

RESOLUTION NUMBER R- 289814

ADOPTED ON MAR 03 1998

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO MAKING CERTAIN FINDINGS WITH RESPECT TO PAYMENTS FOR OFF-SITE PUBLIC IMPROVEMENTS FOR THE REINCARNATION PROJECT IN THE EAST VILLAGE REDEVELOPMENT DISTRICT OF THE CENTRE CITY REDEVELOPMENT PROJECT.

WHEREAS, the Redevelopment Agency of The City of San Diego [Agency] is engaged in activities necessary to carry out and implement the Redevelopment Plan for the East Village Redevelopment District of the Centre City Redevelopment Project [Project]; and

WHEREAS, in order to carry out and implement the 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 Agency has reviewed and recommends that the Council of The City of San Diego [Council] consent to and the Agency authorize the Centre City Development Corporation to bid and construct the improvements; and

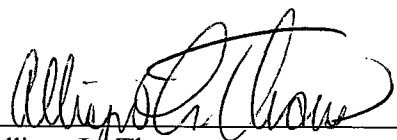
WHEREAS, the Council has duly considered all conditions of the proposed payment for improvements and believes that the payment by the Agency of all or part of the cost of the installation and construction of the public improvements by the Agency are in the best interest of the City and health, safety, 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 it finds and determines that the off-site public improvements for the Reincarnation Project for which the Agency proposes to pay are of benefit to the East Village Redevelopment District of the Project area and the immediate neighborhood in which the Project area is located, that it 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 it 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 it finds and determines that the off-site public improvements for the Reincarnation Project are consistent with the Implementation Plan adopted for the Project area by the Agency on June 21, 1994, as Document No. 2141, on file in the office of the Secretary to the Agency, pursuant to California Health and Safety Code section 33490, as described in Attachment No. 1.

APPROVED: CASEY GWINN, City Attorney

By  _____
Allisyn L. Thomas
Deputy City Attorney

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Or.Dept:CCDC
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ATTACHMENT NO. 1
FINDINGS

SUBJECT IMPROVEMENTS:
CONSTRUCTION OF OFF-SITE PUBLIC IMPROVEMENTS FOR THE REINCARNATION
PROJECT

I. FINDINGS OF BENEFIT

The subject improvements for which the Redevelopment Agency of the City of San Diego (Agency) proposes to pay will benefit the East Village Redevelopment District or the immediate neighborhood in which the Project area is located in that:

- A. These improvements are within the East Village Redevelopment District of the Centre City Redevelopment Project, adjacent to undeveloped properties.
- B. Improvements are planned for the block bounded by 10th Avenue, "J" Street, 11th Avenue, and "K" Street. The improvements will enhance the area for the benefit of nearby users as well as residents.
- C. The installation of public improvements will correct adverse health and safety conditions.
- D. The improvements will act as a catalyst providing an incentive for private investment in the rehabilitation of the areas.

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 1998 Budget for the City of San Diego (City) increased 1.4%. The overall increase is largely attributable to an increase in the Enterprise Fund and reduction in the Capital Improvement Program. 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 1998 Capital Improvement Program Budget decreased 12.6% from the Fiscal Year 1997 Budget.

- C. Consistent with signs of a recovering economy, most major tax revenue categories displayed signs of growth in Fiscal Year 1997. Moderate growth is anticipated for most Fiscal Year 1998 major revenues. The economic growth rate for major revenue categories are property tax (2.0%), sales tax (5.5%), Transient Occupancy Tax (4.5%) and Motor Vehicle License fees (4.0%).
- D. The City's Fiscal Year 1998 Capital Improvements Budget (CIP) is embodied in Volume's IV and V of the City's Budget. The Agency's Fiscal Year 1997-1998 Program Budget was adopted on July 3, 1997. 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 \$327.8 million, a decrease of \$47.1 million over Fiscal Year 1997.
- E. Although sustained revenue growth is anticipated in Fiscal Year 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 1998 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 East Village Redevelopment District 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 or missing public improvements. The proposed improvements will remove and replace these adverse conditions, upgrading to match the improvements on nearby streets.
- B. These improvements will include street lights thereby increasing lighting levels on public sidewalks.
- C. The improvements will act as a catalyst providing an incentive for private investment, thereby contributing to the removal of economic blight.
- D. The improvements provide improved pedestrian access to public and private properties.
- E. "Completion of off-site improvements in this area 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.