

RESOLUTION NUMBER R- 286902

ADOPTED ON FEB 06 1996

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO MAKING CERTAIN FINDINGS WITH RESPECT TO THE PAYMENTS FOR APPROVING THE CONSTRUCTION OF CORTEZ SEWER MAIN REPLACEMENT IN THE CORTEZ REDEVELOPMENT DISTRICT OF THE CENTRE CITY REDEVELOPMENT PROJECT, MAKING CERTAIN FINDINGS WITH RESPECT TO THE PAYMENTS FOR THESE IMPROVEMENTS, AND AUTHORIZING CENTRE CITY DEVELOPMENT CORPORATION TO BID AND CONSTRUCT THE IMPROVEMENTS.

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 Cortez Redevelopment District of the Centre City Redevelopment Project (the "Project"); and

WHEREAS, in order to carry out and implement such Redevelopment Plan the Agency proposes to pay for all or part of the cost of the installation and construction of certain improvements to benefit the Project area and its immediate neighborhood; and

WHEREAS, the Centre City Development Corporation (the "Corporation") has reviewed and recommends that the Council of The City of San Diego (the "Council") consent to and the Agency authorize the corporation to bid and construct said improvements; and

WHEREAS, the Council has duly considered all conditions of the proposed payment for improvements and believes that the payment by the Agency of all or part of the cost of the cost of

the installation and construction of the improvements by the Agency are in the best interest of the City and 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 Council hereby finds and determines that the improvements for the Cortez Sewer Main Replacement for which the Agency proposes to pay are of benefit to the Centre City Redevelopment District of the Centre City Redevelopment Project area and the immediate neighborhood in which the Project area is located, that the Council hereby finds and determines that no other reasonable means of financing the proposed improvements for which the Agency proposes to pay are available to the community, and the Council hereby finds and determines that the proposed improvements will assist in eliminating one or more blighting conditions inside the Project area, all as described in Attachment No. 1.

2. That the Council hereby finds and determines that the improvements for the Cortez Hill Sewer Main Replacement is consistent with the Implementation Plan adopted for the Project by the Agency on June 21, 1994, as Document No. 2141, pursuant to Health and Safety Code section 33490, as described in Attachment No. 1.

3. That the Council, on behalf of the Agency, is hereby authorized to advertise and receive bids for construction and

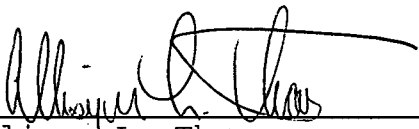
installation of certain improvements for the Cortez Sewer Main Replacement in the Cortez Redevelopment District of the Centre City Redevelopment Project.

4. That the Council hereby authorizes to award the contract to the lowest qualified bidder, provided the bid is within the established budget.

5. That the Council hereby authorizes to administer said contract.

6. That the total amount of the contract shall not exceed three hundred seven thousand five hundred eighty-six dollars (\$307,586).

APPROVED: JOHN W. WITT, City Attorney

By 
Allisyn L. Thomas
Deputy City Attorney

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ATTACHMENT NO. 1

FINDINGS

SUBJECT IMPROVEMENTS:

CORTEZ HILL SEWER MAIN REPLACEMENT IN THE CORTEZ REDEVELOPMENT DISTRICT OF THE CENTRE CITY REDEVELOPMENT PROJECT

I. FINDINGS OF BENEFIT

The subject improvements for which the Agency proposes to pay, will benefit the Centre City Redevelopment Project area or the immediate neighborhood in which the Project area is located in that:

- A. The improvement is within the Cortez Redevelopment District of the Centre City Redevelopment Project will upgrade a substandard sewer main system serving new and rehabilitation buildings.
- B. The subject improvements will replace an old sewer system of old pipes and low capacity. The improvements will enhance the area for the benefit of the nearby users.
- C. The installation of the new sewer mains will remove old pipes and correct adverse health and safety conditions.
- D. The improvements will act as a catalyst providing an incentive for private investment in new construction and reuse of historic structures in the Cortez Redevelopment District.

II. NO OTHER REASONABLE MEANS OF FINANCING

There are no other reasonable means available to the community for financing the subject improvements for which the Agency proposes to pay in that:

City of San Diego

- A. For the Fiscal Year 1996 budget, 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 the 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 Fiscal Year 1996 Capital Improvement Program Budget increased 20.8% from the Fiscal Year 1995 Budget.

- C. Consistent with signs of a recovering economy, most major tax revenue categories displayed signs of growth in Fiscal Year 1995. Moderate growth is anticipated for most Fiscal Year 1996 major revenues. Property tax revenue is an exception. Slight growth is estimated for this category due to continued depressed housing prices relative to the late eighties and very early nineties. Decreased property values have led to a significant number of assessment of appeal filings over the past two fiscal years.
- D. The City's Fiscal Year 1996 Capital Improvements Budget (CIP) is embodied in Volume's IV and V of the City's Budget adopted on July 25, 1995. The Redevelopment Agency's Fiscal Year 1995-96 Program Budgets were adopted on June 27, 1995. The CIP and the Agency's Budget were developed in accordance with City and Council Policy and each project activity was evaluated and incorporated in the respective budgets. Projects are funded based on need and the availability of appropriate funding sources. Of the City's total \$266 million CIP Budget, only \$250,000 of funds are discretionary for funding projects such as the proposed public improvements.
- E. Enhancing public safety and maintaining the levels of service to the public have been the City's highest priorities during the recession. To meet these priorities and offset the revenue losses over the past four years, expenditure reductions have been made in two primary areas:
1. Management, Professional, Supervisory and Administrative Support Positions - Since Fiscal Year 1992, 554 positions in these categories have been reduced from the budget in an effort to downsize and streamline the organization.
 2. Maintenance of the City's Infrastructure - Reductions in general building maintenance and insufficient funds to provide the level of maintenance necessary for streets and related facilities have led to a slow deterioration of the City's infrastructure.

III. ELIMINATION OF BLIGHTING CONDITIONS

The payment of funds toward the cost of the construction and installation of the subject improvements will assist in the elimination of one or more blighting conditions inside the Centre City Redevelopment Project area, and the proposed improvements are consistent with the Implementation Plan adopted for the Project pursuant to Health and Safety Code 33490, in that:

- A. The improvements will replace inadequate public sewer pipes. The proposed improvements will remove and replace these pipes and remove adverse conditions, upgrading the system to match the improvements in other Centre City areas.
- B. The adjacent commercial businesses and residences expect to benefit from these improvements.
- C. The improvements will act as a catalyst providing an incentive for private investment, thereby contributing to the removal of economic blight.
- D. "Completion of improvements in the Cortez Redevelopment District is a means to contribute to blight removal by replacing inadequate public improvements" is included in the work program of the Implementation Plan adopted June 21, 1994 pursuant to Health and Safety Code 33490.