

(R-2002-1052)

RESOLUTION NUMBER R- 296138

ADOPTED ON FEB 26 2002

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO MAKING CERTAIN FINDINGS WITH RESPECT TO THE PAYMENTS FOR DEMOLITION OF ON-SITE IMPROVEMENTS ON THE 12TH & MARKET SITE IN THE EAST VILLAGE REDEVELOPMENT DISTRICT OF THE EXPANSION SUB AREA OF THE CENTRE CITY REDEVELOPMENT PROJECT AREA.

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 East Village Redevelopment District Area of the Centre City Redevelopment Project [Project]; and

WHEREAS, in order to carry out and implement the Redevelopment Plan, the Agency proposes to pay for all or part of the demolition of on-site improvements in the East Village Redevelopment District; and

WHEREAS, Centre City Development Corporation [Corporation] has reviewed and recommends that the Council of the City of San Diego consent to, and Agency authorize the Corporation to bid and demolish the on-site improvements on the 12th & Market site (block bounded by 11th & 12th Avenues, G and Market Streets) in the East Village Redevelopment District; and

WHEREAS, the Agency 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 demolition of these 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,

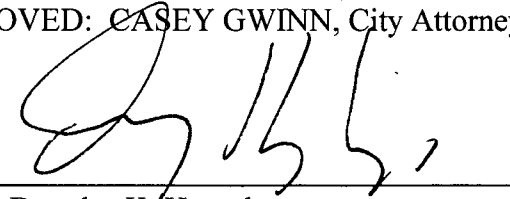
BE IT RESOLVED, by the Council of the City of San Diego, as follows:

1. That it finds and determines that the demolition of the improvements in the East Village Redevelopment District for which the 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 demolition for which the Agency proposes to pay are available to the community, that it finds and determines that the proposed demolition will assist in eliminating more blighting conditions inside the Project area, all as described in Attachment 1.
2. That it finds and determines that the demolition of said 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, as described in Attachment 1.
3. That it consents to the payment by the Agency for all of the costs of the demolition 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 \$388,300.

APPROVED: CASEY GWINN, City Attorney

By



Douglas K. Humphreys
Deputy City Attorney

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ATTACHMENT NO. 1
FINDINGS

REQUEST TO BID DEMOLITION - 12TH & MARKET BLOCK - EAST VILLAGE REDEVELOPMENT DISTRICT OF THE EXPANSION SUBAREA OF THE CENTRE CITY REDEVELOPMENT PROJECT

I. FINDINGS OF BENEFIT

The subject demolition 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. The demolition is within the East Village Redevelopment District of the Centre City Redevelopment Project, adjacent to undeveloped properties.
- B. Demolition is planned for the block bounded by 11th & 12th avenues, G and Market streets. The elimination of blighting conditions will enhance the area for the benefit of nearby users as well as residents.
- C. The demolition and subsequent construction of the Park to Bay Link and 12th & Market Residential projects 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 demolition for which the Agency proposes to pay in that:

City of San Diego

- A. The Fiscal Year 2002 Budget for the City of San Diego (City) increased 3.3%. The overall increase resulted from an increase in the General Fund, Enterprise Fund, Debt Service and in the Special Revenue Fund even though there was a decrease in the Capital Improvement Program (CIP). Over the last several years, as the City's CIP has grown and revenues have leveled off, the City has developed phased funding to use available cash and minimize the issuance of bond proceeds. This is a means whereby large projects may be budgeted and contracted for in an efficient manner that maximizes the City's use of available funds.
- 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, Gas Tax and Transnet funds. The Fiscal Year 2002 Capital Improvement Program Budget decreased 3.9% from the Fiscal Year 2001 Budget. The Fiscal Year 2002 CIP Budget provides for the sewer upgrade of the City's Metropolitan and Municipal Wastewater System,

water projects, Parks and Recreation projects, library projects, transportation projects and special projects.

- C. Most major tax revenue categories continue to show signs of growth. Moderate growth is anticipated for most of Fiscal Year 2002 major revenues. The economic growth rates for major revenue categories are property tax (6.0%), sales tax (5%), Transient Occupancy Tax (6%) and Motor Vehicle License fees (5%).
- D. The City's Fiscal Year 2002 Capital Improvements Budget is embodied in Volume's IV and V of the City's Budget. The Agency's Fiscal Year 2002 Program Budget was adopted on July 24, 2001. 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 \$741.4 million, an increase of \$27.6 million over Fiscal Year 2001.

III. ELIMINATION OF BLIGHTING CONDITIONS

The payment of funds toward the cost of the demolition of the on-site improvements will assist in the elimination of one or more blighting conditions inside the East Village Redevelopment District area and are consistent with the Implementation Plan adopted for the Project pursuant to Health and Safety Code 33490, in that:

- A. The elimination of blighting conditions will enhance the neighborhood and facilitate construction of the Park to Bay Link and 12th & Market Residential projects which will replace inadequate public improvements. The proposed demolition will remove these adverse conditions.
- B. The improvements will act as a catalyst providing an incentive for private investment, thereby contributing to the removal of economic blight.
- C. Completion of the demolition is a means to contribute to blight removal and is included in the work program of the Implementation Plan adopted June 21, 1994 pursuant to Health and Safety Code 33490.