

# Orange Redevelopment Agency Orange, California

Annual Report Fiscal Year 2006-07

Submitted By: John W. Sibley, Executive Director James E. Reichert, Assistant Executive Director



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## **Executive Director's Message**

I am pleased to present to the Board of Directors and the citizens of the City of Orange the Annual Report of the Orange Redevelopment Agency for FY 2006-07.

It was another busy year for the Agency. In the southwest part of the project area, two major land holdings changed title. The Block, formerly owned by Orange City Mills Limited Partnership, an affiliate of The Mills Corporation, was acquired by Simon Properties Group. Several office properties formerly owned by Equity Office Properties were acquired by Maguire Properties. Agency, City and company officials continue to meet to discuss future plans for these prominent locations. Construction was completed on the Renaissance project, a 460-unit luxury apartment complex developed by BRE on the site of the former Cinedome Theaters on Chapman Avenue, adjacent to the Santa Ana River. Archstone Communities began construction on an 884-unit luxury apartment complex on the former Orange Drive-In site on State College Boulevard. Preliminary plans were also being developed for a new hotel on property located north from the Ayres Hotel on State College Boulevard near the Santa Ana Freeway.

Along West Chapman Avenue, construction was completed on the shell of a 20,000 square foot medical office building on Chapman Avenue at Citrus Street, and the property turned over to a doctors' group to complete the interior. Tesco, a major grocery store chain in Europe, received approval to construct a Fresh & Easy Neighborhood Market in space formerly occupied by The Good Guys at the southwest corner of Chapman Avenue and Main Street.

Several new businesses opened in Old Towne. Gabbi's Mexican Kitchen and Café Lucca were added to the already bustling restaurant scene. New retail businesses included Two Little Monkeys clothing store and Eikon Home Essentials, a higher end home accessory store. Preliminary plans were also being developed to renovate both the interior and exterior of the Cal National Bank building on East Chapman Avenue.

In the West Orange industrial area, several projects moved forward at Stadium Promenade. A new Starbucks Café on Katella Avenue opened mid-year and construction was nearing completion on Lazy Dog Café and Carino's Italian Grill. Construction began on a new ice cream store, and preliminary plans were developed for an Irish pub/restaurant.

Along Tustin Street, preliminary work began on potential redevelopment of the former Brunswick Bowl and adjacent car wash site for the City's second Best Buy store. Plans were also submitted to redevelop the former Drug Emporium site at Tustin Street and Chapman Avenue for a Walgreens Drug Store and supporting retail. Plans were approved to reconstruct a Wells Fargo Bank that was extensively damaged during a fire at the northeast corner of Tustin Street and Heim Avenue.

The Agency Board also approved a Small Business Assistance Program this fiscal year. The program provides financial assistance to upgrade building facades, landscaping,

signage, parking, and certain interior improvements to business and property owners in the Project Area.

In the area of housing, construction was completed on The Olson Company's 18-unit condominium project on Manchester Street, north from Chapman Avenue. The project includes nine units that have been sold to Moderate Income households that will remain affordable for 45 years. Rehabilitation of a 10-unit apartment complex was completed on Wilson Avenue, between Tustin Street and the Costa Mesa Freeway. All 10 units are occupied by very low income households, and will remain affordable for 45 years. The acquisition of two 20-unit apartment complexes was also completed on Hoover Avenue, west from Glassell Street. The renovation of the first complex was completed during the year, and the renovation of the second complex was nearing completing at yearend. All 40 units will be occupied by very low income households, and will remain affordable for 45 years.

These and other projects undertaken by the Agency over the past fiscal year are described in more detail in the report. Agency staff appreciates the support shown for its activities by the Board of Directors, and will continue in the coming fiscal year to create and pursue economic development and redevelopment opportunities as they arise.

John W. Sibley Executive Director



## **Redevelopment Activities**

## The Block at Orange

In Spring 2007, Simon Properties Group completed its acquisition of The Mills Corporation holdings that included The Block at Orange property located along The City Drive. As the new property owner, Simon Properties Group began exploring redevelopment and expansion opportunities at The Block. Recognizing The Mills received approvals for retail, residential and hotel expansion, Simon continues to evaluate these opportunities and anticipates bringing forth a modified plan in FY 2007-08.

Along with the completion of the Metropolitan Drive reconfiguration as part of the Garden Grove (22) Freeway widening, plans are now underway to construct additional roadway improvements leading into The Block property. Construction of the improvements is anticipated to begin in Spring 2008.

## **Maguire Properties**

In Summer 2007, Maguire Properties acquired the Blackstone Properties (formerly Equity Office Properties) comprised of several mid- and high-rise office developments in and around the Uptown Area. Maguire Properties continues to assess its office holdings in Orange and evaluate potential development entitlements for several vacant properties in the Uptown area.

Discussions with Maguire Properties and Simon Properties Group were initiated to bring a collaborative effort toward the enhancement of streetscape in and around The Block area.

### **Stadium Promenade**

In FY 2006-07, several new restaurants and retail uses completed construction and opened at Stadium Promenade. In January 2007, a drive-through Starbucks was the first of four new retail uses added to the shopping center. Both Carino's Italian Grill and The Lazy Dog Café are near completion and are slated to open in July 2007. New Zealand Ice Cream began construction of its first location in Orange and is planning a Summer 2007 opening.





In addition, the property owner is completing lease negotiations with The Auld Irisher Pub & Restaurant, to occupy approximately 4,500 square feet of vacant space. The Auld Irisher operates seven restaurant locations in the Los Angeles, Orange County, Mammoth and Las Vegas areas.

The remaining 5,000 square feet of available space is being marketed for an additional restaurant/cafe use.

## **Ayres Hotel Expansion**

The Agency continues to pursue discussions with the owner of the Ayres Hotel to explore expansion opportunities in the Uptown area. The existing Ayres Inn is located at the northwest corner of The City Drive and Chapman Avenue. In 2006, Ayres completed its purchase of two Caltrans remnant parcels adjacent to its existing property. The consolidation of the Caltrans parcels along with a portion of its existing property could accommodate additional commercial development on site. The property owner is preparing conceptual plans to develop a second hotel tower located next to the existing hotel use.

## **Best Buy Store**

Prominently located on Tustin Street, the former Brunswick Bowling site has been vacant and blighted for several years. In FY 2005-06, the property owner considered a potential residential development on the property. Due to recent changes in the housing market, alternative redevelopment efforts are being considered including exploring a potential commercial development at the site. The property owner has pursued discussions to attract a quality national retail tenant to this five acre site. Negotiations are near completion to bring the city's second Best Buy store to anchor the site along with a support retail use. A formal planning application for City entitlements will begin in August 2007.

## Fresh & Easy Neighborhood Market

Plans are underway for a new Fresh & Easy Neighborhood Market to occupy 16,000 square feet of vacant retail space at Galleria L'Orange, located at the southwest corner of Main Street and Chapman Avenue. The site has been vacant since The Good Guys store closed in 2004. Demolition and construction will begin in Summer 2007. Fresh & Easy Neighborhood Market plans to launch the opening of its first wave of markets in the Orange and Los Angeles counties by November 2007.

## **Uptown Orange**



BRE completed construction of its 460-unit luxury apartment complex on West Chapman Avenue at the Santa Ana River. The Renaissance consists of 338 units built in a four-story configuration along West Chapman Avenue that is also wrapped around a parking structure, and 122 units built in a three-story configuration. Leasing efforts are now underway.

Archstone Communities began grading work in third quarter FY 2006-07 on the 884-unit luxury apartment project on the former

Orange Drive-In site on State College Boulevard, north from the Santa Ana Freeway. Upon completion of the project, 532 of the units will be located in Orange, and the remainder in the City of Anaheim. The project is scheduled to complete construction in early 2008.

## **Public Infrastructure Improvements**

Several key public infrastructure projects located within the Orange Merged and Amended Redevelopment Project Area were financed with redevelopment funds in FY 2006-07. These public improvement projects included: street concrete improvements along Lewis Street from Metropolitan Drive to Chapman Avenue; and, upgrades to sidewalk ramps to comply with the Americans with Disability Act and storm drain improvements and upgrades along portions of Taft Avenue and Glassell Street.

## Walgreens

Redevelopment of the former Drug Emporium site is being proposed for a new 14,000 square foot Walgreens store with an adjoining 8,400 square feet of retail space. Walgreens plans to demolish the existing 26,000-square-foot building and construct a new building that will incorporate a drive-through pharmacy pick-up window. The adjacent retail building would accommodate restaurants and retail uses. A formal planning application was submitted in third quarter FY 2006-07.

## **Small Business Assistance Programs**

During the fiscal year, the Agency Board adopted and funded a Small Business Assistance Program (SBA) to promote and encourage property owners and tenants to rehabilitate commercial, retail and/or industrial properties located within the Orange Merged and Amended Redevelopment Project Area. The SBA Programs are comprised of six loan programs designed to provide incentives to property owners and tenants to upgrade signage, enhance landscaping, improve exterior facades and other property improvements. The programs offer financial assistance in the form of low interest and forgivable loans to encourage new investment, increase property values, facilitate deferred or much needed interior and exterior property improvements, and to assist tenants and businesses seeking to start-up, expand or relocate into the City of Orange. During its first year of implementation, the program has been met with great interest. A total of \$500,000 in funding for the program was initially appropriated, and loans totaling \$397,562 were approved in FY 2006-07.

#### **Citrus Medical Center**

This Agency assisted project consisted of the sale of four Agency-owned parcels to the Valentine Realty Company, Inc., and IDC West, LLC for the construction of a 20,200 square foot medical office building. The building was completed in FY 2006-07 and features approximately 16,800 square feet of gross leasable space, with ground level parking. Interior improvements will be completed and the building is expected to be ready for occupancy by the end of 2007.



#### **Cal National Bank**

In Fall 2006, the Agency Board approved a Second Amendment to Lease authorizing the approval of the remaining five-year lease extension to Cal National Bank at its existing Old Towne location. Upon approval of the lease extension, Cal National Bank began preparation of tenant improvements plans to upgrade the interior space including new offices and bank service areas. The plans were approved in June 2007 and construction will be completed by Fall 2007.

#### **Old Towne Activities**

Combining small town charm with a bustling commercial district. Old Towne Orange continues to grow and thrive with three new restaurants and two new stores opening during the fiscal year. After extensive renovations, Gabbi's Mexican Kitchen opened on South Street and Glassell was very quickly established as a popular restaurant with Additionally, Cafe Lucca regional draw.

opened on North Glassell Street during the





summer of 2006 and Bagel Me opened on Plaza Square in early 2007, expanding the options for dining in Old Towne. Two retail stores also opened during the fiscal year and provide expanded shopping opportunities. Two Little Monkeys, a unique children's clothing and toy store on North Glassell Street, and Eikon Home Essentials, a home accessory store on South Glassell Street featuring natural and hand-crafted items, both opened in fourth quarter of FY 2006-07. These stores provide additional diversity in shopping choices for this historic district which is known for an impressive collection of antique and collectable vendors.

## Wells Fargo Bank

In January 2007, the existing Wells Fargo Bank building was severely damaged by fire resulting in the demolition of the building. In Spring 2007, Wells Fargo Bank received City approval to construct a temporary trailer to operate its banking facilities until formal City approvals can be obtained to construct a new Wells Fargo Bank building. Plans were formally submitted in June 2007 for the construction of the new building. Construction is anticipated in Spring 2008.

## **Royer Mansion**

The Redevelopment Agency acquired a 7,500-square-foot building and adjoining carriage house at 307 East Chapman Avenue (Royer Mansion). Originally constructed as a residence in the late 1800's, the building was converted to office use many years ago, and the Agency intends to continue utilizing the building for office purposes while alternative uses are evaluated.

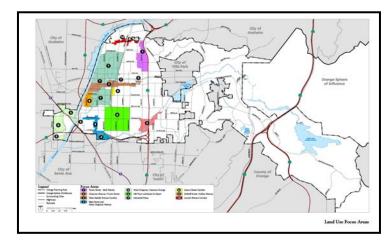
## **OCTA Surplus Property on Manchester Avenue**

Whenever an opportunity for redevelopment of an under-utilized property exists, the Agency carefully evaluates the future potential of the site and will purchase land for redevelopment purposes. During the fiscal year, the Agency acquired a surplus parcel located on Manchester Avenue adjacent to the City Town Center development. Staff is analyzing the potential of this site for future expansion of the City Town Center.

## Santa Fe Depot Specific Plan Update

A cooperative effort with the City's Community Development Department and the Orange Redevelopment Agency is near completion of the Santa Fe Depot Specific Plan Update. The Arroyo Group is the consulting firm retained by the City and Agency to prepare the Santa Fe Depot Specific Plan Update. The Arroyo Group facilitated several community workshops and outreach efforts to encourage community input to the Santa Fe Depot Specific Plan Update. During FY 2006-07, an assessment of Land Use Alternatives was prepared and will be culminating into a final recommendation of Preferred Land Use Alternative in the Specific Plan area. Completion of the Specific Plan Update and environmental documents are anticipated in Fall 2007.

## **General Plan Update**



Following a joint study session of the City Council and the Planning Commission in June 2006, further evaluation of the 10 focus areas is anticipated resulting proposed General Plan Update to return for consideration and approval in Spring 2008. The addition of a new **Economic** Development Element would be part of the overall General Plan Update.

#### **Annual Broker Breakfast**

In October 2006, the Agency hosted its annual Broker Breakfast at Chapman University's new film school, the Dodge College of Film and Media. The event welcomed many local and regional brokers specializing in the areas of industrial, commercial and retail properties in Orange County. The events highlighted key City efforts including: an overview of the General Plan Update, Santa Fe Depot Specific Plan Update and Small Business Assistance Programs.

## **Housing Activities**

#### **Manchester Walk**



In September 2005, the Agency entered into a Disposition and Development Agreement (DDA) with Olson Urban Housing, LLC to develop 18 townhomes on a 1.1-acre site located at 206 North Manchester Avenue. The Agency sold the property to the developer in January 2006. In December 2006, the development was completed and the escrows for the affordable units closed. Under the terms of the DDA and related covenants, nine of the units will remain affordable to Moderate Income homebuyers for a 45-year period.

## Wilson Avenue Apartments III

In July 2005, the City Council and Agency approved an Affordable Housing Loan Agreement with Orange Housing Development Corporation (OHDC) for the acquisition and rehabilitation of a 10-unit apartment complex located at 1944 East Wilson Avenue. The Agency provided a Housing Set-Aside loan for one unit, while the City provided a federal HOME Investment Partnerships Act (HOME) loan for the remaining nine units.

Construction commenced in FY 2005-06 and the project was completed in FY 2006-07. In return for financial assistance from the City and the Agency, the units will remain

affordable for 55 years to Very Low Income households.

This is the third project on Wilson Avenue and the sixth project in the high density, multifamily Adams/Wilson neighborhood to be renovated by OHDC with financial assistance from the City and the Agency. The other five projects are the Adams Avenue Triplex I, Adams Avenue Triplex II, and Adams Avenue Triplex III, Wilson Avenue Apartments II.



## **Hoover Avenue Apartments I & II**

In December 2005, the City and Agency entered into Affordable Housing Loan Agreements with a partnership of OHDC and C & C Development for the acquisition and rehabilitation of two, 20-unit apartment complexes located at 108-118 West Hoover Avenue (Hoover I) and 218-228 West Hoover Avenue (Hoover II). The escrows closed

in February 2006. Each project consists of 16 one-bedroom units and four two-bedroom units. The Agency provided a Housing Set-Aside loan for Hoover I, while the City and Agency provided Housing Set-Aside and federal HOME loans for Hoover II.

The renovation of the Hoover I complex was completed during FY 2006-07. Renovation of the Hoover II complex was nearing completion at yearend. In return for financial assistance from the City and Agency, all 40 of the units will be affordable to Very Low Income families for a 65-year period.



## **Depot Walk**



The Olson Company received City approvals in November 2005 for the development of 32 for-sale condominiums at 501 West Maple Avenue. Construction began in 2006, and model homes are scheduled to open in Fall 2007. Under the terms of the Affordable Housing Agreement with the City and Agency, five of the units will be affordable to Moderate Income homebuyers for a 45-year period

## **Additional Housing Programs**

The Agency continued to fund its Mobile Home Park Rental Assistance Program with Housing Set-Aside funds to provide affordable housing. The program, which is being phased out through attrition, provided monthly housing cost subsidies to one Very Low Income senior during FY 2006-07.

## **Housing Reporting Requirements**

The following information is provided for the reporting period of July 1, 2006 through June 30, 2007 pursuant to California Health and Safety Code reporting requirements. All information pertains to this reporting period except the third item. [Section 33080]

No households were relocated as a part of an Agency project. [Section 33080.4(a)(1)]

It is anticipated that no households will be displaced or will move from their dwelling units as part of a redevelopment project of the Agency during FY 2007-08. Should replacement obligations be incurred, replacement housing plans will be prepared. [Section 33080.4(a)(2)]

A portion of planning and general administrative costs related to housing programs and activities were charged to the Low and Moderate Income Housing Fund. These expenses were necessary for the production, improvement, or preservation of Low and Moderate Income housing. [33334.3(d)]

No dwelling units were destroyed or removed from the affordable housing market as part of an Agency project. [Section 33413(a)]

There were no new, or substantially rehabilitated dwelling units developed by the Agency. [Section 33413(b)]

There were no new affordable units or substantially rehabilitated dwelling units developed within the project area by public or private entities or persons other than the Agency. [Section 33414(b)(2)]

All Agency-assisted projects are monitored annually to ensure that long-term affordability is maintained. Annual reports, which are submitted by owners and managers of affordable units, are on file with the Agency. [Section 33418]

#### FISCAL STATEMENT

#### ORANGE MERGED AND AMENDED REDEVELOPMENT PROJECT AREA

Year Ended June 30, 2007 (Fund 987)

Beginning Balance		\$ 10,885,190
Revenue:		
80% of Tax Increment Receipts		18,191,286
Interest Earned		750,436
Expenditures:		
80% of Debt Service		(3,966,162)
Pass-Throughs		
School Districts – Sec. 33401 & Sec. 33607.5	(2,944,803)	
Community College Districts – Sec. 33401 & Sec. 33607.5	(358,191)	
Other Agencies – Sec. 33401 & Sec. 33607.5	(1,411,658)	
Total Pass-Throughs		(4,714,652)
Other Costs		(112,155)
Transfers for Project Costs		(8,761,417)
Remaining Balance		\$ 12,272,526

Outstanding Indebtedness Balance at June 30, 2007 is \$426,594,659

Beginning Total Indebtedness Obligations (including Debt Service, Pass-Throughs, Other Costs, and Transfers for Project Costs) for Fiscal Year 2006-07 was \$22,220,811

Total Debt Service for Fiscal Year 2006-07 is \$4,957,703

Total Tax Increment Generated/Received for Fiscal Year 2006-07 is \$22,739,108

#### LOW AND MODERATE INCOME HOUSING FUND Year Ended June 30, 2007

Beginning Balance	\$ 22,975,979	
Revenue:		
20% of Tax Increment Receipts	4,547,822	
Interest Earned	658,205	
Low-Mod Housing In-Lieu	1,636,200	
Reimbursement for Property Costs	812,246	
Miscellaneous Other	23,878	
Expenditures:		
Planning & Administration Costs	(610,135)	*
20% of Debt Service	(991,541)	
On- and Off-Site Improvements	(4,627)	_
Remaining Balance (includes \$14,869,157 in reserves for loans receivable and		
\$720,639 in reserves for debt service)	\$ 29,048,027	**

<sup>\*</sup> Agency Housing Fund expenditures are more specifically set forth in the reporting schedules prepared for the State Department of Housing and Community Development and are also included in the Agency's report to the State Controller prepared by the Agency in accordance with California Health & Safety Code Section 33080.

<sup>\*\*</sup> Current calculations demonstrate no excess surplus, as defined by statute, in the project area housing fund.

#### **AGENCY OWNED PROPERTY REPORT**

# ORANGE MERGED AND AMENDED REDEVELOPMENT PROJECT AREA Fiscal Year 2006-07

Assessor Parcel No.	<u>Location</u>	Square <u>Feet</u>	<u>Status</u>
039-044-09,12,38,39	Northwest corner of W. Chapman Ave. & Citrus St.	65,000	Property sold 2006 (to Developer)
039-170-01	Atchison between Chapman Ave. & Maple Ave.	68,600	City Park & Leased Building
039-304-02	Southeast corner of Palm Dr. & Palm Ave.	12,000	Leased to adjoining preschool
039-312-01	Palm Dr. between Maple Ave. & Palm Ave.	8,800	Portion of Community Garden
232-061-04	215 - 218 State College Blvd.	108,900	Vacant
390-381-22	Orange St. between Almond Ave. & Chapman Ave.	6,600	Leased Building
390-382-05	Southwest corner of Chapman Ave. & Grand St.	15,000	RDA Offices
390-382-08	Grand St. between Almond Ave. & Chapman Ave.	7,900	Parking Lot
390-452-05	170 - 180 S. Water St.	87,000	Vacant Buildings
390-663-09	Northwest corner of Almond Ave. & Olive St.	7,900	Parking Lot
390-483-05	Chapman Ave., 135 feet west of Tustin St.	3,000	Future Chapman Ave. Right-of-Way
039-253-23	Northwest corner of E. Chapman Ave. & Grand St.	18,261	Royer Mansion
DD-2003336-02-01	Northeast corner of Manchester Ave. & Compton Ave.	13,720	OCTA Surplus Property

## **AGENCY LOAN STATUS REPORT**

Pursuant to Health and Safety Code Section 33080.1(e), the Redevelopment Agency has not made any loans of fifty thousand dollars (\$50,000) or more that were either in default or that were not in compliance with the terms of the approved loan within the previous fiscal year as a result of its activities.

#### **AGENCY TIME LIMITS**

Effective January 1, 2008, Health and Safety Code Section 33490 requires each Redevelopment Agency to identify in its Annual Report the fiscal year that it expects each of the following time limits to expire.

- (A) The time limits for the commencement of eminent domain proceedings to acquire property within the each part of the Orange Merged and Amended Redevelopment Project Area (the "Project Area") is as follows:
  - Tustin Street Original Redevelopment Project Area will expire on November 27, 2013 in FY 2013-14.
  - Tustin Street Amendment No.1 Redevelopment Project Area will expire on November 27, 2013 in FY 2013-14.
  - Southwest Original Redevelopment Project Area will expire on November 27, 2013 in FY 2013-14.
  - Southwest Amendment No. 1 Redevelopment Project Area will expire on November 27, 2013 in FY 2013-14.
  - 5. Southwest Amendment No. 2 Redevelopment Project Area will expire on November 27, 2013 in FY 2013-14.
  - Southwest Amendment No. 3 Redevelopment Project Area will expire on July 9, 2008 in FY 2009-2010.
  - 7. Northwest Redevelopment Project Area will expire on November 27, 2013 in FY 2013-14.

The City Council of the City of Orange, by Ordinance No. 11-07 adopted on May 8, 2007, modified, amended and described the Orange Redevelopment Agency's eminent domain program for the Project Area, providing that the Agency shall not exercise the power of eminent domain to acquire any private real property within the Project Area if ownership of the property will be transferred to a private party or private entity for the purposes of redevelopment, economic development or any other private use.

# (B) The time limits for the establishment of loans, advances, and indebtedness to finance the redevelopment of each part of the Project Area.

Except as otherwise provide or as other permitted by law, the Agency shall not establish or incur loans, advances, or indebtedness to finance, in whole or in part, the Merged Project beyond the dates for the areas as follows:

- 1. Tustin Street Original Redevelopment Project Area will expire on December 6, 2013 in FY 2013-14.
- Tustin Street Amendment No.1 Redevelopment Project Area will expire on June 21, 2018 in FY 2017-18.
- 3. Southwest Original Redevelopment Project Area will expire on November 20, 2014 in FY 2014-15.
- Southwest Amendment No. 1 Redevelopment Project Area will expire on July 15, 2016 in FY 2016-17.
- 5. Southwest Amendment No. 2 Redevelopment Project Area will expire on July 15, 2018 in FY 2018-19.
- Southwest Amendment No. 3 Redevelopment Project Area will expire on July 9, 2016 in FY 2016-17.
- 7. Northwest Redevelopment Project Area will expire on June 28, 2018 in FY 2017-18.

Loans, advances, or indebtedness may be repaid over a period of time longer than these time limits as provided herein. These limits, however, shall not prevent the Agency from incurring debt to be paid from the Housing Fund established pursuant to Section 33334.3 of the Redevelopment Law and Section 537 of the Redevelopment Plan, or establishing more debt in order to fulfill the Agency's obligation under Health and Safety Code Section 33413 and Sections 533 and 534 of the Redevelopment Plan. These limits shall not prevent the Agency from refinancing, refunding, or restructuring indebtedness after the time limits if the indebtedness is not increased and the time during which the indebtedness is to be repaid is not extended beyond the time limits to repay indebtedness required by this section and the time limits contained in Section 1003.

