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RESOLUTION NUMBER R- 304855

DATE OF FINAL PASSAGE MAY 04 2009

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN DIEGO (i) MAKING CERTAIN FINDINGS WITH RESPECT TO THE PAYMENT FOR THE DESIGN AND CONSTRUCTION OF NEW STREETScape AND TRAFFIC LANE IMPROVEMENTS [IMPROVEMENTS] FOR THE WEST CAMINO DE LA PLAZA STREETScape IMPROVEMENT PROJECT IN THE SAN YSIDRO REDEVELOPMENT PROJECT AREA IN ACCORDANCE WITH CALIFORNIA HEALTH AND SAFETY CODE SECTION 33445; (ii) ACCEPTING FUNDING ASSISTANCE FROM THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO [AGENCY] FOR THE DESIGN AND CONSTRUCTION OF THE IMPROVEMENTS; AND (iii) AUTHORIZING THE RETURN TO THE AGENCY OF ALL FUNDS FROM THIS ALLOCATION REMAINING IN FUND NUMBER 10269 IF THERE ARE ANY COST SAVINGS.

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 San Ysidro Redevelopment Project Area [Project Area]; and

WHEREAS, in order to implement the Redevelopment Plan for the Project Area, the Agency approved the Third 5-Year Implementation Plan for the period of April 16, 2006 – April 16, 2011; and

WHEREAS, the Third 5-Year Implementation Plan identifies the need for the construction of streetscape improvements to eliminate blighting conditions in the Project Area; and

WHEREAS, in 2003, the City of San Diego [City] originally added CIP No. 39.091.0 to the City's Capital Improvement Program for the purpose of improving the infrastructure along San Ysidro Boulevard; and

WHEREAS, on July 29, 2003, both the Agency and the City jointly authorized an initial budget of \$270,000 for CIP No. 39.091.0, San Ysidro Boulevard Streetscape Improvements Project; and

WHEREAS, on July 17, 2007, the Agency approved a \$600,000 increase to the budget of CIP No. 39.091.0 in order to facilitate construction of streetscape improvements on East San Ysidro Boulevard and Camino de la Plaza, between Camiones Way and East San Ysidro Boulevard, which said improvements for this segment of Camino de la Plaza shall be completed in Fiscal Year 2009; and

WHEREAS, the Agency now proposes to transfer up to \$300,000 from the Project Area's tax increment funds, as allocated in its Fiscal Year 2008-2009 Budget, to the City as an increase in the Fiscal Year 2009 Capital Improvement Program Budget in CIP No. 39.091.0, West Camino de la Plaza Improvement Project, to pay for the cost of design and construction of new streetscape and traffic lane improvements, including new sidewalks, curbs, and gutters, and an additional westbound traffic lane [Improvements], to be constructed along Camino de la Plaza between Virginia Avenue and the I-5 exit off-ramp within the Project Area, as identified in the document titled "Project Location" attached to the Agenda Report No. RTC-09-041 as Attachment "1" and incorporated herein by this reference; and

WHEREAS, the Agency desires to pay for the cost of the Improvements to facilitate the West Camino de la Plaza Improvement Project, which will implement the Redevelopment Plan and Third 5-Year Implementation Plan for the Project Area, because the City presently has insufficient funding for the Improvements and the City desires to accept payment for said Improvements; and

WHEREAS, the City will manage the design and construction of the Improvements in connection with the West Camino de la Plaza Streetscape Improvement Project; and

WHEREAS, the City Council of the City of San Diego has duly considered the proposed transaction described above and the proposed Agency financial contribution for the design and construction of the Improvements for the West Camino de la Plaza Streetscape Improvement Project and finds that the transaction and the payment by the Agency of the costs of the Improvements 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 of the City of San Diego [Council], as follows:

1. That the Council finds and determines:
 - (a) That the design and construction of the new streetscape and traffic lane improvements [Improvements] to be constructed along Camino de la Plaza between Virginia Avenue and the I-5 exit off-ramp within the San Ysidro Redevelopment Project Area [Project Area] for the West Camino de la Plaza Streetscape Improvement Project, for which the Redevelopment Agency of the City of San Diego [Agency] proposes to pay using Agency tax increment funds from the Project Area, are of benefit to the Project Area and the immediate neighborhood in which the Project Area is located, as follows:
 - (1) The Improvements are within the Project Area.
 - (2) The Improvements will enhance portions of the Project Area for the benefit of residents, visitors, and merchants.
 - (3) The Improvements will improve pedestrian and vehicular safety and circulation by providing sidewalks, curbs, and gutters, and an additional traffic lane.

(b) That no other reasonable means of financing the Improvements is available to the community (i.e. the City of San Diego), as follows:

(1) The Fiscal Year 2009 Proposed Capital Improvement Project [CIP] Budget totals \$574.0 million. This is an increase of \$82.3 million or 16.7 percent from the Annual Fiscal Year 2008 CIP Budget of \$491.6 million. The increase in the Fiscal Year 2009 Proposed CIP Budget is primarily due to an increase in funding for capital projects addressing deferred maintenance needs. The Proposed CIP Budget includes \$99.7 million for deferred maintenance projects for facilities, streets, storm drains, and sidewalks funded by proceeds from land sales, Proposition 1B funds and financing.

(2) The outlook for the San Diego economy during Fiscal Year 2009 projects a decrease in the rate of growth, ranging between 1.5 percent and 2.0 percent. The primary factors influencing the economic slowdown include a market correction in home prices, real estate defaults and foreclosures driven by the collapse of the sub-prime loan industry, the negative impact on consumer spending due to rising oil and gas prices, reduced consumer confidence, and a slowdown in job growth.

(3) Plummeting tax revenues due to the unstable economy has resulted in an estimated \$43 million gap to the City's Fiscal Year 2009 Budget. Consequently, the Mayor's Office is proposing mid-year budget cuts to protect the City's core services by reducing administrative overhead, employee positions, and other expenses across all City departments. Major revenue sources include property tax, sales tax, transient occupancy tax, and franchise fees.

(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, as follows:

(1) The Improvements will correct and upgrade substandard and deteriorated infrastructure, thereby improving pedestrian and vehicular safety and circulation.

(2) The Improvements will upgrade deficient public right-of-way space with new infrastructure that will enhance the image of San Ysidro, particularly along the busy commercial corridors.

(3) The Improvements will improve mobility with new infrastructure that will enhance area walkability and provide an additional traffic lane for circulation.

(4) The Improvements will provide public infrastructure in an area that currently does not meet the City's infrastructure improvement standards for commercial corridors.

(d) That the Improvements are consistent with the Third 5-Year Implementation Plan adopted on September 12, 2006 for the San Ysidro Redevelopment Project pursuant to California Health and Safety Code Section 33490; a copy of said Plan is on file with the Agency as Document No. D-04073, as follows:

(1) The Improvements address the Redevelopment Plan and Implementation Plan specific goals and objectives including:

i. To eliminate and prevent the spread of blight and deterioration and to conserve, rehabilitate and redevelop the Project Area.

ii. To improve, promote, and preserve the positive neighborhood characteristics in San Ysidro while correcting its physical and economic deficiencies.

iii. To improve, support, and promote the growth and viability of the Project Area's business environment and address the commercial, service, and employment needs of the Project Area.

iv. To enhance infrastructure facilities within the Project Area.

(2) The Improvements are consistent with the Implementation Plan's April 2006 – April 2011 Five Year Projects Schedule, including the April 2008 – April 2009 Work Program, which includes the implementation of various streetscape improvements including curbs and gutters, sidewalks, street lights, street furniture, and other streetscape improvements.

(e) All of the findings set forth herein above are more fully described in the document titled "Findings" attached to the Agenda Report No. RTC-09-041 as Attachment No. "2" and incorporated herein by this reference.

2. That the Mayor, or designee, is authorized to take all necessary actions to secure funding in an amount not to exceed \$300,000 from the Agency to be used toward the cost of design and construction of the Improvements.

3. That the City Comptroller is authorized to accept an amount not to exceed \$300,000 from the Project Area tax increment for the purpose of implementing the West Camino de la Plaza Streetscape Improvement Project and to deposit said funds into Fund Number 10269, SY RDA CONTRIB TO CIP, as an increase in the Fiscal Year 2009 Capital Improvement

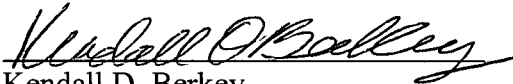
Program Budget in CIP No. 39.091.0, West Camino de la Plaza Improvement Project, to be used toward the cost of design and construction of the Improvements.

4. That the City Comptroller is authorized to appropriate and expend an amount not to exceed \$300,000 from CIP No. 39.091.0, West Camino de la Plaza Improvement Project, Fund Number 10269, SY RDA CONTRIB TO CIP, for the purpose of design and construction of the Improvements.

5. That the City Comptroller is authorized to transfer back to the Agency all funds remaining in the Fiscal Year 2009 Capital Improvement Program Budget in CIP No. 39.091.0, West Camino de la Plaza Improvement Project, Fund Number 10269, SY RDA CONTRIB TO CIP, upon any cost savings should actual costs of the Improvements be less than \$300,000.

6. That the Council finds and determines that this activity is categorically exempt from the California Environmental Quality Act [CEQA] pursuant to CEQA Guidelines Section 15301(c).

APPROVED: JAN I. GOLDSMITH, City Attorney

By 
Kendall D. Berkey
Deputy City Attorney

KDB:nda
04/09/09
04/03/09 Cor.Copy
Or.Dept:Redev.Agency
R-2009-764
MMS#7169
Comp. RA-2009-55

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of APR 28 2009.

ELIZABETH S. MALAND
City Clerk

By Mary Zumaya
Deputy City Clerk

Approved: 5-4-09
(date)

J.S.
JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor