

RESOLUTION NUMBER R- 294477

ADOPTED ON JAN 23 2001

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO APPROVING THE RESURFACING AND REFURBISHING OF PARCEL 5 (ONE AMERICA PLAZA HOTEL SITE) IN THE COLUMBIA SUB AREA OF THE CENTRE CITY REDEVELOPMENT PROJECT AND MAKING CERTAIN FINDINGS WITH RESPECT TO THE PAYMENT FOR THE IMPROVEMENT.

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 Columbia 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 the resurfacing and refurbishing of Parcel 5 (One America Plaza Hotel Site); and

WHEREAS, State law requires that certain findings be made by the City Council prior to the expenditure of Agency funds for public facilities and improvements. Attachment No. 1 recites the proposed findings with respect to the benefits of the proposed improvements to the Project, the unavailability of other reasonable means to finance the proposed improvements, and how the proposed improvements will assist in the elimination of blighting conditions inside the Project area, and that the proposed improvements are consistent with the Implementation Plan adopted for the Project pursuant to Health and Safety Code 33490; and

WHEREAS, Centre City Development Corporation [the Corporation] has reviewed and recommends that the Council consent to and make certain findings for the resurfacing and refurbishing of Parcel 5 (One America Plaza Hotel Site); and

WHEREAS, the Council has duly considered all conditions of the proposed payment for improvements and participation and believes that the payment by the Agency of the cost of the purchase and installation of the 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 the Council finds and determines that the resurfacing and refurbishing of Parcel 5 (One America Plaza Hotel Site) is 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.

2. That the Council finds and determines that the resurfacing and refurbishing of Parcel 5 (One America Plaza Hotel Site) is of benefit to the Project, that the Council 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 the Council finds and determines that proposed improvements will assist in eliminating one or more blighting conditions inside the Project, all as described in Attachment No. 1.

APPROVED: CASEY GWINN, City Attorney

By Elisa A. Cusato
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ATTACHMENT NO. 1
FINDINGS

SUBJECT IMPROVEMENTS:

Authorize payment to the One America Plaza Association (Association) for the resurfacing and refurbishing the "Hotel Parcel" of the One America Plaza development site, and amend the Fiscal Year 2000-2001 Columbia Sub Area budget for Area-Wide Improvements.

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 Centre City Redevelopment Project:

- A. These improvements are within the Centre City Redevelopment Project,
- B. Improvements are planned for the Hotel Parcel of the One America Plaza development site. The improvements will enhance the area for the benefit of users as well as residents.
- C. The installation of the improvement will correct a blighting condition.

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 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 rates for major revenue categories are property tax (10.0%), sales tax (6%), Transient Occupancy Tax (8%) and Motor Vehicle License fees (6%).

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- 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.
- F. The Agency is required by the Master Sublease Agreement to replace, at its expense, any personal property and fixtures originally installed by the Agency on the premises which need replacement due to ordinary wear and tear or obsolescence.

III. ELIMINATION OF BLIGHTING CONDITIONS

The payment of funds toward the cost of the purchase and installation of the subject improvements will assist in the elimination of one or more blighting conditions inside the Centre City Redevelopment Project 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 damaged public improvement. The proposed improvements will remove and construct an improvement to replace these damage public improvements.
- B. "Completion of the 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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