

RESOLUTION NUMBER R- 300385

ADOPTED ON MAY 03 2005

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO APPROVING THE SALE OF CERTAIN PROPERTY IN THE CITY HEIGHTS REDEVELOPMENT PROJECT AREA TO CITY HEIGHTS SQUARE, L.P.; APPROVING THE DISPOSITION AND DEVELOPMENT AGREEMENT PERTAINING THERETO; MAKING CERTAIN FINDINGS WITH RESPECT TO THE SALE; AND MAKING FINDINGS RELATING TO THE USE OF LOW AND MODERATE INCOME HOUSING FUNDS FROM 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 City Heights Redevelopment Project Area [Project Area]; and

WHEREAS, in order to carry out and implement the Redevelopment Plan, the Agency has negotiated a proposed Disposition and Development Agreement [Agreement] with City Heights Square, L.P. [Developer] for the City Heights Square Senior Housing Project [Development] and the Agency proposes to enter into the Agreement with the Developer; and

WHEREAS, the Agency proposes to make contingent offers for the acquisition of certain real property in the Project Area pursuant to the terms and provisions of the Agreement, which Agreement contains a description of the property to be acquired by the Agency and provides for the construction of the Development thereon; and

WHEREAS, pursuant to the Agreement, the Agency proposes to sell the property it acquires to the Developer for implementation of the Development; and

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

WHEREAS, the Agency has reviewed and discussed the proposed Agreement and has recommended that the Council approve and the Agency enter into the Agreement; and

WHEREAS, the Agency proposes to finance its obligations under the Agreement with up to \$7,105,000 of Low and Moderate Income Housing Funds from the Centre City Redevelopment Project Area, pursuant to the proposed Agreement; 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 acquisition and sale of the above-referenced real property pursuant to the Agreement, having duly published notice of the public hearing and made copies of the proposed Agreement and other reports and documents (including the summary provided for in California Health and Safety Code section 33433) 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 redevelopment of the real property pursuant to the proposed Agreement 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 that it has received and heard all oral and written objections to the proposed Agreement, to the proposed sale of the real property pursuant thereto, and to other matters pertaining to this transaction, and that all the oral and written objections are hereby overruled.

2. That the Council finds and determines that the sale of the real property for the Development as described in the Agreement will assist in the elimination of blight.

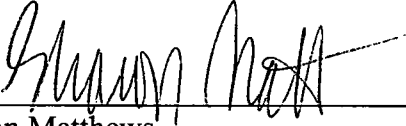
3. That the Council finds and determines that the consideration to be paid by the Developer for the purchase of the real property for the Development is not less than the fair reuse value of the property at the use and with the covenants and conditions and development costs as set forth in the Agreement. The Agency further finds and determines that all consideration to be paid under the Agreement is in an amount necessary to effectuate the purposes of the Redevelopment Plan for the Project Area.

4. That the sale of the real property and the Agreement, which establishes the terms and conditions for the sale and improvement of the real property are approved, pursuant to Council direction.

5. That the Council finds and determines that the use of Low and Moderate Income Housing Funds from the Centre City Redevelopment Project Area pursuant to the Agreement will be of benefit to the Centre City Redevelopment Project Area for the reasons set forth in Attachment 1, attached hereto and incorporated by reference.

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

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By 
Sharon Matthews
Deputy City Attorney

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R-2005-1080
Comp. Item to R.A. Reso. R-2005-136
MMS#1802

Findings of Benefit Summary

It is proposed that funds from the Centre City Low and Moderate Income Housing Fund be used outside of the Centre City Redevelopment Project Area to assist in the development of a 151 unit senior housing project called the City Heights Square Senior Housing Project. The City Heights Square Senior Housing Project site is located in the 4300 block of Polk Avenue, approximately 5.5 miles from the Centre City Redevelopment Project Area. The City Heights Square Senior Housing Project would provide studio and one bedroom units at rents affordable to seniors earning less than 50% of the Area Median Income. The use of the Centre City Low and Moderate Income Housing Fund for this project will increase and improve the supply of low and moderate income housing and will be of benefit to the Centre City Redevelopment Project, in that:

- The Centre City Redevelopment Project does not provide new sites for very low, low and moderate income housing. Because of the successful redevelopment of the project area, no land is currently available for development.
- The use of funds from the Centre City Redevelopment Project Low and Moderate Income Housing Fund for the City Heights Square Senior Housing project will enable the Redevelopment Agency to increase and improve the supply of low and moderate income housing, including housing available to senior citizens currently residing or otherwise affiliated with the Centre City Redevelopment Project Area.
- The use of the Agency funds for the proposed project will assist in the development of a total of 151 affordable units, with 13 of the units to be made affordable for tenants earning no more than 30% of the Area Median Income, 23 of the units to be made affordable for tenants earning no more than 40% of the Area Median Income and 104 of the units to be made affordable for tenants earning no more than 45% of the Area Median Income.
- The Centre City Redevelopment Project will benefit from the increase of supply of studio and one-bedroom units in the proposed senior housing project because of the project's proximity to downtown and its accessibility to downtown by public transit lines. The proposed project is located immediately adjacent to several bus lines that connect with downtown.
- The proposed project will give first priority for residency to eligible affordable senior housing applicants referred through downtown senior centers and social service agencies.
- The proposed project will provide its own on site transportation for residents to travel back and forth from service and recreation programs, including to programs located in the downtown area.