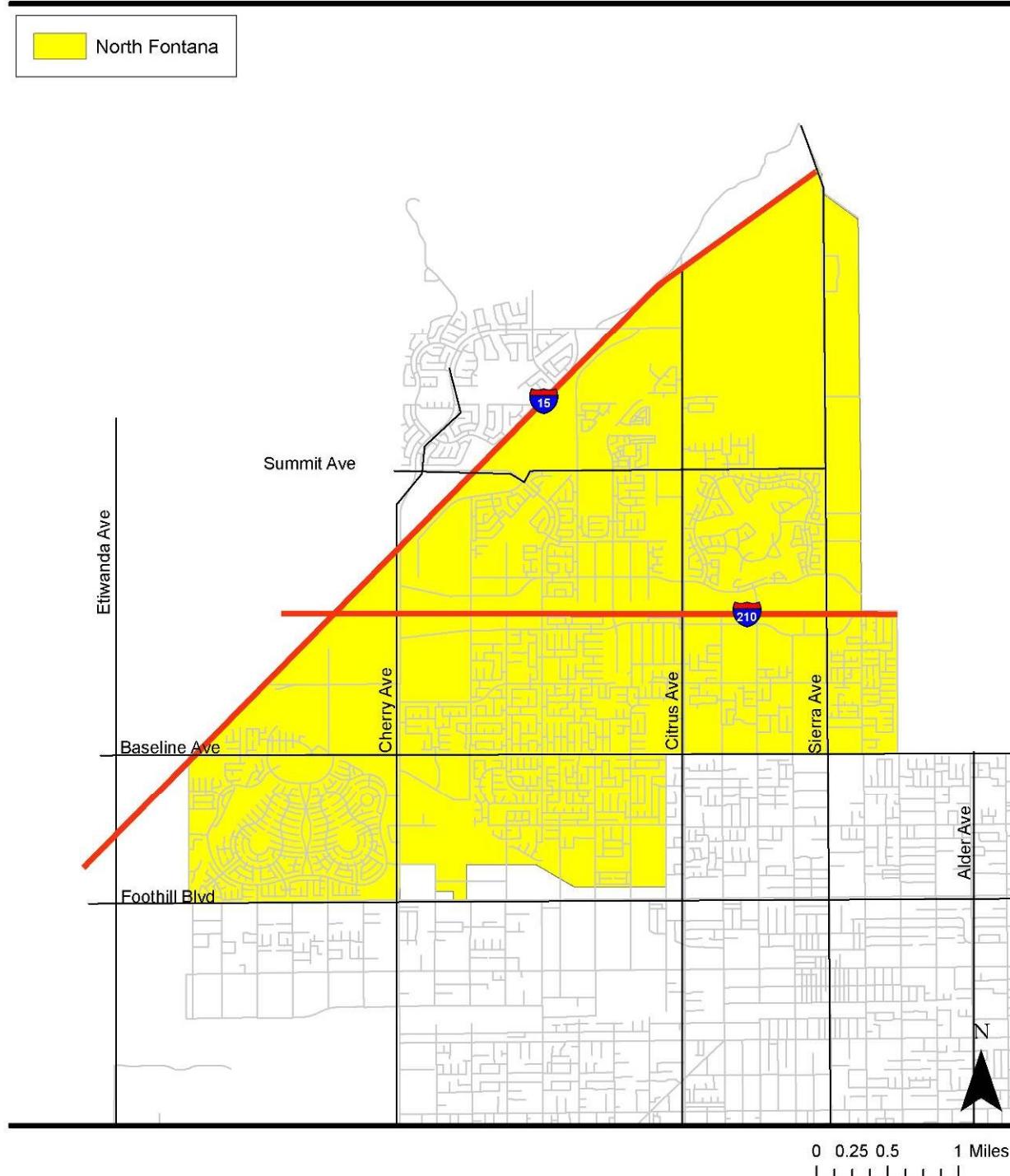
As a result of the original Ten-Ninety Limited Owner Participation Agreement and subsequent agreements, the Master Developer (Ten-Ninety Limited) has first claim on all tax increment revenue generated by the Project up to a maximum of the amount borrowed from the Master Developer by the Agency (including principal and interest) or the expiration of the Project. Thus, the Agency does not have any projects or programs planned for Jurupa Hills during this Implementation Plan period.

