

RESOLUTION NUMBER R- 304727
DATE OF FINAL PASSAGE MAR 20 2009

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN DIEGO (i) AUTHORIZING THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO, BY AND THROUGH THE CENTRE CITY DEVELOPMENT CORPORATION, TO ADVERTISE AND RECEIVE BIDS AND TO AWARD AND ADMINISTER A CONTRACT FOR THE DATE STREET STORM DRAIN IMPROVEMENTS [IMPROVEMENTS] FROM INDIA TO CALIFORNIA STREETS IN THE LITTLE ITALY REDEVELOPMENT DISTRICT OF THE EXPANSION SUB AREA OF THE CENTRE CITY REDEVELOPMENT PROJECT; (ii) MAKING CERTAIN FINDINGS WITH RESPECT TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO'S PAYMENT FOR THE DESIGN AND CONSTRUCTION OF THE IMPROVEMENTS IN ACCORDANCE WITH CALIFORNIA HEALTH AND SAFETY CODE SECTION 33445; AND (iii) AGREEING TO ACCEPT THE IMPROVEMENTS UPON PROJECT COMPLETION.

WHEREAS, the Redevelopment Agency of the City of San Diego [Agency] is engaged in activities necessary to carry out and implement the Redevelopment Plan [Redevelopment Plan] for the Centre City Redevelopment Project [Project Area]; and

WHEREAS, the Centre City Development Corporation [Corporation] is responsible for implementing redevelopment projects in the Project Area; and

WHEREAS, in order to implement the Redevelopment Plan, the Agency previously approved the Implementation Plan for the period of July 2004 – June 2009 for the Centre City and Horton Plaza Redevelopment Projects [Implementation Plan]; and

WHEREAS, the Implementation Plan identifies the need to eliminate blight and remove public safety hazards by improving the existing outdated and substandard storm drain facilities to current City standards within the Project Area; and

WHEREAS, the Corporation's capital improvement program includes a project to install a new storm drain system on Date Street, between India and California Streets, connected to the existing system within the Little Italy Redevelopment District of the Expansion Sub Area of the Project Area; and

WHEREAS, the proposed Improvements will consist of modification of an existing storm drain underground box and removal of inadequate storm drain pipes; a new concrete storm drain pipe; construction of two (2) new storm drain underground boxes; modification of existing utilities in conflict with the new storm drain pipe; trench repair and asphalt street overlay (from India Street to the west end of the Date Street cul de sac); and construction of two (2) new pedestrian ramps at the northwest and southwest corners of Date and Kettner Streets; and

WHEREAS, funds in the amount of \$370,845 are available in the Agency's Fiscal Year 2009 Little Italy District Budget to pay for the cost of design and construction of the Improvements; and

WHEREAS, the Agency now proposes to administer and manage the design and construction of the Improvements, by and through the Corporation, and to contribute up to \$370,845 from the Project Area's tax increment funds to pay for the cost of design and construction of the Improvements to be constructed within the Project Area; and

WHEREAS, the Agency desires to pay for the cost of the design and construction of the Improvements because the City presently has insufficient funding for said Improvements and the City desires to accept payment for said Improvements; and

WHEREAS, the City Council of the City of San Diego has duly considered the actions described above and the proposed Agency financial contribution for the design and construction of the Improvements and finds that the actions and the payment by the Agency of all or part of

the costs of said Improvements are of primary benefit to the Project Area and are in the best interests of the Project Area, the City and the safety, morals, and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local law requirements;

NOW, THEREFORE,

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

1. That the Council authorizes the Redevelopment Agency of the City of San Diego [Agency], by and through the Centre City Development Corporation, to administer and manage the design and construction of the proposed Date Street Storm Drain Improvements [Improvements] from India to California Streets in the Little Italy Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project Area [Project Area].

2. That the Council finds and determines:

(a) That the design and construction of the Improvements from India to California Streets in the Little Italy Redevelopment District of the Expansion Sub Area of the Project Area for which the Agency proposes to pay the cost of using Agency funds from the Project Area are of benefit to the Project Area and the immediate neighborhood in which the Project Area is located;

(b) That no other reasonable means of financing the Improvements is available to the community;

(c) That the payment of Agency funds for the cost of design and construction of the Improvements will assist in the elimination of blighting conditions within the Project Area;

(d) That the Improvements are consistent with the Implementation Plan adopted for the Project Area pursuant to California Health and Safety Code Section 33490; and

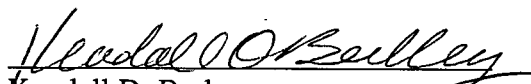
(e) All of the findings set forth herein above are more fully described in the Findings of Benefit attached hereto as Attachment "A" and incorporated herein by this reference.

3. That the Council authorizes the City to accept the Improvements upon completion of the project.

4. That the Council finds and determines that this activity is categorically exempt from the California Environmental Quality Act [CEQA] pursuant to State CEQA Guidelines Section 15301, Existing Facilities, Class 1 (c); that this activity does not fall within any of the classes of projects for which a categorical exemption may not be applied (Cal. Pub. Resources Code Section 21084); that this activity triggers none of the exceptions to the application of a categorical exemption set forth in CEQA Guidelines Section 15300.2; and that the application of the categorical exemption set forth under CEQA Guidelines Section 15301, Existing Facilities, Class 1 (c), is appropriate for this activity.

5. That the Council finds and determines that this activity is statutorily exempt from CEQA pursuant to State CEQA Guidelines Section 15282(k) as set forth in California Public Resources Code Section 21080.21.

APPROVED: JAN I. GOLDSMITH, City Attorney

By 
Kendall D. Berkey
Deputy City Attorney

KDB:nda
01/27/09
Or.Dept:CCDC
R-2009-756
MMS#7358
Comp. RA-2009-65

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of MAR 10 2009.

ELIZABETH S. MALAND
City Clerk

By Mary Zymara
Deputy City Clerk

Approved: 3-20-09
(date)

JSL
JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

ATTACHMENT "A"

**Findings of Benefit
(Cal. Health & Safety Code § 33445)
Centre City Redevelopment Project Area**

FINDINGS

(California Health & Safety Code Section 33445)

SUBJECT IMPROVEMENTS: DATE STREET STORM DRAIN IMPROVEMENTS (FROM INDIA TO CALIFORNIA STREETS) – LITTLE ITALY REDEVELOPMENT DISTRICT OF THE EXPANSION SUB AREA OF THE CENTRE CITY REDEVELOPMENT PROJECT

The following findings are for the design and construction of the proposed new storm drain system to be installed on Date Street, between India and California Streets, and to be connected to the existing system within the Little Italy Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project Area. The project is referred to herein as the “Date Street Storm Drain Improvements.” The proposed improvements shall consist of modification of an existing storm drain underground box and removal of inadequate storm drain pipes; a new concrete storm drain pipe; construction of two (2) new storm drain underground boxes; modification of existing utilities in conflict with the new storm drain pipe; trench repair and asphalt street overlay (from India Street to the west end of the Date Street cul de sac); and construction of two (2) new pedestrian ramps at the northwest and southwest corners of Date and Kettner Streets (“Improvements”).

I. FINDINGS OF BENEFIT

The Improvements for which the Redevelopment Agency of the City of San Diego (“Agency”) proposes to pay will benefit the Little Italy Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project (“Project Area”) and the immediate neighborhood in which the Project Area is located in that:

- A. The Improvements are within the Little Italy Redevelopment District of the Expansion Sub Area of the Project Area.
- B. The Improvements are planned for Date Street, between India to California streets. The Improvements will enhance portions of the above-mentioned Project Area for the benefit of nearby users as well as residents, businesses, and visitors of downtown San Diego within the Project Area.
- C. The Improvements will assist in improving the outdated and substandard storm drain facilities to current City standards.
- D. The installation of the Improvements will ensure adequate health and safety facilities for the public within the Project Area.

