

# Pleasant Hill Redevelopment Agency

1973 - 2012



A history of the Redevelopment Agency and its accomplishments

March 2012

The Pleasant Hill Redevelopment Agency, and all other redevelopment agencies statewide, was dissolved on February 1, 2012 by an act of the State Legislature. Our 39 years of work improving Pleasant Hill through the use of Redevelopment has come to an end.

Redevelopment was a powerful tool. It enabled local governments to create locally desired projects, funded with locally generated property tax dollars. The purposes of this insert are to recite some of the many accomplishments of Redevelopment in our community, and to describe the next steps that will be required to wind down Redevelopment activities in Pleasant Hill.

## Creation of redevelopment project areas

Redevelopment was initiated in Pleasant Hill with the creation of the Pleasant Hill Redevelopment Agency by

the City Council in 1973. The Pleasant Hill Redevelopment Agency formed two redevelopment project areas. The Pleasant Hill Commons Redevelopment Project Area was adopted in 1974, while a second area, the Schoolyard Redevelopment Project Area, was adopted in 1978. The Redevelopment project areas in Pleasant Hill were very modest in size, totaling only 315 acres, which is less than seven percent of the land area of the city.

Through the efforts of the Redevelopment Agency, the project areas were transformed from the blight of economic stagnation, under-utilization and physical deterioration. The Redevelopment Agency's efforts resulted in economic growth, physical improvements to private property and public facilities, increased community identity, and a heightened sense of community pride.

## The downtown area before redevelopment . . .



*And after redevelopment . . .*

## Commons Redevelopment Projects

Over the years, the Agency carried out numerous redevelopment projects in the Commons Project Area including:

- ◆ **Pleasant Hill Plaza** shopping center, the Agency's first project in 1978, on the site of the former Pleasant Hill Drive-in movie theater.
- ◆ **Pleasant Hill Village** senior apartment project also developed in 1978, providing 100 units of affordable senior housing.
- ◆ **Somerset** apartment project, built in 1979.
- ◆ **Cleveland Green** townhouse project and **Pleasant Heights** condominiums project, 1980.
- ◆ **Two Worlds** mixed residential/commercial condominium project, developed in 1981.
- ◆ **Woodsworth Park** townhouse project, 1981.
- ◆ The **Terraces** office building, constructed in 1985.
- ◆ **Gregory Centre** office building, also developed in 1985.
- ◆ **Gregory Square** office building and Lyon's Restaurant, now the Original Pancake House, were built in 1989.
- ◆ **Pleasant Hill Square** commercial complex, 1989.
- ◆ The new **City Hall** opened in 1991.



Crescent Drive and Century Theatre



Downtown plaza area adjacent to Jack's Restaurant

- ◆ **Courtyard Shopping Center** and **Marriott Courtyard Hotel** were built in 1995.
- ◆ **Pleasant Hill Downtown**, including the Century Theater, the Hyatt Summerfield Suites Hotel, and the Crescent Walk Townhomes project, was developed between 1998 and 2002.

Two Worlds



Hyatt House



## Commons Redevelopment Projects – cont'd

- ◆ The former Contra Costa Shopping Center, anchored by the vacant Montgomery Ward store, was redeveloped in 2005 as the **Crossroads Shopping Center**, with a new Kohl's Department Store and shops.
- ◆ **Marshall's and Friedman's Appliance Store** opened at the Crossroads in 2008.



Crossroads Shopping Center including Kohl's Department Store

## Schoolyard Redevelopment Projects

The Agency's redevelopment efforts in the Schoolyard Project Area included:

- ◆ The Chateau III congregate care facility, which includes 26 affordable units, built in 1997.
- ◆ Hookston Senior Homes Project, which entailed the acquisition and renovation of the former Hookston Apartments as 99 affordable senior apartments, completed in 1999.
- ◆ Navlet's Garden Center was built on the site of the old City Hall in 2002.
- ◆ Mark Scott Construction Company offices building, developed in 2003.
- ◆ Gallery Walk Townhomes project, constructed in 2003.
- ◆ The Agency also contributed over \$10,000 to the refurbishment of the Veteran's Monument, located in the Schoolyard Project Area.

Navlet's  
Garden  
Center



Gallery  
Walk  
Townhomes



## Affordable Housing

The Redevelopment Agency was also responsible for producing and helping maintain affordable housing in our community. The primary focus of these efforts was the Agency's Single-family Residential Rehabilitation Loan Program, which was initiated in 1992. Under the Rehab Loan Program, low-income homeowners received small grants, or loans up to \$60,000, at 3% interest, for such improvements as new roofs and windows, kitchen and bath remodeling, furnaces, water

heaters, energy efficiency, painting and handicap accessibility. More than 120 eligible households received such loans and grants under the program.

The Agency also helped fund the development of over 400 affordable housing units, including Hookston Senior Housing, Grayson Creek Apartments and Pleasant Hill Village, as well as individual units at Gallery Walk Townhomes and Chateau III congregate care facility.

## Increased property values and new jobs

The many accomplishments of the Agency over the years have been both tangible and intangible. The Agency leveraged the expenditure of some \$66 million in local project area property tax revenues over 39

years to help create over \$600 million in private property value. This new development brought over 1,700 net new jobs in the project areas. The development of new commercial, office and residential projects helped strengthen and diversify the City's tax base.



**Perhaps most importantly, the Agency enhanced the image of Pleasant Hill as a stable, attractive community and helped create a “sense of place” for the community by building an award-winning Downtown—all of which has fostered a renewed sense of pride for the people of Pleasant Hill!**

## So what happens now?

Redevelopment agencies financed their operations by capturing the increases in property taxes on the properties in their redevelopment project areas. In Pleasant Hill, property values rose significantly in both redevelopment project areas because of the significant and dramatic improvements made by the Redevelopment Agency particularly in and around the downtown area. This increase in property values, along with the corresponding increases in property tax revenues, funded the redevelopment programs over the 39 year period.

### **Debt obligations and successor agency**

Redevelopment agencies were authorized to incur debt, typically in the form of selling bonds or negotiating an agreement with a developer to financially assist a project, and pledge this anticipated increase in property tax revenues as the source of repayment for such debt. As a result, virtually every redevelopment agency, including the Pleasant Hill

Redevelopment Agency, has some debt that remains to be paid, both to bonds and to development agreements with development companies.

The legislation dissolving redevelopment agencies provides that property tax increment can continue to be collected and used to pay off these debt obligations. This function will be the responsibility of the City of Pleasant Hill, acting under the law as the Successor Agency to the former Redevelopment Agency. The Successor Agency cannot incur any additional debt, and exists only to wind down the affairs of the former redevelopment agency.

The Pleasant Hill Redevelopment Agency was administered over the years very efficiently, prudently and financially conservatively. As a result, its debt obligations are sound, and projections of property tax increment revenues in the former redevelopment project areas are more than sufficient to continue to service these debts until they are paid off.