



REDEVELOPMENT AGENCY OF THE
CITY OF SAN DIEGO

RESOLUTION NUMBER R- 04609

DATE OF FINAL PASSAGE FEB 23 2011

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF
THE CITY OF SAN DIEGO MAKING CERTAIN FINDINGS
UNDER HEALTH AND SAFETY CODE SECTION 33333.10 IN
CONNECTION WITH PROPOSED AMENDMENTS TO THE
REDEVELOPMENT PLANS AFFECTING REDEVELOPMENT
PROJECT AREAS IN SOUTHEASTERN SAN DIEGO.

WHEREAS, the Redevelopment Agency of the City of San Diego (Agency) is authorized to exercise its powers, all under and pursuant to the Community Redevelopment Law of the State of California, being Part 1 of Division 24 (commencing with Section 33000) of the California Health and Safety Code, as amended (Community Redevelopment Law); and

WHEREAS, the Agency is engaged in activities necessary to carry out and implement the Redevelopment Plans for the Central Imperial, Gateway Center West, Mount Hope, and Southcrest Redevelopment Project Areas (collectively, Project Areas) in accordance with the Community Redevelopment Law; and

WHEREAS, Southeastern Economic Development Corporation, Inc. (SEDC), on behalf of the Agency, has caused the preparation of certain amendments to the Redevelopment Plans for the Project Areas (collectively, Redevelopment Plan Amendments), which include: (i) the Amendments to the Redevelopment Plans for the Central Imperial, Gateway Center West, Mount Hope, and Southcrest Redevelopment Project Areas to Merge these Project Areas into the Southeastern San Diego Merged Project Area; and (ii) the Amendments to the Redevelopment Plans for the Southeastern San Diego Merged Project Area; and

WHEREAS, the Redevelopment Plan Amendments will, among other things:

(a) Extend the duration of the Redevelopment Plan for the Gateway Center West Component Area of the Southeastern San Diego Merged Project Area (Merged Project Area) and the time limit for the repayment of debt and receipt of property taxes by ten years; and

(b) Eliminate the time limit for the incurrence of debt for the Gateway Center West and Central Imperial Component Areas of the Merged Project Area; and

WHEREAS, SEDC, on behalf of the Agency, has caused the preparation of a Report to Council for the proposed Redevelopment Plan Amendments (Council Report) in accordance with Health and Safety Code Sections 33333.11 and 33352; and

WHEREAS, during a meeting on December 7, 2010, the City Council (Council) and the Agency's board of directors consented to a joint public hearing with respect to the Redevelopment Plan Amendments, the Agency's board of directors transmitted the Council Report to the Council for its consideration, and the Council accepted such transmittal; and

WHEREAS, in accordance with Health and Safety Code Section 33458, the Council and Agency's board of directors held a duly noticed joint public hearing on February 15, 2011, to consider the Redevelopment Plan Amendments, the Council Report, and certain amendments to the Implementation Plans for the Merged Project Area; and

WHEREAS, the Agency's board of directors is required to make certain findings under Health and Safety Code Section 33333.10, subdivisions (b) and (h) in connection with the extension of time limitations for the Gateway Center West and Central Imperial Component Areas of the Merged Project Area; NOW, THEREFORE,

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

1. That, pursuant to Health and Safety Code Section 33333.10(b), the Agency hereby finds and determines, based on substantial evidence in the record, including, but not limited to, any evidence specified after each of the following findings, the Council Report and all

documents referenced therein, oral and written staff reports, and evidence and testimony received at the joint public hearing on the adoption of the proposed Redevelopment Plan Amendments, that:

a. Significant blight remains within the Project Areas, including, more specifically, the Gateway Center West Redevelopment Project Area (Gateway Project Area) and the Central Imperial Redevelopment Project Area (Central Imperial Project Area). This finding is based upon the blight indicators (as described in Table 4 of the Council Report) and physical and economic conditions (as summarized in Section IV of the Council Report), including, more specifically, the following conditions:

i. Buildings in which it is unsafe and unhealthy for persons to live or work, as evidenced by the presence of deteriorated and dilapidated buildings, properties in need of code inspection, unreinforced masonry buildings or otherwise seismically unsafe, and buildings with security bars that lack emergency exit release mechanisms. These conditions affect 27% of parcels in the Gateway Project Area and 28% of parcels in the Central Imperial Project Area.

ii. Conditions that prevent or substantially hinder the viable use or capacity of buildings or lots, as evidenced by substandard construction, properties with inadequate building or site access, obsolete buildings and properties within the 100-year floodplain. Combined, these conditions affect 19% of the parcels in the Gateway Project Area and 21% of parcels in the Central Imperial Project Area.

iii. Incompatible adjacent uses that have prevented the development of portions of the Project Areas. These conditions have contributed to the significant number of vacant lots in the Gateway Project Area and the eastern portion of the Central Imperial Project Area. These conditions affect 21% of the parcels in the Gateway Project Area.

iv. Depreciated and stagnant property values, as evidenced by low median home sales prices (ranging from 54 to 65% of the Citywide median as of 2010) and higher rate of home foreclosures (8% vs. 5% in the balance of the City). The Project Areas also remain at high risk of continuing foreclosures, as evidenced by relatively low household income levels and a relatively high share of high costs mortgages (32% vs. 14% for the balance of the City).

