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RESOLUTION NUMBER R- 305460

DATE OF FINAL PASSAGE DEC 10 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 FUNDS (SET-ASIDE FUNDS) OUTSIDE OF THE CROSSROADS REDEVELOPMENT PROJECT AREA FOR THE CROSSROADS 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 Agency has established the Crossroads Redevelopment Housing Enhancement Loan Program [Crossroads HELP] to provide loans, forgivable over a ten (10) year

period, for the enhancement/rehabilitation of eligible owner-occupied one- and two- unit properties within the Crossroads Redevelopment Project Area [Project Area] and outside the Project Area within the surrounding neighborhoods located in census tracts 27.03, 27.09 and 27.10; and

WHEREAS, in order to implement the Crossroads HELP, the Agency has duly budgeted the expenditure of Set-Aside Funds generated in the Project Area in an amount not to exceed Two Hundred Sixty Seven Thousand Five Hundred Dollars (\$267,500), which said funds are available in the Fiscal Year 2009-2010 Crossroads Redevelopment Project Area Low Moderate Income Housing Fund Budget and identified therein for use toward the Crossroads HELP; and

WHEREAS, the City Council finds that the expenditure of the Project Area Set-Aside Funds in the amount of \$267,500 within the Project Area or outside of the Project Area for the Crossroads HELP will be of benefit to the Project Area; NOW, THEREFORE,

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

1. That the Council makes the Findings of Benefit to the Crossroads Redevelopment Project Area [Project Area] as follows:

(a) The proposed use of Low and Moderate Income Housing Tax Increment Funds [Set Aside Funds] from the Project Area toward the Crossroads Redevelopment Housing Enhancement Loan Program [Crossroads HELP] implemented in part outside of the Project Area in the surrounding neighborhoods located in census tracts 27.03, 27.09 and 27.10 will benefit the Project Area in that:

(i) 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

that provides the funds, by encouraging local accommodations for a diverse workforce and consumers at various income levels throughout the City.

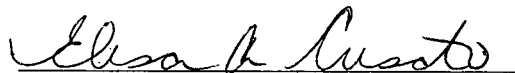
(ii) The Crossroads HELP will help fulfill the goals of the Crossroads Redevelopment Plan and Implementation Plans [Plans] for the Project Area. The owner-occupants eligible for the Crossroads HELP will live in the Project Area or outside the Project Area in the adjacent neighborhoods located in census tracts 27.03, 27.09 and 27.10. Their close proximity within and to the Project Area promotes the success of the Plans by improving, promoting and preserving the positive neighborhood characteristics of the Project Area, promoting varied housing opportunities, improving and enhancing the housing stock within the Project Area, and supporting and promoting the growth and vitality of the Crossroads business environment.

(iii) The Crossroads HELP will support homeownership by low- and moderate-income residents within and outside the Project Area.

(iv) The use of \$267,500 available in and allocated from the Agency-approved Fiscal Year 2009-2010 Crossroads Redevelopment Project Area Low Moderate Income Housing Fund Budget for the Crossroads HELP will enable the Agency to disburse approximately nine (9) loans to owner-occupied, income eligible households seeking to rehabilitate homes located within the Project Area and/or outside the Project Area within census tracts 27.03, 27.09, and 27.10.

2. That the Project Area Set-Aside Funds in the amount of \$267,500 are authorized to be expended pursuant to the Crossroads HELP implemented within the Project Area and outside the Project Area within census tracts 27.03, 27.09, and 27.10.

APPROVED: JAN I. GOLDSMITH, City Attorney

By 
Elisa A. Cusato
Deputy City Attorney

KDB:nda
10/28/09
Or.Dept:Redev.Agency
R-2010-322
MMS#10780
Comp. R-2010-323
R-2010-324
R-2010-325
R-2010-345
RA-2010-30
RA-2010-31
RA-2010-32
RA-2010-33
RA-2010-36

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

ELIZABETH S. MALAND
City Clerk

By *Sara Richardson*
Deputy City Clerk

Approved: 12.10.09
(date)

JSL
JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor