

REDEVELOPMENT AGENCY
OF THE CITY OF SAN DIEGO

RESOLUTION NUMBER R- 04334

DATE OF FINAL PASSAGE MAY 04 2009

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO (i) AMENDING THE FISCAL YEAR 2008-2009 PROGRAM BUDGETS FOR THE REDEVELOPMENT PROJECTS ADMINISTERED BY THE CENTRE CITY DEVELOPMENT CORPORATION, THE SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION, AND THE REDEVELOPMENT DIVISION OF THE CITY PLANNING AND COMMUNITY INVESTMENT DEPARTMENT; AND (ii) AUTHORIZING PAYMENT TOTALING \$11,457,209 TO THE EDUCATIONAL REVENUE AUGMENTATION FUND PURSUANT TO ASSEMBLY BILL 1389.

WHEREAS, the Centre City Development Corporation, Inc. [CCDC] has been authorized, on behalf of the Redevelopment Agency of the City of San Diego [Agency], to administer the Centre City and Horton Plaza Redevelopment Projects located within the Centre City area of the City of San Diego [City]; and

WHEREAS, the Southeastern Economic Development Corporation, Inc. [SEDC] has been authorized, on behalf of the Agency, to administer the Central Imperial, Gateway Center West, Southcrest, and Mount Hope Redevelopment Projects located within the Southeastern area of the City; and

WHEREAS, the Redevelopment Division of the City Planning and Community Investment Department [City Redevelopment Division] has been authorized, on behalf of the Agency, to administer the Linda Vista, College Grove, Barrio Logan, City Heights, College Community, North Park, San Ysidro, Naval Training Center, North Bay, Crossroads, and

Grantville Redevelopment Projects located within various areas of the City other than those located within the Centre City and Southeastern areas of the City; and

WHEREAS, the Agency is obligated to remit payment to the State of California's Education Revenue Augmentation Fund [ERAF] pursuant to Assembly Bill 1389; and

WHEREAS, Program Budgets for Fiscal Year 2008-2009 previously approved by the Agency for the Redevelopment Projects managed by the CCDC, the SEDC, and the City Redevelopment Division do not allocate this payment to the ERAF; and

WHEREAS, the Agency must now amend the Fiscal Year 2008-2009 Program Budgets for the Redevelopment Projects managed by the CCDC, the SEDC, and the City Redevelopment Division in order to process the required payment totaling \$11,457,209 to the ERAF; and

WHEREAS, the validity of the legislation mandating this ERAF payment has been challenged in litigation pending in the Superior Court for Sacramento County, *California Redevelopment Association et al v. Genest et al*, Case No. 34-2008-00028334-CU-WM-GDS [CRA v. Genest]; and this litigation action alleges, among other things, that the duties of county auditors under California Health and Safety Code Sections 33685(a) and 33687(a) to deposit funds received from redevelopment agencies in County Educational Revenue Augmentation Funds are inconsistent with various state and federal constitutional provisions and are therefore unlawful and unenforceable; and

WHEREAS, in light of the pending litigation action CRA v. Genest, the Agency finds it in the best interests of the Agency to reserve any rights it may have to withhold the payment of funds under California Health and Safety Code Sections 33685(a) and 33687(a) or to recover those funds after payment or transfer based on any order or judgment of the Court in CRA v. Genest; NOW, THEREFORE,

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

1. That the Agency hereby amends the Fiscal Year 2009 Program Budgets for the Redevelopment Projects managed by the CCDC, the SEDC, and the City Redevelopment Division in order to process and facilitate the required payment totaling \$11,457,209 to the ERAF, as follows:

- (a) Reduce the appropriation of Fund 99061 (Centre City Capital Projects) by \$2,216,819.
- (b) Reduce the appropriation of Fund 98410 (Horton Plaza Capital Projects) by \$711,717.
- (c) Increase the appropriation of Fund 98890 (Centre City Taxing Agencies Fund) by \$7,472,819.
- (d) Increase the appropriation of Fund 98409 (Horton Plaza Taxing Agencies Fund) by \$711,717.
- (e) Reduce the Appropriation of Fund 98350 (Gateway Center West) by \$23,254.
- (f) Reduce the Appropriation of Fund 98360 (Mount Hope) by \$120,548.
- (g) Reduce the Appropriation of Fund 983302 (Southcrest Res Dev – Alpha St) by \$169,010.
- (h) Reduce the Appropriation of Fund 98770 (Central Imperial) by \$164,967.
- (i) Increase the Appropriation of Fund 983515 (Gateway Center West Taxing Agencies Fund) by \$23,254.

- (j) Increase the Appropriation of Fund 983620 (Mount Hope Taxing Agencies Fund) by \$120,548.
- (k) Increase the Appropriation of Fund 983312 (Southcrest Taxing Agencies Fund) by \$169,010.
- (l) Increase the Appropriation of Fund 98791 (Central Imperial Taxing Agencies Fund) by \$164,967.
- (m) Reduce the Appropriation of Fund 98900 (Barrio Logan Capital Projects) by \$47,174.
- (n) Reduce the Appropriation of Fund 98200 (City Heights Capital Projects) by \$812,887.
- (o) Reduce the Appropriation of Fund 98100 (College Community Capital Projects) by \$53,902.
- (p) Reduce the Appropriation of Fund 98001 (College Grove Capital Projects) by \$47,058.
- (q) Reduce the Appropriation of Fund 98250 (Crossroads Capital Projects) by \$283,821.
- (r) Reduce the Appropriation of Fund 98500 (Linda Vista Capital Projects) by \$7,431.
- (s) Reduce the Appropriation of Fund 98070 (North Bay Capital Projects) by \$540,174.
- (t) Reduce the Appropriation of Fund 98300 (North Park Capital Projects) by \$431,660.

