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REDEVELOPMENT AGENCY OF

THE CITY OF SAN DIEGO

RESOLUTION NUMBER R- 04487

DATE OF FINAL PASSAGE MAR 02 2010

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO [AGENCY] (i) REAFFIRMING APPROVAL FOR THE AGENCY'S SUBMISSION OF THE APPLICATION TO THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK FOR A LOAN NOT TO EXCEED \$2 MILLION TO FINANCE A PORTION OF COSTS OF INSTALLATION AND CONSTRUCTION OF THE MULTI-PURPOSE BUILDING AND RELATED IMPROVEMENTS AT NORTH CHOLLAS COMMUNITY PARK, TO BE REPAID WITH INTEREST AS REQUIRED USING TAX INCREMENT FUNDS; (ii) MAKING CERTAIN FINDINGS IN ACCORDANCE WITH SECTION 63041 OF THE CALIFORNIA GOVERNMENT CODE; (iii) DECLARING THE AGENCY'S OFFICIAL INTENT TO USE PROCEEDS OF THE LOAN, IF AWARDED, ON EXPENDITURES FOR THE PROJECT; (iv) AUTHORIZING THE TRANSFER OF \$65,000 OF THE PREVIOUSLY APPROPRIATED \$952,000 TO THE CITY TO COMPLETE DESIGN AND PREPARE THE CONSTRUCTION DOCUMENTS AND BID PACKAGE FOR THE PROJECT; AND (v) APPROVING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the California Infrastructure and Economic Development Bank [I-Bank] administers a financing program to assist local governments with the financing of "Public Development Facilities" as described in Section 63000 *et seq.* of the California Government Code, titled the Bergeson-Peace Infrastructure and Economic Development Bank Act [Act]; and

WHEREAS, the I-Bank has instituted an application process for financing certain eligible improvements under its Infrastructure State Revolving Fund Program [ISRF Program]; and

WHEREAS, on July 28, 2009, pursuant to Resolution No. 04443 with final passage on July 31, 2009, the Redevelopment Agency of the City of San Diego [Agency] authorized the

Agency's submission of an application [Financing Application] to the I- Bank for a loan pursuant to the ISRF Program in an amount not to exceed Two Million Dollars and No Cents (\$2,000,000.00) [I-Bank Loan] and approved the expenditure of up to \$2,952,000 (up to \$952,000 from the Crossroads Redevelopment Project Area's tax increment funds and up to a \$2 Million I-Bank Loan to repaid using Crossroads Redevelopment Project Area's tax increment funds) in order to finance the costs of installation and construction of the Multi-Purpose Building and related improvements at the North Chollas Community Park [Project] located within the Crossroads Redevelopment Project Area [Project Area]; and

WHEREAS, the Agency expects that it will incur certain costs in connection with the Project and that it will pay certain expenditures in connection with the Project prior to incurring indebtedness under the I-Bank Loan for the purpose of financing costs associated with the Project on a long-term basis; and

WHEREAS, the Agency reasonably expects that a financing arrangement for the I-Bank Loan in an amount not expected to exceed \$2 Million will be entered into and that proceeds of the I-Bank Loan will be used to reimburse or pay for the expenditures of the Project; and

WHEREAS, since the Project will be funded from sources in addition to the I-Bank Loan, the ISRF Program requires that the additional funding sources, other than the I-Bank Loan, be identified and approved prior to Project financing approval by the I-Bank Board; and

WHEREAS, a portion of the costs of construction and installation of the Project are anticipated to be funded by Agency non-housing tax increment funds generated in the Project Area in the amount up to \$952,000 and the I-Bank Loan, if awarded, in the amount up to \$2 Million, as previously approved by the Agency pursuant to Resolution No. 04443; and

