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RESOLUTION NUMBER R- 305463

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 CENTRAL IMPERIAL, SOUTHCREST AND MOUNT HOPE REDEVELOPMENT PROJECT AREAS FOR USE TOWARD THE REDEVELOPMENT HOUSING ENHANCEMENT LOAN PROGRAM FOR THE REDEVELOPMENT PROJECT AREAS MANAGED BY THE SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION [SEDC] AND WITHIN SEDC'S AREA OF INFLUENCE.

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 Southcrest, Mount Hope, Central Imperial, and Gateway Center West Redevelopment Project Areas are redevelopment project areas adopted by the Agency pursuant to the California Community Redevelopment Law (California Health and Safety Code Section 33000 et seq.); and

WHEREAS, the Southeastern Economic Development Corporation [SEDC] is a non-profit corporation that manages the Southcrest, Mount Hope, Central Imperial, and Gateway Center West Redevelopment Project Areas and the areas outside the Project Areas within the surrounding neighborhoods located in SEDC's Area of Influence including the Dells Imperial Study Area [collectively referred to as the SEDC HELP Area or SEDC Area of Influence]; and

WHEREAS, the Agency has established the "Redevelopment Housing Enhancement Loan Program for the Redevelopment Project Areas Managed by the Southeastern Economic Development Corporation", hereinafter referred to as the SEDC HELP, to provide housing enhancement/rehabilitation forgivable loans to owner-occupants, of eligible one- and two- unit properties at least ten years old located within the SEDC HELP Area, whose owner-occupants' 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 SEDC HELP, the Agency has duly budgeted the expenditure of Set-Aside Funds generated in the Central Imperial, Southcrest, and Mount Hope Redevelopment Project Areas in the amount not to exceed Eighty Two Thousand Five Hundred Ninety Two Dollars (\$82,592) from the Central Imperial Redevelopment Project Area, in the amount not to exceed Three Hundred Thousand Four Hundred Thirty Three Dollars (\$300,433) from the Southcrest Redevelopment Project Area, and in the amount not to exceed Three Hundred Seventy Two Thousand Nine Hundred Sixty Dollars (\$372,960) from the Mount Hope

Redevelopment Project Area, which said funds are available in the Fiscal Year 2009-2010 Low Moderate Income Housing Fund Budgets for the Central Imperial, Southcrest, and Mount Hope Redevelopment Project Areas and identified therein for use toward the SEDC HELP; and

WHEREAS, the City Council finds that the expenditure of the Set-Aside Funds in the amount not to exceed \$82,592 from the Central Imperial Redevelopment Project Area, in the amount not to exceed \$300,433 from the Southcrest Redevelopment Project Area, and in the amount not to exceed \$372,960 from the Mount Hope Redevelopment Project Area, within the respective Project Areas or outside of the Project Areas for the SEDC HELP will be of benefit to the respective Project Areas; NOW, THEREFORE,

BE IT RESOLVED, that the Council of the City of San Diego makes the Findings of Benefit to the Central Imperial Redevelopment Project Area [Project Area] as follows:

1. That the Council makes the Findings of Benefit to the Central Imperial 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 Central Imperial Redevelopment Project Area [Project Area] toward the Redevelopment Housing Enhancement Loan Program for the Redevelopment Project Areas Managed by the Southeastern Economic Development Corporation [SEDC], hereinafter referred to as the SEDC HELP, implemented in part outside of the Project Area within the SEDC Area of Influence 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 SEDC HELP will help fulfill the goals of the Central Imperial Redevelopment Plan and Implementation Plans [Plans] for the Project Area. The owner-occupants eligible for the SEDC HELP will live in the Project Area or outside the Project Area in the adjacent neighborhoods located within the SEDC Area of Influence. 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 Central Imperial business environment.

