RESOLUTION No.

218488

(R-77-2187)

Adopted on JUN 1 1977

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

That the City Manager is hereby authorized and empowered to negotiate for the acquisition of Block 31, Horton's Addition, which acquisition if accomplished shall be done at a cost of not to exceed \$1.2 million.

BE IT FURTHER RESOLVED, that the City Manager is hereby authorized and empowered to negotiate an agreement with the San Diego Kind Corporation, a non-profit corporation, pursuant to which said corporation would develop Senior Citizen Housing on Block 31 of Horton's Addition under terms and conditions including those approved by the Public Services and Safety Committee of the City Council on May 12, 1977, a copy of which conditions are attached hereto and by this reference incorporated herein.

APPROVED: JOHN W. WITT, City Attorney

HOV:sml

5-20-77

Or.Dept.:Hsg/Com.Serv.

CC-1265-B (REV. 12-76)

## CONDITIONS

## NEGOTIATED AGREEMENT

It is recommended that the City and the San Diego Kind Corporation negotiate an agreement for the acquisition and development of Block 31 as a senior citizen housing site. The agreement would include the following elements:

- 1. The City would purchase the entire block, either directly from the present owners or from the San Diego Kind Corporation, at fair market value not to exceed \$1.2 million.
- 2. The City would grant to the San Diego Kind Corporation the exclusive right to develop senior citizen housing and supporting facilities on Block 31 for two (2) years from the date of City purchase.
- 3. The San Diego Kind Corporation and the Civitas Fund would proceed immediately with plans to develop elderly housing and senior citizen services on the entire block. These plans include an immediate application to the Office of Housing and Urban Development (HUD) for funding assistance. The Kind Corporation and Civitas Fund would provide all funds required by HUD to qualify for assistance up to \$500,000.
- 4. At such time as housing is developed on the City-acquired property, a lease will be negotiated, the amount of lease revenue to be based on a financial analysis of the proposed development.
- 5. The San Diego Kind Corporation will agree to provide priority of occupancy in the developed housing to senior citizens displaced by redevelopment projects in the Centre City area in accordance with the requirements of the funding assistance obtained from HUD by the Kind Corporation.
- 6. The City of San Diego will retain the right to approve all the development plans of the San Diego Kind Corporation with respect to Block 31.
- 7. The San Diego Kind Corporation will have the option of repurchasing Block 31 from the City at the fair market value at any time during their exclusive two year option period.
- 8. Should the San Diego Kind Corporation be unable to develop senior citizen housing during the two year option period, the City will attempt to secure senior citizen housing through other sponsors or developers, such housing development to be compatible with the senior center facility located on Block 31 and operated by the San Diego Kind Corporation.
- 9. Should the City fail to develop senior citizen housing on Block 31, or for any other reason desire to sell the block, the San Diego Kind Corporation will retain the right of first refusal to repurchase the property at fair market value.
- 10. Lots J, K, and L of Block 31 (See Attachment A), on which the San Diego Kind Corporation operates a senior citizen center will be leased to the Corporation for a ten (10) year period at a nominal fee in accordance with lease agreements already in effect for similar neighborhood facilities.

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11. The San Diego Kind Corporation and the Civitas Fund will agree to continue the senior citizen center operation for ten (10) years and will undertake to provide all funds necessary for its operation and maintenance, up to a maximum of \$1 million.

12. The City will endorse the application of the San Diego Kind Corporation for NUD housing financing on Block 31, and provide staff assistance in securing such financing.

Respectfully submitted,

P. 190 g

R. E. GRAHAM Assistant City Manager

Attachment

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Passed and adopted by the Council o	of The City of San Di	JUN 1 1977			
Councilmen Gil Johnson Maureen F. O'Connor Lee Hubbard Leon L. Williams Floyd L. Morrow Tom Gade Joel M. Strobl Jess D. Haro Mayor Pete Wilson	Yeas Dod dod dod dod	Nays	Excused	Absent	÷
AUTHENT:  (Seal)	ICATED BY:	I City Clerk of	PETE WILSO he City of San Di EDWARD NIELS The City of San	ego, California. EN Diego, California	
RECEIVED CITY CLERK'S GFFICE 1977 NAY 24 AN 11: 12 SAN DIEGO, CALIF.					
	Office of the City Clerk, San Diego, California  Resolution 218488 JUN 1 1977  Number Adopted				

CC-1276 (REV. 12-76)