

REDEVELOPMENT AGENCY OF

THE CITY OF SAN DIEGO

RESOLUTION NO. R-03642

ADOPTED ON JUNE 17, 2003

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO ADOPTING THE ANNUAL PROGRAM BUDGETS FOR FISCAL YEAR 2004 FOR THE REDEVELOPMENT PROJECTS ADMINISTERED BY THE SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION.

WHEREAS, the Redevelopment Agency of the City of San Diego [Agency] is engaged in activities necessary to carry out and implement redevelopment plans for the City of San Diego [City]; and

WHEREAS, the Southeastern Economic Development Corporation, Inc. [SEDC] has been authorized to administer the redevelopment projects in the Southeastern San Diego area; and

WHEREAS, a comprehensive description of redevelopment activities is contained in Volume VI of the City Manager's Fiscal Year 2004 Proposed Budget, and which is also on file in the office of the secretary to the Agency as Document No. D-03645 and describes the redevelopment activities administered by SEDC (Central Imperial, Gateway Center West, Mount Hope and Southcrest Redevelopment Projects, Dells Imperial Study Area and SEDC's Special Projects); NOW, THEREFORE,

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

1. That the proposed Fiscal Year 2004 program and project budgets administered by SEDC as contained in the Redevelopment Agency of the City of San Diego Proposed Fiscal Year 2004 Budget, as described and presented in the Redevelopment Agency Report RA-03-17 and City Manager Report CMR-03-118, a copy of which is on file in the office of the secretary to the Agency as Document No. D-03645, and the office of the City Clerk as Document No. RR-298084, is hereby accepted and adopted.

2. That approval of this budget constitutes authority for the expenditure of available funds by SEDC in Fiscal Year 2004, provided that funds are available from the tax increment generated by the projects; from bond sales, land sales and developer proceeds; and from funds allocated by the Council of the City of San Diego from such sources as Community Development Block Grant, sales tax and others; and from the allocation of funds by such entities as the U.S. Department of Housing and Urban Development, Economic Development Administration and others.

3. That the City Auditor and Comptroller is hereby authorized to (a) establish the necessary accounts, (b) appropriate all monies available in each project fund up to the amounts budgeted herein, and (c) record the expenditures of funds and the recovery of all accrued costs subject to the amount of revenues available in each project fund.

4. That the City Auditor and Comptroller is hereby authorized to carry forward any unexpended balance remaining in each budgetary account at the end of each fiscal year into the next fiscal year as a continuing appropriation, subject to amendment by the Agency.

5. That the President of SEDC, or designee, is hereby authorized to (a) expend funds as appropriate for the implementation of redevelopment projects, (b) request the City Auditor and Comptroller to make budgetary transfers within each project fund, and (c) request the City Auditor and Comptroller to transfer appropriations or loan available funds between sub-projects within a project, provided that such transfers or loans do not increase or decrease the total project budget or result in a use of funds which would be inconsistent with the permitted use(s) of such funds.

6. That the Agency authorizes the City Auditor and Comptroller, upon the request of the SEDC President, to transfer appropriations or loan funds between projects within a project area to the extent that appropriations or funds are available, provided that such transfers of appropriations or loan of funds do not result in a use of such funds which would be inconsistent with the permitted use(s) of such funds.

7. That any and all funds advanced by the City of San Diego to the Agency for the purpose of implementing the adopted budgets are to be considered loans to be repaid whenever practicable from tax increment or other appropriate revenues.

8. That the City Auditor and Comptroller may, at the request of the SEDC President, increase the appropriations for the appropriate funds within each project area for revenues received in excess of budget estimates for each project area, when the City Auditor and Comptroller is satisfied that additional revenues to be received will exceed the budgeted revenue estimated in each of the appropriate funds.

9. That the City Auditor and Comptroller is authorized, upon the request of the SEDC President, to increase appropriations for the purposes of making payments due to tax-sharing agreements/requirements, or for tax increment payments to developers consistent with Agency approved Disposition and Development Agreements, Purchase Agreements, Loan Agreements, Promissory Notes, or other instruments, provided sufficient revenues have been received and are available for such purposes.

10. That any and all debts of the Agency to the City of San Diego shall accrue interest at the rate approved by the Council of the City of San Diego; such interest accrual to be calculated by the City Auditor and Comptroller.

11. That in the event that the Agency desires to issue bonds, notes, or other instruments of indebtedness of the Agency to carry out redevelopment projects, any indebtedness of the Agency to the City of San Diego, including any interest accrued thereon, shall be deemed not to be a first pledge of tax increment allocations received by the Agency pursuant to California Health and Safety Code section 33670; and any indebtedness of the Agency to the City of San Diego, including any interest accrued thereon, shall be subordinate to any pledge of tax increments to bondholders or the holders of other such instruments of indebtedness.

12. That in the event the Agency has not yet adopted the Fiscal Year 2005 budget and appropriations resolution prior to the beginning of Fiscal Year 2005, the City Auditor and

Comptroller shall approve the payments necessary for the Agency to continue to conduct business at the funding levels approved by this resolution for Fiscal Year 2004.

APPROVED: CASEY GWINN, General Counsel

By _____
Douglas K. Humphreys
Deputy General Counsel

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06/05/03
Or.Dept:REDV
Aud.Cert:n/a
RA-2003-166
Council:R-n/a