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

(iv) The use of \$82,592 allocated from the Agency-approved Fiscal Year 2009-2010 Central Imperial Redevelopment Project Area Low Moderate Income Housing Fund Budget, which funds constitute initial tax increment, accrued interest and loan pay-offs generated from the former rehabilitation program, together with funds allocated from the Mount Hope Redevelopment Project Area Low Moderate Income Housing Fund Budget in the approximate amount of \$372,960 and from the Southcrest Redevelopment Project Area Low Moderate Income Housing Fund Budget in the approximate amount of \$300,433, totaling \$755,985, toward the SEDC HELP will enable the Agency to disburse approximately fourteen (14) loans to owner-occupied, income eligible households seeking to rehabilitate homes located within the Project Area and/or outside the Project Area within the SEDC Area of Influence.

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

(a) The proposed use of Set-Aside Funds from the Southcrest Redevelopment Project Area [Project Area] toward the SEDC HELP, implemented in part outside of the Project Area within the SEDC Area of Influence 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 SEDC HELP will help fulfill the goals of the Southcrest Redevelopment Plan and Implementation Plans [Plans] for the Project Area. The owner-occupants eligible for the SEDC HELP will live in the Project Area or outside the Project Area in the adjacent neighborhoods located within the SEDC Area of Influence. 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 Southcrest business environment.

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

(iv) The use of \$300,433 allocated from the Agency-approved Fiscal Year 2010 Southcrest Redevelopment Project Area Low Moderate Income Housing Fund Budget, which funds constitute initial tax increment, accrued interest and loan pay-offs generated

from the former rehabilitation program, together with funds allocated from the Central Imperial Redevelopment Project Area Low Moderate Income Housing Fund Budget in the approximate amount of \$82,592 and from the Mount Hope Redevelopment Project Area Low Moderate Income Housing Fund Budget in the approximate amount of \$372,960, totaling \$755,985, toward the SEDC HELP will enable the Agency to disburse approximately fourteen (14) loans to owner-occupied, income eligible households seeking to rehabilitate homes located within the Project Area and/or outside the Project Area within the SEDC Area of Influence.

3. That the Council makes the Findings of Benefit to the Mount Hope Redevelopment Project Area [Project Area] as follows:

(a) The proposed use of Set-Aside Funds from the Mount Hope Redevelopment Project Area [Project Area] toward the SEDC HELP, implemented in part outside of the Project Area within the SEDC Area of Influence 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 SEDC HELP will help fulfill the goals of the Mount Hope Redevelopment Plan and Implementation Plans [Plans] for the Project Area. The owner-occupants eligible for the SEDC HELP will live in the Project Area or outside the Project Area in the adjacent neighborhoods located within the SEDC Area of Influence. 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 Mount Hope business environment.


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

(iv) The use of \$372,960 allocated from the Agency-approved Fiscal Year 2010 Mount Hope Redevelopment Project Area Low Moderate Income Housing Fund Budget, which funds constitute initial tax increment, accrued interest and loan pay-offs generated from the former rehabilitation program, together with funds allocated from the Central Imperial Redevelopment Project Area Low Moderate Income Housing Fund Budget in the approximate amount of \$82,592 and from the Southcrest Redevelopment Project Area Low Moderate Income Housing Fund Budget in the approximate amount of \$300,433, totaling \$755,985, toward the SEDC HELP will enable the Agency to disburse approximately fourteen (14) loans to owner-occupied, income eligible households seeking to rehabilitate homes located within the Project Area and/or outside the Project Area within the SEDC Area of Influence.

4. That the Set-Aside Funds in the amount not to exceed Eighty Two Thousand Five Hundred Ninety Two Dollars (\$82,592) from the Central Imperial Redevelopment Project Area, in the amount not to exceed Three Hundred Thousand Four Hundred Thirty Three Dollars (\$300,433) from the Southcrest Redevelopment Project Area, and in the amount not to exceed

Three Hundred Seventy Two Thousand Nine Hundred Sixty Dollars (\$372,960) from the Mount Hope Redevelopment Project Area, are authorized to be expended pursuant to the SEDC HELP implemented within the Central Imperial, Southcrest, and Mount Hope Redevelopment Project Areas and outside the Project Areas within the SEDC Area of Influence.

APPROVED: JAN I. GOLDSMITH, City Attorney

By 
Elisa A. Cusato
Deputy City Attorney

KDB:nda

10/30/09

Or.Dept:Redev.Agency

R-2010-324

MMS#10780

Comp. R-2010-322

R-2010-323

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