- (u) Reduce the Appropriation of Fund 98050 (Naval Training Center Capital Projects) by \$296,695.
- (v) Reduce the Appropriation of Fund 98570 (San Ysidro Capital Projects) by \$280,992.
- (x) Increase the Appropriation of Fund 98505 (Linda Vista Taxing Agencies Fund) by \$7,431.
- (y) Increase the Appropriation of Fund 98004 (College Grove Taxing Agencies Fund) by \$47,058.
- (z) Increase the Appropriation of Fund 98907 (Barrio Logan Taxing Agencies Fund) by \$41,174.
- (aa) Increase the Appropriation of Fund 98201 (City Heights Taxing Agencies Fund) by \$812,887.
- (bb) Increase the Appropriation of Fund 98103 (College Community Taxing Agencies Fund) by \$53,902.
- (cc) Increase the Appropriation of Fund 98303 (North Park Taxing Agencies Fund) by \$431,660.
- (dd) Increase the Appropriation of Fund 98573 (San Ysidro Taxing Agencies Fund) by \$280,092.
- (ee) Increase the Appropriation of Fund 98053 (Naval Training Center Taxing Agencies Fund) by \$296,695.
- (ff) Increase the Appropriation of Fund 98073 (North Bay Taxing Agencies Fund) by \$540,174.

(gg) Increase the Appropriation of Fund 98253 (Crossroads Taxing Agencies Fund) by \$283,821.


2. That the Agency authorizes the City Comptroller to remit payment to the ERAF in the total amount of \$11,457,209 pursuant to Assembly Bill 1389.

3. That, in light of the pending litigation action in the Superior Court for Sacramento County, *California Redevelopment Association et al v. Genest et al*, Case No. 34-2008-00028334-CU-WM-GDS [CRA v. Genest], the Agency reserves any rights it may have to withhold the payment of funds under California Health and Safety Code Sections 33685(a) and 33687(a) or to recover those funds after payment or transfer based on any order or judgment of the Court in CRA v. Genest.

4. That 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 this activity is not a "project" and is therefore exempt from the California Environmental Quality Act [CEQA] pursuant to CEQA Guidelines Section 15060(c)(3).

APPROVED: JAN I. GOLDSMITH, General Counsel

By 
Kendall Berkey
Deputy General Counsel

KDB:nda
04/10/09
Or.Dept:Redev.Agency
RA-2009-96
MMS#8524

I hereby certify that the foregoing Resolution was passed by the Redevelopment Agency of the City of San Diego, at its meeting of APR 28 2009.

REDEVELOPMENT AGENCY

By *Jeannette Santos*
Jeannette Santos, Deputy Secretary

Approved: 5-4-09
(date)

JSL
JERRY SANDERS, Executive Director

Vetoed: _____
(date)

JERRY SANDERS, Executive Director

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

CERTIFICATE OF UNALLOTTED BALANCE
ORIGINATING

AC 2900738
DEPT. _____
NO.: 9975

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: \$11,457,209.00

Vendor: Education Revenue Augmentation Fund

Purpose: Authorize the expenditure of funds for providing payment for CCDG, SEDG, and City Redevelopment as needed to facilitate the required payment to the State ERAF. Total contract is not to exceed \$4,125,000.

Date: April 13, 2009

By: Weihong Dai
AUDITOR AND COMPTROLLER'S DEPARTMENT

ACCOUNTING DATA

ACCTG. LINE	CY PY	FUND	DEPT	ORG.	ACCOUNT	JOB ORDER	OPERATION ACCOUNT	BENF/ EQUIP	FACILITY	AMOUNT
001	0	98890	98890	1009	4240	001009				\$7,472,819.00
002	0	98409	98409	1009	4240	001009				711,717.00
003	0	983515	983517	1009	4240	001009				23,254.00
004	0	983620	983621	1009	4240	001009				120,548.00
005	0	983312	983312	1009	4240	001009				169,010.00
006	0	98791	98791	1009	4240	001009				164,967.00
007	0	98505	98505	1009	4240	001009				7,431.00
008	0	98004	98004	1009	4240	001009				\$47,058.00
009	0	98907	98907	1009	4240	001009				41,174.00
010	0	98201	98201	1009	4240	001009				812,887.00
011	0	98103	98103	1009	4240	001009				53,902.00
012	0	98303	98303	1009	4240	001009				431,660.00
013	0	98573	98573	1009	4240	001009				\$280,092.00
014	0	98053	98053	1009	4240	001009				296,695.00
015	0	98073	98073	1009	4240	001009				540,174.00
016	0	98253	98253	1009	4240	001009				283,821.00

Total \$11,457,209.00

AC 2900738

Passed by the Redevelopment Agency of The City of San Diego on APR 28 2009, by the following vote:

Agency Members	Yeas	Nays	Not Present	Recused
Sherri Lightner	<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"/>
Todd Gloria	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Anthony Young	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Carl DeMaio	<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"/>
Marti Emerald	<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"/>

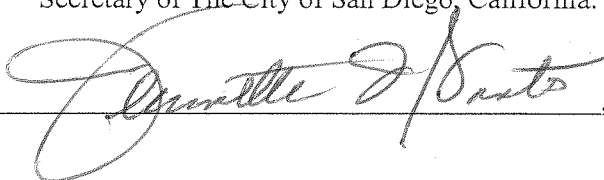
Date of final passage MAY 04 2009

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- 04394