### **North Fontana Redevelopment Project Area**

The North Fontana Redevelopment Project was originally adopted in December 1982 and encompasses the majority of northern Fontana above Foothill Boulevard. An amendment to the Redevelopment Plan was adopted on November 15, 1994, modifying time limits to conform with AB 1290, as codified in Section 33333.6 of the CCRL. Amendment No. 2, adopted on December 21, 2004 by Ordinance No. 1469, extended the effectiveness of the redevelopment plan and time limit to receive tax increment by one year pursuant to SB 1045. Amendment No. 3 was adopted on May 17, 2005 by Ordinance No. 1478 to reinstate eminent domain in three defined subareas within the Project Area. Amendment No. 4 was adopted on June 26, 2007 to adopt an eminent domain program pursuant to SB 53. The North Fontana Redevelopment Project is generally located north of Foothill Boulevard, east of Interstate 15, running northward to the City border with the City of Rialto. The Project Area includes approximately 8,900 acres of land, the majority of which contains pre-existing blighting conditions that were identified at the time of annexation. One of the significant developments contained within the Project Area is the Village of Heritage, which contains 1,400 acres of mixed-use development comprised of single family housing and townhomes, office park, commercial and industrial development. A second significant development is Sierra Lakes, a 640 acre residential, commercial, and golf course community. The boundaries of the North Fontana Redevelopment Project are illustrated on the following page.

## NORTH FONTANA REDEVELOPMENT PROJECT AREA

FIGURE 5



### Prior Five-Year Period Accomplishments

The Agency has made significant efforts to stimulate the revitalization of the North Fontana Redevelopment Project Area since its adoption in 1982. During the past five year implementation plan period, the Agency completed several projects in the Project Area. The Village of Heritage Community Center was completed in 2008 with \$4.8 million in Agency assistance. The Agency also contributed \$3.5 million to construct the new Fire Station 79 in 2008. The Jesse Turner Health and Fitness Center, an aquatic center, skate park, and covered multi-purpose court facility, was completed in 2008 with \$40.6 million in Agency assistance. Lastly, street improvements were made on Sierra Avenue between Baseline Road and the 210 freeway with \$7.4 million in Agency assistance.



## Remaining Blighting Conditions

Unfortunately, much of the blight identified at the time the North Fontana Redevelopment Project was originally adopted remains today due to the large size of the Project Area and sparse development. A lack of remaining tax increment revenues after debt service and other financial obligations has also prevented the implementation of redevelopment projects and programs. Remaining blighting conditions include:

- Underutilized properties due to inadequate public improvements and infrastructure
- Properties suffering from economic maladjustment, dislocation, disuse, and substandard design
- Buildings and structures suffering from age, obsolescence, or deterioration
- Inadequate or nonexistent public facilities
- Lots of irregular form or shape laid out in disregard to topographic or other visible characteristics

## North Fontana Project Five-Year Implementation Plan Strategies

The Agency has established the following strategies for the Five-Year Implementation Plan for the North Fontana Redevelopment Project:

- Provide funding for operation and administration of Project Area activities as required by the CCRL.
- Meet existing financial obligations and agreements by funding debt service loan payments and Owner Participation and other Developer Agreement obligations.
- Implement Specific Plans that address the unique needs and problems of North Fontana.
- Design and construct a 20 acre sports park and the Pacific Electric Trail to improve public infrastructure and facilities, provide needed non-motorized circulation routes, and promote a healthy lifestyle.

Complete existing and implement new street and storm drain improvements to encourage private sector investment and improve public infrastructure and circulation. This includes Interstate-15 interchange improvements at Duncan Canyon Road and Baseline Avenue to provide better access to and from the adjacent areas of development.

## Financial Resources

Table 5-1 on the following page presents the revenues (excluding low to moderate income housing fund revenues) the Agency may have available for the next five years to fund implementation plan activities. The projections are based on a two percent annual increase in secured assessed values over the five year period. No growth rates were assumed for unsecured or utility values. Outlined in the tables are projected tax increment receipts, taxing entity's fiscal mitigation payments, loan and debt service payments, and projected Agency administration costs. Funds available to implement future programs are identified as the remaining funds net of these operation and debt service obligations.

