

RESOLUTION NUMBER R- 306632

DATE OF FINAL PASSAGE FEB 28 2011

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN DIEGO APPROVING THE COOPERATION AGREEMENT FOR PAYMENT OF COSTS ASSOCIATED WITH CERTAIN REDEVELOPMENT AGENCY FUNDED PROJECTS BETWEEN THE REDEVELOPMENT AGENCY AND THE CITY OF SAN DIEGO; CONSENTING TO THE USE OF THE AGENCY'S FUNDS TO PAY FOR THE COSTS ASSOCIATED WITH THE PROJECTS; AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT; AND AUTHORIZING THE CHIEF FINANCIAL OFFICER TO APPROPRIATE, ENCUMBER AND EXPEND AGENCY FUNDS TO IMPLEMENT THE AGREEMENT.

WHEREAS, the Redevelopment Agency of the City of San Diego (Agency) is engaged in activities necessary to carry out and implement the Redevelopment Plans for the Barrio Logan, Central Imperial, Centre City, City Heights, College Community, College Grove, Crossroads, Gateway Center West, Grantville, Horton Plaza, Linda Vista, Mount Hope, Naval Training Center, North Bay, North Park, San Ysidro, and Southcrest Redevelopment Project Areas (Project Areas); and

WHEREAS, the intent of the Redevelopment Plans for the Project Areas is, in part, to provide for the construction and installation of necessary public infrastructure and facilities; to facilitate the repair, restoration or replacement, or both, of existing public facilities; to perform specific actions necessary to promote the redevelopment and the economic revitalization of the Project Areas; to increase, improve and preserve the community's supply of low- and moderate-income housing, some of which may be located or implemented outside the Project Areas; and to take all other necessary actions to implement the Redevelopment Plans for the Project Areas and to expend tax increment to accomplish these goals and objectives; and

WHEREAS, the current Five-Year Implementation Plans for the Project Areas, including any amendments thereto (Implementation Plans), set out goals to support affordable housing, economic development, community revitalization, commercial revitalization, and institutional revitalization. To implement the programs and activities associated with each goal, the Agency has made redevelopment fund commitments based on estimated available tax increment revenue and debt financing structures; and

WHEREAS, the Agency and the City of San Diego (City) wish to cooperate with one another to bring about the redevelopment of the Project Areas and accomplish various tasks set forth in the Redevelopment Plans and the Implementation Plans; and

WHEREAS, pursuant to Health and Safety Code section 33220, certain public bodies, including the City, may aid and cooperate in the planning, undertaking, construction, or operation of redevelopment projects; and

WHEREAS, the Agency and the City propose to enter into a Cooperation Agreement for Payment of Costs Associated with Certain Redevelopment Agency Funded Projects (Agreement) to provide for the implementation of certain projects set forth in the Schedule of Projects attached to the Agreement as Exhibit 1 (Projects), and require the Agency to advance funds to the City in accordance with the Payment Schedule attached to the Agreement as Exhibit 2 for the City's cost of performing its obligations under the Agreement, subject to all of the terms and conditions of the Agreement; and

WHEREAS, the programs and activities associated with the Projects include, but are not limited to, administration, acquisition and disposition of property, development of design criteria, design, planning, feasibility studies, permitting, preparation of construction bid documents, financial and economic analysis, financing, new construction, rehabilitation of

existing improvements and structures, remediation of hazardous materials, elimination or removal of blighting conditions, and monitoring and enforcement of affordable housing covenants and other requirements pursuant to applicable law. The Agency desires assistance and cooperation in the implementation and completion of the Projects in order to carry out the Projects in accordance with the objectives and purposes of the Redevelopment Plans and the Implementation Plans. The City wishes to enter into the Agreement with the Agency to aid the Agency and cooperate with the Agency to implement the Projects expeditiously in accordance with the Redevelopment Plans and the Implementation Plans and to undertake and complete all actions necessary or appropriate to ensure that the objectives of the Redevelopment Plans and the Implementation Plans are fulfilled expeditiously, and in any event within the time effectiveness of the Project Areas; and

WHEREAS, the purpose of the Agreement is to facilitate the timely implementation and completion of the Projects and to provide a funding mechanism necessary to effectuate the completion of the Projects with Net Tax Increment, and if required because Net Tax Increment is insufficient, then Other Revenues received by the Agency and Available Fund Balances, as these terms are defined in the Agreement, in this current fiscal year and forthcoming fiscal years; and

