

REDEVELOPMENT AGENCY OF

THE CITY OF SAN DIEGO

RESOLUTION NUMBER R- 04654

DATE OF FINAL PASSAGE MAR 15 2011

RESOLUTION OF THE REDEVELOPMENT AGENCY OF
THE CITY OF SAN DIEGO APPROVING CERTAIN ACTIONS
RELATED TO THE TRANSFER OF REAL PROPERTY
ASSETS AND OTHER ASSETS AND OBLIGATIONS OF THE
REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
TO THE CITY OF SAN DIEGO TO ACCOMPLISH
IMPORTANT MUNICIPAL AND OTHER PUBLIC PURPOSES
IN ACCORDANCE OR CONSISTENT WITH THE
REDEVELOPMENT PLANS ADOPTED FOR THE
REDEVELOPMENT PROJECT AREAS.

WHEREAS, the City Council of the City of San Diego (City Council) has adopted a redevelopment plan, as amended from time to time (individually, Redevelopment Plan; collectively, Redevelopment Plans), for each of the seventeen (17) redevelopment projects (individually, Project Area; collectively, Project Areas) presently existing within the City of San Diego (City), which results in the allocation of certain property based taxes from the Project Areas to the Redevelopment Agency of the City of San Diego (Agency) for purposes of redevelopment. The City's Redevelopment Department administers eleven (11) of the Project Areas, as follows: Barrio Logan, City Heights, College Community, College Grove, Crossroads, Grantville, Linda Vista, Naval Training Center, North Bay, North Park and San Ysidro. The Centre City Development Corporation, Inc. (CCDC) administers two (2) of the Project Areas, as follows: Centre City and Horton Plaza. The Southeastern Economic Development Corporation, Inc. (SEDC) administers four (4) of the Project Areas, as follows: Central Imperial, Gateway Center West, Mount Hope and Southcrest (each of which is subject to the pending merger into a single project area, to be known as the Southeastern San Diego Merged Project Area); and

WHEREAS, the Agency finds it necessary and appropriate to transfer to the City, with certain exceptions described below, each and every parcel of real estate located in the City of San Diego, County of San Diego, State of California, as described in the Schedule of Real Property Assets (Real Property Assets) attached as Attachment No. 1 to Agenda Report No. RA-11-14 to the Agency (Staff Report), and each and every asset including accounts receivable and evidences of indebtedness, assignment of rents and leases, rents, leases, promissory notes, deeds of trust, security instruments and agreements, other accounts receivable and agreements, and other rights of the Agency to receive payments of funds and/or other consideration (Other Assets). All such transfers shall allow the City to complete redevelopment projects and other related activities appropriately, to pay previously incurred indebtedness, to enforce existing covenants, contracts or other obligations, and to allow for the City's use of the Real Property Assets and Other Assets for municipal and other public purposes to benefit the respective Project Areas in accordance or consistent with the respective Redevelopment Plans including, without limitation, facilitating the construction and installation of public infrastructure and facilities and increasing, improving, and preserving the community's supply of low and moderate income housing in the community; and

WHEREAS, the Agency previously determined that the acquisitions of the Real Property Assets were consistent with the City's General Plan because they were consistent with the respective Redevelopment Plan for the applicable Project Area and authorized by each such Redevelopment Plan, and the Agency has determined that the transfer of the Real Property Assets and Other Assets of the Agency is consistent with the California Community Redevelopment Law to carry out the Redevelopment Plans for the Project Areas, to pay previously incurred indebtedness, to comply with California Health and Safety Code section

33333.8 (for the provision of affordable housing) and to enforce existing covenants, contracts or other obligations; and

WHEREAS, the transfer of the Real Property Assets and Other Assets to the City will accomplish the public purposes of implementing the Redevelopment Plans for the Project Areas and achieving the goals and purposes of each such respective Redevelopment Plan, sustaining the redevelopment accomplished by the implementation of each such respective Redevelopment Plan, expanding and improving the community's supply of affordable housing, obtaining the benefits for the City of the municipal uses to which the Real Property Assets and Other Assets will be put, enforcing the existing covenants, contracts and other obligations arising from said redevelopment projects, and providing the City with assets such as public improvements, parks, buildings and land and increased revenues; and

WHEREAS, the transfer of the Real Property Assets and Other Assets to the City is expressly authorized by the Aid, Assistance and Cooperation provisions of the California Community Redevelopment Law (set forth at California Health and Safety Code section 33220 *et seq.*); and

WHEREAS, in connection with the transfer of the Real Property Assets, the Agency proposes to assign to the City the Agency's rights and obligations under the Agency's existing agreements relating to third party use of such Real Property Assets, such as disposition and development agreements, owner participation agreements, lease agreements, and rehabilitation loan agreements (collectively, Existing Agreements); and

WHEREAS, in lieu of the transfer of certain Real Property Assets to the City, the Agency may grant a deed of trust in the City's favor encumbering those certain Real Property Assets, to

secure certain debt owed by the Agency to the City, which debt pertains to the Project Area in which each encumbered Real Property Asset is located; and

WHEREAS, the Agency owns two Real Property Assets consisting of public parking garage facilities commonly known as the “Park It On Market” facility at Sixth and Market Streets and the “6th & K Parkade” at Sixth and K Streets in downtown San Diego (collectively, Downtown Parking Garages); and

WHEREAS, the Agency and the City previously entered into the following agreements relating to the Downtown Parking Garages: (a) the Parking Structure Operating Agreement dated as of August 1, 1999, including any subsequent amendments thereto, relating to the Park It On Market facility, and (b) the Parking Structure Operating Agreement dated as of August 1, 1999, including any subsequent amendments thereto, relating to the 6th & K Parkade (collectively, Parking Operating Agreements); and