## Projected Revenues and Expenditures - North Fontana Project Area

Table 5-1

	1 2009-10	2 2010-11	3 2011-12	4 2012-13	5 2013-14	Five Year TOTAL
<b>Beginning Cash Balance (including reserves and bond proceeds)</b>	<b>41,765,664</b>	<b>21,212,111</b>	<b>25,971,374</b>	<b>23,741,315</b>	<b>16,456,536</b>	
<b>Revenues</b>						
Net Tax Increment Revenue	38,200,000	36,720,000	37,440,000	38,160,000	38,952,000	189,472,000
Interest Revenue	3,000	-	-	-	-	3,000
<b>Total</b>	<b>38,203,000</b>	<b>36,720,000</b>	<b>37,440,000</b>	<b>38,160,000</b>	<b>38,952,000</b>	<b>\$189,475,000</b>
<b>Total Available Funds</b>	<b>79,968,664</b>	<b>57,932,111</b>	<b>63,411,374</b>	<b>61,901,315</b>	<b>55,408,536</b>	
<b>Operations and Debt Service Costs</b>						
Debt Service	23,502,753	24,544,307	31,982,967	37,476,993	26,938,520	144,445,540
Fire Agreement	5,060,000	5,310,000	5,580,000	5,860,000	6,150,000	27,960,000
Administration, Maintenance, Overhead	12,600	13,230	13,892	14,586	15,315	69,623
<b>Total</b>	<b>28,575,353</b>	<b>29,867,537</b>	<b>37,576,859</b>	<b>43,351,579</b>	<b>33,103,835</b>	<b>172,475,163</b>
<b>Funds Available for Projects</b>	<b>51,393,311</b>	<b>28,064,574</b>	<b>25,834,515</b>	<b>18,549,736</b>	<b>22,304,701</b>	
<b>Project Fund (including bond proceeds held in Project Fund)</b>	<b>30,181,200</b>	<b>2,093,200</b>	<b>2,093,200</b>	<b>2,093,200</b>	<b>2,093,200</b>	<b>38,554,000</b>
<b>Total Costs</b>	<b>58,756,553</b>	<b>31,960,737</b>	<b>39,670,059</b>	<b>45,444,779</b>	<b>35,197,035</b>	<b>\$211,029,163</b>
<b>FUND BALANCE SURPLUS/(SHORTFALL)</b>	<b>21,212,111</b>	<b>25,971,374</b>	<b>23,741,315</b>	<b>16,456,536</b>	<b>20,211,501</b>	
Cash Flow Reserve	12,950,152	13,085,733	13,228,208	13,372,946	13,525,517	
<b>Ending Cash Available</b>	<b>8,261,959</b>	<b>12,885,641</b>	<b>10,513,107</b>	<b>3,083,591</b>	<b>6,685,984</b>	

**Notes:**

*Tax increment revenue is net of housing and tax sharing agreements*  
*The State's proposed SERAF shift for 2009-10 and 2010-11 is not shown due to an anticipated lawsuit challenging the taking.*  
*The Agency is awaiting the outcome of the lawsuit and will make the payments if necessary.*

*Source: City of Fontana Management Services Department, RDA Update June 2009*

Due to the State's effort to take redevelopment funds to balance the State Budget, the Agency may be required to make Educational Revenue Augmentation Fund ("ERAF") payments during the planning period. In Fiscal Year 2008-09, the State of California approved a budget contingent upon a shift of tax increment monies from redevelopment agencies to be applied to ERAF. The California Redevelopment Association filed a lawsuit on behalf of all redevelopment agencies asserting that the take from redevelopment was unconstitutional based on the CRL. On April 30, 2009 a judgment in favor of redevelopment agencies was rendered, affirming that the take was unconstitutional and therefore illegal. The State has confirmed it will not appeal this decision.

Following this judgment, the State of California approved the Fiscal Year 2009-10 budget egregiously relying on another ERAF shift from redevelopment agencies over the next two years, now called the Supplemental Educational Revenue Augmentation Fund ("SERAFF"). While the California Redevelopment Association believes this shift of tax increment from redevelopment falls under the same circumstances as the previous attempt, the Agency may potentially be required to make SERAF shifts over the next two years. This shift of dollars from redevelopment could severely impact the Agency's ability to complete many of the projects both committed and anticipated over the next five year period. The California Redevelopment Association anticipates filing another lawsuit in an effort to thwart this and future takes from redevelopment. As recommended by the California Redevelopment Association, the potential SERAF shift is not shown in the cash flow, however the Agency will make the payments if required by law.

