

REDEVELOPMENT AGENCY OF

THE CITY OF SAN DIEGO

RESOLUTION NO. R-03175

ADOPTED ON JULY 26, 2000

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO APPROVING THE DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE AGENCY AND McMILLIN-NTC, LLC; APPROVING THE SALE AND/OR LEASE OF PROPERTY IN THE NAVAL TRAINING CENTER REDEVELOPMENT PROJECT AREA PERTAINING THERETO; APPROVING RELATED AGREEMENTS IN THE FORM ATTACHED THERETO; AND MAKING CERTAIN FINDINGS WITH RESPECT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT AND THE SALE AND/OR LEASE.

WHEREAS, the Redevelopment Agency of The City of San Diego (the "Agency") is engaged in activities necessary to carry out and implement the Redevelopment Plan for the Naval Training Center Redevelopment Project (the "Project"); and

WHEREAS, in order to carry out and implement the Redevelopment Plan, the Agency proposes to enter into a Disposition and Development Agreement (the "Agreement"), pursuant to which the Agency will sell and/or ground lease certain property in the Naval Training Center Redevelopment Project (the "Site") to McMillin-NTC, LLC (the "Master Developer") or its assignee, for a mixed use project consisting of the construction and installation of public infrastructure improvements, the rehabilitation and reuse of existing buildings and construction of new buildings and improvements, as well as the development of a public waterfront park and recreation area on property owned by the City of San Diego, which will include residential,

commercial, entertainment, office, hotel and educational uses, a golf course, and a Historic Core consisting of a Civic, Arts and Cultural Center and a mixed-use area, as described in the Agreement and the exhibits thereto (the "Development"); and

WHEREAS, in connection with the Agreement, the Agency and City Council propose to approve and enter into a number of related agreements, each substantially in the respective form attached to the Agreement (collectively referred to as the "Related Agreements"), including the following: a Cooperation Agreement between the Agency and The City of San Diego; an NTC Park Improvement Agreement among the Agency, The City of San Diego, and the Master Developer; one or more interim leases to be entered into by and between the City and an affiliate of Master Developer; and a Participation Agreement to be entered into by and between the Agency and the Master Developer; and

WHEREAS, Master Developer has submitted to this Agency and the Council of the City of San Diego copies of the proposed Agreement and Related Agreements in a form desired by Master Developer; and

WHEREAS, pursuant to the California Community Redevelopment Law (California Health and Safety Code section 33000 et seq.) this Agency and the City Council held a joint public hearing on the proposed sale and/or lease of such real property pursuant to such Agreement and Related Agreements, having duly published notice of such public hearing and made copies of the proposed Agreement, the proposed Related Agreements, and other reports and documents available for public inspection and comment; and

WHEREAS, the Agency has duly considered all terms and conditions of the proposed sale and/or lease of real property and believes that the development of the real property pursuant to the proposed Agreement and Related Agreements is in the best interests of the City and the

health, safety, morals and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local law and requirements; NOW, THEREFORE,

BE IT RESOLVED, by the Redevelopment Agency of the City of San Diego, as follows:

1. The Agency recognizes that it has received and heard all oral and written objections to the proposed Disposition and Development Agreement and Related Agreements, to the proposed sale and/or lease of the real property pursuant thereto, and to other matters pertaining to this transaction, and that all such oral and written objections are overruled.

2. The Agency finds and determines that the consideration to be paid by the Master Developer for the sale and/or lease of the Site as described in the Agreement and Related Agreements is not less than the fair reuse value at the use and with the covenants and conditions and development costs authorized by the Agreement and Related Agreements. The Agency further finds and determines that all consideration to be paid under the Agreement and Related Agreements is in amounts necessary to effectuate the purposes of the Redevelopment Plan for the Naval Training Center Redevelopment Project.

3. The Agency finds and determines that the sale and/or lease of the Site will assist in the elimination of blight in the Naval Training Center Redevelopment Project Area, and is consistent with the Redevelopment Plan.

4. The sale and/or lease of the real property and the Disposition and Development Agreement and Related Agreements which establish the terms and conditions for the sale and/or lease and development of the real property are approved.

5. The Executive Director of the Agency (or designee) is authorized, on behalf of the Agency, to execute the Disposition and Development Agreement, provided that the City Council has first approved the Agreement and the sale and/or lease of the real property pursuant thereto,

subject to the following amendment: At the time the Redevelopment Agency selects the educational institution pursuant to Section 1.8.4., the Agency shall have the right to substitute alternate Buildings for Building 83 subject to all of the same conditions as long as such a substitution is agreeable to both parties. McMillin will have no obligation to reserve any additional space in the Educational Core under that provision. A copy of the Disposition and Development Agreement, when executed by the Agency, shall be placed on file in the office of the Secretary of the Agency as Document No. D-03175a.

6. The Executive Director of the Agency (or designee) is further authorized to execute the Related Agreements on behalf of the Agency. A copy of each Related Agreement, when executed by the Agency, shall also be placed on file in the office of the Secretary of the Agency as follows:

Cooperation Agreement	Document No. D-03175b
NTC Park Improvement Agreement	Document No. D-03175c
Participation Agreement	Document No. D-03175d

7. The Executive Director of the Agency (or designee), is authorized, on behalf of the Agency, to make minor modifications to the forms of the Related Agreements attached as exhibits to the Disposition and Development Agreement as may reasonably be necessary for the effectuation of the Disposition and Development Agreement, and to sign all documents necessary and appropriate to carry out and implement the Agreement and to administer the Agency's obligations, responsibilities and duties to be performed under said Agreement.

APPROVED: CASEY GWINN, General Counsel

By  
Richard A. Duvernay

Deputy Counsel

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06/15/00

08/11/00 REV.

Or.Dept:Plann.&Dev.Rvw.

Aud.Cert:N/A

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