WHEREAS, on July 28, 2009, the Agency Board pursuant to Resolution No. 04443 and the City Council for the City of San Diego pursuant to Resolution No. 305182 with final passage on July 31, 2009, made specific findings and took certain actions pursuant to California Health and Safety Code Sections 33445 and 33679, for the Agency's expenditure of Agency tax increment funds generated in the Project Area toward the installation and construction of the Project and the repayment of the I-Bank Loan, if awarded; and

WHEREAS, the Act, at Sections 63040 and 63041 of the California Government Code, requires the Agency Board to make certain findings by Resolution prior to submitting the Financing Application for the Project to the I-Bank for consideration and prior to a Project being selected for financing by the I-Bank; and

WHEREAS, the Agency finds and determines that the Agency's submission of the Financing Application to the I-Bank for the I-Bank Loan pursuant to the ISRF Program and the Agency's funding of certain costs associated with financing the Project is consistent with the goals and objectives of the Redevelopment Plan for the Project Area and is in the best interests of the City and the Project Area and the health, safety, morals and welfare of its residents, and is 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 [Agency] as follows:

1. That the Agency hereby reaffirms approval of the Agency's submission of an ISRF Program Financing Application with the California Infrastructure and Economic Development Bank [I-Bank] for a loan in an amount not to exceed Two Million Dollars and No Cents (\$2,000,000.00) [I-Bank Loan] in order to finance a portion of the costs of installation and

construction of the Multi-Purpose Building and related improvements at the North Chollas Community Park [Project] located within the Crossroads Redevelopment Project Area [Project Area].

2. That the Agency approves the I-Bank Loan, if awarded, to be repaid with interest as required from Agency non-housing tax increment funds generated in the Project Area or any other funds that may be available to the Agency.

3. That, based upon the information submitted in the record, the Agency hereby makes the following findings in accordance with Section 63041 of the California Government Code:

(a) That the Project is consistent with the General Plan of both the City of San Diego and the County of San Diego, in that:

The Recreation Element of the City of San Diego's General Plan designates North Chollas as a community park and recommends that community parks exceeding 20 acres include specialized facilities in order to serve larger populations. This Project adds a specialized Multi-Purpose Building to the North Chollas Community Park which serves the neighborhoods of Oak Park, Redwood Village, Rolando Park, Rolando Village, and Cerrito Heights, the community plan areas of Mid-City Communities and College Area, and the region. Therefore, the proposed Project is consistent with the recommendation of the General Plan of the City of San Diego and consistent and compatible with said General Plan, as confirmed in writing by the City Planning & Community Investment, Planning Division of the City of San Diego by letter dated January 5, 2010.

The Project is consistent with the General Plan of the County of San Diego to the extent applicable. The General Plan of the County of San Diego does not contain provisions applicable to the proposed Project because of the Project's location within the City of San Diego.

(b) That the proposed financing is appropriate for the specific Project, in that:

Total design and construction costs for the proposed Project are estimated at \$3,138,772, which amount includes a contingency and inflation factor. Approximately \$186,772 of CDBG funding has been expended for

planning, community outreach, environmental review and design/construction documents. The Redevelopment Agency authorized the Executive Director to submit a loan application to the I-Bank for up to \$2,000,000 to fund a portion of construction costs of the proposed Project. The I-Bank loan would be paid back from Crossroads Redevelopment Project Area tax increment funds over 25 years or other funds that may be available to the Agency. The annual debt service payments are estimated at \$128,000 per year. Additionally, the Redevelopment Agency appropriated up to \$952,000 of Crossroads Redevelopment Project Area tax increment funds to finance the remaining costs of the proposed Project. Thus, the proposed financing for the proposed Project is appropriate and will cover the total estimated design and construction costs of the Project.