### **Anticipated Projects and Programs (2009/10 to 2013/14)**

The Agency will continue to implement projects and programs over the next five years to alleviate blight in the North Fontana Project Area, including several public facility and infrastructure improvement projects. The following summary matrix describes the proposed non-housing projects and programs planned for the next five years. The matrix describes each proposed project, gives the projected time frame for implementation, identifies Agency goals to be achieved, and identifies the blighting conditions to be addressed. Anticipated program expenditures are based on projected tax increment revenue expected for FY 2009-10 to 2013-14, as detailed in Table 5-1 above. Greater or lesser funding may be available depending on actual assessed valuation changes in the North Fontana Project Area over the next five years.

## 2009-10 to 2013-14 Five Year Implementation Plan Projects - North Fontana

TABLE 5-2  
Estimated  
Agency Cost

Program	Time Frame	Description	Goals Achieved	Blight Mitigated	\$	-
<b>REDEVELOPMENT (NON-HOUSING) PROGRAM</b>						
<b>Site Development</b>	2008 to 2010	The Agency acquired land to facilitate development of a retail center. A private developer will be developing the land over the next five years.	Remove blight Stimulate private investment Encourage commercial development and redevelopment		\$	-
<b>Fontana Sports Park</b>	2008 to 2012	Design and construct a 20 acre sports park	Remove blight Provide community facilities Promote compatible development Encourage private sector investment Improve Public Infrastructure	Inadequate or nonexistent public facilities Underutilized properties due to inadequate public improvements and infrastructure	\$ 2,100,000	
<b>Pacific Electric Trail Segments 3B, 4 &amp; 6</b>	2003 to 2012	Construct approximately 6 1/2 miles of the Pacific Electric Trail that traverses through the City of Fontana	Remove blight Improve community facilities Improve Public Infrastructure/Circulation Provide healthy non-motorized forms of Improve public infrastructure	Inadequate or nonexistent public facilities Underutilized properties due to inadequate public improvements and infrastructure	\$ 5,469,000	

## 2009-10 to 2013-14 Five Year Implementation Plan Projects - North Fontana

TABLE 5-2 cont.  
Estimated Agency Cost

Program	Time Frame	Description	Goals Achieved	Blight Mitigated	Estimated Agency Cost
<b>REDEVELOPMENT (NON-HOUSING) PROGRAM</b>					
<b>Foothill Boulevard Street Improvements</b>		Street improvements to widen roadway, install a raised median, sidewalk, curb, gutter, decorative street lights and landscaping	Eliminate blight Encourage private sector investment Improve public infrastructure/circulation	Underutilized properties due to inadequate public improvements and infrastructure	\$ 15,992,217
Foothill: Cherry-Hemlock	2009 to 2011	Realign and widen roadway from two to three lanes, install landscape median, curb, gutter, sidewalk, and lighting			6,211,324
Foothill: East-Cherry	2010	Widen roadway from two to three lanes, install a raised median, sidewalk, curb, gutter, decorative street lights and landscaping			9,780,893
<b>Baseline Storm Drain and</b>		Storm drain and street improvements includes extending the storm drain box culvert, widening roadway, constructing sewer, raised median, sidewalk, curb, gutter, and landscaping	Eliminate blight Encourage private sector investment Improve public infrastructure/circulation	Underutilized properties due to inadequate public improvements and infrastructure	\$ 17,450,365
Baseline: Citrus-Sierra	2008 to 2010				
<b>Sierra Improvements</b>	TBD	Storm drain and street improvements include widening roadway, constructing sewer, raised median, sidewalk, curb, gutter, street lights and landscaping, install traffic signals	Eliminate blight Encourage private sector investment Improve public infrastructure/circulation	Underutilized properties due to inadequate public improvements and infrastructure	\$ 500,000
Sierra/Riverside Intersection		Realign intersection, street widening and install new traffic signal			

## 2009-10 to 2013-14 Five Year Implementation Plan Projects - North Fontana

TABLE 5-2 cont.  
Estimated Agency Cost

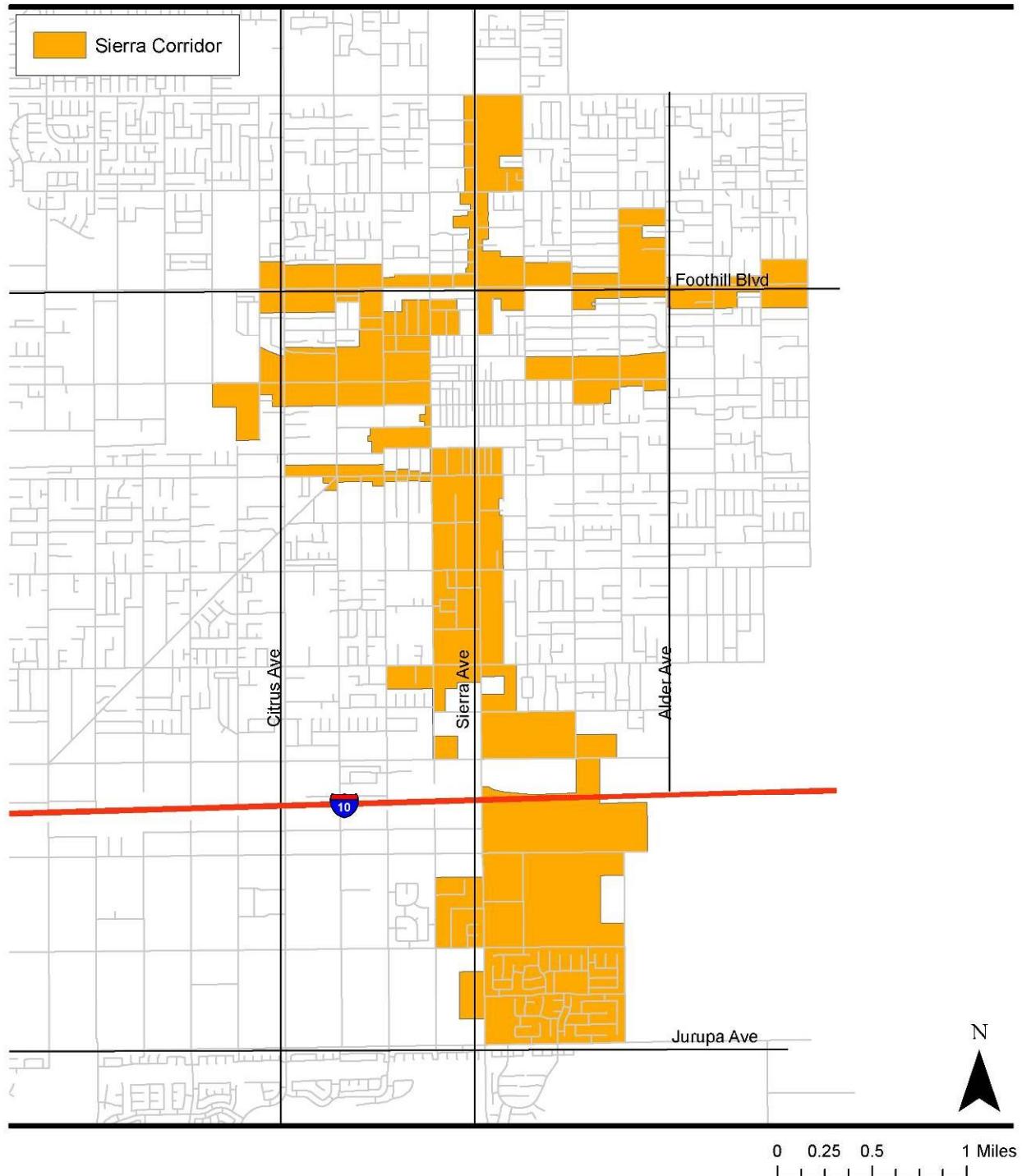
Program	Time Frame	Description	Goals Achieved	Blight Mitigated	Estimated Agency Cost
<b>REDEVELOPMENT (NON-HOUSING) PROGRAM</b>					
<b>Duncan Canyon St and Storm Drain</b>		Street and master storm drain improvements	Eliminate blight	Underutilized properties due to inadequate public improvements and infrastructure	\$ 10,483,799
Duncan Canyon: I-15/Citrus	2009	Streets and master storm drain line RCB Box improvements for Phase II	Encourage private sector investment		4,095,384
Duncan Canyon: RCB/PH1-Lin	2009	Construction of a master storm drain line crossing the i-15 and connecting to the Hawker-Crawford Channel	Improve public infrastructure/circulation		6,388,415
<b>I-15/Duncan Canyon Intercha</b>	2005 to 2011	Reconstruct Duncan Canyon overcrossing as a fully functional interchange to the mainline freeway (I-15)	Eliminate blight Encourage private sector improve public infrastructure/circulation	Underutilized properties due to inadequate public improvements and infrastructure	\$ 26,000,000
<b>I-15/Baseline Interchange</b>	2013 to 2014	Reconstruct the interchange in conjunction with Rancho Cucamonga	Improve public infrastructure/circulation	Underutilized properties due to inadequate public improvements and infrastructure	\$ 9,000,000
<b>Lytle Creek Realignment</b>	2010 to 2011	Realign Lytle Creek North adjacent to the I-15 Freeway north of Duncan Canyon Road	Eliminate blight Encourage private sector improve public infrastructure/circulation	Underutilized properties due to inadequate public improvements and infrastructure	\$ 4,008,099
<b>GRAND TOTAL FIVE YEAR NON-HOUSING PROGRAM COST</b>					\$ 91,003,480

