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REDEVELOPMENT AGENCY OF
THE CITY OF SAN DIEGO

RESOLUTION NUMBER R- 04474

DATE OF FINAL PASSAGE DEC 0 9 2009

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO (i) MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING THE ENVIRONMENTAL IMPACTS OF THE PROPOSED NINTH AND BROADWAY AFFORDABLE HOUSING DEVELOPMENT PROJECT [PROJECT] WITHIN THE CENTRE CITY REDEVELOPMENT PROJECT AREA [PROJECT AREA], (ii) APPROVING THE DISPOSITION AND DEVELOPMENT AGREEMENT [AGREEMENT] AND THE GROUND LEASE RELATED TO THE PROJECT, (iii) MAKING CERTAIN FINDINGS WITH RESPECT TO THE AGREEMENT AND THE GROUND LEASE, (iv) AUTHORIZING THE EXPENDITURE OF UP TO \$21,873,000 FROM THE AGENCY'S LOW AND MODERATE INCOME HOUSING FUNDS FOR THE PROJECT AREA TO PROVIDE A RESIDUAL RECEIPTS LOAN TO DEVELOPER IN ACCORDANCE WITH THE AGREEMENT, AND (v) APPROVING THE BASIC CONCEPT DRAWINGS FOR THE 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 Centre City Redevelopment Project [Redevelopment Plan]; and

WHEREAS, the Agency has adopted the five-year Implementation Plan covering the period of July 2009 through June 2014 for the Centre City Redevelopment Project and the adjacent Horton Plaza Redevelopment Project [Implementation Plan]; and

WHEREAS, among other things, the Implementation Plan provides for the implementation of certain activities necessary or appropriate to carry out the objectives of the Redevelopment Plan in accordance with California Health and Safety Code section 33490, which

is part of the California Community Redevelopment Law [CRL], California Health and Safety Code sections 33000-34160; and

WHEREAS, the Centre City Development Corporation [CCDC], acting on behalf of the Agency, has negotiated a Disposition and Development Agreement [Agreement] with Broadway Tower Associates, L.P., a California limited partnership [Developer], wherein the Developer has agreed to develop and construct a 250-unit multi-family housing project [Project] on an approximately 25,000 square foot site owned by the Agency and generally located near the intersection of Ninth Avenue and Broadway within the East Village Sub Area of the Centre City Redevelopment Project Area [Property]; and

WHEREAS, the Agreement requires the Developer to operate the Project, upon completion of construction, as rental housing that is affordable to very low-income households and low-income households, as more specifically defined and provided for in the Agreement; and

WHEREAS, the Agreement provides for the Agency's ground leasing of the Property to the Developer for seventy years, with an option that may be exercised by Developer to extend the leasehold estate for an additional twenty years [collectively, Lease Term], subject to the terms of the Agreement and the proposed Ground Lease between the Agency and the Developer [Ground Lease], which is Attachment No. 18 to the Agreement; and

WHEREAS, the Agreement contemplates that the Agency will provide a residual receipts loan to the Developer in an amount not to exceed \$21,873,000 [Loan] from the Agency's low and moderate-income housing funds derived from the Project Area, subject to the terms of the Agreement; and

WHEREAS, in accordance with CRL section 33433, the Agency and the City Council of the City of San Diego [Council] held a joint public hearing to consider the approval of the Agreement and the Ground Lease on 04474, after publishing notice of the public hearing in accordance with CRL section 33433; and

WHEREAS, pursuant to CRL section 33433, CCDC administered the preparation of the “Summary Pertaining to the Ground Lease of Certain Property within the Centre City Project Area” dated October 2009 [Summary Report], which is attached to CCDC Report No. CCDC-09-21 for this action [Staff Report], and is incorporated fully into this Resolution by this reference; and

WHEREAS, the Agency has made copies of the Agreement, the Ground Lease, and the Summary Report available for public inspection and copying no later than the time of the first publication of the notice of the public hearing; and

WHEREAS, the Summary Report contains a summary which describes and specifies all of the following:

- (i) The cost of the Agreement and the Ground Lease to the Agency, including land acquisition costs, clearance costs, relocation costs, the costs of any improvements to be provided by the Agency, plus the expected interest on any loans or bonds to finance the Agreement and the Ground Lease;
- (ii) The estimated value of the interest to be leased, determined at the highest and best uses permitted under the Redevelopment Plan;
- (iii) The estimated value of the interest to be leased, determined at the use and with the conditions, covenants, and development costs required by the Agreement and the Ground Lease;

(iv) The present value of the lease payments which the Developer will be required to make during the Lease Term along with an explanation as to why the rental amount is less than the fair market value of the interest to be leased, determined at the highest and best use consistent with the Redevelopment Plan; and

(v) An explanation of why leasing of the Property in accordance with the Agreement and the Ground Lease will assist in the elimination of blight, with reference to all supporting facts and materials relied upon in making this explanation; and

WHEREAS, pursuant to CRL section 33433, the Council considered the information in the Summary Report and has made the findings required by CRL section 33433 with respect to the Agreement and the Ground Lease; and

WHEREAS, the Agency believes that the Agreement and the Ground Lease 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; and

WHEREAS, in accordance with the Agreement, the Developer has submitted to the Agency, and the Agency has reviewed, the Basic Concept Drawings pertaining to the Project, which plans are attached to the Staff Report; and

WHEREAS, pursuant to Resolution No. R-04001 adopted effective March 14, 2006, the Agency, acting as the designated "lead agency" for purposes of the California Environmental Quality Act [CEQA], has previously certified the Final Environmental Impact Report for the San Diego Downtown Community Plan, Centre City Planned District Ordinance and Tenth Amendment to the Redevelopment Plan for the Centre City Redevelopment Project [2006 Final EIR], on file with the Secretary of the Agency as Document No. D-04001a; and

WHEREAS, pursuant to Resolution No. R-301265 adopted effective March 14, 2006, the Council, acting as a “responsible agency” for purposes of CEQA, has previously reviewed and considered the information contained in the 2006 Final EIR; and

WHEREAS, pursuant to Resolution No. R-04193 adopted effective August 3, 2007, the Agency has certified the Addendum to the 2006 Final EIR in connection with the Eleventh Amendment to the Redevelopment Plan [2007 Addendum], related to certain amendments to the San Diego Downtown Community Plan, Centre City Planned District Ordinance, Marina Planned District Ordinance, and Mitigation, Monitoring and Reporting Program of the 2006 Final EIR; and

WHEREAS, pursuant to Resolution No. R-302932 adopted effective August 3, 2007, the Council has certified the 2007 Addendum; and

WHEREAS, CCDC, on behalf of the Agency, has administered the preparation of the Final Environmental Secondary Study for the Project dated June 2009 [Secondary Study], which is attached to the Staff Report, in accordance with CEQA and state and local guidelines adopted pursuant thereto; and

WHEREAS, the Secondary Study, at pages 24 and 25, sets forth certain findings, to the effect that the Project will not result in new or increased environmental effects compared to what already has been evaluated under the 2006 Final EIR and the 2007 Addendum; and

WHEREAS, the Agency has considered any written evidence and/or testimony received in support of or in opposition to the Agreement, the Ground Lease, the Loan, the Basic Concept Drawings, and the Secondary Study, as well as the entire record prepared by Agency and City staff; NOW, THEREFORE,

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

1. That the Agency hereby finds and determines that all recitals set forth in this Resolution are true and correct and fully incorporated herein by this reference.
2. That the Agency has previously certified that the 2006 Final EIR and the 2007 Addendum were prepared in compliance with CEQA and state and local guidelines adopted pursuant thereto.
3. That, consistent with the analysis contained in the Secondary Study, the environmental effects of the Project were adequately addressed in the 2006 Final EIR and the 2007 Addendum, and the Project is within the scope of the development program described therein.
4. That the Agency hereby adopts the following findings and determinations, as set forth at pages 24 and 25 of the Secondary Study, with respect to the environmental effects of the Project:
 - (a) No substantial changes are proposed in the Centre City Redevelopment Project, or with respect to the circumstances under which the Centre City Redevelopment Project is to be undertaken as a result of the Project, which will require important or major revisions in the 2006 Final EIR or the 2007 Addendum;
 - (b) No new information or substantial importance to the Centre City Redevelopment Project has become available, which was not known or could not have been known at the time the 2006 Final EIR was certified as complete, and which shows that the Project will have any significant

effects not discussed previously in the 2006 Final EIR or the 2007 Addendum, or that any significant effects previously examined will be substantially more severe than shown in the 2006 Final EIR or the 2007 Addendum, or that any mitigation measures or alternatives previously found not to be feasible or not previously considered would substantially reduce or lessen any significant effects on the environment;

- (c) No negative declaration, subsequent environmental impact report, or supplement or further addendum to the 2006 Final EIR is necessary or required;
- (d) The development of the Project will have no significant effect on the environment, except as identified and considered in the 2006 Final EIR and the 2007 Addendum, and no new or additional project-specific mitigation measures are required in connection with development of the Project;
- (e) Uniformly applied development policies or standards previously adopted by the City and/or the County of San Diego relating to the identification and remediation of soil contamination will substantially mitigate the site-specific effects associated with the potential soil contamination created by previous activities on the Project site, and therefore the Project site's existing soil conditions are not considered peculiar to the Project site, nor is an environmental impact report warranted for the proposed Project; and
- (f) The Project would not have any new effects that were not adequately covered in the 2006 Final EIR or the 2007 Addendum, and therefore, the

Project is within the scope of the development program approved under the 2006 Final EIR and the 2007 Addendum.

5. That, pursuant to CEQA Guidelines sections 15162 and 15168, the Agency determines that no further environmental documentation is required to address the potential environmental effects of the Project.
6. That the Mitigation Monitoring and Reporting Program derived from the 2006 Final EIR and tailored specifically for the Project, as set forth in Attachment "A" to the Secondary Study, is hereby approved and adopted.
7. That the City Clerk, or designee, is directed to file a Notice of Determination with the Clerk of the Board of Supervisors for the County of San Diego regarding the Project.
8. That the Agency has reviewed and approves the Summary Report.
9. That the Agency finds and determines that the consideration to be received by the Agency for the ground leasing of the Property for the Lease Term is not less than fair reuse value at the use and with covenants and conditions and development costs authorized by the Agreement and the Ground Lease for, among other reasons, the reasons set forth in Sections IV, V and VI of the Summary Report.
10. That the Agency finds and determines that the ground leasing of the Property for the Lease Term and the development of the Property in accordance with the Agreement and the Ground Lease will assist in the elimination of blight or provide housing for low-income or moderate-income persons, for, among other reasons, the reasons set forth in Sections IV and VII of the Summary Report.

11. That the Agency finds and determines that the ground leasing of the Property for the Lease Term and the development of the Property in accordance with the Agreement and the Ground Lease are consistent with Section III of the Implementation Plan adopted pursuant to CRL section 33490, which states that the production of affordable housing in the Project Area is a goal of the Implementation Plan.

12. That the Agency hereby approves the ground leasing of the Property to the Developer for the Lease Term and the development of the Property, in accordance with the Agreement and the Ground Lease.

13. That the Agency authorizes the City Comptroller to expend an amount not to exceed \$21,873,000 from the Agency's low and moderate-income housing funds for the Project Area to provide the Loan to the Developer, in accordance with the terms of the Agreement.

14. That the Agreement and the Ground Lease, and all exhibits attached to such documents, are hereby approved.

15. That the Agency's Executive Director, or designee, is authorized, on behalf of the Agency, to execute the Agreement and all exhibits thereto requiring the Agency's signature. A copy of the Agreement, when executed by the Agency, shall be placed on file with the secretary of the Agency as Document No. D- 04474 .

16. That the Agency's Executive Director, or designee, is authorized, on behalf of the Agency, to sign all documents necessary and appropriate to carry out and implement the Agreement and to administer the Agency's obligations, responsibilities and duties to be performed under the Agreement.

17. That the Agency's Executive Director, or designee, is authorized, on behalf of the Agency, to execute the Ground Lease and all exhibits thereto requiring the Agency's signature.

A copy of the Ground Lease, when executed by the Agency, shall be placed on file with the secretary of the Agency as Document No. D-_____.

18. That the Agency's Executive Director, or designee, is authorized, on behalf of the Agency, to sign all documents necessary and appropriate to carry out and implement the Ground Lease and to administer the Agency's obligations, responsibilities and duties to be performed under the Ground Lease, subject to all conditions set forth in the Agreement.

19. That the Agency hereby grants design review approval of the Project and specifically approves the Basic Concept Drawings for the Project.

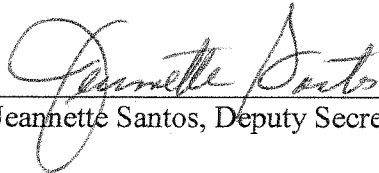
APPROVED: JAN I. GOLDSMITH, General Counsel

By Kevin Reisch
Kevin Reisch
Deputy General Counsel

KR:cw
11/17/09
Or.Dept:CCDC
RA-2010-41
MMS #8182
Companion to: R-2010-373

I hereby certify that the foregoing Resolution was passed by the Redevelopment Agency of the City of San Diego, at its meeting of DEC 07 2009.

REDEVELOPMENT AGENCY

By 
Jeannette Santos, Deputy Secretary

Approved: 12-9-09
(date)


JERRY SANDERS, Executive Director

Vetoed: _____
(date)

JERRY SANDERS, Executive Director

The City of San Diego
COMPTROLLER'S CERTIFICATE

CERTIFICATE OF UNALLOTTED BALANCE

CC CC3000002823

ORIGINATING DEPT. NO.: 9960

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: Francisco Lopez
 COMPTROLLER'S DEPARTMENT

ACCOUNTING DATA									
Doc. Item	Fund	Funded Program	Internal Order	Functional Area	G/L Account	Business Area	Cost Center	WBS	Original 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: \$21,873,000.00

Vendor: BRIDGE Housing Corporation

Purpose: Authorize the issuance of a residual receipts loan to the Developer of the low and moderate income housing project called Ninth and Broadway Affordable Housing Project in the Centre City Redevelopment Project Area.

Date: November 12, 2009 By: Francisco J. Lopez
 COMPTROLLER'S DEPARTMENT

ACCOUNTING DATA									
Doc. Item	Fund	Funded Program	Internal Order	Functional Area	G/L Account	Business Area	Cost Center	WBS	Original Amount
1	200543	920411102000	920411102127	OTHR-00000015-NS	512025	2220	2220400011		\$21,873,000.00
TOTAL AMOUNT									\$21,873,000.00

FUND OVERRIDE

CC CC3000002823

Passed by the Redevelopment Agency of The City of San Diego on DEC 07 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 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage DEC 09 2009

AUTHENTICATED BY:

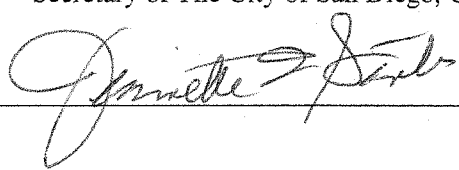
JERRY SANDERS

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- 04474