AGENDA ITEM NO. 5.a

Item Cover Page

COMMUNITY REDEVELOPMENT AGENCY BOARD MEETING AGENDA ITEM REPORT

DATE: August 12, 2026

SUBMITTED BY: Christopher Munyon, Community Redevelopment Agency

ITEM TYPE: Miscellaneous

AGENDA SECTION: **ALL CRA DISTRICTS**

SUBJECT: Proposed Modifications to the CRA Sustainable Redevelopment Incentives Program

SUGGESTED ACTION: Approve

Is this item Quasi-Judicial?
No

Does this item require a public hearing?
No

EXPLANATION:
CRA staff is proposing a set of modifications to the CRA's Sustainable Redevelopment Incentives program. Under the current structure a maximum incentive of 12% of a property's appraised value gain, repaid through a 50/50 split of annual increment, most projects cannot be fully paid the total incentive amount prior to the CRA sunset date of 2040. To correct this, the maximum cap is to be reduced from 12% to 8%, and the base reimbursement split is to be raised from 50/50 to 70/30 in the developer's favor. Together these changes allow a full incentive to be disbursed within roughly nine to ten years. The program remains self-funded, with no additional draw on the trust fund.

The modifications also simplify the program. The prior add-on incentives are consolidated into four clearly defined accelerators Historic Preservation, Affordable Housing, Workforce Housing, and Public Art, each adding a 5% to the base split, with a project able to stack up to three for a maximum additional 15% (moving the split as far as 85/15 in the developer's favor). Fourteen accelerators across the Economic, Environmental, and Social categories are retired, and the definitions that existed only to support them are removed. The program will be

renamed simply to the CRA Redevelopment Incentives Program.

These proposed changes align the interests of the CRA and its development partners. Developers gain predictability, and timely return on their investment, the CRA secures continued private investment, strengthening our community and the quality of life for our residents.

ATTORNEY REVIEW/RECOMMENDATION:
Yes, CRA Attorney has reviewed

SUGGESTED MOTION:
Move to approve the modifications to the CRA Redevelopment Incentives program.

ATTACHMENTS:
CRA Redevelopment Incentives CM (BW rev)(5622594.1).pdf