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REDEVELOPMENT AGENCY OF
THE CITY OF SAN DIEGO

RESOLUTION NUMBER R- 04452

DATE OF FINAL PASSAGE NOV 12 2009

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO [AGENCY] (i) MAKING CERTAIN FINDINGS AND DETERMINATIONS RELATED TO THE EXPENDITURE OF THE AGENCY'S TAX INCREMENT FUNDS TOWARD NEW STREETScape IMPROVEMENTS [IMPROVEMENTS] WITHIN THE NORTH PARK REDEVELOPMENT PROJECT AREA [PROJECT AREA] IN ACCORDANCE WITH CALIFORNIA HEALTH AND SAFETY CODE SECTION 33445; (ii) AUTHORIZING THE CHIEF FINANCIAL OFFICER TO TRANSFER AN AMOUNT NOT TO EXCEED \$125,000 OF TAX INCREMENT FUNDS FROM THE PROJECT AREA TO THE CITY OF SAN DIEGO FOR DEPOSIT INTO FUND NO. 200356, AS AN INCREASE IN THE FISCAL YEAR 2010 CAPITAL IMPROVEMENT PROGRAM BUDGET IN WBS NO. S-10050 TO BE USED TOWARD THE COST OF DESIGN OF THE IMPROVEMENTS; AND (iii) AUTHORIZING THE CHIEF FINANCIAL OFFICER TO RETURN TO THE AGENCY ANY AND ALL FUNDS FROM THIS ALLOCATION REMAINING IN FUND NO. 200356 IF THERE ARE ANY COST SAVINGS.

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 implement the Redevelopment Plan for the Project Area, the Agency, pursuant to Resolution No. R-04182 adopted effective July 26, 2007, approved the Third 5-Year Implementation Plan for the period of Fiscal Years 2008 through 2012 for the North Park Redevelopment Project [Third Implementation Plan], on file with the secretary of the

Agency as Document No. D-04182, in accordance with California Health and Safety Code section 33490; and

WHEREAS, the Redevelopment Plan and the Third Implementation Plan identify the need for the construction of streetscape improvements to eliminate blighting conditions; and

WHEREAS, the Agency now proposes to contribute up to \$125,000 from the Project Area's tax increment funds as an increase in the Fiscal Year 2010 Capital Improvement Program [CIP] Budget in WBS No. S-10050, North Park Mini-Park and Streetscape Improvements, Fund No. 200356, RDA Contributions – NP, to pay for the cost of completion of a Streetscape Master Plan comprising design work that ultimately could result in the future construction of proposed streetscape and traffic calming improvements along portions of Utah Street, 29th Street and North Park Way within the Project Area [Improvements]; and

WHEREAS, the potential future construction of the Improvements will help improve the area located adjacent to a public park consisting of approximately one-half acre to be developed potentially in the future, often referred to as the future North Park Mini-Park; and

WHEREAS, the Agency desires to pay for the cost of the Improvements (including the preliminary design work in the form of the Streetscape Master Plan) to implement the goals and objectives of the Redevelopment Plan and the Third Implementation Plan because the City presently has insufficient funding for the Improvements; and

WHEREAS, the City will manage the design and any future construction of the Improvements in connection with the City's existing CIP project known as the North Park Mini-Park and Streetscape Improvements Project; and

WHEREAS, the Agency's potential additional funding for construction-related items will be considered as part of future City and Agency actions after completion of the preliminary design work for the Improvements; and

WHEREAS, the Agency has duly considered the Agency's proposed financial contribution toward the cost of the Improvements and finds that such financial contribution is 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; and

WHEREAS, the Agency's proposed funding activity is not subject to the California Environmental Quality Act [CEQA] because it involves preliminary design work and thus is not a "project" for purposes of CEQA pursuant to State CEQA Guidelines section 15060(c)(3), and any future construction of the Improvements arising as a result of this preliminary design work will be subject to environmental review in compliance with CEQA; NOW, THEREFORE,

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

1. That the Agency finds and determines each of the following, in accordance with California Health and Safety Code section 33445:

(a) That the Improvements (including both the preliminary design work and potential future construction) for which the Agency proposes to pay will benefit the Project Area and the immediate neighborhood in which the Improvements would be located, in that:

- (1) The Improvements are within the Project Area.
- (2) The Improvements will enhance portions of the Project Area for the benefit of residents, grade school students, visitors, and merchants.

(3) The Improvements will improve pedestrian and vehicular safety and circulation by creating wider sidewalks and implementing traffic calming measures.

(b) That no other reasonable means of financing the Improvements is available to the community (i.e., the City), in that:

(1) In Fiscal Year 2009, the City experienced declining revenues in the City's four major revenue sources (property tax, sales tax, transient occupancy tax [TOT], and franchise fees), resulting in a \$39.0 million reduction from the Fiscal Year 2009 Adopted Budget.

(2) In response to the economic downturn, the City of San Diego reduced its General Fund revenue projections for Fiscal Year 2009 and restricted departmental spending. To balance the General Fund budget, City Council adopted the Fiscal Year 2009 Revised Budget on December 9, 2008 and February 3, 2009 by reducing \$36.6 million in expenditures. These Fiscal Year 2009 budget adjustments were carried forward into the Fiscal Year 2010 Adopted Budget.

(3) The Fiscal Year 2010 Adopted Budget for the City of San Diego decreased by approximately 5.8 percent from \$3.13 billion to \$2.95 billion. The Fiscal Year 2010 Budget reflects General Fund revenues and expenditures of \$1.13 billion, representing a decline of \$62.9 million or 5.3 percent over the Fiscal Year 2009 Adopted Budget. The General Fund Budget includes 7,396.92 full-time equivalent [FTE] positions, a decrease of 148.30 FTE positions over the Fiscal Year 2009 Adopted Budget. The net decrease in General Fund positions is primarily due to the elimination of 146.95 FTE positions carried forward from the Fiscal Year 2009 Revised Budget.

(4) The City's Fiscal Year 2010 General Fund balanced budget, approved by City Council in June 2009, includes reduced revenue projections adjusted for a continuation of slow economic growth and a continued constriction of economic activity. Growth in revenues is anticipated to be negative in most major revenue categories such as sales tax, TOT, and property tax. The City Charter requires the City to maintain a balanced budget. The economic downturn and the negative effect of the Fiscal Year 2010 reduced revenues of approximately \$62.9 million (over the Fiscal Year 2009 Adopted General Fund Budget) confirm the need for the Agency to fund these improvements.

(5) The City's capital improvement budget is funded from various sources, including water and sewer fees, Development Impact Fees, grant funds, Facilities Benefit Assessment funds, and sale of City-owned property and TransNet funds. The Fiscal Year 2010 CIP Budget totals \$478.4 million, a decrease of \$108.5 million from Fiscal Year 2009. The Fiscal Year 2010 CIP Budget provides for improvements to the City's water and sewer systems and projects for park and recreation, library, and transportation. Despite the decrease in the City's CIP Budget, it is estimated that the City's deferred maintenance capital needs, excluding water and sewer projects, may be at least \$800 to \$900 million. The City financed \$103 million of this backlog in Fiscal Year 2009, but given the current economic recession and the decline in General Fund revenues, the City is unable to expend General Fund revenues on additional capital projects this fiscal year.

(6) On March 4, 2009, the Agency entered into a co-operation agreement with the City of San Diego to fund the debt service on the PETCO Park bonds for the next five years due to the economic downturn and negative growth rates for some major revenues. (Resolution No. R-304728/Agency Report No. CCDC-09-07.)

(c) That the payment of Agency funds for the cost of the Improvements will assist in the elimination of one or more blighting conditions within the Project Area, in that:

(1) The Improvements will correct and upgrade substandard and deteriorated infrastructure, thereby improving pedestrian and vehicular safety and circulation.

(2) The Improvements will upgrade deficient public right-of-way space with new infrastructure that will enhance the image of North Park, particularly at the intersection between residential corridors and busy commercial corridors.

(3) The Improvements will improve mobility with new infrastructure that will enhance area walkability.

(4) The Improvements will provide public infrastructure in an area that currently does not meet the City's street lighting standards for commercial, business and residential corridors.

