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RESOLUTION NUMBER R- 303464

DATE OF FINAL PASSAGE MAR 14 2008

3/04

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 REDEVELOPMENT PROJECT AREA FOR THE "HOME IN THE HEIGHTS HOMEBUYER ASSISTANCE PROGRAM".

WHEREAS, in accordance with California Community Redevelopment Law, codified as California Health and Safety Code Section 33000 et seq. [CRL], 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, improving, and preserving the community's supply of low- and moderate- income housing available at affordable housing cost to persons and families of low or moderate income and very low income households; and

WHEREAS, Section 33334.2 of the CRL 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 [Findings of Benefit] are derived must be made by the Agency and the City Council prior to the allocation of the 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 of a redevelopment project area provided the Findings of Benefit are made as required by the CRL; and

WHEREAS, when the Agency adopted the Redevelopment Agency Budget for Fiscal Year 2008 on May 15, 2007, the Agency allocated One Million Dollars (\$1,000,000) of Set-Aside Funds to be expended toward the purposes of the "Home in the Heights Homebuyer Assistance Program" [HITH Program]; and

WHEREAS, pursuant to the HITH Program, the Agency provides second trust deed loans (silent second) to eligible first-time homebuyers for the purchase of eligible homes located within the City Heights Redevelopment Project Area and the City Heights Community Planning Area; and

WHEREAS, in order to implement the HITH Program, the City Council desires to allocate Nine Hundred Seventy Five Thousand Dollars (\$975,000) of the Set-Aside Funds budgeted to the HITH Program to be used inside and outside the City Heights Redevelopment Project Area as contemplated by the HITH Program; and

WHEREAS, the City Council finds that the expenditure of the City Heights Redevelopment Project Area [Project Area] Set-Aside Funds in the amount of Nine Hundred Seventy Five Thousand Dollars (\$975,000) inside and outside of the Project Area for the HITH Program will be of benefit to the Project Area: NOW, THEREFORE,

BE IT RESOLVED, that the Council of the City of San Diego makes the Findings of Benefit to the City Heights Redevelopment Project Area 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 in the amount of Nine Hundred Seventy Five Thousand Dollars (\$975,000) identified above shall be utilized for the "Home in the Heights Homebuyer Assistance Program" in the City Heights Redevelopment Project Area and City Heights Community Planning Area.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

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

KDB:nda
02/05/08
Or.Dept:Redev.Agency
R-2008-650
MMS#5876
Comp. RA-2008-71
RA-2008-72
RA-2008-73

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of MAR 04 2008.

ELIZABETH S. MALAND
City Clerk

By Mary Zamora
Deputy City Clerk

Approved: 3.14.08
(date)

JRS
JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

Attachment "A"
(behind this page)

R. 303464

**FINDINGS OF BENEFIT
FOR THE USE OF CITY HEIGHTS REDEVELOPMENT PROJECT AREA
LOW- AND MODERATE-INCOME HOUSING SET-ASIDE FUNDS
OUTSIDE OF THE PROJECT AREA**

The proposed use of Low- and Moderate-Income Housing Set-Aside Funds (LMIHF) from the City Heights Redevelopment Project Area for the Home in the Heights program in the City Heights Planning Area will benefit the project area providing the funds in that:

1. The provision of affordable housing is, in itself, a fundamental purpose of redevelopment. Any preservation of the stock of available housing for low- and moderate-income persons benefits the surrounding areas, including the project area providing the funds, by encouraging local accommodations for a diverse workforce and consumers at various income levels throughout the City.
2. The Home in the Heights program will support home-ownership by low and moderate-income residents.
3. The owner-occupants eligible for the Home in the Heights program will live in the City Heights Redevelopment Project Area or in the adjacent City Heights Planning Area. Their close proximity promotes the success of the City Heights Redevelopment and Implementation Plans.
4. The use of \$975,000 in City Heights Redevelopment Project Area tax increment funds for the Home in the Heights program would enable the Agency to disburse first-time homebuyer loans to approximately 30 households seeking to reside in the City Heights Redevelopment Project Area or in the adjacent City Heights Planning Area.

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