

(R-94-402)

RESOLUTION NUMBER R- 282707

ADOPTED ON SEP 28 1993

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO CONSENTING TO THE PAYMENT AND/OR REIMBURSEMENT BY THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO FOR PART OF THE COST OF THE INSTALLATION AND CONSTRUCTION OF THE FEDERAL BUILDING REPLACEMENT TO BENEFIT THE CENTRE CITY REDEVELOPMENT PROJECT AREA AND ITS IMMEDIATE NEIGHBORHOOD; AND MAKING CERTAIN FINDINGS WITH RESPECT TO SUCH PAYMENT FOR THE FEDERAL BUILDING REPLACEMENT.

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 Centre City Redevelopment Project (the "Project"); and

WHEREAS, in order to carry out and implement the Redevelopment Plan the Agency proposes to pay for part of the cost of the installation and construction of a certain publicly-owned Federal Building replacement to benefit the Project area and its immediate neighborhood pursuant to a Cooperation and Reimbursement Agreement (the "Agreement") between the Agency and The City of San Diego (the "City"), a copy of which is on file in the office of the City Clerk as Document No. RR- 282706; and

WHEREAS, the Agency and City each held public hearings of the proposed payment by the Agency toward the cost of the Federal Building replacement pursuant to the Agreement, having duly published notice of such public hearings and made copies of the proposed Agreement and other documents available for public inspection and comment; and

WHEREAS, pursuant to the California Community Redevelopment law (California Health and Safety Code section 33000 et seq.) this City Council has considered the information regarding the benefit of the Federal Building replacement to the Centre City Redevelopment Project area and its immediate neighborhood, including the information contained in Attachment No. 1 hereto; and has also considered the information regarding the availability of other means of financing the Federal Building replacement available to the community, including the information contained in Attachment No. 2 hereto; and

WHEREAS, the City Council has duly considered all terms and conditions of the proposed payment as set forth in the Agreement, and believes that the payment by the Agency of part of the cost of the Federal Building replacement 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 Council of The City of San Diego, as follows:

1. That the City Council recognizes that it has received and heard all oral and written objections to the proposed payment by the Agency for part of the cost of the installation and construction of the Federal Building replacement, and to other matters pertaining to this transaction, and that all such oral and written objections are hereby overruled.

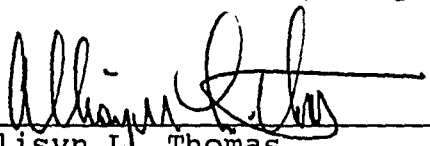
2. That the City Council hereby finds and determines that the Federal Building replacement for which the Agency proposes to

pay for in part under the Agreement is of benefit to the Centre City Redevelopment Project area and the immediate neighborhood in which the Project area is located, as described in Attachment No. 1. The City Council hereby further finds and determines that no other reasonable means of financing the Federal Building replacement for which the Agency proposes to pay for in part under the Agreement are available to the community, as described in Attachment No. 2.

3. The City Council hereby consents to the payment by the Agency for part of the cost of the Federal Building replacement as described in the Agreement.

4. That the City Council hereby authorizes the City Clerk to deliver a copy of this resolution to the Executive Director and members of the Agency.

APPROVED: JOHN W. WITT, City Attorney

By 
Allisyn L. Thomas
Deputy City Attorney

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Or.Dept:CCDC
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ATTACHMENT NO. 1

BENEFIT OF THE FEDERAL BUILDING REPLACEMENT

The Federal Building replacement for which the Agency proposes to pay will benefit the Centre City Redevelopment Project area and the immediate neighborhood in which the Project area is located, in that:

- A. The present gymnasium facilities are located in Balboa Park adjacent to the Centre City Redevelopment Project. The community and regional facilities proposed to be funded will be located within the Centre City Redevelopment Project and within close proximity to Balboa Park, San Diego High School and City College. It is an important objective of the General Plan and Progress Guide that new regional civic facilities remain in Centre City which is the hub of regional transportation and public facilities. The close proximity to Balboa Park, San Diego High School and City College, and the Central Business District to the west, will support the viability of the Agency's redevelopment effort.
- B. The project will provide needed community facilities, none of which exist in the Centre City East Redevelopment District, for existing and planned residents.
- C. The project will alleviate existing adverse conditions within the Expansion Sub Area by increasing the safety and security at the site. The project will improve accessibility to, and the ability to monitor, the area around the City College trolley station, which is unsafe.
- D. Through the elimination of existing adverse conditions, and by increasing the number of visitors to the area, the project will create demand for uses in the Centre City Redevelopment Project area and its immediate neighborhood.

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ATTACHMENT NO. 2

NO OTHER REASONABLE MEANS OF FINANCING

There are no other reasonable means available to the community for financing the Federal Building replacement for which the Agency proposes to pay in that:

City of San Diego

- A. For the Fiscal Year 1993 and 1994 budgets, the City of San Diego has made, and will make, a number of budgetary reductions in order to finance immediate operating and capital needs. A number of capital projects remain unfunded due to limited funds.
- B. The City's capital improvement budget is funded primarily with developer's proceeds, enterprise funds revenues, Facility Benefit Assessment funds, and Transnet funds. The FY 1993 revised Capital Improvement Program Budget decreased 30.3% from the FY 1992 Budget.
- C. State legislation, which annually diverted \$12 million in property tax revenues from the City and the continued effects of the sluggish economic recovery during FY 93, has resulted in a revenue shortfall in the \$18-20 million range. It has been estimated that the State could divert up to \$27 million in property tax revenues in FY 1994.
- D. Until 1979, cities had the ability to determine their revenues from property taxes by setting property tax rates. Proposition 13 took away a city's ability to adjust property tax revenue. Fiscal Year 1993 property tax revenues, which comprise about 30 percent of the City of San Diego's general revenues, is dependent on property transfers and new construction. Property tax revenue is no longer a flexible funding source for cities.
- E. Other major sources of general fund city revenue are sales taxes, transient occupancy taxes, property transfer taxes, licenses and permits, and franchise revenues. Each of these, as property taxes, are dependent on the health of the local economy. These sources of revenue, and all others accruing to the City of San Diego, are inadequate currently to meet the demands of the citizens for services and facilities. The City of San Diego Citizens Finance Committee, in its report dated January 1990, characterized the City of San Diego as a "City with limited sources of operating funds; with virtually no capital outlay budget to serve the urbanized portion of the communities; and with an infrastructure that is deteriorating and badly in need of extensive repair work and expansion." Of the nation's 50 largest cities, the City of San Diego ranks 35th in property tax per 1,000 population and ranks 47th in

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receipt of general fund revenue. Inasmuch as general obligation bonds require a two-thirds vote of the electorate, there currently exists an estimated City-wide capital facility need of \$1.75 billion. Funds available to the City from non-local sources are modest in relationship to City needs.

Passed and adopted by the Council of The City of San Diego on.....
by the following vote:

SEP 28 1993

Council Members	Yeas	Nays	Not Present	Ineligible
Abbe Wolfsheimer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ron Roberts	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
John Hartley	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
George Stevens	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tom Behr	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Valerie Stallings	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Judy McCarty	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Juan Vargas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Susan Golding	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

SUSAN GOLDING
Mayor of The City of San Diego, California.

(Seal)

CHARLES G. ABDELNOUR
City Clerk of The City of San Diego, California.

By *Linda Ferguson*, Deputy.

Office of the City Clerk, San Diego, California

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Number..... Adopted.....

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