

RESOLUTION NUMBER R- 300412

ADOPTED ON MAY 10 2005

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO MAKING CERTAIN FINDINGS RELATING TO THE USE OF AGENCY FUNDS TO PAY FOR CERTAIN IMPROVEMENTS IN THE WASHINGTON STREET IMPROVEMENT PROJECT, PHASE 2; AMENDING FISCAL YEAR 2005 CIP BUDGET 39-216.0; AND AUTHORIZING APPROPRIATION AND EXPENDITURE OF CIP BUDGET 39-216.0 FUNDS FOR CONSTRUCTION IMPROVEMENTS IN THE WASHINGTON STREET IMPROVEMENT PROJECT, PHASE 2.

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 North Bay Project Area [Project Area]; and

WHEREAS, in order to carry out and implement the Redevelopment Plan, the Agency proposes to contribute up to \$40,000 from the Series 2000 North Bay Redevelopment Bond Proceeds to assist in implementing the Washington Street Improvement Project, Phase 2; and

WHEREAS, the proposed Washington Street Improvement Project, Phase 2 will assist in meeting the goals and objectives stated in the Second Five-Year Implementation Plan to “improve, promote, and preserve the positive neighborhood characteristics in North Bay, while correcting physical and economic deficiencies in the community”; and

WHEREAS, the proposed Washington Street Improvement Project, Phase 2 will help create a sense of place, a destination for businesses and consumers by redefining the image of the community; and

WHEREAS, the proposed Washington Street Improvement Project, Phase 2 median improvements will provide for a safer and more pleasant environment for pedestrians and users of public transit; and

WHEREAS, the proposed Washington Street Improvement Project, Phase 2 will enhance the appearance of Washington Street at India Street, thus allowing that intersection to function as an attractive gateway into the Project Area; and

WHEREAS, the proposed median improvements will assist in strengthening the economic viability of the surrounding commercial district by providing an incentive for private investment and improved maintenance in the surrounding area; NOW, THEREFORE,


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

1. That the Council of the City of San Diego [Council] finds and determines that the implementation of the Washington Street Improvement Project, Phase 2 (CIP #39-216.0) and the expenditure of \$40,000 from the Series 2000 North Bay Redevelopment Bond Proceeds are of benefit to the Project Area, that no other reasonable means of financing the proposed improvements are available to the community, and that the payment of funds for the costs of the improvements will assist in the elimination of one or more blighting conditions inside the Project Area, as described in Attachment 1.

2. That the Council finds and determines that the improvements called for by the Washington Street Improvement Project, Phase 2 (CIP #39-216.0) are consistent with the Implementation Plan adopted pursuant to California Health and Safety Code Section 33490, as described in Attachment 1.

3. That the Capital Improvement Program Budget (CIP #39-216.0) is amended by increasing the budget amount by \$40,000.

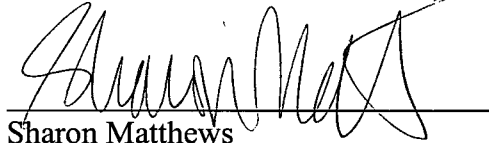
4. That the City Manager is authorized to appropriate and expend an amount not to exceed \$40,000 from Capital Improvement Program Budget (CIP #39-216.0) for the Washington

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Street Improvement Project, Phase 2, provided that the City Auditor and Comptroller first furnishes one or more certificates certifying that the funds are available.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By



Sharon Matthews  
Deputy City Attorney

SM:cfq  
04/20/05  
Or.Dept:C&ED  
R-2005-1099  
Comp. item to R.A. R-2005-139  
MMS#1834  
Aud.Cert.:2500928

## ATTACHMENT 1

### REPORT OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO ON THE PROPOSED WASHINGTON STREET MEDIAN PROJECT

This report has been prepared pursuant to Section 33445 of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.). Section 33445 requires a redevelopment agency, prior to installing any public improvement, to prepare a report that contains:

- (1) A description of the project.
- (2) The estimated amount of tax increments proposed to be used.
- (3) Facts showing how the public improvements will benefit the North Bay Redevelopment Area.
- (4) Discussion of what options exist for financing the improvements.
- (5) Analysis of how the proposed public improvements will assist in eliminating blight in the North Bay Redevelopment Area.

#### **Section 33445 Information**

The Agency proposes to construct streetscape improvements on Washington Street between San Diego Avenue and India Street. The public improvements will be located within the North Bay Redevelopment Project Area.

#### **Benefits to the North Bay Redevelopment Area**

The intersection of Washington and India Streets has strategic importance for the North Bay Redevelopment Area. The area has a prominent location that links four neighborhoods: Mission Hills, Old Town, Little Italy, and Midway/Pacific Highway. Several new housing projects are now underway, close to the Washington Street Trolley Station. With the new housing, trolley access, and a collection of popular restaurants, this area could become an active pedestrian neighborhood. Yet currently, much of the streetscape is blighted and inadequate to support pedestrian activity.

The proposed streetscape improvements are consistent with the North Bay "Second Implementation Plan, Fiscal Years 2004-2008" (sections B, C and D) because they would eliminate blight, improve positive neighborhood characteristics, enhance pedestrian mobility, provide community facilities, and preserve/enhance community-serving retail. The proposed improvements would benefit the North Bay Redevelopment Project Area by achieving the following goals:

- Improve the image and identity of the “Five Points” District (at Washington and India Streets). Create a consistent “look” for Washington Street through the use of streetscape improvements such as trees, shrubs, irrigation, and decorative pavers.
- Make the area more attractive in a way that encourages pedestrian activity. Provide the physical infrastructure to encourage and support outdoor dining and other pedestrian-oriented retail activities.
- Increase the area’s identity and awareness among the general San Diego population. Make the area easier to market through advertising media.
- Provide median improvements that will improve traffic safety.
- Create visual attractions to draw people to the North Bay Project Area.
- Help to address the physical and economic blight that pervades the area (see discussion below).

To achieve these goals, a total of \$40,000 in North Bay Redevelopment Funds is being requested to pay for physical improvements. The proposed physical improvements will include without limitation the design, construction, and installment of any or all of the following components:

**Proposed Washington Street Median Improvements**

<b>Item</b>	<b>Cost</b>
Design & Engineering	\$25,000
Median Improvements (Trees, landscaping, decorative pavers, curb/gutter, etc)	\$52,000
Traffic Control	\$10,000
Project Management & Staff Review	\$8,000
Contingency (10%)	\$5,000
<b>Total</b>	<b>\$100,000</b>

Note: cost estimates are very preliminary and must be reviewed by City/Agency staff.

**Financing Options**

Physical improvements of the kind mentioned above are often funded through the City’s Five-Year Capital Improvement Program (CIP) budget. The proposed improvements to Washington

Street are part of a larger project that has already been approved as part of the CIP Budget, identified as CIP 39-216.0 (Washington Street Improvements). The overall project will improve the streetscape along Washington Street from I-5 to First Ave. The portion of the project that covers Washington at India Street is known as "Phase 2" of the project.

Currently, however, the CIP Budget has no funds available in the current fiscal year (2005-06). On December 2, 2004, the City Council approved the transfer of \$60,000 in TransNet funds to allow Phase 2 of the Washington Street Improvement Project to proceed. However, the total project cost for Phase 2 is estimated to be \$100,000. To fund the remaining \$40,000, staff is proposing to use North Bay Redevelopment Bond Proceeds. Funds are available from Series 2000 Bond proceeds.

A current status of the North Bay Series 2000 Bonds is shown in the following table. The balance remaining totals \$3,074,098, if the proposed item is approved.

<b>STATUS OF NORTH BAY BOND PROCEEDS</b>			
	<b>General Uses</b>	<b>Housing Uses</b>	<b>Total</b>
<b>Beginning Balance (inc. interest)</b>	\$10,167,757	\$3,292,550	<b>\$13,460,307</b>
<b>Less Approved Projects:</b>			
Contribution to Point Loma Library	\$4,089,000		
MTDB Guideway Study	\$200,000		
Bay to Bay Study	\$250,000		
Midway Banners	\$25,000		
Pacific Highway Bridge Demolition	\$100,000		
Morena Blvd Façade Improvement Program	\$150,000		
Voltaire Street Bridge Rehabilitation	\$170,000		
Loan Repayment to fund Grantville Survey	\$125,000		
Midway Tree Planting	\$50,000		
Loan Repayment to City	\$448,209		
Morena Vista Transit Oriented Development	\$450,000	\$2,500,000	
Old Town Queue Jump	\$100,000		
Vietnam Veterans Pre-Development		\$575,000	
Peninsula YMCA	\$575,000		
Community Plan Amendment	\$209,000		
Pacific Highway Bridge Increase	\$30,000		
Morena Vista Public Use Lease Payment	\$300,000		
<b>Washington Street Median Improvements</b>	<b>\$40,000</b>		
<b>Subtotal Approved Projects</b>	<b>\$7,311,209</b>	<b>\$3,075,000</b>	<b>\$10,386,209</b>
<b>Remaining Balance</b>	<b>\$2,856,548</b>	<b>\$217,550</b>	<b>\$3,074,098</b>

### Conclusion

Based on the analysis above, the Agency concludes that:

1. The implementation of the Washington Street Improvement Project, Phase 2 (CIP #39-216.0) and the expenditure of \$40,000 from the North Bay Redevelopment Project funds are of benefit to the North Bay Redevelopment Project;

2. No other reasonable means of financing the improvements is available to the community;
3. Payment of funds for the costs of the improvements will assist in the elimination of one or more blighting conditions inside the North Bay Project Area; and
4. The improvements called for by the Washington Street Improvement Project, Phase 2 (CIP #39-216.0) are consistent with the North Bay Five-Year Implementation Plan adopted pursuant to Section 33490.

Legislation has been prepared that would: (1) make the necessary findings to allow to the expenditure of \$40,000 of Series 2000 North Bay Bond Proceeds for Washington Street Improvement Project, Phase 2 (CIP 39-216.0); (2) authorize an amendment to the Redevelopment Agency FY 2005 Budget for the North Bay Redevelopment Project to authorize the appropriation and expenditure of \$40,000 of Series 2000 North Bay Bond Proceeds for the Washington Street Improvement Project, Phase 2; and (3) amend the Capital Improvement Program Budget to increase appropriations and authorize expenditures in the amount of \$40,000 for CIP #39-216.0.