

REDEVELOPMENT AGENCY OF
THE CITY OF SAN DIEGO
RESOLUTION NUMBER R-03960
ADOPTED ON OCTOBER 11, 2005

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO APPROVING THE SALE OF CERTAIN PROPERTY LOCATED ON A PORTION OF THE BLOCK BOUNDED BY ISLAND AVENUE AND 14TH, 15TH AND J STREETS IN THE CENTRE CITY REDEVELOPMENT PROJECT AREA TO PINNACLE INTERNATIONAL DEVELOPMENT, INC.; APPROVING THE OWNER PARTICIPATION AGREEMENT PERTAINING THERETO; AND MAKING CERTAIN FINDINGS WITH RESPECT TO SUCH SALE

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 Centre City Redevelopment Project [Project]; and

WHEREAS, in order to carry out and implement such Redevelopment Plan the Agency proposes to sell certain property [Agency Sales Parcel] located on a portion of the block bounded by Island Avenue and 14th, 15th and J streets in the Project area to Pinnacle International Development, Inc., a California corporation [Developer], pursuant to the terms and provisions of a certain Owner Participation Agreement [Agreement]; and

WHEREAS, the Agreement contains a description of (1) the Agency Sales Parcel, (2) the property to be acquired by the Developer prior to the Agency's conveyance of the Agency Sales Parcel [Participating Parcel] and (3) a Park Easement to be conveyed by the Developer to the Agency for a public park; and

WHEREAS, the Agreement provides for the construction and maintenance of a public park on the Park Easement and for construction on that portion of the block not subject to the Park Easement of a mixed use project containing approximately 619 residential condominium units and approximately 22,000 square feet of retail space; and

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

WHEREAS, the Centre City Development Corporation, Inc., has reviewed and discussed said proposed Agreement, and has recommended that the City Council approve and the Agency enter into the Agreement; and

WHEREAS, pursuant to the California Community Redevelopment Law (California Health and Safety Code, Sections 33000, et seq.) the Agency and the City Council held a joint public hearing on the proposed sale of such real property pursuant to such Agreement, having duly published notice of such public hearing and made copies of the proposed Agreement 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 of real property and believes that the development of the real property pursuant to the proposed Agreement 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 Owner Participation Agreement, to the proposed sale of the real

property pursuant to the proposed Agreement, and to other matters pertaining to this transaction, and that all such oral and written objections are hereby overruled.

2. The Agency hereby finds and determines that the sale of the real property pursuant to the proposed Agreement will assist in the elimination of blight within the Project area, and is consistent with the Implementation Plan for the Centre City Redevelopment Project adopted pursuant to Section 33490 of the California Community Redevelopment Law.

3. The Agency hereby finds and determines that the consideration to be paid by the Developer for the sale of the real property as described in the Agreement is not less than fair market value at its highest and best use in accordance with the Redevelopment Plan for the Project, and is not less than the fair reuse value and fair market price at the use and with the covenants and conditions and development costs authorized by the sale.

4. The sale of the real property and the Owner Participation Agreement which establishes the terms and conditions for the sale and development of the real property are hereby approved.

5. The Executive Director of the Agency, or his designee, is hereby authorized to execute the Owner Participation Agreement on behalf of the Agency, provided that the City Council has first approved such Agreement and the sale of the real property pursuant thereto. 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-03960.

6. The Executive Director of the Agency (or his designee), is hereby authorized, on behalf of the Agency, 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: MICHAEL J. AGUIRRE, General Counsel

By _____
Susan Y. Cola,
Deputy General Counsel

SYC:kat
09/27/05
Or.Dept:Redev. Agency
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