

RESOLUTION NUMBER R- 292052

ADOPTED ON AUG 02 1999

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN DIEGO SUPPORTING THE APPLICATION FOR AN ECONOMIC DEVELOPMENT ADMINISTRATION [EDA] GRANT FOR THE BAY TO PARK LINK/12TH AVENUE IMPROVEMENT PROJECT IN THE EAST VILLAGE REDEVELOPMENT DISTRICT OF THE EXPANSION SUB AREA OF THE CENTRE CITY REDEVELOPMENT PROJECT AND MAKING CERTAIN FINDINGS WITH RESPECT TO THE PAYMENT OF THE IMPROVEMENTS.

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 Centre City Redevelopment Project [Project] area; 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 the Bay to Park Link/12th Avenue Enhancement Project [Enhancement Project] which will be of benefit to the Project area and its immediate neighborhood; and

WHEREAS, the Economic Development Administration [EDA] provides funds for urban redevelopment programs; and

WHEREAS, in order to further implement the Redevelopment Plan, the Agency proposes to apply to the EDA for grant funds to provide financial assistance for the Enhancement Project; and

WHEREAS, the procedures established by the EDA require the applicant to certify by resolution its support of the application to EDA; and

WHEREAS, once approved, the applicant will enter into an agreement with the EDA to carry out Enhancement Project; and

WHEREAS, the Centre City Development Corporation [CCDC] has reviewed the proposed Enhancement Project and application and recommends that the Council consent to the Agency providing financial assistance for the Enhancement Project and support the application to EDA; and

WHEREAS, the Agency has duly considered all conditions of the proposed payment for the Enhancement Program and believes that the funding of it by the Agency is in the best interest 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 laws and requirements; NOW, THEREFORE,

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

1. That it supports the filing of an application with the Economic Development Administration for the Bay to Park Link/12th Avenue Enhancement Project.
2. That it finds and determines that the construction of certain public improvements on 12th Avenue from "B" to "K" Streets are of benefit to the Centre City Redevelopment Project, that it finds and determines that no other reasonable means for financing the proposed improvements for which the Agency proposes to pay are available to the community, and that it

finds and determines that proposed improvements will assist in eliminating one or more blighting conditions inside the Project area, all as described in Attachment No. 1.

3. That it finds and determines that the demolition, construction and installation of improvements on 12th Avenue from "B" to "K" Streets 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, as described in Attachment No. 1.

APPROVED: CASEY GWINN, City Attorney

By



Douglas K. Humphreys
Deputy City Attorney

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ATTACHMENT NO. 1
FINDINGS

SUBJECT IMPROVEMENTS:

THE DEVELOPMENT OF PUBLIC IMPROVEMENTS ON 12TH AVENUE FROM "B" TO "K" STREETS. EAST VILLAGE 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 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 developing properties.
- B. Improvements are planned for 12th Avenue from "B" to "K" Streets. 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.

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- 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 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, an 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.

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III. ELIMINATION OF BLIGHTING CONDITIONS

The development 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 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 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.

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