v. A serious lack of necessary commercial facilities that are normally found in neighborhoods, as evidenced by a serious lack of supermarkets, drug stores and financial institutions. Southeastern San Diego is served by fewer supermarkets per capita (4.7 per 100,000 vs. 5.9 per 100,000 for the balance of the City). There are only five full-service supermarkets in Southeastern San Diego, four of which are within one of the Project Areas. Three of the four supermarkets are located in retail centers developed with the Agency's assistance. The Project Areas have only six drug stores and almost twice as many persons per drug store as the balance of the City (17,900 persons per drug store compared to only 9,800 persons per drug store). There are only three full-service financial institutions (banks) within the Project Areas. These three banks serve 35,700 persons per bank compared to only 6,400 persons per bank in the balance of the City.

vi. Serious residential overcrowding that has resulted in significant public health and safety problems, as evidenced by the high proportion of overcrowded housing units and a high number of census block groups with high population densities. Within the twenty-four census block groups that include the Project Areas, between 31 and 48% percent of housing units are either overcrowded or severely overcrowded as compared to only 12% of housing units citywide and countywide. All of the census block groups have population densities that are at least 31% higher than the citywide average population density and twenty of the block groups have population densities that are more than double the citywide average.

vii. High crime rates that constitute a serious threat to the public safety and welfare, as evidenced by higher rates of serious crime. The violent crime rates in Southeastern San Diego were three times higher than rates for the City between 2006 and June 2010. The neighborhoods that include the territory within the Project Areas account for 49 to 54% of the serious crimes in Southeastern San Diego.

b. The significant remaining blight cannot be eliminated without the approval of the Redevelopment Plan Amendments, which will extend the effectiveness of the Redevelopment Plans for the Gateway Project Area and the Central Imperial Project Area. This finding is based upon reports and information provided in Sections V and VI of the Council Report, including, more specifically, the following factors:

i. Reasons why significant remaining blight cannot be eliminated without extending the time limit to incur debt and repay bonded indebtedness under the Redevelopment Plan for the Gateway Project Area:

Provisions in the Community Redevelopment Law allow the Agency to increase the duration of the Redevelopment Plan for the Gateway Project Area and the time limit to receive tax increment and repay debt by an additional ten years. If the tax increment limit is not increased, and the time limit is not extended, the Agency will not be able to collect the additional tax increment needed from the Gateway Project Area and complete the alleviation of the blighting conditions that remain in the Gateway Project Area, such as the incompatible adjacent uses, unsafe and unhealthy properties, and vacant underutilized lots. Because the Agency seeks to acquire properties on a voluntary basis, additional time will be needed to complete redevelopment of the Gateway Project Area.

ii. Reasons why significant remaining blight cannot be eliminated without eliminating the time limit to incur indebtedness under the Redevelopment Plan for the Central Imperial Project Area:

The time limits to incur indebtedness under the Redevelopment Plans for the Mount Hope and Southcrest Redevelopment Project Areas were eliminated in 2005 and 2006. Eliminating the time limit to incur debt for the Gateway Project Area and the Central Imperial Project Area will give the Agency greater flexibility in the timing for issuing bonds and improve the financing and cash flows of revenue to the Agency.

2. That, pursuant to Health and Safety Code Section 33333.10(h), the Agency hereby finds, based on substantial evidence in the record, that:

a. The City has adopted a housing element in the Progress Guide and General Plan that the California Department of Housing and Community Development (HCD) has determined pursuant to Government Code Section 65585 to be in substantial conformance with the requirements of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code. This finding is based upon the most recent update of the Housing Element Compliance Report issued by HCD and available on HCD's official website, confirming that HCD has determined the City's housing element to be in compliance with applicable State law.

b. During the three fiscal years prior to 2011 (i.e., the year in which the Redevelopment Plan Amendments are being adopted), the Agency has not been included in the report sent by the State Controller to the State Attorney General pursuant to Health and Safety Code Section 33080.8(b) as an agency that has a "major violation" pursuant to Health and Safety Code Section 33080.8. This finding is based upon the fact that the Agency has not received or been notified of any such report during the applicable three-year period.

c. After the Agency submitted a written request to HCD and provided certain requested information, HCD issued written confirmation to the Agency that the Agency has not accumulated an "excess surplus" (as defined in Health and Safety Code Section 33334.12(g)(1)) in its Low and Moderate Income Housing Fund.

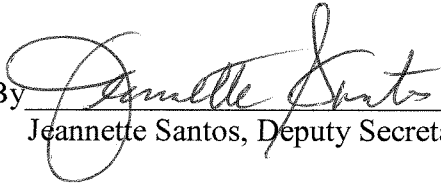
APPROVED: JAN I. GOLDSMITH, General Counsel

By Kevin Reisch
Kevin Reisch
Deputy General Counsel

KR:nja
01/31/2011
02/08/2011 Cor.Copy
Or.Dept:SEDC
RA-2011-71
PL#2010-04542
Comp. R-2011-671
R-2011-672
O-2011-75
RA-2011-68
RA-2011-69
RA-2011-70

I hereby certify that the foregoing Resolution was passed by the Redevelopment Agency of the City of San Diego, at this meeting of FEB 15 2011.

REDEVELOPMENT AGENCY

By 
Jeannette Santos, Deputy Secretary

Approved: 2.23.11
(date)


JERRY SANDERS, Executive Director

Vetoed: _____
(date)

JERRY SANDERS, Executive Director

Passed by the Redevelopment Agency of The City of San Diego on FEB 15 2011, 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"/>
Lorie Zapf	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marti Emerald	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>


Date of final passage FEB 23 2011

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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