

RESOLUTION NUMBER R- 305064

DATE OF FINAL PASSAGE JUL 22 2009

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN DIEGO MAKING CERTAIN FINDINGS RELATING TO THE USE OF LOW- AND MODERATE- INCOME HOUSING TAX INCREMENT (SET-ASIDE) FUNDS OUTSIDE OF THE GRANTVILLE REDEVELOPMENT PROJECT AREA FOR THE GRANTVILLE REDEVELOPMENT HOUSING ENHANCEMENT LOAN 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 City of San Diego'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 [Findings of Benefit] to the redevelopment project area from which the funds 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, the Grantville Redevelopment Project Area [Project Area] is a redevelopment project area established pursuant to the CRL; and

WHEREAS, the Agency has established the Grantville Redevelopment Housing Enhancement Loan Program [Program] to provide loans, forgivable over a ten (10) year period, for the enhancement/rehabilitation of eligible owner-occupied one- and two- unit properties located within the Project Area or outside the Project Area in census tracts 96.02, 96.04 and 97.03 [Grantville HELP Area], whose gross household income is no greater than 100% of the area median family income [AMI] for San Diego County; and

WHEREAS, in order to implement the Program, the Agency desires to allocate One Hundred Sixty Thousand Dollars (\$160,000) of Project Area Set-Aside Funds to be used within the Grantville HELP Area as contemplated by the Program; and

WHEREAS, the City Council finds that the expenditure of the Project Area Set-Aside Funds in the amount of One Hundred Sixty Thousand Dollars (\$160,000) within the Project Area or outside the Project Area within the Grantville HELP Area for the Program will be of benefit to the Project Area; and

WHEREAS, this activity is not a "project" within the meaning of the California Environmental Quality Act [CEQA], specifically CEQA Guidelines Section 15378, and thus is not subject to CEQA pursuant to CEQA Guidelines Section 15060(c)(3); NOW, THEREFORE,

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

1. That the Council finds that the proposed use of Low- and Moderate- Income Housing Tax Increment Set-Aside Funds [Set-Aside Funds] from the Grantville Redevelopment Project Area [Project Area] for the Grantville Redevelopment Housing Enhancement Loan Program [Program] within the Project Area and outside the Project Area in the surrounding neighborhoods located in census tracts 96.02, 96.04 and 97.03 [Grantville HELP Area] will benefit the Project Area in that:

(a) The provision and preservation 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.

(b) The Program will help fulfill the goals of the Redevelopment Plan and Implementation Plan [Plans] for the Project Area. The owner-occupants eligible to receive financial assistance under the Program will live in the Project Area or outside the Project Area in the adjacent neighborhoods located in census tracts 96.02, 96.04 and 97.03. The close proximity of the surrounding neighborhoods within census tracts 96.02, 96.04 and 97.03 to the Project Area promotes the success of the Plans, which include supporting and promoting the growth and vitality of the Grantville business environment and providing direction, purpose and climate for combined public and private investment which will result in benefits to the community as a whole.

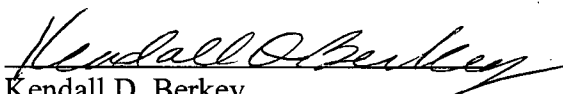
(c) The Program will support home-ownership by low- and moderate- income residents.

(d) The use of \$160,000 in Project Area Set-Aside Funds for the Program would enable the Agency to currently disburse approximately 5 loans to owner-occupied, income eligible households seeking to rehabilitate homes located within the neighborhoods in census tracts 96.02, 96.04 and 97.03. As stated above, these expenditures will further the goals and objectives of the Plans and will benefit the Project Area.

2. That the findings stated above are fully set forth in the document titled "Findings of Benefit" attached to Council Agenda Report No. RTC No. 09-072 as Attachment No. 3 and incorporated herein by this reference.

3. That Project Area Set-Aside Funds in the amount of One Hundred Sixty Thousand Dollars (\$160,000) identified above shall be utilized for the Program within the Grantville HELP Area.

APPROVED: JAN I. GOLDSMITH, City Attorney

By   
Kendall D. Berkey  
Deputy City Attorney

KDB:nda  
06/02/09  
Or.Dept:Redev.Agency  
R-2009-1203  
MMS#8726  
Comp. RA-2009-127  
RA-2009-128  
RA-2009-129  
RA-2009-134

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JUL 07 2009.

ELIZABETH S. MALAND  
City Clerk

By   
Deputy City Clerk

Approved: 7-22-09  
(date)

  
JERRY SANDERS, Mayor

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

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