**Sierra Corridor Redevelopment Project Area**

The Sierra Corridor Commercial Redevelopment Project, adopted in July of 1992, incorporates the major commercial corridors of the City not already included within the existing Downtown Redevelopment Project. An amendment to the Redevelopment Plan was adopted on November 15, 1994 to modify time limits to conform with AB 1290, as codified in Section 33333.6 of the CCRL. Amendment No. 2 was adopted by Ordinance No. 1470 on December 21, 2004 to extend the effectiveness of the redevelopment plan and time limit to receive tax increment by one year pursuant to SB 1045. Amendment No. 3 was adopted on December 12, 2006 by Ordinance No. 1535 to eliminate the time limit to incur debt pursuant to SB 211. Amendment No. 4 was adopted by Ordinance No. 1555 on June 26, 2007 to adopt an eminent domain program pursuant to SB 57. The Sierra Corridor Commercial Redevelopment Project contains approximately 2,213 acres of mixed residential, office, commercial, industrial, and open space uses. The boundaries of the Sierra Corridor Redevelopment Project are illustrated on the following page.

SIERRA CORRIDOR COMMERCIAL PROJECT AREA

FIGURE 6



### Prior Five-Year Period Accomplishments

The Agency has pursued redevelopment activities in the Project Area since its adoption. During the past five year implementation plan period, the Agency made several infrastructure improvements. These include landscape improvements at the Interstate 10/Sierra Avenue interchange completed in 2008 for \$175,000 in Agency assistance and construction of a storm drain along the north side of Foothill Boulevard between Juniper and Sierra Avenues completed in 2008 for \$900,000 in Agency Assistance. The Agency also made infrastructure improvements to facilitate the construction of the Hilton Garden Inn, a business-class hotel, conference center and restaurant. This was completed in 2008 with \$1.5 million in Agency assistance.

The Agency helped fund the renovation of a 1937 movie theater into a dinner theater and special events complex for \$2 million in 2008.



Lastly, tax increment from the Sierra Corridor Project Area helped fund the construction of the Lewis Library and Technology Center in the Downtown Project Area.

## Remaining Blighting Conditions

Blighting conditions remain in the Project Area due to a lack of sufficient resources, a significant number of assessment appeals and downward reassessment of property values, the limited number of years the Project has existed, and a continued lack of new development in the Project Area. Remaining blighting conditions include:

- Deteriorated, dilapidated, and unsafe buildings and structures that are in need of moderate to extensive repairs
- Buildings and structures exhibiting age, obsolescence, and defective design
- Properties which lack adequate parking, loading facilities, and storage
- Properties suffering from economic maladjustment, dislocation, disuse, and substandard design
- Mixed, shifting, and conflicting/incompatible uses
- Inadequate public improvements, infrastructure and community facilities
- Depreciated or stagnant property values and impaired investments
- High vacancy rates, high business or rental turnover rates, and low rental rates
- Abandoned and/or vacant buildings
- A prevalence of vacant lots
- A high crime rate
- Subdivided lots of irregular form, shape, and inadequate size laid out in disregard to topographic or other physical characteristics

## Sierra Corridor Project Five-Year Implementation Plan Strategies

The Agency has established the following strategies for the Five-Year Implementation Plan for the Sierra Corridor Redevelopment Project:

- Provide funding for operation and administration of Project Area activities as required by the CCRL.
- Meet existing financial obligations and agreements by funding debt service loan payments and Owner Participation and other Developer Agreement obligations.
- Pursue redevelopment activities that encourage commercial development and redevelopment.
- Provide developer assistance to eliminate blight and stimulate private investment.

Provide public improvements and facilities, including a Central Park and the Pacific Electric Trail, to eliminate blight, encourage private sector investment, and improve circulation.

