(R-97-533)

RESOLUTION NUMBER R- 288151 ADOPTED ON DEC 0 3 1996

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO APPROVING THE APPLICATION FOR GRANT FUNDS FOR THE ENVIRONMENTAL ENHANCEMENT AND MITIGATION PROGRAM UNDER CALIFORNIA STREETS AND HIGHWAYS CODE SECTION 164.56 FOR THE CENTRE CITY REDEVELOPMENT PROJECT, MAKING CERTAIN FINDINGS WITH RESPECT TO THE PAYMENT FOR THE ENVIRONMENTAL ENHANCEMENT AND MITIGATION PROGRAM.

WHEREAS, the Legislature of the State of California has enacted AB 471 (Chapter 106 of the Statutes of 1989), which is intended to provide Ten million dollars (\$10,000,000) annually for a period of ten (10) years for grant funds to local, state and federal agencies and nonprofit entities for projects to enhance and mitigate the environmental impacts of modified or new public transportation facilities; and

WHEREAS, the Resources Agency has established the procedures and criteria for reviewing grant proposals and is required to submit to the California Transportation Commission a list of recommended projects from which the grant recipients will be selected; and

WHEREAS, the procedures and criteria established by the Resources Agency require a resolution certifying the approval of the application by the applicant's governing body before submission of the application to the State; and

WHEREAS, the application contains assurances that the applicant must comply with; and WHEREAS, the applicant, if selected, will enter into an Agreement with the State of California to carry out the environmental enhancement and mitigation project; and

WHEREAS, pursuant to California Health and Safety Code section 33445, the Council of The City of San Diego is required to make certain findings when Agency monies are used for public improvements; NOW, THEREFORE,

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

- 1. That the filing of an application for the Environmental Enhancement and Mitigation Program for grant assistance is hereby approved.
- 2. That it is hereby certified that the applicant will make adequate provisions for operation and maintenance of the Project.
- 3. That it hereby finds and determines that the Little Italy/Cortez Tree Planting Program for which the Agency proposes to pay the matching funds is of benefit to the Centre City Redevelopment Project, that it 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, that it 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.
- 4. That it hereby finds and determines that the Program is consistent with the Implementation Plan adopted for the Project area by the Agency on June 21, 1994, as Document No. 2141, pursuant to California Health and Safety Code section 33490, as described in Attachment No. 1.
- 5. That Peter J. Hall is hereby appointed as agent of the Agency to conduct all negotiations, execute and submit all documents including, but not limited to, applications, agreements, amendments, payment requests and so on, which may be necessary for the completion of the aforementioned project.

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6. That the total amount expended for the local match shall not exceed Forty-five thousand two hundred sixty-seven dollars (\$45,267).

CASEY GWINN
APPROVED: JOHN W-WITT, City Attorney

By

Douglas K. Humphreys Deputy City Attorney

DKH:lc 11/19/96 Or.Dept:CCDC Aud.Cert:N/A R-97-533

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ATTACHMENT NO. 1 FINDINGS

SUBJECT IMPROVEMENTS:

IMPLEMENTATION OF LITTLE ITALY/CORTEZ TREE PROGRAM TO PLANT UP 370 TREES OF VARYING SPECIES IN LOCATIONS TO BE DETERMINED UPON FIELD SURVEY IN THE HARBORVIEW "LITTLE ITALY"/CORTEZ REDEVELOPMENT DISTRICT OF THE EXPANSION SUB AREA OF THE CENTRE CITY REDEVELOPMENT PROJECT AREA

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. These improvements are within the public right-of-way in the Harborview and Cortez Redevelopment Districts of the Expansion Sub Area of the Centre City Redevelopment Project.
- B. There are few street trees within the proposed areas. Many of the streets in the adjacent redevelopment districts have street trees. The subject improvements will extend the existing pattern of street trees throughout the Harborview/Cortez neighborhoods. The improvements will enhance the area for the benefit of residents and commuters alike.
- C. The installation of the improvements will add to the aesthetic quality of the area and improve adverse air quality conditions, thereby improving health of the residents.
- D. The new trees will provide shade and beauty to both private and public spaces.
- E. The trees will act as a catalyst to provide an incentive for private investment in the rehabilitation and reuse of the properties in the area.

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. The Fiscal Year 1997 Budget for the City of San Diego increased 13.6%. The overall increase is largely attributable to changes in the Capital Improvement Program. However, a number of capital projects remain unfunded due to limited funds.
- B. The City's capital improvement budget is funded primarily with water and sewer fees, developer impact fees, grant funds, enterprise fund revenues, Facility Benefit Assessment funds, and Transnet funds. The Fiscal Year 1997 Capital Improvement Program Budget increased 40% from the Fiscal Year 1996 Budget.
- Consistent with signs of a recovering economy, most major tax revenue categories displayed signs of growth in Fiscal Year 1996. Moderate growth is anticipated for most Fiscal Year 1997 major revenues. Property tax revenue is an exception with 0% growth anticipated. The economic growth rate for other major revenue categories are sales tax (4.8%) Transient Occupancy Tax (4.5%) and Motor Vehicle License fees 5.1%.
- D. The City's Fiscal Year 1997 Capital Improvements Budget (CIP) is embodied in Volume's IV and V of the City's Budget adopted on July 29, 1996. The Redevelopment Agency's Fiscal Year 1996-97 Program Budget was adopted on July 16, 1996. 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. The City's CIP Budget totals \$108 million, an increase of \$108 thousand over FY 1996.
- E. Although sustained revenue growth is anticipated in Fiscal Years 1997 and 1998, the City is relying on some onetime revenue sources to provide higher levels of services than would otherwise be possible. Local Property Tax apportionments have been permanently diminished as a result of the Fiscal Year 1993 and 1994 state budget actions. Despite the state's ongoing economic recovery, the magnitude of the Property Tax loss in excess of \$24 million each fiscal year has required the use of onetime revenues.
- F. Maintaining and enhancing the services that the City provides to the citizens, residents and visitors is one of the City's primary core values. Although the weak

economy and reductions in defense and aerospace spending have negatively impacted the City's revenues, the City has embarked on changing the traditional ways of conducting business and utilized three strategies to adhere to this core value. These strategies to maintain and enhance service levels by increasing revenues or reducing expenses are delineated in the 1997 Budget.

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 enhance the public right of way and replace inadequate public improvements. The sidewalks are currently devoid of trees and tree wells in the sidewalk; and as a result, the area is not aesthetically pleasing. The proposed improvements will remove and replace these adverse conditions, upgrading to match the improvements in other Centre City areas.
- B. The adjacent commercial businesses will benefit from the tree program by improving the appearance of the area and thereby creating a more desirable place for customers to visit.
- C. The street trees will further enhance the aesthetic quality of the street and the location will not interfere with existing light standards, traffic signals or building access.
- D. The improvements will act as a catalyst providing an incentive for private investment, thereby contributing to the removal of economic blight.
- E. The improvements provide improved pedestrian amenity to public and private properties.
- F. The "enhancement of ceremonial streets which function as the focal points of their individual neighborhoods" is included in the work program of the Redevelopment Agency's Implementation Plan adopted June 21, 1994 pursuant to Health and Safety Code 33490.