

RA Mtg  
12/15/08  
(RA-2009-49)  
(COR.COPY)

REDEVELOPMENT AGENCY OF

THE CITY OF SAN DIEGO

RESOLUTION NUMBER R- 04357

DATE OF FINAL PASSAGE DEC 15 2008

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO (i) AUTHORIZING THE APPROPRIATION, CONTRIBUTION, AND TRANSFER OF AN AMOUNT NOT TO EXCEED \$731,500 OF TAX INCREMENT FUNDS FROM THE CITY HEIGHTS REDEVELOPMENT PROJECT AREA TO THE CITY OF SAN DIEGO FOR DEPOSIT INTO FUND NUMBER 10297, CITY HEIGHTS REDEVELOPMENT AGENCY CONTRIBUTION TO CIP, AS AN INCREASE IN THE FISCAL YEAR 2009 CAPITAL IMPROVEMENT PROGRAM BUDGET IN CIP NO. 29-956.0, CITY HEIGHTS SQUARE MINI PARK, TO BE USED TOWARD THE COSTS OF DESIGN AND CONSTRUCTION OF PARK IMPROVEMENTS WITHIN THE CITY HEIGHTS REDEVELOPMENT PROJECT AREA; (ii) AUTHORIZING THE REDEVELOPMENT AGENCY TO ACCEPT ALL FUNDS REMAINING IN FUND NUMBER 10297 IN THE EVENT THE PARK SHALL NOT BE DESIGNED AND CONSTRUCTED WITHIN 18 MONTHS OF THE CITY OF SAN DIEGO'S EXECUTION OF A CONSTRUCTION CONTRACT OR UPON ANY COST SAVINGS; AND (iii) MAKING CERTAIN FINDINGS IN CONNECTION WITH THE PARK IMPROVEMENTS IN ACCORDANCE WITH CALIFORNIA HEALTH AND SAFETY CODE SECTION 33445.

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

WHEREAS, in order to implement the Redevelopment Plan, the Agency previously approved the Third Five-Year Implementation Plan for the period of Fiscal Year 2005 - Fiscal Year 2009 for the City Heights Redevelopment Project; and

WHEREAS, the Third Year Implementation Plan identifies the need to reduce visible physical blight, to support the development of needed schools, parks and recreation amenities in

the community, and to support the development of high quality, transit oriented, mixed-use commercial, residential, office, and public use projects near transportation nodes; and

WHEREAS, the design and construction of park improvements [Project] on a 5,348 square-foot site located on 43<sup>rd</sup> Street between University Avenue and Polk Street, City of San Diego, in the Project Area [City Heights Square Mini Park] is a component of a 2.7 acre City Heights Square master plan that includes a senior housing project, a community medical clinic, an office and retail project that is proposed to be revised as a mixed-use residential/commercial project, and the subject Project; and

WHEREAS, the Agency acquired the City Heights Square Mini Park for future development of the Project in accordance with that certain Disposition and Development Agreement entered into by and between the Redevelopment Agency and San Diego Revitalization Corporation, approved by the Agency on May 3, 2005, which was subsequently amended by that certain First Implementation Agreement entered into by and between the Agency and Price Charities (formerly San Diego Revitalization Corporation), approved by the Agency on November 13, 2007 [collectively referred to herein as the DDA], and as may be subsequently amended by that certain Second Implementation Agreement proposed to be entered into by and between the Agency and City Heights Realty, LLC (as assignee of the DDA from Price Charities) and to be considered by the Agency on December 2, 2008; and

WHEREAS, pursuant to the DDA, maintenance and operations of the City Heights Square Mini Park will be provided by the property owners of the adjacent developments; and

WHEREAS, the Agency desires to pay for the costs of design and construction of the Project using tax increment funds from the Project Area because the City of San Diego Capital

Improvement Program Budget presently has insufficient funding for development of the Project;  
and

WHEREAS, the Agency has duly considered the proposed transaction described above  
and the proposed Agency financial contribution for the design and construction of the Project  
and finds that the transaction and the payment by the Agency of the costs of the Project are in the  
best interests of the Project Area, the City and the safety, morals, and welfare of its residents, and  
in accord with the public purposes and provisions of applicable state and local law requirements;  
NOW, THEREFORE,

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

1. That the Agency authorizes the Agency to appropriate, contribute, and transfer an  
amount not to exceed \$731,500 of tax increment funds from the City Heights Redevelopment  
Project Area [Project Area] to the City of San Diego for deposit into Fund Number 10297, City  
Heights Redevelopment Agency Contribution to CIP, as an increase in the Fiscal Year 2009  
Capital Improvement Program Budget in CIP No. 29-956.0, City Heights Mini Square Mini  
Park, to be used toward the cost of design and construction of the park improvements [Project],  
contingent upon the Comptroller certifying availability of funds.

2. That the Agency authorizes the Agency to accept any and all funds remaining in  
the Fiscal Year 2009 Capital Improvement Program Budget in CIP No. 29-956.0, City Heights  
Square Mini Park, Fund Number 10297, City Heights Redevelopment Agency Contribution to  
CIP, in the event the City Heights Square Mini Park shall not be designed and constructed by the  
City of San Diego within 18 months of the City of San Diego's successful execution of a  
construction contract or upon any cost savings should the actual costs of the Project be less than  
\$731,500.

