

(RA-91-59)  
REDEVELOPMENT AGENCY OF  
THE CITY OF SAN DIEGO  
RESOLUTION NO. 1931  
ADOPTED ON DECEMBER 11, 1990

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 ASSISTED WITH MONIES FROM THE REDEVELOPMENT AGENCY'S LOW AND MODERATE INCOME HOUSING FUND AND APPROVING THE FIRST IMPLEMENTATION AGREEMENT TO THE PARTICIPATION AGREEMENT DATED JUNE 20, 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 20, 1988, (the "Agreement") which is Document No. 1557 in the files of the Agency 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 Participation Agreement, in a form desired by the Participant (the "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 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 (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 Savings Association Mortgage Company, Inc. ("SAMCO"), without subordination of the covenant or use restrictions contained in the Covenant Agreement; and

WHEREAS, the Agency believes that the development of the real property pursuant to the Agreement and the proposed 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 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 Implementation Agreement are hereby approved.
2. That the Agency hereby finds that an economically feasible alternative method of assisting the development on terms and conditions substantially comparable to those offered by SAMCO, without subordination of the covenant or use restrictions contained in the Covenant Agreement, is not reasonably available.
3. That the Executive Director of the Agency, or his designee, is hereby authorized to execute the Implementation Agreement on behalf of the Agency. A copy of the Implementation Agreement, when executed by the Agency, shall be placed on file in the office of the Secretary of the Agency as Document No. 1792.
4. That 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 Implementation Agreement and subordinate the covenant or use

restrictions contained in the Covenant Agreement to the regulatory agreement and deed of trust provided by SAMCO to finance the development, but only following receipt by the Executive Director (or his designee) of the written commitments set forth in the 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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