## Financial Resources

Table 6-1 on the following page presents the revenues (excluding low to moderate income housing fund revenues) the Agency may have available for the next five years to fund implementation plan activities. The projections are based on a two percent annual increase in secured assessed values over the five year period. No growth rates were assumed for unsecured or utility values. Outlined in the tables are projected tax increment receipts, taxing entity's fiscal mitigation payments, loan and debt service payments, and projected Agency administration costs. Funds available to implement future programs are identified as the remaining funds net of these operation and debt service obligations.

Projected Revenues and Expenditures - Sierra Corridor Commercial Project Area

Table 6-1

	1 2009-10	2 2010-11	3 2011-12	4 2012-13	5 2013-14	Five Year TOTAL
<b>Beginning Cash Balance (including reserves and bond proceeds)</b>	<b>16,310,643</b>	<b>7,289,223</b>	<b>10,668,240</b>	<b>14,188,685</b>	<b>17,856,967</b>	
<b>Revenues</b>						
Net Tax Increment Revenue	7,039,000	7,180,000	7,323,000	7,470,000	7,619,000	36,631,000
Interest Revenue	42,000	-	-	-	-	42,000
<b>Total</b>	<b>7,081,000</b>	<b>7,180,000</b>	<b>7,323,000</b>	<b>7,470,000</b>	<b>7,619,000</b>	<b>\$36,673,000</b>
<b>Total Available Funds</b>	<b>23,391,643</b>	<b>14,469,223</b>	<b>17,991,240</b>	<b>21,658,685</b>	<b>25,475,967</b>	
<b>Operations and Debt Service Costs</b>						
Debt Service	3,477,320	3,475,883	3,477,455	3,476,618	3,473,348	17,380,624
Administration, Maintenance, Overhead	12,000	12,000	12,000	12,000	12,000	60,000
<b>Total</b>	<b>3,489,320</b>	<b>3,487,883</b>	<b>3,489,455</b>	<b>3,488,618</b>	<b>3,485,348</b>	<b>17,440,624</b>
<b>Funds Available for Projects</b>	<b>19,902,323</b>	<b>10,981,340</b>	<b>14,501,785</b>	<b>18,170,067</b>	<b>21,990,619</b>	
<b>Project Fund (including bond proceeds held in Project Fund)</b>	<b>12,613,100</b>	<b>313,100</b>	<b>313,100</b>	<b>313,100</b>	<b>313,100</b>	<b>13,865,500</b>
<b>Total Costs</b>	<b>16,102,420</b>	<b>3,800,983</b>	<b>3,802,555</b>	<b>3,801,718</b>	<b>3,798,448</b>	<b>\$31,306,124</b>
<b>FUND BALANCE SURPLUS/(SHORTFALL)</b>	<b>7,289,223</b>	<b>10,668,240</b>	<b>14,188,685</b>	<b>17,856,967</b>	<b>21,677,519</b>	
Cash Flow Reserve	2,233,516	2,257,366	2,280,089	2,301,529	2,326,819	
<b>Ending Cash Available</b>	<b>5,055,707</b>	<b>8,410,874</b>	<b>11,908,596</b>	<b>15,555,438</b>	<b>19,350,700</b>	

**Notes:**

Tax increment revenue is net of housing and tax sharing agreements

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The Agency is awaiting the outcome of the lawsuit and will make the payments if necessary.

Source: City of Fontana Management Services Department, RDA Update June 2009

Due to the State's effort to take redevelopment funds to balance the State Budget, the Agency may be required to make Educational Revenue Augmentation Fund ("ERAF") payments during the planning period. In Fiscal Year 2008-09, the State of California approved a budget contingent upon a shift of tax increment monies from redevelopment agencies to be applied to ERAF. The California Redevelopment Association filed a lawsuit on behalf of all redevelopment agencies asserting that the take from redevelopment was unconstitutional based on the CRL. On April 30, 2009 a judgment in favor of redevelopment agencies was rendered, affirming that the take was unconstitutional and therefore illegal. The State has confirmed it will not appeal this decision.