Provided, however, that the time limits established herein above may be extended in manner provided by law.

## (C) The time limits for the effectiveness of the Redevelopment Plan in each part of the Project Area is as follows:

Except for the non-discrimination and non-segregation provisions which shall run in perpetuity, and the affordable housing covenants imposed by the Agency, which shall continue in effect for a period as may be determined and specified by the Agency, and except as provided herein, or as otherwise permitted by law, the provisions of the Redevelopment Plan shall be effective, and the provisions of other documents formulated pursuant to the Redevelopment Plan shall be effective for the time periods indicated below; provided however, that subject to the limitations and exceptions set forth in Sections 1002 and 1003 of the Redevelopment Plan, the Agency may issue bonds and incur obligations pursuant to the Redevelopment Plan which extend beyond the termination dates below, and in such event, the Redevelopment Plan shall continue in effect for the purpose of repaying such bonds or other obligations until the dates of retirement of such bonds or other obligations.

- 1. Tustin Street Original Redevelopment Project Area will expire on December 6, 2024 in FY 2024-25.
- Tustin Street Amendment No. 1 Redevelopment Project Area will expire on June 21, 2029 in FY 2028-29.
- Southwest Original Redevelopment Project Area will expire on November 20, 2025 in FY 2025-26.
- 4. Southwest Amendment No. 1 Redevelopment Project Area will expire on July 15, 2027 in FY 2026-28.
- Southwest Amendment No. 2 Redevelopment Project Area will expire on July 5, 2029 in FY 2029-30.
- Southwest Amendment No. 3 Redevelopment Project Area will expire on July 9, 2027 in FY 2027-28.
- 7. Northwest Redevelopment Project Area will expire on June 28, 2029 in FY 2028-29.

After the time limit on the effectiveness of the Redevelopment Plan has expired, the Agency shall have no authority to act pursuant to the Redevelopment Plan except to pay previously incurred indebtedness and to enforce existing covenants or contracts. However, if the Agency has not completed its housing obligations pursuant to Health and Safety Code Section 33413, the Agency shall retain its authority to implement requirements under said Section 33413, including the ability to incur and pay indebtedness for that purpose, and shall use this authority to complete these housing obligations as soon as is reasonably possible.

# (D) The time limits on the receipt of tax increment and upon the repayment of indebtedness with the proceeds of property taxes for each part of the Project Area is as follows:

Except as provided herein, or as permitted by law, the Agency may not receive, and shall not repay indebtedness with the proceeds from property taxes received pursuant to Health and Safety Code Section 33670 and Section 702 of the Redevelopment Plan beyond the following dates for the areas indicated, except to repay debt to be paid from the Housing Fund established pursuant to Health and Safety Code Section 33334.3 and Section 537 of the Redevelopment Plan, or debt established in order to fulfill the Agency's obligations under Health and Safety Code Section 33413 and Sections 533 and 534 of the Redevelopment Plan:

- 1. Tustin Street Original Redevelopment Project Area will expire on December 5, 2034 in FY 2034-35.
- 2. Tustin Street Amendment No. 1 Redevelopment Project Area will expire on June 21, 2039 in FY 2038-39.
- 3. Southwest Original Redevelopment Project Area will expire on November 20, 2035 in FY 2035-36.
- Southwest Amendment No. 1 Redevelopment Project Area will expire on July 15, 2037 in FY 2037-38.
- Southwest Amendment No. 2 Redevelopment Project Area will expire on July 5, 2039 in FY 2039-40.
- Southwest Amendment No. 3 Redevelopment Project Area will expire on July 9, 2042 in FY 2042-43.
- 7. Northwest Redevelopment Project Area will expire on June 28, 2039 in FY 2038-39.

These limitations shall not affect the validity of any bond, indebtedness, or other obligations, including any mitigation agreement entered into pursuant to Section 33401 of the Redevelopment Law, authorized by the City Council or the Agency pursuant to the Redevelopment Law, prior to January 1, 1994, or the right of the Agency to receive taxes pursuant to Section 33670 of the Redevelopment Law to pay the bonds, indebtedness or other obligation.



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