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7/14

RESOLUTION NUMBER R- 305089

DATE OF FINAL PASSAGE JUL 22 2009

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 are derived [Findings of Benefit] 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 section 33334.2; and

WHEREAS, pursuant to the Home in the Heights Homebuyer Assistance Program [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 [Project Area] and the City Heights Community Planning Area; and

WHEREAS, in order to implement the HITH Program, the City Council desires to allocate over a period of three years, \$2,880,166 of the Set-Aside Funds budgeted to the HITH Program to be used inside and outside the Project Area as contemplated by the HITH Program; and

WHEREAS, the City Council finds that the expenditure of the Project Area Set-Aside Funds over a period of three years, in the amount of \$2,880,166, 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 following Findings of Benefit to the City Heights Redevelopment Project Area:

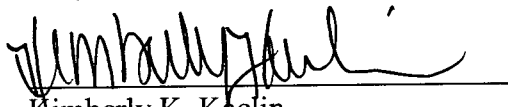
1. The provision of affordable housing is, in itself, a fundamental purpose of redevelopment. Any preservation of the stock of available housing for low- and moderate-income persons benefits the surrounding areas, including the project area providing the funds, by encouraging local accommodations for a diverse workforce and consumers at various income levels throughout the City of San Diego.
2. The Home in the Heights Homebuyer Assistance Program [HITH Program] will support homeownership by low and moderate income residents.
3. The owner-occupants eligible for the HITH Program will live in the City Heights Redevelopment Project Area or in the adjacent City Heights Community Planning Area. Their close proximity promotes the success of the City Heights Redevelopment and Implementation Plans.

4. The use of \$2,880,166 in City Heights Redevelopment Project Area Low- and Moderate-Income Housing Set-Aside Funds for the HITH Program would enable the Redevelopment Agency of the City of San Diego to disburse first-time homebuyer loans over a period of three years to approximately 90 households seeking to reside in the City Heights Redevelopment Project Area or in the adjacent City Heights Community Planning Area.

BE IT FURTHER RESOLVED, that the 20% Set-Aside Funds in the amount of \$2,880,166 identified above shall be utilized for the HITH Program in the City Heights Redevelopment Project Area and City Heights Community Planning Area.

APPROVED: JAN I. GOLDSMITH, City Attorney

By


Kimberly K. Kaelin
Deputy City Attorney

KKK:nda

06/23/09

Or.Dept:Redev.Agency

R-2009-1349

Comp: RA-2009-141

RA-2009-142

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JUL 14 2009.

ELIZABETH S. MALAND
City Clerk

By *Mary Zimmaya*
Deputy City Clerk

Approved: 7-22-09
(date)

JSL
JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor