

REDEVELOPMENT AGENCY OF

THE CITY OF SAN DIEGO

RESOLUTION NUMBER R- 04335

DATE OF FINAL PASSAGE NOV 13 2008

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO APPROVING THE FIRST IMPLEMENTATION AGREEMENT TO THE OWNER PARTICIPATION AGREEMENT BY AND BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO AND 3137 EL CAJON BOULEVARD, L.P., A CALIFORNIA LIMITED PARTNERSHIP.

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 North Park 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 S.V.D.P. Management, Inc., a California non-profit corporation, dated October 17, 2007, a copy of the OPA is on file in the office of the secretary to the Agency as Document No. D-04212 / R-04212; and

WHEREAS, on May 8, 2008, S.V.D.P. Management, Inc., a California non-profit corporation, assigned all of its rights and obligations under the OPA to 3137 El Cajon Boulevard, L.P., a California limited partnership [Owner], which accepted the assignment and assumed all rights and obligations thereunder pursuant to an Assignment and Assumption Agreement dated May 8, 2008; and

WHEREAS, the OPA governs the development of a low income residential rental apartments known as the Boulevard Apartments Project that incorporates twenty-four (24)

residential rental apartments, twenty-three (23) of which shall be rented at an Affordable Rent exclusively to persons of Extremely Low and Very Low Income earning between 30% to 40% of the Area Median Income and one (1) of which shall be used as a manager's unit by a person of Extremely Low or Very Low Income earning between 30% to 40% of the Area Median Income for a period not less than fifty-five (55) years, together with approximately 2,063 square feet of community space, a 17-space above-grade parking garage, and recreational amenities [Project]; and

WHEREAS, pursuant to the OPA, the Agency agreed to assist with financing a portion of the development of the Property by providing a residual receipts loan to Owner in an amount not to exceed \$2,400,000 [Agency Loan] from the Agency's 20% Low and Moderate Income Housing Set-Aside Funds payable from the North Park Redevelopment Project Area and the proceeds of the Line of Credit available to the Agency pursuant to a Credit Agreement with San Diego National Bank for the Affordable Housing Collaborative Opportunity Fund and the City Heights and Naval Training Center Redevelopment Project Areas; and

WHEREAS, subsequent to the Closing on the Agency Loan but to further the development of the Project, Owner submitted a request for the Agency's consideration of certain amendments to the OPA as follows: (1) to include as a new source of funding for the Project a proposed residual receipts loan to be made by the San Diego Housing Commission in the amount of \$600,000 without reducing the amount of the Agency Loan as required by the OPA; (2) to reduce the amount of the Deferred Developer Fee from \$494,272 to \$154,640 and Owner's Cash Equity from \$260,368 to \$0 as set forth in the amended Project Budget for the Project; (3) to release the manager's unit from the affordability requirements of the OPA; (4) to amend the Project Budget to reflect changes to the project costs and the construction and permanent sources

of funding; (5) to reduce the annual percentage of residual receipts generated by the Project to be paid to the Agency toward repayment of the Agency Loan; and (6) to reduce the Agency's share of any cost savings that may result from the final Acquisition Costs and Development Costs of the Project; and

WHEREAS, in light of the above, Agency and Owner desire to implement the OPA, through this First Implementation Agreement, by taking the above actions and by making further revisions to the OPA and its Attachments that are a result of new or changed funding sources and uses and project details and that are in the best interests of the Parties; and

WHEREAS, the Agency has duly considered all of the terms and conditions provided in the proposed First Implementation Agreement to the OPA and Exhibits and determines that the First Implementation Agreement together with its Exhibits 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 hereby approves the First Implementation Agreement to the OPA and Exhibits "A" through "E" attached to the First Implementation Agreement, a copy of the First Implementation Agreement to the OPA together with Exhibits shall be placed on file in the office of the secretary of the Agency as Document No. D- 04335.

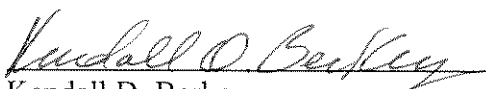
2. That the Executive Director of the Agency, or designee, is hereby authorized for and on behalf of the Agency, to execute the First Implementation Agreement to the OPA and its Exhibits, where applicable, and all other documents necessary and appropriate to carry out and implement the First Implementation Agreement to the OPA according to its terms, and to

administer the Agency's obligations, responsibilities and duties to be performed under the First Implementation Agreement.

3. That the Agency finds and determines that the City of San Diego has previously certified the information contained in the Environmental Impact Report [EIR] for the Project, referenced by Project No. 55461 and SCH No. 2005111021, that this activity is adequately addressed in said EIR, and that there is no substantial change in circumstance, additional information of substantial importance or project changes to warrant additional environmental review.

4. That the Agency finds and determines that because the prior environmental review and documentation adequately covers this activity as part of the previously approved Project, this activity is not a separate project for purposes of review under the California Environmental Quality Act [CEQA] pursuant to CEQA Guidelines Sections 15060(c)(3) and 15378(c).

APPROVED: MICHAEL J. AGUIRRE, General Counsel

By   
Kendall D. Berkey  
Deputy General Counsel

KDB:nda  
10/06/08  
Or.Dept:Redev.Agency  
RA-2009-14  
MMS#5470

I hereby certify that the foregoing Resolution was passed by the Redevelopment Agency of the City of San Diego, at its meeting of OCT 28 2008.

REDEVELOPMENT AGENCY

By:   
Jeannette Santos, Deputy Secretary

Approved: 11.13.08  
(date)

  
JERRY SANDERS, Executive Director

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

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

Passed by the Redevelopment Agency of The City of San Diego on OCT 28 2008, 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 type="checkbox"/>	<input type="checkbox"/>
Anthony Young	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 NOV 13 2008

AUTHENTICATED BY:


(Seal)

JERRY SANDERS

Executive Director of The City of San Diego, California.

ELIZABETH S. MALAND

Secretary of The City of San Diego, California.

By , Deputy

Office of the Redevelopment Agency, San Diego, California

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