

REDEVELOPMENT AGENCY OF  
THE CITY OF SAN DIEGO  
RESOLUTION NUMBER R-03905  
ADOPTED ON MAY 3, 2005

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO AUTHORIZING THE EXECUTIVE DIRECTOR TO MAKE CONTINGENT OFFERS FOR THE ACQUISITION OF CERTAIN PROPERTY IN THE CITY HEIGHTS REDEVELOPMENT PROJECT AREA; APPROVING THE SALE OF CERTAIN PROPERTY IN THE CITY HEIGHTS REDEVELOPMENT PROJECT AREA TO CITY HEIGHTS SQUARE, L.P.; APPROVING THE DISPOSITION AND DEVELOPMENT AGREEMENT PERTAINING THERETO; MAKING CERTAIN FINDINGS WITH RESPECT TO THE SALE; AMENDING THE REDEVELOPMENT AGENCY BUDGET; AUTHORIZING THE APPROPRIATION AND EXPENDITURE OF LOW AND MODERATE INCOME HOUSING FUNDS FROM THE CENTRE CITY REDEVELOPMENT PROJECT AREA PURSUANT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT; AND MAKING FINDINGS RELATING THERETO.

WHEREAS, the Redevelopment Agency of the City of San Diego [Agency] is engaged in activities necessary to carry out and implement the Redevelopment Plan for the City Heights Redevelopment Project Area [Project Area]; and

WHEREAS, in order to carry out and implement the Redevelopment Plan, the Agency has negotiated a proposed Disposition and Development Agreement [Agreement] with City Heights Square, L.P. [Developer] for the City Heights Square Senior Housing Project [Development] and the Agency proposes to enter into the Agreement with the Developer; and

WHEREAS, the Agency proposes to make contingent offers for the acquisition of certain real property in the Project Area pursuant to the terms and provisions of the Agreement, which Agreement contains a description of the property to be acquired by the Agency and provides for the construction of the Development thereon; and

WHEREAS, pursuant to the Agreement, the Agency proposes to sell the property it acquires to the Developer for implementation of the Development; and

WHEREAS, the Developer has executed and submitted to the Agency and the Council of the City of San Diego [Council] copies of the proposed Agreement in a form desired by the Developer; and

WHEREAS, the Agency has reviewed and discussed the proposed Agreement and has recommended that the Council approve and the Agency enter into the Agreement; and

WHEREAS, the Agency proposes to finance its obligations under the Agreement with up to \$7,105,000 of Low and Moderate Income Housing Funds from the Centre City Redevelopment Project Area, pursuant to the proposed Agreement; and

WHEREAS, pursuant to the California Community Redevelopment Law (California Health and Safety Code section 33000 et seq.), the Agency and the Council held a joint public hearing on the proposed acquisition and sale of the above-referenced real property pursuant to the Agreement, having duly published notice of the public hearing and made copies of the proposed Agreement and other reports and documents (including the summary provided for in California Health and Safety Code section 33433) available for public inspection and comment; and

WHEREAS, the Agency has duly considered all terms and conditions of the proposed sale of real property and believes that the redevelopment of the real property pursuant to the proposed Agreement is in the best interest 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 Executive Director of the Agency, or designee, is authorized to make contingent offers, on behalf of the Agency, for property acquisition as set forth in the Agreement.
2. That the Agency recognizes that it has received and heard all oral and written objections to the proposed Agreement, to the proposed sale of the real property pursuant thereto, and to other matters pertaining to this transaction, and that all the oral and written objections are hereby overruled.
3. That the Agency finds and determines that the sale of the real property for the Development as described in the Agreement will assist in the elimination of blight.
4. That the Agency finds and determines that the consideration to be paid by the Developer for the purchase of the real property for the Development is not less than the fair reuse value of the property at the use and with the covenants and conditions and development costs as set forth in the Agreement. The Agency further finds and determines that all consideration to be paid under the Agreement is in an amount necessary to effectuate the purposes of the Redevelopment Plan for the Project Area.
5. That the sale of the real property and the Agreement which establishes the terms and conditions for the sale and improvement of the real property are approved.

6. That the Executive Director of the Agency, or designee, is authorized to execute the Agreement, as amended to require that all residual receipts go to the Developer, on behalf of the Agency, contingent upon the approval of the Agreement and the sale of real property pursuant thereto by the Council. A copy of the Agreement, when executed by the Agency, shall be placed on file in the office of the Secretary of the Agency as Document No. D-03905.

7. That the Executive Director of the Agency, or designee, is authorized, on behalf of the Agency, to sign all documents and take all actions necessary and appropriate to carry out and implement the Agreement and to administer the Agency's obligations, responsibilities and duties to be performed under the Agreement.

8. That the Executive Director of the Agency, or designee, is authorized to amend the Fiscal Year 2005 Budget by increasing the City Heights Square Senior Housing Project Fund No. 98881 by up to \$7, 105,000.

9. That the Executive Director of the Agency, or designee, is hereby authorized to appropriate and expend up to \$7,105,000 of Centre City Redevelopment Project Area Low and Moderate Income Housing Funds from Fund No. 98881 as appropriate for the implementation of the Development, provided that the City Auditor and Comptroller first furnishes one or more certificates certifying that the funds are available.

10. That the Agency finds and determines that the use of Low and Moderate Income Housing funds from the Centre City Redevelopment Project Area pursuant to the Agreement will be of benefit to the Centre City Redevelopment Project Area for the reasons set forth in Attachment 1, attached hereto and incorporated by reference.

11. That the Agency finds and determines that an economically feasible alternative method of financing the City Heights Senior Project on substantially comparable terms and

conditions without subordination of the Agency's covenants and restrictions set forth is not reasonably available, and therefore, the Executive Director of the Agency, or designee, is authorized to subordinate the Agency's covenants and restrictions set forth in the Agreement as permitted by Community Redevelopment Law.

APPROVED: MICHAEL J. AGUIRRE, General Counsel

By \_\_\_\_\_  
Sharon Matthews  
Deputy General Counsel

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