

REDEVELOPMENT AGENCY OF  
THE CITY OF SAN DIEGO



RESOLUTION NUMBER R- 04584  
DATE OF FINAL PASSAGE DEC 07 2010

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO APPROVING AND AUTHORIZING EXECUTION OF (1) THE FIRST IMPLEMENTATION AGREEMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH SHEA MERCADO, LLC FOR THE MERCADO DEL BARRIO PROJECT LOCATED IN THE BARRIO LOGAN REDEVELOPMENT PROJECT AREA AND (2) THE FIRST IMPLEMENTATION AGREEMENT TO THE AFFORDABLE HOUSING AGREEMENT WITH MERCADO CIC, L.P. FOR THE ESTRELLA DEL MERCADO APARTMENTS PROJECT LOCATED IN THE BARRIO LOGAN REDEVELOPMENT PROJECT AREA

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 Barrio Logan Redevelopment Project Area (Project Area); and

WHEREAS, in order to carry out and implement the Redevelopment Plan, on June 6, 2010 the Agency executed a Disposition and Development Agreement (DDA) between the Agency and Shea Mercado, LLC, a California limited liability company (Shea), for the Mercado del Barrio Project (Mercado Project), a copy of which is on file in the office of the Secretary to the Agency as Document No. D-04537, and an Affordable Housing Agreement (Housing Agreement) by and between the Agency and Mercado CIC, L.P., a California limited partnership (Chelsea), a copy of which is on file in the office of the Secretary to the Agency as Document No. D-04538 for the Estrella del Mercado Apartments (Mercado Apartment Project) located within the Mercado Project; and

WHEREAS, in order to proceed with the development of the Mercado Project and Mercado Apartment Project, the DDA and Housing Agreement must be revised to provide for changes with respect to remediation of hazardous substances, disbursement of Agency funds and the potential of an affiliate of the San Diego Housing Commission (Housing Commission) entering into a ground lease and having an option to purchase improvements with respect to the Mercado Apartment Project; and

WHEREAS, the Agency and Shea desire to enter into the proposed First Implementation Agreement to the Disposition and Development Agreement which provides that: (1) the remediation of hazardous substances necessary to accomplish and support the Mercado Project shall be performed after the sale and transfer (Closing) of the Mercado Project and (2) Shea is authorized at the Closing of the Mercado Project to sell fee title to the affordable housing parcels, associated with the Mercado Apartments Project, to the Housing Commission or a limited liability company that is wholly owned by the Housing Commission (Housing Commission Affiliate) (First Implementation-Retail DDA); and

WHEREAS, the Agency and Chelsea desire to enter into the proposed First Implementation to the Affordable Housing Agreement which provides: (1) for an accelerated disbursement schedule of Agency funds for the Mercado Apartments Project and (2) that either the Housing Commission or the Housing Commission Affiliate will have the (i) right to enter into the ground lease for the Mercado Apartments Project and (ii) option to purchase improvements on the Mercado Apartments Project (First Implementation-Affordable Housing Agreement); and

WHEREAS, the Agency has duly considered all terms and conditions of the proposed First Implementation Agreement-Retail DDA and First Implementation-Affordable Housing

Agreement and believes that the conditions contained in the proposed First Implementation Agreement-Retail DDA and First Implementation-Affordable Housing Agreement are in the best interests of the Project Area and the health, safety, morale and welfare of its residents, and in accordance 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, as follows:

1. That the Agency hereby approves the First Implementation-Retail DDA and the terms and conditions thereof. A copy of the First Implementation-Retail DDA is on file in the office of the Secretary to the Agency as Document No. D- 04584a
2. That the Executive Director of the Agency, or designee, is hereby authorized for and on behalf of the Agency to execute the First Implementation-Retail DDA.
3. That the Agency hereby approves the First Implementation-Affordable Housing Agreement and the terms and conditions thereof. A copy of the First Implementation-Affordable Housing Agreement is on file in the office of the Secretary to the Agency as Document No. D- 04584b
4. That the Executive Director of the Agency, or designee, is hereby authorized for and on behalf of the Agency to execute the First Implementation-Affordable Housing Agreement.
5. That the Agency authorize the Agency Executive Director or designee, to implement, adhere to, and administer and execute all other 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 thereunder.

APPROVED: JAN I. GOLDSMITH, General Counsel

By Monique R. Tayyab  
Monique R. Tayyab  
Deputy General Counsel

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I hereby certify that the foregoing Resolution was passed by the Redevelopment Agency of the City of San Diego, at this meeting of NOV 30 2010.

REDEVELOPMENT AGENCY

By Jeannette Santos  
Jeannette Santos, Deputy Secretary

Approved: 12-7-10  
(date)

Jerry Sanders  
JERRY SANDERS, Executive Director

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

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

Passed by the Redevelopment Agency of The City of San Diego on NOV 30 2010, 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 type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 DEC 07 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

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