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9/11

RESOLUTION NUMBER R- 302985

DATE OF FINAL PASSAGE SEP 20 2007

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO MAKING CERTAIN FINDINGS WITH RESPECT TO THE PAYMENT FOR THE EL CAJON BOULEVARD MEDIAN IMPROVEMENTS; ACCEPTING THE TRANSFER OF FUNDS FROM THE REDEVELOPMENT AGENCY IN THE AMOUNT OF \$250,000; AMENDING THE CAPITAL IMPROVEMENT PROGRAM BUDGET NO. 39-234.0 TO INCLUDE THE \$250,000.

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 Crossroads Redevelopment Project Area [Project Area]; and

WHEREAS, Agency and City of San Diego [City] desire to cooperate in the construction of public improvements designed to enhance the appearance, functionality, and safety of existing conditions within the Project Area; and

WHEREAS, Agency previously authorized an expenditure of \$2,090,000 for the El Cajon Boulevard Median Improvements [Project], and transfer of tax increment funds in that amount into the budget for CIP 39-234.0; and

WHEREAS, Agency wishes to contribute additional tax increment funds to the budget for CIP 39.234.0 in the amount of \$250,000 to finance a funding shortfall for the Project; NOW, THEREFORE,

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

1. The Council finds and determines that funding the construction of the Project with tax increment funds is:

- a) A benefit to the Crossroads Redevelopment Project Area;
- b) Appropriate because no other reasonable means of financing the Project is available to the community;
- c) Appropriate because the public improvements will assist in the elimination of one or more blighting conditions within the Project Area; and
- d) Consistent with the Implementation Plan for the Project Area adopted by the Agency on May 6, 2003, on file as Document No. O-19174 in the office of the Secretary to the Agency pursuant to California Health and Safety Code Section 33490. All of these findings are more fully described in Attachment 1 hereto.

2. That the Council amends and increases the Capital Improvement Program Budget No. 39-234.0 to include the \$250,000 in Agency public improvement contributions, provided the Auditor and Comptroller first furnishes a certificate certifying the funds are or will be on deposit with the City Treasurer.

3. That the Council accept, appropriate and expend the funds from the Agency for the Project in the amount of \$250,000.

BE IT FURTHER RESOLVED, that this activity is categorically exempt from the California Environmental Quality Act [CEQA], pursuant to CEQA Guidelines section 15301(c), and exempt from the National Environmental Policy Act [NEPA] pursuant to 24 CFR Part 58, Section 58.34(b).

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By Carol A. Leone
Carol A. Leone
Deputy City Attorney

CAL:cfq
07/11/07
Or.Dept:R.A.
R-2008-42
Aud.Cert.:
MMS#5071
Redevelopment:Companion RA-2008-14

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of SEP 11 2007.

ELIZABETH S. MALAND
City Clerk

By *Anna Richard*
Deputy City Clerk

Approved: 9-20-07
(date)

JS
JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

Findings
(Health & Safety Code § 33445)
Crossroads Redevelopment Project Area

SUBJECT IMPROVEMENTS:

RECONSTRUCTION OF MEDIANS AND THE INSTALLATION OF LANDSCAPING
(El Cajon Boulevard from 54th Street to 73rd Street)

The following findings are for the El Cajon Boulevard Median Improvements – within the Crossroads Redevelopment Project Area.

I. FINDINGS OF BENEFIT

The subject improvements for which the Redevelopment Agency of the City of San Diego (“Agency”) proposes to pay will benefit the Crossroads Redevelopment Project Area in that:

- A. These improvements are within the Crossroads Redevelopment Project Area.
- B. The improvements will enhance portions of the Crossroads Redevelopment Project Area for the benefit of nearby users as well as residents.
- C. These improvements will be completed in two phases: Phase one replaces substandard curbs and asphalt - surfaced raised medians with new curbs and color stamped concrete on El Cajon Boulevard between 54th Street and 73rd Street (the City boundary with La Mesa). Phase two will install landscaping and irrigation. Enhancements included street trees, shrubs, ground covers, automatic irrigation, and community signage.
- D. The improvements will contribute to parallel efforts to revitalize and beautify the community. By a majority vote the business owners established the College Area Economic Development Corporation (i.e., College Area Business Improvement Districts). By the majority vote of the property owners created the College Heights Maintenance Assessment District (“MAD”). The MAD will provide enhanced maintenance services with the goal of beautifying and improving the appearance of a specified boundary generally located on El Cajon Boulevard by providing street sweeping, graffiti removal, enhanced landscaping services, lighting and other services.