- E. The Improvements will complete the existing substandard storm drain system on Date Street, thereby eliminating health and safety issues consisting of odor, drainage, and maintenance problems.

II. NO OTHER REASONABLE MEANS OF FINANCING

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

City of San Diego

- A. The Fiscal Year 2009 Budget for the City of San Diego ("City") increased approximately 6.8% from \$2.916 billion to \$3.127 billion. Over the last several years, as the City's Capital Improvement Program ("CIP") has grown and revenues have leveled off, the City has developed phase funding to use available cash and minimize the issuance of bond proceeds. This is a means whereby large projects may be budgeted and contracted for in an efficient manner that maximizes the City's use of available funds. The Fiscal Year 2009 Budget reflects General Fund Revenues and expenditures of \$1.19 billion, representing an increase of \$86.3 million or a 7.8% increase over the Fiscal Year 2008 Budget. The General Fund Budget also includes 7,545 positions, an increase of 287 positions over the Fiscal Year 2008 Budget. The net increase is due to the restructuring of the Engineering and Capital Projects Department from the Enterprise and Internal Service Funds to the General Fund.
- B. The City's CIP Budget is funded primarily with water and sewer fees, developer impact fees, grant funds, enterprise fund revenues, Facility Benefit Assessment funds, Gas Tax and Transnet funds. The Fiscal Year 2009 CIP Budget totals \$587 million, an increase of \$95.3 million from Fiscal Year 2008. The increase is primarily due to an increase in funding for capital projects addressing deferred maintenance needs. Despite the increase in the City's CIP Budget, it is estimated that the City's deferred maintenance and capital needs from Fiscal Year 2008, is \$800 million to \$900 million. The Fiscal Year 2009 CIP Budget provides for the sewer upgrade of the City's Metropolitan and Municipal Wastewater System, water projects, Parks and Recreation projects, library projects, transportation projects and special projects.

The Agency's Fiscal Year 2009 Program Budget was adopted on May 20, 2008. The CIP and the Agency's Budget were developed in accordance with City and Council Policy, and each project activity was evaluated and incorporated in the respective budgets. Projects are funded based on need and the availability of appropriate funding sources.

On June 9, 2008, during the Fiscal Year 2009 City Budget deliberations, the City Council voted to increase the receipt of Agency repayments to the City to facilitate funding certain City budget recommendations made by the Independent Budget Analyst (Report #08-57, May 30, 2008).

III. ELIMINATION OF BLIGHTING CONDITIONS

The payment of Agency funds toward the cost of the of the Improvements will assist in the elimination of one or more blighting conditions within the Little Italy Redevelopment District of the Expansion Sub Area of the Project Area, in that:

- A. The Improvements will improve the existing outdated and substandard storm drain facilities to current City standards, thereby enhancing the neighborhood.
- B. The Improvements will act as a catalyst providing an incentive for private investment, thereby contributing to the removal of economic blight.
- C. The Improvements will correct and upgrade substandard storm drain facilities, thereby removing public safety hazards.

IV. CONSISTENCY WITH THE IMPLEMENTATION PLAN

The payment of Agency funds toward the cost of the of the Improvements is consistent with the Third 5-Year Implementation Plan adopted on June 15, 2004 for the Project Area pursuant to California Health and Safety Code Section 33490, in that:

- A. The Improvements address the specific goals and objectives of the Third 5-Year Implementation Plan, as identified on Page 4 of the work program which states in pertinent part as follows: "Improvements to existing water and sewer lines, streets, sidewalks, parkways, and lighting in the public right-of-way; continued participation in the enhancement of the public transit system." A copy of the Third 5-Year Implementation Plan is on file with the Agency as Document No. D-3771-c.
- B. By furthering the specific goals and objectives of the Third 5-Year Implementation Plan, the Improvements and the Agency's payment thereof are a means to eliminate blight within the Project Area and to facilitate the objectives of the Third 5-Year Implementation Plan.