(c) That the Project facilitates effective and efficient use of existing and future public resources so as to promote both economic development and conservation of natural resources, in that:

Lack of public infrastructure and facilities have a blighting affect on neighborhoods leaving them unattractive to current and potential property and business owners. Such neighborhoods develop social problems leading to disinvestment by current owners and the unwillingness of prospective property and business owners to invest. This public park Project adds public investment in public infrastructure in a blighted area and is critical to alleviating blighting conditions. Additionally, this Project serves as a strong public statement of the Redevelopment Agency's commitment to improve the neighborhood and to encourage private investors to follow with other development projects. Additionally, the Crossroads Redevelopment Plan recommends expanding recreational opportunities of Project Area residents by developing facilities such as a sports field south of Chollas Lake and urban resource-based parks in the North Chollas Canyon area and by identifying, acquiring, and developing neighborhood parks and green spaces where there is a deficiency in local parks. Thus, the proposed Project will facilitate effective and efficient use of existing and future public resources so as to promote both economic development and conservation of natural resources.

(d) That the Project develops and enhances public infrastructure in a manner that will attract, create, and sustain long-term employment opportunities, in that:

The proposed Project will indirectly attract, create and sustain long-term employment opportunities. Because the proposed Project is located within the Crossroads Redevelopment Project Area and adjacent to the College Grove Redevelopment Project Area, the Project will improve a blighted

area by making it more attractive to current and potential businesses and their employees with the expectation of job growth to follow. Business will be attracted to the collective public benefits that accrue from park and recreation facilities and services, such as the proposed Project. Located in an urban area, the Project provides a much needed recreation facility which will enhance the quality of life and community attractiveness and will provide therapeutic value and restorative effect to the adjoining neighborhoods. North Chollas Community Park serves the neighborhoods of Oak Park, Redwood Village, Rolando Park, Rolando Village, and Cerrito Heights, the community plan areas of Mid-City Communities and College Area, and the region.

(e) That the Project is consistent with the criteria, priorities, and guidelines for the selection of projects adopted by the I-Bank pursuant to California Government Code Section 63040, in that:

According to the document titled "Criteria, Priorities, and Guidelines for the Infrastructure State Revolving Fund (ISRF) Program" dated January 29, 2008, the proposed Project is consistent with the criteria, priorities, and guidelines stated therein including, without limitation, that the Redevelopment Agency constitutes an eligible applicant as defined therein, that the Project constitutes an eligible infrastructure project as a park and recreation facility as defined therein, that the anticipated costs of the Project constitute eligible costs as defined therein, and that additional requirements set forth therein such as those for project readiness, permits, environmental review, Resolution with findings, prevailing wages, financial feasibility, and source of I-Bank Loan repayment have been and/or will be timely met. Further, as evidenced from the Redevelopment Agency's preliminary loan application submitted to the I-Bank on the proposed Project and the I-Bank's responsive letter dated December 29, 2008, it appears that the Project is consistent with the criteria, priorities, and guidelines adopted by the I-Bank for the selection of projects to receive financial assistance.

4. That the Agency, in the course of assisting in financing the Project, expects that the Agency has paid and may pay certain expenditures using Project Area non-housing tax increment funds in connection with the Project within the period from the date 60 days prior to the adoption of this Resolution and hereafter, and declares its official intent to use the proceeds of the I-Bank Loan, if awarded, to reimburse itself or pay for certain expenditures of the Project.

However, nothing herein shall constitute an irrevocable commitment by the Agency to make any expenditure or incur any indebtedness.

5. That the Agency declares that it will allocate the proceeds of the I-Bank Loan, if awarded, to reimburse itself or pay for the expenditures of the Project within 18 months of the date of the Agency's expenditure of funds on the Project or the date upon which the Project is placed in service or abandoned, whichever is later (but in no event more than 3 years after the date of the Agency's original expenditure of such funds).

6. That the Agency currently has available and did previously commit pursuant to Agency Resolution No. 04443 an amount not to exceed Nine Hundred Fifty Two Thousand Dollars and No Cents (\$952,000.00) of Project Area non-housing tax increment funds to be used toward costs of the Project.