II. NO OTHER REASONABLE MEANS OF FINANCING

There are no other reasonable means available to the community for financing the subject improvements for which the Agency proposes to pay in that:

City of San Diego

- A. The City's Capital Improvement Budget is funded primarily with water and sewer fees, a half-cent local sales tax for transportation improvements, development impact fees, State and Federal grants and/or the issuance of bonds. The Fiscal Year 2008 Proposed Capital Improvements Program (CIP) Budget totals \$454.6 million, which is an increase of \$160.9 million from the Fiscal Year 2007 Annual Budget. In Fiscal Year 2007, the Water and Metropolitan Wastewater Department received rate increases. That increased the Fiscal Year 2008 Proposed CIP Budget by approximately \$175.7 million from the Fiscal Year 2007 Annual Budget. Excluding the rate increase and related projects the Fiscal Year 2008 Proposed CIP Budget has decreased \$14.8 million from the Fiscal Year 2007 Annual Budget.
- B. The Agency's Budget was developed in accordance with City and Council Policy, and each project activity was evaluated and incorporated in the respective budgets. The Fiscal Year 2008 Annual Budget for City Redevelopment totals \$128.2 million. Of this amount, \$91.4 million is comprised of new funds with \$36.8 million carrying over from the previous year. The Agency is in the process of securing \$70.0 million three-year line of credit through San Diego National Bank. This line of credit will be drawn upon to cover an estimated \$47.0 million of redevelopment project expenditures during Fiscal Year 2008. Tax increment to be generated in Fiscal Year 2008 in the City Redevelopment areas is estimated to exceed \$39.2 million.
- C. The total cost for the El Cajon Boulevard Median Improvements Project has increased from \$2,210,920 to \$2,460,920, resulting in a funding gap of \$250,000. There are insufficient funds currently allocated in the CIP Annual Budget to fund the additional cost of the improvements. The Redevelopment Agency shall contribute an additional \$250,000 of Crossroads Redevelopment Project Area tax increment funds to finance the additional cost for the improvements.

III. ELIMINATION OF BLIGHTING CONDITIONS

The payment of Agency funds toward the cost of the construction and installation of the subject improvements will assist in the elimination of blighting conditions inside the Crossroads Redevelopment Project Area and the proposed improvements are consistent with the Implementation Plan for the Crossroads Redevelopment Project, adopted pursuant to Health and Safety Code Section 33490, in that:

- A. The improvements will correct and upgrade substandard and deteriorated infrastructure facilities and will specifically improve surface drainage, traffic safety, and improve pedestrian safety.
- B. The improvements will upgrade deficient public open spaces with decorative paving, street trees and other landscaping and will improve the image of a primary gateway into the College and Mid-City Communities.
- C. The improvements project is consistent with the First Implementation Plan for Crossroads Redevelopment Project Area, which is recorded with the Agency as Document No. O-19174 and dated May 6, 2003, in that the project addresses the Plan's specific priority goals which include the following:
 - 1) Reduce visible physical blight.
 - 2) Increase public awareness of community identity by physically improving and defining community boundaries and entryways, preserving the identity of separate neighborhoods and promoting the positive characteristics of the area.
 - 3) Upgrade streetscapes and improve pedestrian, public transit and bicycle orientation in the commercial areas.
 - 4) Concentrate improvements in demonstration block and at community gateways.
- D. The First Implementation Plan provides that one of the programs/projects for the 2004-2005 Fiscal Year period is to "develop master infrastructure improvement plan for El Cajon Boulevard and University Avenue." The First Implementation Plan further provides that one of the Agency's goals and objectives for the Crossroads Redevelopment Project Area is to "enhance economic growth within the Project Area by continuing ongoing efforts to revitalize commercial areas, particularly the commercial corridor along El Cajon Boulevard and University Avenue."