

REDEVELOPMENT AGENCY OF

THE CITY OF SAN DIEGO

RESOLUTION NUMBER R- 04314

DATE OF FINAL PASSAGE JUL 29 2008

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO AMENDING THE FISCAL YEAR 2009 REDEVELOPMENT AGENCY BUDGET FOR THE NORTH BAY REDEVELOPMENT PROJECT AREA AND AUTHORIZING THE EXECUTIVE DIRECTOR OR DESIGNEE TO EXPEND AN ADDITIONAL \$350,000 OF FUNDS FROM THE NORTH BAY REDEVELOPMENT PROJECT AREA LOW AND MODERATE INCOME HOUSING SET-ASIDE FUNDS LINE OF CREDIT AS AN ADDITIONAL AGENCY RESIDUAL RECEIPTS LOAN CONTRIBUTION FOR THE VERBENA AFFORDABLE APARTMENTS PROJECT.

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 San Ysidro Redevelopment Project Area [Project Area]; and

WHEREAS, in order to carry out and implement the objectives of the Redevelopment Plan for the Project Area, the Agency entered into an Owner Participation Agreement [OPA] with Verbena San Ysidro, L.P. [Developer] on or about July 11, 2007 for the Verbena Affordable Apartments Project [Project], a copy of the OPA is on file in the office of the secretary to the Agency as Document No. D-04167 / R-04167; and

WHEREAS, due to the changing conditions of the economy and the competitive projects applying for 9% tax credits, Developer requests the Agency's consideration of a new proposed financing structure for the development of the Project which includes applying for 4% rather than 9% tax credits, incorporating new sources of financing for the Project, and increasing the

Agency's loan by an additional amount not to exceed \$1,215,000, of which \$350,000 will be funded from the North Bay Redevelopment Project Area Low and Moderate Income Housing Set-Aside Funds Line of Credit; and

WHEREAS, in light of the above, the Agency and Developer desire to implement the OPA, through a First Implementation Agreement, by revising the sources of financing for the Project, by increasing the Agency's loan, and by making certain other revisions to the OPA and its Attachments that are a result of new or changed funding sources and project details and/or that are in the best interests of the Parties; and

WHEREAS, the Agency duly considered all of the terms and conditions provided in the First Implementation Agreement to the OPA and determines that the First Implementation Agreement and the additional expenditure to the Developer for development of the Project in an additional amount not to exceed \$1,215,000 (for a total Agency Loan amount not to exceed \$6,801,000), of which \$350,000 will be funded from the North Bay Redevelopment Project Area Low and Moderate Income Housing Set-Aside Funds Line of Credit, 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 amends the Agency budget for the North Bay Redevelopment Project Area and authorizes the additional expenditure to the Developer, by the Executive Director or designee, in an amount not to exceed Three Hundred Fifty Thousand Dollars (\$350,000) (to partially fund a total Agency Loan amount not to exceed \$6,801,000) from the North Bay Redevelopment Project Area Low and Moderate Income Housing Set-Aside Funds

Line of Credit, in the form of a residual receipts loan, for implementation and development of the Verbena Affordable Apartments Project [Project] described in the Owner Participation Agreement [OPA] as amended by the First Implementation Agreement.

2. That the Agency finds and determines that the additional consideration to be paid to the Developer for the Project pursuant to the First Implementation Agreement to the OPA is in amounts necessary to effectuate the purposes of the Redevelopment Plan for the Project Area, subject to the Findings of Benefit duly made by the Agency in Resolution No. RA-2009-2 and by the City Council in Resolution No. R-2009-26.

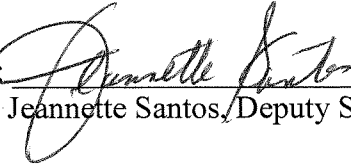
APPROVED: MICHAEL J. AGUIRRE, General Counsel

By   
Kendall D. Berkey  
Deputy General Counsel

KDB:nda  
07/02/08  
Or.Dept:Redev.Agency  
RA-2009-5  
MMS#5029  
Comp. R-2009-25  
R-2009-26  
RA-2009-2  
RA-2009-3  
RA-2009-4

I hereby certify that the foregoing Resolution was passed by the Redevelopment Agency of the City of San Diego, at this meeting of JUL 22 2008

REDEVELOPMENT AGENCY

By:   
Jeannette Santos, Deputy Secretary

Approved: 7-29-08  
(date)

  
JERRY SANDERS, Executive Director

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
JERRY SANDERS, Executive Director

JUL 22 2008

Passed by the Redevelopment Agency of The City of San Diego on \_\_\_\_\_, by the following vote:

Agency Members	Yeas	Nays	Not Present	Ineligible
Scott Peters	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kevin Faulconer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Toni Atkins	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Anthony Young	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Brian Maienschein	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Donna Frye	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jim Madaffer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ben Hueso	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

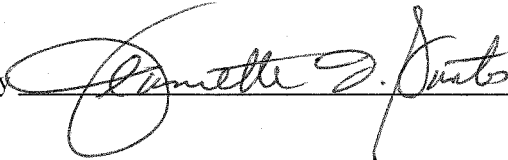
Date of final passage JUL 29 2008

AUTHENTICATED BY:

JERRY SANDERS  
Executive Director of The City of San Diego, California.

(Seal)

ELIZABETH S. MALAND  
Secretary of The City of San Diego, California.

By , Deputy

Office of the Redevelopment Agency, San Diego, California
Resolution Number <u>R- 04314</u>