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Windsor expanding fight on blight

Council moves ahead with plan to spend \$200 million for redevelopment

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Using the financing mechanism that helped create the Town Green and the new firehouse, Windsor is looking to redevelop 200 acres on the north and south ends of town.

The Town Council has taken the initial steps to give its redevelopment agency more longevity and also add territory to make public improvements in "blighted" areas along Old Redwood Highway.

The tentative plan approved by the Town Council calls for spending more than \$200 million for proposed redevelopment and other projects over the next two decades, with most going to affordable-housing programs.

"Cities have fewer and fewer resources to accomplish what they want. This is a valuable tool that local government has," said Assistant Town Manager Christa Johnson.

Town officials plan to do an extensive notification of all property owners and residents in the affected area in advance of a Town Council public hearing on the topic April 7.

Windsor's current redevelopment area was created by the county in the early 1980s, prior to the town's incorporation. It encompasses 468 acres in central Windsor on both sides of Highway 101.

The most visible of the Windsor redevelopment agency's accomplishments was spurring creation of the Town Green and surrounding mixed residential-commercial development.

But town officials say the agency's life needs to be extended to eliminate blight in the existing project area and to help redevelop underutilized and vacant sites. That includes the former Windsorland mobile home park, which developers are proposing for a shopping center and residential dwellings but could be eligible for redevelopment agency funding.

The town also wants to expand the redevelopment zone by adding 167 acres along Old

Redwood Highway, between Windsor River Road and the northern town boundary, an area that contains a mix of residential, commercial and industrial uses.

The second location is 35 acres at the other end of town, at Old Redwood Highway and Shiloh Road. That area is predominately single-family residences, but also includes commercial and industrial uses and a church.

In a new, draft environmental report that serves as the blueprint for expanding Windsor's redevelopment efforts, consultants say there is blight that cannot be alleviated by the private sector alone. It includes incompatible residential and commercial uses; deteriorated structures and serious building-code violations; parcels of inadequate size; and contaminated and hazardous material sites, all contributing to depreciated and stagnant property values.

Redevelopment agencies have existed in California for more than 60 years. There are nearly 400 active agencies, according to the California Redevelopment Association.

They work as a catalyst for private investment by providing an initial plan and seed money for areas that need economic development and other opportunities.

They occasionally are controversial, particularly in instances where the government power of eminent domain is used to acquire property. In Windsor, the Town Council acting as the Redevelopment Agency can employ that power on commercial property, but not on residential sites.

Redevelopment agencies do not levy taxes, but receive a portion of the property tax revenues generated when property values rise due to new investment. The technique is called "tax increment financing."

State law allows redevelopment agencies to pledge tax increments to repay bonds and other types of debt incurred to make investments in project areas.

"It's money that comes from the increase in value from the development," said Mayor Sam Salmon. "A lot of the money is coming from the increased tax base that wouldn't be there (without redevelopment)."

But he noted "it's not free money," because the interest associated with the issuance of bonds and other costs are significant.

For example, of the total \$386 million in revenue Windsor anticipates getting through 2055 should the expansion proceed, about 43 percent, or \$167 million, would be committed to expenses.

Among the reasons for perpetuating redevelopment, according to consultants Keyser Martson Associates, is crowding and the fact that the crime rate is one and a half times higher in the existing Windsor redevelopment area compared with the rest of the town.

Redevelopment funds could be used to provide funding for things such as a community center, a park and cultural facilities. Street, transit and parking improvements, along with upgrades to drainage, sewer and flood control, also are likely to be on the list of expenditures.

About half of the proposed funds, more than \$100 million, would go toward affordable-housing programs under a formula dictated by state law.

But another function that redevelopment agencies provide is assembling and acquiring property parcels and making them ready for private redevelopment, similar to the approach that spawned Town Green Village. "We were able to buy large chunks of land from various owners," Salmon said.

They also can issue low-cost loans or grants to small businesses that pay for physical improvements to their properties.

"Redevelopment projects are an economic engine, a leading source of jobs," Johnson said.

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