WHEREAS, Section 2.01 of each of the Parking Operating Agreements states that, upon termination of such agreement and payment in full of all amounts owed thereunder, the Agency’s interests and rights to the pertinent Downtown Parking Garage shall vest in the City automatically on such date, without further action by the Agency or the City; and

WHEREAS, to confirm the existence of the Parking Operating Agreements and the obligations thereunder as a matter of public record, the Agency and the City propose to record a memorandum as to each of such agreements in the San Diego County Recorder’s Office (collectively, Memoranda of Operating Agreements); and

WHEREAS, the Agency considered the proposed transactions under this Resolution initially on March 14, 2011, and continued the matter for one week; and

WHEREAS, on March 15, 2011, during the single consolidated agenda of March 14 and March 15, 2011, the Agency determined that the matter should be considered immediately due to the imminent passage of California legislation disestablishing redevelopment agencies throughout California; and

WHEREAS, at the meeting of March 15, 2011, the Agency suspended the Permanent Rules of Council, per Permanent Rule 2.12, to reconsider the proposed transactions under this Resolution; and

WHEREAS, the Agency approved a motion to reconsider the proposed transactions under this Resolution; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred; and

WHEREAS, the Agency has reviewed and duly considered the proposed transfer of the Real Property Assets and Other Assets to the City, as well as the proposed recordation of the Memoranda of Operating Agreements as to the Downtown Parking Garages, and believes such transfers are in the best interests of the Project Areas, 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; NOW, THEREFORE,

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

1. The Agency finds and determines that the foregoing recitals are true and correct.
2. The Agency has received and heard all oral and written objections to the transfer of Real Property Assets and Other Assets to the City, as well as the recordation of the Memoranda of Operating Agreements as to the Downtown Parking Garages, and to other matters authorized pursuant to this Resolution, and all such oral and written objections are hereby overruled.

3. The Agency approves and authorizes the transfer by the Agency to the City of the Real Property Assets, except as otherwise provided in this Resolution, for use by the City for important municipal and other public purposes in accordance or consistent with the Redevelopment Plans adopted for the Project Areas.

4. The Agency approves and authorizes the present assignment by the Agency to the City of the Other Assets for use by the City for important municipal and other public purposes in accordance or consistent with the Redevelopment Plans adopted for the Project Areas.

5. The Agency approves and authorizes the present assignment by the Agency to the City of the Agency's rights and obligations under the Existing Agreements.

6. The Agency approves and authorizes the granting of a deed of trust by the Agency in the City's favor encumbering certain Real Property Assets to secure certain debt owed by the Agency to the City, which debt pertains to the Project Area in which each encumbered Real Property Asset is located, to the extent the granting of a deed of trust is deemed appropriate in the reasonable discretion of the Agency Executive Director, or designee; and

7. The Agency approves the following conveyance instruments for the Agency's transfer and assignment of the Real Property Assets and Other Assets, or interests therein, to the City (collectively, Conveyance Instruments): (a) the Quitclaim Deed, in substantially the form of Attachment No. 2 to the Staff Report; (b) the Agreement of Assignment, in substantially the form of Attachment No. 3 to the Staff Report; (c) the Assignment and Assumption Agreement, in substantially the form of Attachment No. 4 to the Staff Report; and (d) the Deed of Trust, in substantially the form of Attachment No. 5 to the Staff Report. A copy of all Conveyance Instruments, when executed (and recorded in the San Diego County Recorder's Office, where applicable), shall be placed on file with the Agency Secretary.

8. The Agency approves and authorizes the Agency Executive Director, or designee, to execute and cause the recordation of the Memoranda of Operating Agreements as to the Downtown Parking Garages in form and content acceptable to the Agency Executive Director, or designee, and Agency General Counsel. A copy of the recorded Memoranda of Operating Agreements shall be placed on file with the Agency Secretary.

9. The Agency approves and authorizes the Agency Executive Director, or designee, to take all reasonable and necessary actions and to execute, on behalf of the Agency, all reasonable and necessary documents to implement and carry out the purposes of this Resolution, including without limitation the transfer of the Real Property Assets and Other Assets from the Agency to the City, utilizing the appropriate Conveyance Instruments, and on such other terms and conditions deemed by the Agency Executive Director, or designee, to be in the best interests of the Agency, subject to the approval of Agency General Counsel.

10. The Agency approves and authorizes the Agency Executive Director, or designee, to administer the Agency's obligations, responsibilities and duties to be performed under the terms of this Resolution.

11. This Resolution shall take effect immediately upon its adoption.

APPROVED: JAN I. GOLDSMITH, General Counsel

By Kevin Reisch
Kevin Reisch
Deputy General Counsel

KJR:nja
3/15/2011
Or.Dept:Redev.Agency
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Comp. R-2011-776

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

REDEVELOPMENT AGENCY

By 
Jeannette Santos, Deputy Secretary

Approved: 3-15-11
(date)


JERRY SANDERS, Executive Director

Vetoed: _____
(date)

JERRY SANDERS, Executive Director

MAR 15 2011

Passed by the Redevelopment Agency of The City of San Diego on _____, 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 checked="" 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 type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage MAR 15 2011

AUTHENTICATED BY:

JERRY SANDERS

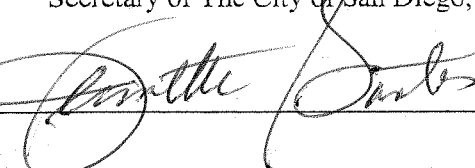
Executive Director of The City of San Diego, California.

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- 04654