7. That the Agency authorizes the Executive Director, or designee, to transfer \$65,000 of the previously appropriated \$952,000 to the City Fund 200357 (Fund Title: Crossroads Redevelopment CIP Contributions) and into CIP # S-00654 to complete the design and to prepare the construction documents and the bid package for the construction of a Multi-Purpose Building in the North Chollas Community Park.

8. That the Agency authorizes the Chief Financial Officer, as delegated, to transfer \$65,000 of the previously appropriated \$952,000 from the Agency to the City and into CIP # S-00654 (CIP Title: Chollas Community Park Improvements – Phase 1C and Fund 200357; Fund Title: Crossroads Redevelopment CIP Contributions).

9. That the Agency authorizes the Executive Director, or designee, to submit this Resolution, upon approval, to the I-Bank as part of the Agency's loan application, making

certain findings pursuant to California Government Code Section 63041, based upon the information submitted in the record.


10. That the Agency Executive Director, or designee, is hereby authorized to act on behalf of the Agency in all matters pertaining to the ISRF Program Financing Application for the I-Bank Loan.

11. That, if the ISRF Program Financing Application for the I-Bank Loan is approved, the Agency Executive Director, or designee, is authorized to enter into and sign the financing documents and any amendments thereto with the I-Bank, as appropriate for the purposes of obtaining the financing and the I-Bank Loan, in accordance with the terms of this Resolution and Agency Resolution No. 04443.

12. That, in the event the Agency desires to issue bonds, notes, or other instruments of indebtedness of the Agency to carry out redevelopment projects, then once the I-Bank Loan is funded and secured by Project Area non-housing tax increment, additional parity debt or additional debt at the subordinated level secured by Project Area non-housing tax increment may be issued upon certain conditions.

13. That this Resolution shall take effect from and after the date of its passage and adoption.

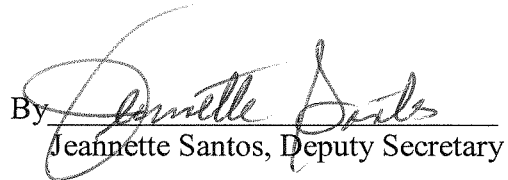
APPROVED: JAN I. GOLDSMITH, General Counsel

By 
Kendall D. Berkey
Deputy General Counsel

KDB:nda
02/01/10
Or.Dept:Redev.Agency
Cert.No: CC3000002915
RA-2010-17
MMS#10451

I hereby certify that the foregoing Resolution was passed by the Redevelopment Agency of the City of San Diego, at this meeting of FEB 23 2010

REDEVELOPMENT AGENCY

By 
Jeannette Santos, Deputy Secretary

Approved: 3-2-10
(date)


JERRY SANDERS, Executive Director

Vetoed: _____
(date)

JERRY SANDERS, Executive Director

The City of San Diego
COMPTROLLER'S CERTIFICATE

CERTIFICATE OF UNALLOTTED BALANCE

CC CC3000002915

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: 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: _____ \$65,000.00

Vendor: City of San Diego

Purpose: Crossroad Redevelopment Project Area is contributing / transferring \$65,000 to City Fund 200357 so that CIP project S-00654 can complete the design, construction documents and prepare the bid package for a Multi-Purpose Building in the North Chollas Community Park.

Date: December 22, 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
001	400643	940500103000	940500103101	OTHR-00090018-NS	516014	2240	2240500011		\$65,000.00
TOTAL AMOUNT									\$65,000.00

FUND OVERRIDE

CC CC3000002915

Passed by the Redevelopment Agency of The City of San Diego on FEB 23 2010, by the following vote:

Agency Members	Yeas	Nays	Not Present	Recused
Sherrri 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"/>

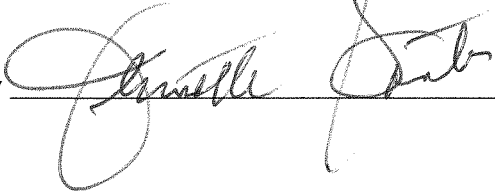
Date of final passage MAR 02 2010.

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- 04487