

RESOLUTION NUMBER 295137

ADOPTED ON JUL 10 2001

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE APPROPRIATION AND EXPENDITURE OF \$852,000 IN INTEREST EARNINGS FROM THE SECTION 108 SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION LOAN FUND AND REPROGRAMMING COMMUNITY DEVELOPMENT BLOCK GRANT ALLOCATIONS IN THE FISCAL YEARS 2001 AND 2002 TO PROVIDE A LOAN FROM THE CITY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO TO BE USED TO FUND THE SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION CONTRIBUTION TO CIP #52-677.0 IMPERIAL AVENUE/OCEAN BOULEVARD STREET IMPROVEMENTS.

WHEREAS, on March 30, 1999, the Council of the City of San Diego [City Council] and the Redevelopment Agency of the City of San Diego [Agency] approved a Disposition and Development Agreement [DDA] between the Agency and Pacific Development Partners for the development of the Imperial Marketplace Project, within the Central Imperial Redevelopment Project Area [Project Area] of the City; and

WHEREAS, the DDA contemplated the construction of certain public improvements within the Project Area; and

WHEREAS, the City is engaged in activities necessary to carry out and implement certain public improvements within the Project Area; and

WHEREAS, in conjunction with the public improvement activities, and in order to carry out and implement the Central Imperial Redevelopment Plan [Redevelopment Plan], the Agency by Resolution No. R-03076, adopted November 23, 1999, authorized the transfer of \$5,885,000 from the Fiscal Year 2000 Southeastern Economic Development Corporation [SEDC] Project Budget to the City for Capital Improvement Project [CIP] No. 52-677.0 [Project]; and

WHEREAS, in order to carry out and implement the Project, the City Council, by Resolution No. R-292483, adopted November 23, 1999, authorized the City Manager or the President of SEDC to award a contract for the construction of the Project, provided that the City Auditor and Comptroller furnish a certificate showing that the funding is, or will be, on deposit in the City Treasury, expected to come from various sources, including funds provided by the Developer; and

WHEREAS, the City Auditor and Comptroller has issued the necessary certificate, and the City has entered into a contract with Erreca Inc. for construction of the Project [Contract]; and

WHEREAS, on April 11, 2000, by Resolution No. R-03137, the Agency approved a First Implementation Agreement to the DDA making certain revisions to the DDA, Scope of Development, Loan Agreement and Public Use Lease, and reduced the amount of the Agency's loan from \$1,935,000 to \$1,115,000; and

WHEREAS, on August 15, 2000, by Resolution No. R-03212, the Agency approved the Second Implementation Agreement to the DDA, and the City Council approved the Second Amended and Restated Public Use Lease, making certain revisions to the Scope of Development and reducing the Developer's Financial Obligations on the Public Improvements from \$3.95 million to \$3.5 million; and

WHEREAS, on October 24, 2000, by Resolution No. R-03256, the Agency approved the Third Implementation Agreement to the DDA increasing the Agency's obligation to the Developer by \$100,000 due to the penalty imposed by Home Depot for late delivery of the site, increasing the total owed to the Developer to \$3.6 million; and

WHEREAS, an additional \$852,000 is needed to provide funding to complete the public improvements; NOW, THEREFORE,

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

1. That it authorizes the appropriation and expenditure of an amount not to exceed \$852,000 in interest earnings from the Section 108-SEDC Loan (Fund 18514) for purposes of providing funds for the loan repayment on the Section 108 loan for Fiscal Years 2001 and 2002.

2. That it authorizes the reprogramming of the Community Development Block Grant [CDBC] allocations in the amount of \$852,000 (\$500,000 in Fiscal Year 2001 and \$352,000 in Fiscal Year 2002) from the Section 108-SEDC Loan Repayment fund to provide an interest bearing loan to the Agency to be used to fund the Southeastern Economic Development Corporation contribution to CIP # 52-677.0 Imperial Avenue/Ocean Blvd. Street Improvements in the Central Imperial Project Area.

3. That it authorizes the City Auditor and Comptroller to transfer an amount not to exceed \$852,000 to the Agency as an interest-bearing loan to be repaid when practical from any source, for the uses set forth above.

R-295137

4. That further interest generated from the SEDC 108 loan shall relieve the City

Wide CDGB pool from contributing toward the loan repayment.


APPROVED: CASEY GWINN, City Attorney

By: _____



Douglas K. Humphreys
Deputy City Attorney

DKH:lc
07/05/01
07/06/01 COR.COPY
07/12/01 REV
Or.Dept:SEDC
Aud.Cert:2200031
R-2002-90
Redev:RA-2002-4
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 295137

**The City of San Diego
CERTIFICATE OF CITY AUDITOR AND COMPTROLLER**

CERTIFICATE OF UNALLOTTED BALANCE

AC 2200031
ORIGINATING DEPT. NO.: 9994

I HEREBY CERTIFY that the money required for the allotment of funds for the purpose set forth in the foregoing resolution is available in the Treasury, or is anticipated to come into the Treasury, and is otherwise unallotted.

Amount 852,000 Fund 18536/18537

Purpose To adopt a resolution authorizing the expenditure of \$852,000 in interest earnings from Section 108-SEDC Loan (Fund 18514) for FY01 and FY02 Section 108 loan repayment and to reprogram CDBG allocations, \$500,000 in FY01 and \$352,000 in FY02, from section 108-SEDC Loan Repayment to Imperial Ave./Ocean View Blvd. (CIP 526670) and to authorize the transfer of \$852,000.00 of CDBG funds as an interest bearing Loan to SEDC for Central Imperial Project.

Date July 03, 2001 By: *Krusau*

AUDITOR AND COMPTROLLER'S DEPARTMENT

ACCOUNTING DATA

ACCTG. LINE	CY PY	FUND	DEPT	ORG.	ACCOUNT	JOB ORDER	OPERATION ACCOUNT	BENF/ EQUIP	FACILITY	AMOUNT
001	0	18536	4226	2605	4279	002605				\$500,000.00
002	0	18537	4246	4607	4279	000001				352,000.00
TOTAL AMOUNT										\$852,000.00

FUND OVERRIDE

CERTIFICATION OF UNENCUMBERED BALANCE

I HEREBY CERTIFY that the indebtedness and obligation to be incurred by the contract or agreement authorized by the hereto attached resolution, can be incurred without the violation of any of the provisions of the Charter of the City of San Diego; and I do hereby further certify, in conformity with the requirements of the Charter of the City of San Diego, that sufficient moneys have been appropriated for the purpose of said contract, that sufficient moneys to meet the obligations of said contract are actually in the Treasury, or are anticipated to come into the Treasury, to the credit of the appropriation from which the same are to be drawn, and that the said money now actually in the Treasury, together with the moneys anticipated to come into the Treasury, to the credit of said appropriation, are otherwise unencumbered.

Not to Exceed \$ _____

Vendor _____

Purpose _____

Date _____ By: _____

AUDITOR AND COMPTROLLER'S DEPARTMENT

ACCOUNTING DATA

ACCTG. LINE	CY PY	FUND	DEPT	ORG.	ACCOUNT	JOB ORDER	OPERATION ACCOUNT	BENF/ EQUIP	FACILITY	AMOUNT
TOTAL AMOUNT										

FUND OVERRIDE

R 295137

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