WHEREAS, the Agreement provides that the Agency's pledge of Net Tax Increment, Other Revenues, and Available Fund Balances pursuant to the Agreement shall constitute obligations to make payments authorized and incurred pursuant to Health and Safety Code sections 33334.2, 33445, 33679 and other applicable statutes. The Agreement states that the obligations set forth in the Agreement are present contractual obligations of the Agency that, if breached by the Agency, will subject the Agency to damages and other liabilities or remedies; and

WHEREAS, the obligations of the Agency under the Agreement shall constitute an indebtedness of the Agency for the purpose of carrying out the Redevelopment Plans for the Project Areas; and

WHEREAS, it is in the best interests of the City and for the common benefit of residents, employees, business tenants and property owners within the Project Areas and the City as a whole for the Projects to be developed and constructed in the Project Areas, as identified in the Schedule of Projects attached as Exhibit 1 to the Agreement; and

WHEREAS, Agency staff has prepared certain written determinations and supporting factual information concerning the Projects in accordance with California Health and Safety Code section 33445 (33445 Determinations); and

WHEREAS, several of the Projects involve the construction of publicly owned buildings located within the Project Areas, and are thus subject to California Health and Safety Code section 33679; and

WHEREAS, the Agency and the City Council held a joint public hearing on the proposed Agreement, after publishing notice of the public hearing for at least two successive weeks prior to the public hearing, and after making available, for public inspection and copying, certain summaries (33679 Summaries) pursuant to Health and Safety Code section 33679; and

WHEREAS, pursuant to California Health and Safety Code section 33334.2(g)(1), Agency staff has prepared written determinations and supporting factual information concerning the benefit of the use of the Agency's low- and moderate-income housing funds derived from the Project Areas toward certain Projects that include low- and moderate- income housing and are located outside of the Project Areas (33334.2 Determinations); and

WHEREAS, the City Council has reviewed and considered the staff report, 33679 Summaries, 33445 Determinations, 33334.2 Determinations, documents and other written evidence presented at the hearing (collectively, Documentary Evidence) and all terms and conditions of the proposed Agreement, and believes the payments by the Agency to the City in accordance with the Agreement are in the best interests of the City and the health, safety, morals and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local law and requirements; NOW, THEREFORE,

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

1. That the Council finds and determines that the foregoing recitals are true and correct.
2. That the Council approves the Cooperation Agreement for Payment of Costs Associated with Certain Redevelopment Agency Funded Projects between the Redevelopment Agency and the City of San Diego.
3. That the Council consents to the use of the Agency's funds to pay for costs associated with the Projects in a manner consistent with the Agreement.
4. That the Council authorizes the Mayor, or designee, to execute the Agreement. A copy of the Agreement, when executed by the City, shall be placed on file in the Office of the City Clerk's as Document No. RR- 306632.
5. That the Council authorizes the Mayor, or designee, to execute, deliver, file and record against Agency-owned property any documents, including without limitation, promissory notes, pledge agreements and security instruments, and any subsequent amendments thereto, deemed by him to be reasonably necessary to carry out and implement the Agreement and to

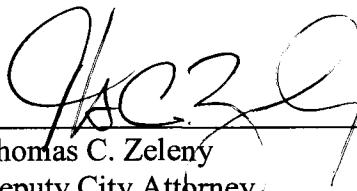
administer the City's obligations, responsibilities, and duties to be performed under the Agreement.

6. That the Council authorizes the Mayor, or designee, to execute any amendments to the Agreement that will not result in an increase in the total amount of funds payable by the Agency to the City under the Payment Schedule attached to the Agreement as Exhibit 2 and which do not require the adoption of an ordinance or resolution pursuant to the California Health and Safety Code or other applicable law.

7. That the Council authorizes the Chief Financial Officer, as delegated, to appropriate, encumber and expend Net Tax Increment, Other Revenues, and Available Fund Balances, as those terms are defined in the Agreement, for Projects as described in the Payment Schedule attached to the Agreement as Exhibit 2, contingent upon certifying that the funds are, or will be, on deposit in the City Treasury.

APPROVED: JAN I. GOLDSMITH, City Attorney

By



Thomas C. Zeleny
Deputy City Attorney

EAC:TCZ:nja
02/15/2011
Or.Dept:Redev.Agency
R-2011-721
PL#2011-05653
Comp. RA-2011-91

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of FEB 28 2011.

ELIZABETH S. MALAND
City Clerk

By *Mary Zuniga*
Deputy City Clerk

Approved: 2-28-11
(date)

J.S.
JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor