

RESOLUTION NUMBER R- 290990

ADOPTED ON NOV 24 1998

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO MAKING FINDINGS WITH RESPECT TO THE PAYMENT FOR DEMOLITION OF CERTAIN ON-SITE IMPROVEMENTS AND THE CONSTRUCTION AND INSTALLATION OF CERTAIN IMPROVEMENTS FOR A PARKING LOT AT THE NORTHWEST CORNER OF CEDAR STREET AND INDIA STREET IN THE LITTLE ITALY REDEVELOPMENT DISTRICT OF THE EXPANSION SUB AREA OF THE CENTRE CITY REDEVELOPMENT PROJECT.

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 the cost of demolition of certain on-site improvements, and the installation and construction of certain improvements for a parking lot to benefit the Project area and its immediate neighborhood; and

WHEREAS, 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 demolish and then 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 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 provision of applicable State and local law requirements; NOW THEREFORE,

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

1. That it finds that the demolition of certain on-site improvements, and the construction and installation of improvements for a parking lot at the northwest corner of Cedar Street and India Street, for which the Agency proposes to pay for, are of benefit to the Centre City Redevelopment Project, 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, that it finds and determines that the proposed improvements will assist in eliminating one or more blighting conditions in the Project area, all as described in Attachment No. 1, attached hereto.

2. That it finds and determines that the proposed improvements are consistent with the Implementation Plan adopted for the Project by the Agency on June 21, 1994, as Document No. 2141, pursuant to California Health and Safety Code section 33490, described in Attachment No. 1.

3. That it consents to the payment by the Agency for all of the cost of the improvements identified above.

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

APPROVED: CASEY GWINN, City Attorney

By



Douglas K. Humphreys
Deputy City Attorney

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ATTACHMENT NO. 1
FINDINGS

SUBJECT IMPROVEMENTS:

REQUEST TO DEMOLITION OF ON SITE IMPROVEMENTS AND CONSTRUCTION OF A SURFACE PARKING LOT. LITTLE ITALY REDEVELOPMENT DISTRICT OF THE CENTRE CITY REDEVELOPMENT 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 Little Italy Redevelopment District or the immediate neighborhood in which the Project area is located in that:


- A. These improvements are within the Little Italy Redevelopment District of the Centre City Redevelopment Project, adjacent to undeveloped properties.
- B. Improvements are planned at the area of the northwest corner of Cedar Street and India Street. The improvements will enhance the area for the benefit of nearby users as well as residents.
- C. The installation of public surface improvements will correct adverse health and safety conditions.
- D. The public surface 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 1999 Budget for the City of San Diego (City) increased 15.3%. The overall increase is largely attributable to an increase in the General Fund, Enterprise Fund, Special Revenue Fund, and in the Capital Improvement Program (CIP). Even with an increase in the Capital Improvement Program Budget, 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,

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Facility Benefit Assessment funds, and Transnet funds. The Fiscal Year 1999 Capital Improvement Program Budget increased 32.2% from the Fiscal Year 1998 Budget. The Fiscal Year 1999 CIP Budget provides for the sewer upgrade of the City's Metropolitan and Municipal Wastewater System, water projects, the east/west connection between Interstate 5 and Interstate 15 for Route 56, lane widening, storm projects and installation and improvement of city-wide traffic signals.

- C. Consistent with signs of a recovering economy, most major tax revenue categories displayed signs of growth in Fiscal Year 1998. Moderate growth is anticipated for most Fiscal Year 1999 major revenues. The economic growth rate for major revenue categories are property tax (3.0%), sales tax (4.2%), Transient Occupancy Tax (6.6%) and Motor Vehicle License fees (3.8%).
- D. The City's Fiscal Year 1999 Capital Improvements Budget (CIP) is embodied in Volume's IV and V of the City's Budget. The Agency's Fiscal Year 1998-1999 Program Budget was adopted on June 25, 1998. 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 \$391.3 million, a increase of \$95.5 million over Fiscal Year 1998.
- E. Although sustained revenue growth is anticipated in Fiscal Year 1999, 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 1999 Budget.

III. ELIMINATION OF BLIGHTING CONDITIONS

The payment of funds toward the cost of the demolition, construction and

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installation of the subject improvements will assist in the elimination of one or more blighting conditions inside the Little Italy 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 neighborhood and replace inadequate public improvements. The proposed improvements will remove and replace these adverse conditions, upgrading to match the improvements on nearby streets.
- B. The improvements will act as a catalyst providing an incentive for private investment, thereby contributing to the removal of economic blight.
- C. The improvements provide improved parking access to public and private properties.
- D. "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.