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**Anticipated Projects and Programs (2009/10 to 2013/14)**

The Agency will continue to implement projects and programs over the next five years to revitalize the Sierra Corridor Project Area, including several public facility and infrastructure improvement projects. The following summary matrix for the Sierra Corridor Project Area describes the proposed non-housing projects and programs planned for the next five years. The matrix describes each proposed project, gives the projected time frame for implementation, identifies Agency goals to be achieved, and identifies the blighting conditions to be addressed. Anticipated program expenditures are based on projected tax increment revenue expected for FY 2009-10 to 2013-14, as detailed in Table 6-1 above. Greater or lesser funding may be available depending on actual assessed valuation changes in the Sierra Corridor Project Area over the next five years.

## 2009-10 to 2013-14 Five Year Implementation Plan Projects - Sierra Corridor

TABLE 6-2  
Estimated Agency Cost

Program	Time Frame	Description	Goals Achieved	Blight Mitigated	Estimated Agency Cost
<b>REDEVELOPMENT (NON-HOUSING) PROGRAM</b>					
<b>I-10/Cypress Overcrossing</b>	2003 to 2010	Design and construct an overcrossing at Cypress Avenue	Eliminate Blight Encourage private sector investment Improve public infrastructure and circulation Provide access to S. Fontana and Valley Blvd. corridor	Inadequate public improvements, infrastructure and community facilities	\$ 17,841,993
<b>Sierra: Valley to San Bernardino Street Improvements</b>	2009 to 2012	Road widening, construct median island, and traffic signal modifications within existing right of way	Eliminate Blight Encourage private sector investment Improve public infrastructure and circulation	Inadequate public improvements, infrastructure and community facilities	\$ 281,610
<b>Central Park</b>	2009 to TBD	Prepare plans for a park site to be located in the central portion of the City	Eliminate Blight Provide community facilities Promote compatible development Encourage private sector investment Improve public infrastructure	Inadequate public improvements, infrastructure and community facilities	\$ 155,000

## 2009-10 to 2013-14 Five Year Implementation Plan Projects - Sierra Corridor

TABLE 6-2 cont.  
Estimated Agency Cost

Program	Time Frame	Description	Goals Achieved	Blight Mitigated	Estimated Agency Cost
<b>REDEVELOPMENT (NON-HOUSING) PROGRAM</b>					
<b>Pacific Electric Trail Segment 6</b>	2010 to 2011	Construct approximately 6 1/2 miles of the Pacific Electric Trail that traverses through the City of Fontana	Remove blight Improve community facilities Improve Public Infrastructure/Circulation Provide healthy non-motorized forms of circulation routes Improve public infrastructure	Inadequate public improvements, infrastructure and community facilities	\$ 2,513,906
<b>Civic Auditorium - Rosena Fountain Development</b>	2003 to TBD	Facilitate a mixed use development with an office business park and retail component	Eliminate Blight Stimulate private investment Encourage commercial development and redevelopment	Inadequate public improvements, infrastructure and community facilities	\$ -
<b>Senior Community Center</b>	2005 to 2010	Land acquisition, relocation, design and construction of a new 42,800 square foot Senior Community Center	Eliminate Blight Improve community facilities Promote compatible development Encourage private sector investment Provide facilities for senior recreation and community classes	Inadequate public improvements, infrastructure and community facilities	\$ 16,516,067
<b>GRAND TOTAL FIVE YEAR NON-HOUSING PROGRAM COST</b>					<b>\$ 37,308,576</b>

## **ADMINISTRATION OF THE IMPLEMENTATION PLAN**

As detailed in the Introduction of this Plan, the Agency is required to produce an Implementation Plan every five years. After adoption of the first implementation plan, a new plan is to be adopted every five years either in conjunction with the housing element cycle or the implementation plan cycle.

### **Implementation Plan Adoption Process**

Each Implementation Plan must be presented and adopted at a duly noticed public hearing of the Agency. Notice of the public hearing must be conducted pursuant to this Section 33490 of the CCRL. The Notice must be published pursuant to Section 6063 of the Government Code, mailed at least three weeks in advance to all persons and agencies that have requested notice, and posted in at least four permanent places within the Project Area for a period of three weeks. Publication, mailing, and posting shall be completed not less than 10 days prior to the date set for hearing.

The Agency may amend the implementation plan at any time after conducting a public hearing on the proposed amendment.

### **Mid-Term Implementation Plan Review Process**

At least once within the five-year term of this Implementation Plan, the Agency must conduct a public hearing and hear testimony of all interested parties for the purpose of reviewing the redevelopment plan and the corresponding implementation plan for each redevelopment project. This hearing must take place no earlier than two years and no later than three years after the adoption of the Implementation Plan.