3. That the Agency finds and determines:
  - (a) That the design and construction of the Project for the City Heights Square Mini Park, for which the Agency proposes to fund the cost of using Agency tax increment funds, are of benefit to the Project Area and the immediate neighborhood in which the Project Area is located;
  - (b) That no other reasonable means of financing the Project is available to the community;
  - (c) That the payment of Agency funds for the Project will assist in the elimination of blighting conditions inside the Project Area;
  - (d) That the proposed Project is consistent with the Third Implementation Plan adopted for the Project Area by the Agency on June 15, 2004, on file as Document No. 03771 in the office of the Secretary to the Agency, pursuant to California Health and Safety Code Section 33490; and
  - (e) All of the findings set forth herein above are more fully described in the Findings of Benefit attached hereto as Attachment "A" and incorporated herein by this reference.
4. The Agency Executive Director or designee is hereby authorized to execute all documents on behalf of the Agency that are necessary and appropriate to carry out and implement the purposes set forth in this Resolution according to its terms, and to administer the Agency's obligations, responsibilities and duties to be performed hereunder.
5. That the Agency finds and determines that this activity is not subject to the California Environmental Quality Act [CEQA] pursuant to CEQA Guidelines Section 15060(c)(3). This action authorizes the transfer of funds from the Redevelopment Agency of the City of San Diego to the City of San Diego. Any future activity involving construction

associated with this action will be subject to a separate environmental review as required by  
CEQA.

APPROVED AS TO FORM: MICHAEL J. AGUIRRE, General Counsel

By Kendall D. Berkey  
Kendall D. Berkey  
Deputy General Counsel

KDB:nda  
11/18/08  
12/05/08 Cor.Copy  
Or.Dept:Redev.Agency  
RA-2009-49  
MMS#7091

I hereby certify that the foregoing Resolution was passed by the Redevelopment Agency of the  
City of San Diego, at its meeting of DEC 02 2008.

REDEVELOPMENT AGENCY

By Jeannette Santos  
Jeannette Santos, Deputy Secretary

Approved: 12/15/08  
(date)

JSL  
JERRY SANDERS, Executive Director

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

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

**ATTACHMENT A**

**Findings  
(Health & Safety Code § 33445)  
City Heights Redevelopment Project Area**

**Findings**  
**(Health & Safety Code § 33445)**  
**City Heights Redevelopment Project Area**

SUBJECT IMPROVEMENTS:

DESIGN AND CONSTRUCTION OF CITY HEIGHTS SQUARE MINI PARK

The following findings are for the design and construction of park improvements to be constructed on designated park property located on 43<sup>rd</sup> Street between University Avenue and Polk Street within the City Heights Redevelopment Project Area (referred to herein as the “City Heights Square Mini Park”). Park improvements include, without limitation, all facilities, structures or other improvements to be constructed within the City Heights Square Mini Park. No Redevelopment funds will be used for maintenance or operations.

I. FINDINGS OF BENEFIT

The park improvements for which the Redevelopment Agency of the City of San Diego (“Agency”) proposes to pay will benefit the City Heights Redevelopment Project Area in that:

- A. The park improvements are located within the City Heights Redevelopment Project Area.
- B. The park improvements and the City Heights Square Mini Park will enhance portions of the City Heights Redevelopment Project Area for the benefit of residents, grade school students, visitors, and merchants by providing an attractive recreational area.

II. NO OTHER REASONABLE MEANS OF FINANCING

There are no other reasonable means available to the community for financing the subject park improvements for which the Agency proposes to pay in that:

City of San Diego

- A. The Fiscal Year 2009 Proposed Capital Improvement Project (CIP) Budget totals \$574.0 million. This is an increase of \$82.3 million or 16.7 percent from the Annual Fiscal Year 2008 CIP Budget of \$491.6 million. The increase in the Fiscal Year 2009 Proposed CIP Budget is primarily due to an increase in funding for capital projects addressing deferred maintenance needs. The Proposed CIP Budget includes \$99.7 million for deferred maintenance projects for facilities, streets, storm drains, and sidewalks funded by proceeds from land sales, Proposition 1B funds and financing.

- B. The CIP Budget identifies \$7.6 billion in total projected CIP project costs through Fiscal Year 2019 for continuing, new and future projects. Of this amount, \$2.2 billion is currently unidentified funding, including \$545.1 million in projects that are entirely unfunded.
- C. Overall, the outlook for the San Diego economy during Fiscal Year 2009 projects a decrease in the rate of growth, ranging between 1.5 percent and 2.0 percent. The primary factors influencing the economic slowdown include a market correction in home prices, real estate defaults and foreclosures driven by the collapse of the sub-prime loan industry, the negative impact on consumer spending due to rising oil and gas prices, reduced consumer confidence, and a slowdown in job growth. Despite the economic slowdown affecting the region since 2005, San Diego's diversified economy is expected to continue to grow, albeit at a much slower pace than in past years.

### III. ELIMINATION OF BLIGHTING CONDITIONS

The payment of Agency funds toward the cost of the park improvements will assist in the elimination of one or more blighting conditions inside the City Heights Redevelopment Project Area in that:

- A. The park improvements and the City Heights Square Mini Park will increase park space to a local area deficient in park and recreational facilities relative to City of San Diego General Plan standards.
- B. The park improvements and the City Heights Square Mini Park will increase park and recreational space to an overcrowded area with population growth and alleviate overtaxed public facilities such as community clinics, recreation facilities, transportation infrastructure, water service and educational facilities.

### IV. FINDINGS OF CONSISTENCY WITH IMPLEMENTATION PLAN

The payment of Agency funds toward the cost of the park improvements is consistent with the Third Five-Year Implementation Plan (Implementation Plan) adopted on June 15, 2004 for the City Heights Redevelopment Project pursuant to Health and Safety Code Section 33490, and filed with the Agency as Document No. R-03771, in that:

- A. The park improvements are consistent with the Implementation Plan for the City Heights Redevelopment Project, in that the improvements address the Implementation Plan's specific goals and objectives including:
  - i. Reduce visible physical blight;
  - ii. Support the development of needed schools, parks and recreation amenities in the community; and



- iii. Support the development of high quality, transit oriented, mixed-use commercial, residential, office, and public use projects near transportation nodes.
- B. The park improvements are addressed in the Five Year Projects Schedule of the Implementation Plan for the City Heights Redevelopment Project. “The Program and Project Matrix FY 2005 – FY 2009”, for Fiscal Year 2007-2008 includes:
  - i. Work with the community to identify potential pocket park sites and develop passive and recreational opportunities.

V. REDEVELOPMENT PLAN PROVIDES FOR DEVELOPMENT OF PARKS

The Redevelopment Plan for the City Heights Redevelopment Project provides for the development of parks such as the City Heights Square Mini Park, in that:

- A. The Agency may acquire, install and construct, or cause to be installed and constructed, public improvements and public utilities as necessary to carry out the Redevelopment Plan. Public improvements include parks, playgrounds, landscaped areas, and any other public building, facility, structure or improvement deemed necessary or appropriate by the Agency to implement the Redevelopment Plan (Redevelopment Plan at Section 621).
- B. Additional parks may be provided in the Project Area as enumerated in the Public Facilities Projects List of the Redevelopment Plan.

**The City of San Diego  
CERTIFICATE OF CITY AUDITOR AND COMPTROLLER**

**CERTIFICATE OF UNALLOTTED BALANCE**

AC 2900402

ORIGINATING

DEPT. NO.: 9975

I HEREBY CERTIFY that the money required for the allotment of funds for the purpose set forth in the foregoing resolution is available in the Treasury, or is anticipated to come into the Treasury, and is otherwise unallotted.

Amount: \_\_\_\_\_ Fund: \_\_\_\_\_

Purpose: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Date: \_\_\_\_\_ By: \_\_\_\_\_

ACCOUNTING DATA

ACCTG. LINE	CY PY	FUND	DEPT	ORG.	ACCOUNT	JOB ORDER	OPERATION ACCOUNT	BENF/ EQUIP	FACILITY	AMOUNT
TOTAL AMOUNT										

FUND OVERRIDE

**CERTIFICATION OF UNENCUMBERED BALANCE**

I HEREBY CERTIFY that the indebtedness and obligation to be incurred by the contract or agreement authorized by the hereto attached resolution, can be incurred without the violation of any of the provisions of the Charter of the City of San Diego; and I do hereby further certify, in conformity with the requirements of the Charter of the City of San Diego, that sufficient moneys have been appropriated for the purpose of said contract, that sufficient moneys to meet the obligations of said contract are actually in the Treasury, or are anticipated to come into the Treasury, to the credit of the appropriation from which the same are to be drawn, and that the said money now actually in the Treasury, together with the moneys anticipated to come into the Treasury, to the credit of said appropriation, are otherwise unencumbered.

Not to Exceed: \$731,500.00

Vendor: City of San Diego

Purpose: Transfer funds from City Heights Redevelopment Project Area (Fund 98200) to the City of San Diego's C.I.P. department to provide funds for the design and construction of the City Heights Square Mini Park.

Date: November 19, 2008 By: Francisco J Lopez *FL*

ACCOUNTING DATA

ACCTG. LINE	CY PY	FUND	DEPT	ORG.	ACCOUNT	JOB ORDER	OPERATION ACCOUNT	BENF/ EQUIP	FACILITY	AMOUNT
01	0	98200	9823	4005	4881	010297				731,500.00
TOTAL										\$731,500.00

FUND OVERRIDE

AC 2900402

Passed by the Redevelopment Agency of The City of San Diego on DEC 02 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 DEC 15 2008

AUTHENTICATED BY:

JERRY SANDERS

Executive Director of The City of San Diego, California.

ELIZABETH S. MALAND

Secretary of The City of San Diego, California.

(Seal)

By , Deputy

Office of the Redevelopment Agency, San Diego, California

Resolution Number R-04357