

REDEVELOPMENT AGENCY OF

THE CITY OF SAN DIEGO

RESOLUTION NO. R-03334

ADOPTED ON MAY 29, 2001

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO APPROVING THE AMENDED AND RESTATED DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO AND CHELSEA INVESTMENT CORPORATION, A CALIFORNIA CORPORATION.

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 Centre City Redevelopment Project area [the Project]; and

WHEREAS, in order to carry out and implement the Redevelopment Plan, the Agency has entered into a Disposition and Development Agreement [DDA] dated June 12, 2000 and on file in the Office of the Secretary to the Agency as Document No. D-03173, with Chelsea Investment Corporation, a California corporation [Developer], which provides for the development and construction of Market Square Manor, a mixed-use residential/commercial development including 200 units restricted to very low income seniors and a commercial kitchen providing a nutrition program for residents and other off-site programs [the Development]; and

WHEREAS, in order to further implement the Development under the DDA, the Agency and Developer propose, pursuant to the terms and provisions of the proposed Amended and Restated Disposition and Development Agreement, to modify the DDA to (a) provide for the acquisition of the Site by the Agency for \$2,592,000 prior to satisfaction of conditions precedent in the existing DDA; (b) provide for a Purchase Price of \$392,001 to be paid by the Developer to

the Agency for the Site; (c) amend the Schedule of Performance; (d) revise the Method of Financing and Project Budget to reflect changes to the sources of funds and an increase in land cost; and

WHEREAS, Centre City Development Corporation, Inc. [CCDC], has reviewed and discussed the proposed Amended and Restated Disposition and Development Agreement, and has recommended that the Agency enter into the Amended and Restated Disposition and Development Agreement; and

WHEREAS, the Agency has duly considered the recommendations of CCDC and all terms and conditions of the Amended and Restated Disposition and Development Agreement and believes that the changes are 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. That the Agency recognizes that it has received and heard all oral and written objections to the proposed Amended and Restated DDA, to the proposed sale of the real property pursuant to the proposed Amended and Restated DDA, and to other matters pertaining to this transaction, and that all such oral and written objections are overruled.

2. That the Agency finds and determines that the consideration to be paid by the Developer for the purchase of the real property upon which the structures are to be developed and constructed is not less than fair reuse value in accordance with the covenants and conditions governing such purchase as set forth in the Amended and Restated DDA. The Agency further finds and determines that all consideration to be paid under the Amended and Restated DDA is in amounts necessary to effectuate the purposes of the Redevelopment Plan for the Centre City Redevelopment Project.

3. The Agency finds and determines that the sale of the Site will assist in the elimination of blight in the Centre City Redevelopment Project Area, and is consistent with the Implementation Plan.

4. That it approves the Amended and Restated Disposition and Development Agreement with Chelsea Investment Corporation which is on file in the office of the Secretary to the Agency as Document No. D-03334.

5. That the Executive Director of the Agency, or designee, is authorized, for and on behalf of the Agency, to execute the Amended and Restated Disposition and Development Agreement with Chelsea Investment Corporation and to administer the Agency's obligations, responsibilities, and duties to be performed under that Agreement.

APPROVED: CASEY GWINN, General Counsel

By

Elisa A. Cusato
Deputy General Counsel

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