(d) That the Improvements are consistent with the Third Implementation Plan and are provided for in the Redevelopment Plan for the Project Area, in that:

(1) The Improvements address the specific goals and objectives of the Third Implementation Plan and the Redevelopment Plan, including:

i. To encourage conservation, rehabilitation, and redevelopment in order to eliminate and prevent the spread of deterioration and blight in the Project Area;

ii. To improve, promote, and preserve the positive neighborhood characteristics of the Project Area while correcting its physical and economic deficiencies;

- iii. To foster pedestrian and transportation alternatives throughout the Project Area;
- iv. To redesign and construct street improvements, public lighting and other public improvements; and
- v. To support the expansion of, and improvements to, park and recreational facilities and open spaces.

(2) The Improvements are consistent with the Third Implementation Plan's Fiscal Year 2008 – Fiscal Year 2012 Five Year Projects Schedule, including the Fiscal Year Work Program, which includes commencing construction of the North Park Mini-Park (to be developed in the future and located adjacent to the Improvements) and monitoring and coordinating public sector activities within the Project Area sponsored by the City and other public entities, including streetscape and lighting and landscaping improvement activities.

(e) All of the findings set forth herein above, as well as the nature and scope of the Improvements, are more fully described in the Special Findings accompanying Report No. RA-09-11 to the Agency for this action and incorporated herein by this reference. To the extent there is any inconsistency between this Resolution and the Special Findings document, this Resolution shall control.

2. That the Chief Financial Officer is hereby authorized to appropriate and transfer an amount not to exceed \$125,000 of tax increment funds from the Project Area, as allocated in the Agency's Fiscal Year 2010 Budget, to the City for deposit into Fund No. 200356, RDA Contributions – NP, as an increase in the Fiscal Year 2010 CIP Budget in WBS No. S-10050, North Park Mini-Park and Streetscape Improvements, to be used toward the cost of design of the Improvements, contingent upon the City Comptroller certifying the availability of funds.

3. That the Chief Financial Officer is hereby authorized to transfer, and that the Agency is hereby authorized to accept the return of, any and all funds from this allocation remaining in the CIP Budget in WBS No. S-10050, North Park Mini-Park and Streetscape Improvements, Fund No. 200356, RDA Contributions – NP, upon any cost savings should actual costs of design of the Improvements be less than \$125,000.

4. That the Agency's 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.

APPROVED: JAN I. GOLDSMITH, GENERAL COUNSEL

By Kevin Reisch
Kevin Reisch
Deputy General Counsel

KR:cw
09/08/09
Or.Dept:Redev.Agency
RA-2010-16
MMS #7733
Companion Item to: R-2010-140
Companion Item to: R-2010-75, MMS# 8193

I hereby certify that the foregoing Resolution was passed by the Redevelopment Agency of the City of San Diego, at its meeting of OCT 27 2009.

REDEVELOPMENT AGENCY

By 
Jeannette Santos, Deputy Secretary

Approved: 11.12.09
(date)


JERRY SANDERS, Executive Director

Vetoed: _____
(date)

JERRY SANDERS, Executive Director

The City of San Diego
COMPTROLLER'S CERTIFICATE

CERTIFICATE OF UNALLOTTED BALANCE

CC 100010222
 ORIGINATING BUSINESS AREA

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: \$125,000.00 Fund: 400110

Purpose: To authorize the appropriation and expenditure of funds for North Park Mini-Park and Streetscape Improvements from the Park North-East Park Development Fund for the purpose of creating a North Park Mini-Park General Development Plan. CIP S-10050

Date: September 4, 2009

By: Rob Ruscitto *RR*
 COMPTROLLER'S DEPARTMENT

ACCOUNTING DATA									
Doc. Item	Fund	Funded Program	Internal Order	Funcional Area	G/L Account	Business Area	Cost Center	WBS	Original Amount
01	400110				330114				\$125,000.00
TOTAL AMOUNT									\$125,000.00

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: _____

Vendor: _____

Purpose: _____

Date: _____

By: Rob Ruscitto
 COMPTROLLER'S DEPARTMENT

ACCOUNTING DATA									
Doc. Item	Fund	Funded Program	Internal Order	Funcional Area	G/L Account	Business Area	Cost Center	WBS	Original Amount
TOTAL AMOUNT									\$0.00

Passed by the Redevelopment Agency of The City of San Diego on OCT 27 2009, by the following vote:

Agency Members	Yeas	Nays	Not Present	Recused
Sherr 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 NOV 12 2009.

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 R- 04452