

(RA-91-107)  
REDEVELOPMENT AGENCY OF  
THE CITY OF SAN DIEGO  
RESOLUTION NO. 1979  
ADOPTED ON JUNE 4, 1991

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO WITH RESPECT TO THE SUBORDINATION OF COVENANTS IMPOSED BY THE AGENCY PURSUANT TO SECTION 33334.14 OF THE COMMUNITY REDEVELOPMENT LAW APPLICABLE TO J STREET INN ASSIGNED WITH MONIES FROM THE REDEVELOPMENT AGENCY'S LOW AND MODERATE INCOME HOUSING FUND AND APPROVING THE FIRST IMPLEMENTATION AGREEMENT TO THE PARTICIPATION AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO AND 197 PARTNERS, DATED JUNE 30, 1988.

WHEREAS, the Redevelopment Agency of The City of San Diego (the "Agency") is engaged in activities necessary to carry out and implement the Redevelopment Plan for the Marina Redevelopment Project (the "Project"); and

WHEREAS, in order to carry out and implement such Redevelopment Plan the Agency approved and entered into a Participation Agreement dated June 30, 1988 (the "Agreement"), which is on file in the office of the Secretary to the Agency as Document No. 1557, for the development of certain real property in the Project area by 197 Partners, a California general partnership (the "Participant"), pursuant to the terms and provisions of the Agreement, which Agreement contains a description of said property and provides for the construction of a residential project for low- and moderate-income persons and families; and

WHEREAS, the Participant has submitted to the Agency copies of a First Implementation Agreement to Participant Agreement, in a form desired by the Participant (the "First Implementation Agreement"), the purpose of which is to provide for: (1) the amendment and subordination of the use restrictions contained in an Agreement Affecting Real Property by and between Agency and Participant, dated January 9, 1989, and recorded January 12, 1989, in the official records of the County Recorder, San Diego County, California ("County Recorder") as Document No. 89-017265,

as amended by a First Amended Agreement Affecting Real Property approved by the Agency on November 27, 1990 (the "Covenant Agreement") and that certain Deed of Trust executed by the Participant on behalf of the Agency dated December 27, 1988, and recorded in the official records of the County Recorder as Document No. 89-017266 (the "Agency Deed of Trust"); and (2) the making of certain findings in accordance with Section 33334.14 of the California Health and Safety Code permitting the subordination of the covenant or use restrictions contained in the Covenant Agreement; and

WHEREAS, the efforts of the Participant, Centre City Development Corporation, Inc., and the Agency pursuant to Section 33334.14 consisted of the Participant applying directly to five (5) private institutional lenders and through its mortgage broker, applying to twenty (20) additional public and private institutional lenders; and

WHEREAS, these efforts have not resulted in the procurement of alternative financing for the development of the real property on economically feasible terms and conditions as those offered by the California Community Reinvestment Corporation ("CCRC"), without subordination of the covenant or use restrictions contained in the Covenant Agreement; and

WHEREAS, the Centre City Development Corporation, Inc., has reviewed and discussed said proposed First Implementation Agreement and has recommended that the Agency enter into the First Implementation Agreement; and

WHEREAS, the Agency believes that the development of the real property pursuant to the Agreement and the proposed First Implementation Agreement is 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; NOW, THEREFORE,

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

1. That the First Implementation Agreement and the new or additional terms and conditions for the development of the real property not previously contained in the Agreement, but now contained in the First Implementation Agreement, are hereby approved.

2. The Agency hereby finds that an economically feasible alternative method of assisting the development on terms and conditions substantially comparable to those offered by CCRC, without subordination of the covenant or use restrictions contained in the Covenant Agreement, is not reasonably available.

3. The Executive Director of the Agency, or his designee, is hereby authorized to execute for and on behalf of the Agency the First Implementation Agreement, a copy of said First Implementation Agreement is on file in the office of the Secretary to the Agency as Document No. 1831.

4. The Executive Director of the Agency, or his designee, is hereby authorized, on behalf of the Agency, to carry out all such actions as may be necessary to implement the First Implementation Agreement and subordinate the covenant or use restrictions contained in the Covenant Agreement and Agency Deed of Trust to the regulatory agreement and deed of trust provided by CCRC to finance the development, but only following receipt by the Executive Director, or his designee, of the written commitments set forth in the First Implementation Agreement and First Amended Agreement Affecting Real Property.

APPROVED: JOHN W. WITT, General Counsel

By

Allisyn L. Thomas

Deputy Counsel

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Or.Dept:CCDC

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