

RESOLUTION NUMBER R- 296784

ADOPTED ON JUL 09 2002

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO APPROVING THE SALE OF CERTAIN REAL PROPERTY IN THE CITY HEIGHTS REDEVELOPMENT PROJECT AREA FOR THE DEVELOPMENT OF THE METRO VILLAS PROJECT, AN AFFORDABLE HOUSING PROJECT; APPROVING THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH CITY HEIGHTS COMMUNITY DEVELOPMENT CORPORATION, PERTAINING THERETO; AND MAKING CERTAIN FINDINGS WITH RESPECT TO THE SALE OF REAL PROPERTY AND THE USE OF HORTON PLAZA REDEVELOPMENT PROJECT HOUSING SET-ASIDE FUNDS OUTSIDE OF THE PROJECT AREA; AUTHORIZE THE ESTABLISHMENT OF A FUND AND EXPENDITURE FOR MAINTENANCE ACTIVITIES.

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 City Heights Redevelopment Project [Project]; and

WHEREAS, in order to carry out and implement the Redevelopment Plan, the Agency proposes to sell certain real property in the Project area for the development of the Metro Villas Project, an affordable housing project [Development], pursuant to the terms and provisions of a certain Disposition and Development Agreement [DDA] with City Heights Community Development Corporation [Developer], which DDA contains a description of the real property, and provides for the construction of the Development thereon; and

WHEREAS, the Developer has submitted to the Agency and Council of the City of San Diego [Council] copies of the proposed DDA in a form desired by the Developer; and

WHEREAS, the City Heights Redevelopment Project Area Committee [PAC] met on June 10, 2002, and the PAC moved to recommend to the Agency and the Council to accept the DDA for the Development; and

WHEREAS, it is proposed that the Agency use \$2 million of housing set-aside funds from the Horton Plaza Redevelopment Project; and

WHEREAS, findings of benefit to the Horton Plaza Redevelopment Project for use of the Horton Plaza Redevelopment Project Housing Set-aside funds for the Development have been prepared; and

WHEREAS, the Agency purposes to enter into a Purchase Agreement with San Diego Revitalization Corporation, by which San Diego Revitalization Corporation would be obligated to pay to the City \$20,000 per year for 10 years for the maintenance of public facilities on the University Avenue bridge decks over the State Route 15 freeway and in the public right of way of University Avenue in the vicinity of the Metro Career Center Project; and

WHEREAS, pursuant to the California Community Redevelopment Law [California Health and Safety Code section 33000 *et seq.*], the Agency and the Council held a joint public hearing on the proposed sale of the real property pursuant to the DDA; having duly published notice of such public hearing, and made copies of the proposed DDA and other reports and documents available for public inspection and comment; and

WHEREAS, the Council has duly considered all terms and conditions of the proposed sale of real property, and believes that the development of the real property pursuant to the

proposed DDA 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 law and requirements; NOW, THEREFORE,

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

1. That the Council recognizes it has received and heard all oral and written objections to the proposed DDA, to the proposed sale of real property pursuant to the proposed DDA, and to other matters pertaining to this transaction, and that all such oral and written objections are overruled.

2. That the Council finds and determines that the consideration to be paid to the Agency for the sale of the real property as described in the DDA is not less than fair reuse value/fair market price, at the use and with the covenants and conditions and development costs authorized by the sale.

3. That the Council finds and determines that the sale of the real property will assist in the elimination of blight within the Project area, and is consistent with the Implementation Plan for the Project area adopted pursuant to section 33490 of the California Community Redevelopment Law.

4. That the sale of the real property, and the DDA which establishes the terms and conditions for the sale and development of the real property, are approved. A copy of the DDA when executed by the Agency, shall be placed on file in the office of the City Clerk as Document No. RR- 296784.

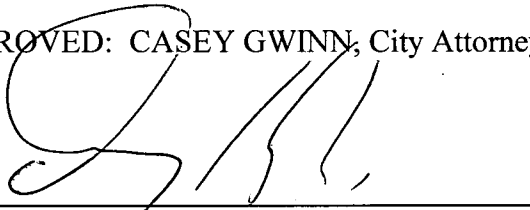
5. That the Council authorizes the City Clerk to deliver a copy of this resolution to the Executive Director and members of the Agency.

6. That the Council approves the Findings of Benefit to the Horton Plaza Redevelopment Project, attached hereto as Exhibit A, for the use of \$2 million dollars of housing set-aside funds from the Horton Plaza Redevelopment Project for the Development.

7. That the Council authorizes the Auditor and Comptroller to establish a fund for the receipt of contributions of \$20,000 per year for 10 years, and authorizes the expenditure from said fund for the maintenance of public facilities on the University Avenue bridge decks over the State Route 15 freeway and in the public right of way of University Avenue in the vicinity of the Metro Center Project.

APPROVED: CASEY GWINN, City Attorney

By



Douglas K. Humphreys
Deputy City Attorney

DKH:ai
6/25/02
Or.Dept:REDV
Aud.Cert:n/a
R-2003-34
Redev:RA-n/a
Form=r&t-comp.frm

**FINDINGS OF BENEFIT TO THE HORTON PLAZA
REDEVELOPMENT PROJECT**

The use of funds from the Horton Plaza Low and Moderate Income Housing Fund to purchase the property and construct a rental housing development on property located on the southeast corner of 39th Street and Polk to increase and improve the supply of low and moderate income housing in City Heights will be of benefit to the Horton Plaza Redevelopment Project, in that:

- The Horton Plaza Redevelopment Project does not provide new sites for very low, low, or moderate income housing. Three hundred and ten individuals and households, mostly very low, low, or moderate income, were displaced in order to accommodate redevelopment of the Horton Plaza Redevelopment Project area.
- Funds from the Horton Plaza Redevelopment Project Low and Moderate Income Housing Fund will enable the Redevelopment Agency to increase and improve the supply of low- and moderate-income housing. The use of Agency funds for this purpose will allow for the construction of 120 units of rental housing affordable to very low income families and senior citizens on property located on the southeast corner of 39th Street and Polk Avenue.
- The project is located in close proximity (about 4.9 miles away) to the Horton Plaza Redevelopment Project, within the City Heights Redevelopment Project. The site is easily accessible by public transit and would provide housing for persons working in the downtown employment center within the Horton Plaza Redevelopment Project. A boarding area for public transit, including express bus service, that connects the two areas is located less than 50 yards from the project.
- The Horton Plaza Redevelopment Project will benefit by the increase in the supply of large two-, three-, and four- bedroom units available in close proximity to the Project area. The Horton Plaza Redevelopment Project has very few housing options for households in need of three or four bedrooms.

Exhibit
Findings of Benefit

R 296784