

RESOLUTION NUMBER R- 293809

ADOPTED ON SEP 12 2000

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN DIEGO MAKING CERTAIN FINDINGS WITH RESPECT TO THE PAYMENTS FOR CONSTRUCTION OF SURFACE IMPROVEMENTS ON PORTIONS OF BEECH STREET AND PACIFIC HIGHWAY, 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 Little Italy Redevelopment District of the Expansion Sub Area of 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 all or part of the construction of these improvements; 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 Agency authorize the Corporation to bid and construct these public street improvements on portions of Beech Street and Pacific Highway; 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 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 requirements; NOW, THEREFORE,

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

1. That it finds that the construction of the public improvements on portions of Beech Street and Pacific Highway for which Agency proposes to pay 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 1, attached hereto.

2. That it finds and determines that the construction of the public improvements on portions of Beech Street and Pacific Highway 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 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.

5. That the total amount for the contract and agreement shall not exceed \$215,000.

APPROVED: CASEY GWINN, City Attorney

By

  
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Douglas K. Humphreys  
Deputy City Attorney

DKH:cdk  
08/22/00  
Or.Dept:CCDC  
Aud.Cert:2100219  
R-2001-318

ATTACHMENT NO. 1  
FINDINGS

SUBJECT IMPROVEMENTS:

REQUEST TO BID DEMOLITION OFF-SITE IMPROVEMENTS FOR THE BEECH STREET AND PACIFIC HIGHWAY HOTEL (HAMPTON INN) - LITTLE ITALY REDEVELOPMENT DISTRICT OF THE EXPANSION SUB AREA 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 for portions of Pacific Highway and Beech 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 2001 Budget for the City of San Diego (City) decreased by 4.5%. Even though there is an increase in the General Fund, Enterprise Fund and in the Special Revenue Fund, the substantial decrease in the Capital Improvement Program resulted in the overall decrease of the Fiscal Year 2001 City Budget. With the reduction of the CIP Budget a number of capital projects remain unfunded due to limited funds. Unfunded capital needs total \$97.08 million.
- B. The City's capital improvement budget is funded primarily with water and

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sewer fees, developer impact fees, grant funds, enterprise fund revenues, Facility Benefit Assessment funds, and Transnet funds. The Fiscal Year 2001 Capital Improvement Program Budget decreased 28% from the Fiscal Year 2000 Budget. The Fiscal Year 2001 CIP Budget provides for the continued sewer upgrade of the City's metropolitan and municipal wastewater system, and water projects.

- C. After three years of economic growth, the San Diego's regional economy is slowing. Most major tax revenue categories continue to show signs of growth. Moderate growth is anticipated for most Fiscal Year 2001 major revenues. The economic growth rate for major revenue categories are property tax (10.0%), sales tax (6%), Transient Occupancy Tax (8%) and Motor Vehicle License fees (6%).
- D. The City's Fiscal Year 2001 Capital Improvements Budget (CIP) is embodied in Volume IV of the City's Budget. The Agency's Fiscal Year 2000-2001 Program Budget was adopted on June 18, 2000. 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 \$539.6 million, a decrease of \$210.9 million over Fiscal Year 2000.
- E. Although sustained revenue growth is anticipated in Fiscal Year 2001, the City relied 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 had its impact on City's major General Fund Revenue source.

### 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 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 public right of way 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 location of streetlight standards will be adjusted and added so as to

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increase the level of lighting along the public sidewalks and streets.

- 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.

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