

RESOLUTION NUMBER R- 302830

DATE OF FINAL PASSAGE JUL 11 2007

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO MAKING CERTAIN FINDINGS RELATING TO THE USE OF HOUSING SET-ASIDE FUNDS OUTSIDE OF THE CITY HEIGHTS, NORTH PARK, NORTH BAY, AND NAVAL TRAINING CENTER REDEVELOPMENT PROJECT AREAS FOR THE DEVELOPMENT OF THE VERBENA AFFORDABLE APARTMENTS PROJECT IN THE SAN YSIDRO REDEVELOPMENT PROJECT AREA.

WHEREAS, in accordance with California Community Redevelopment Law, codified as California Health and Safety Code section 33000 et seq. [Law], the Redevelopment Agency of the City of San Diego [Agency] has set aside twenty percent (20%) of all tax increment funds [Set-Aside Funds] generated by Redevelopment Project Areas for the purpose of increasing and improving the supply of low- and moderate-income housing available at an affordable housing cost; and

WHEREAS, the Law provides that Set-Aside Funds shall be used to provide housing for specific income groups, and that findings of benefit to the redevelopment project area from which the funds are derived [Findings of Benefit] must be made by the Agency and the City Council prior to the allocation of Set-Aside Funds outside of the redevelopment project area; and

WHEREAS, the Agency has also adopted Redevelopment Agency Policy 100-1 which allows for the use of Set-Aside Funds outside a redevelopment project area provided the findings of benefit are made as required by the Law; and

WHEREAS, the City Council approves an Owner Participation Agreement for the Verbena Affordable Apartments Project in the San Ysidro Redevelopment Project Area and in connection therewith the Agency will allocate \$5,586,000 of housing set-aside funds from the San Ysidro, City Heights, North Park, North Bay, and Naval Training Center Redevelopment Project Areas for the Project; and

WHEREAS, the City Council finds that the expenditure of City Heights, North Park, North Bay, and Naval Training Center Redevelopment Project Area low and moderate income housing set-side funds in the amount of \$5,184,000 (the remaining \$402,000 is allocated from San Ysidro Project Area set-aside funds) outside of the City Heights, North Park, North Bay, and Naval Training Center Redevelopment Project Areas will be of benefit to the City Heights, North Park, North Bay, and Naval Training Center Redevelopment Project Areas: NOW,

THEREFORE,

BE IT RESOLVED, that the Council of the City of San Diego makes the Findings of Benefit to the City Heights, North Park, North Bay, and Naval Training Center Redevelopment Project Areas, as more fully set forth in Attachment "A", attached hereto and incorporated herein by this reference.

BE IT FURTHER RESOLVED, that the 20% Set Aside Funds shall be utilized for the development and implementation of the proposed Verbena Affordable Apartments Project in the San Ysidro Redevelopment Project Area.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By Kendall D. Berkey  
Kendall D. Berkey  
Deputy City Attorney

KDB:nda  
06/26/07  
Or.Dept:Redev.Agency  
R-2007-1302  
MMS#5029  
Comp. R-2007-1299  
R-2007-1300  
RA-2007-126  
RA-2007-128  
RA-2007-129  
RA-2007-130  
RA-2007-131

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JUL 10 2007.

ELIZABETH S. MALAND  
City Clerk

By *Paula Richard*  
Deputy City Clerk

Approved: 7-11-07  
(date)

*JSL*  
JERRY SANDERS, Mayor

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
JERRY SANDERS, Mayor

Attachment A

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## Findings of Benefit Summary – City Heights Redevelopment Project Area

### Verbena Project

It is proposed that funds from the City Heights Low and Moderate Income Housing Funds (Housing Funds) be used outside of the City Heights Redevelopment Project Area (Project Area) to assist in the development of an 80 unit affordable housing project called the Verbena Project (the Project). The Verbena Project site is located at 3774 Beyer Boulevard, within the San Ysidro Redevelopment Project Area. The Verbena Project would provide two- and three-bedroom units at rents affordable to families earning between 30% and 60% of the Area Median Income. The use of Housing Funds for the Project will be of benefit to the Project Area, in that:

- The use of Housing Funds for the Project will enable the Redevelopment Agency to increase and improve the supply of very low and low income housing within the City of San Diego.
- The use of the Housing Funds for the Project will assist in the development of a total of 79 affordable units, with 8 of the units to be made affordable for tenants earning no more than 30% of the Area Median Income, 8 of the units to be made affordable for tenants earning no more than 40% of the Area Median Income, 40 of the units to be made affordable for tenants earning no more than 50% of Area Median Income and 23 of the units to be made affordable for tenants earning no more than 60% of the Area Median Income.
- Credit for the production of affordable units is given annually to agencies by the California Housing and Community Development Department, in accordance with State Law. If tax increment funds are used for the development of affordable units outside of the source project area, a maximum of one-half credit for every unit produced may be awarded to the source project area. The benefit to the Project Area is the potential to have a maximum credit of 40 units for funding affordable housing outside of the Project Area.
- The Project is located within two blocks of public transit, both bus and trolley, which will provide means for residents of the Project to commute to jobs in the Project Area.

## Findings of Benefit Summary – North Park Redevelopment Project Area

### Verbena Project

It is proposed that funds from the North Park Low and Moderate Income Housing Funds (Housing Funds) be used outside of the North Park Redevelopment Project Area (Project Area) to assist in the development of an 80 unit affordable housing project called the Verbena Project (the Project). The Verbena Project site is located at 3774 Beyer Boulevard, within the San Ysidro Redevelopment Project Area. The Verbena Project would provide two- and three-bedroom units at rents affordable to families earning between 30% and 60% of the Area Median Income. The use of Housing Funds for the Project will be of benefit to the Project Area, in that:

- The use of Housing Funds for the Project will enable the Redevelopment Agency to increase and improve the supply of very low and low income housing within the City of San Diego.
- The use of the Housing Funds for the Project will assist in the development of a total of 79 affordable units, with 8 of the units to be made affordable for tenants earning no more than 30% of the Area Median Income, 8 of the units to be made affordable for tenants earning no more than 40% of the Area Median Income, 40 of the units to be made affordable for tenants earning no more than 50% of Area Median Income and 23 of the units to be made affordable for tenants earning no more than 60% of the Area Median Income.
- Credit for the production of affordable units is given annually to agencies by the California Housing and Community Development Department, in accordance with State Law. If tax increment funds are used for the development of affordable units outside of the source project area, a maximum of one-half credit for every unit produced may be awarded to the source project area. The benefit to the Project Area is the potential to have a maximum credit of 40 units for funding affordable housing outside of the Project Area.
- The Project is located within two blocks of public transit, both bus and trolley, which will provide means for residents of the Project to commute to jobs in the Project Area.

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## Findings of Benefit Summary – North Bay Redevelopment Project Area

### Verbena Project

It is proposed that funds from the North Bay Low and Moderate Income Housing Funds (Housing Funds) be used outside of the North Bay Redevelopment Project Area (Project Area) to assist in the development of an 80 unit affordable housing project called the Verbena Project (the Project). The Verbena Project site is located at 3774 Beyer Boulevard, within the San Ysidro Redevelopment Project Area. The Verbena Project would provide two- and three-bedroom units at rents affordable to families earning between 30% and 60% of the Area Median Income. The use of Housing Funds for the Project will be of benefit to the Project Area, in that:

- The use of Housing Funds for the Project will enable the Redevelopment Agency to increase and improve the supply of very low and low income housing within the City of San Diego.
- The use of the Housing Funds for the Project will assist in the development of a total of 79 affordable units, with 8 of the units to be made affordable for tenants earning no more than 30% of the Area Median Income, 8 of the units to be made affordable for tenants earning no more than 40% of the Area Median Income, 40 of the units to be made affordable for tenants earning no more than 50% of Area Median Income and 23 of the units to be made affordable for tenants earning no more than 60% of the Area Median Income.
- Credit for the production of affordable units is given annually to agencies by the California Housing and Community Development Department, in accordance with State Law. If tax increment funds are used for the development of affordable units outside of the source project area, a maximum of one-half credit for every unit produced may be awarded to the source project area. The benefit to the Project Area is the potential to have a maximum credit of 40 units for funding affordable housing outside of the Project Area.
- The Project is located within two blocks of public transit, both bus and trolley, which will provide means for residents of the Project to commute to jobs in the Project Area.



## Findings of Benefit Summary – Naval Training Center Redevelopment Project Area

### Verbena Project

It is proposed that funds from the Naval Training Center Low and Moderate Income Housing Funds (Housing Funds) be used outside of the Naval Training Center Redevelopment Project Area (Project Area) to assist in the development of an 80 unit affordable housing project called the Verbena Project (the Project). The Verbena Project site is located at 3774 Beyer Boulevard, within the San Ysidro Redevelopment Project Area. The Verbena Project would provide two- and three-bedroom units at rents affordable to families earning between 30% and 60% of the Area Median Income. The use of Housing Funds for the Project will be of benefit to the Project Area, in that:

- The use of Housing Funds for the Project will enable the Redevelopment Agency to increase and improve the supply of very low and low income housing within the City of San Diego.
- The use of the Housing Funds for the Project will assist in the development of a total of 79 affordable units, with 8 of the units to be made affordable for tenants earning no more than 30% of the Area Median Income, 8 of the units to be made affordable for tenants earning no more than 40% of the Area Median Income, 40 of the units to be made affordable for tenants earning no more than 50% of Area Median Income and 23 of the units to be made affordable for tenants earning no more than 60% of the Area Median Income.
- Credit for the production of affordable units is given annually to agencies by the California Housing and Community Development Department, in accordance with State Law. If tax increment funds are used for the development of affordable units outside of the source project area, a maximum of one-half credit for every unit produced may be awarded to the source project area. Because of completed, current and planned redevelopment of the Project Area, there is no viable land area that is available for development of very low, low and moderate income housing at NTC. The benefit to the Project Area is the potential to have a maximum credit of 40 units for funding affordable housing outside of the Project Area.
- The Project is located within two blocks of public transit, both bus and trolley, which will provide means for residents of the Project to commute to jobs in the Project Area.

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