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RESOLUTION NUMBER R- 306645

DATE OF FINAL PASSAGE MAR 01 2011

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN DIEGO (i) APPROVING THE SALE OF PROPERTY OWNED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO FOR DEVELOPMENT RELATED TO THE REHABILITATION OF THE WORLD TRADE CENTER BUILDING AND (ii) MAKING CERTAIN FINDINGS AND DETERMINATIONS RELATED THERETO IN ACCORDANCE WITH CALIFORNIA HEALTH AND SAFETY CODE SECTION 33433.

WHEREAS, the Redevelopment Agency of the City of San Diego (Agency) is engaged in activities necessary to carry out and implement the Redevelopment Plan for the Centre City Redevelopment Project (Redevelopment Plan); and

WHEREAS, the Agency has adopted the five-year Fourth Implementation Plan covering the period of July 2009 through June 2014 for the Centre City Redevelopment Project (Implementation Plan); and

WHEREAS, among other things, the Implementation Plan provides for the implementation of certain activities necessary or appropriate to carry out the objectives of the Redevelopment Plan in accordance with California Health and Safety Code section 33490; and

WHEREAS, the Centre City Development Corporation, Inc. (CCDC), acting on behalf of the Agency, has negotiated a Purchase and Sale Agreement by and between the City of San Diego (City), as Seller, and Agency, as Buyer, (Purchase Agreement) to acquire the historic World Trade Center building (World Trade Center) and adjacent parking structure, located at 1250 Sixth Avenue in San Diego within the Civic Core neighborhood of the Downtown Community Plan Area in the Centre City Redevelopment Project Area (Property); and

WHEREAS, CCDC, acting on behalf of the Agency, has concurrently negotiated a Disposition and Development Agreement (DDA) with Connections Housing Downtown, L.P., a California limited liability company (Developer), wherein the Developer has agreed to purchase the World Trade Center from the Agency for \$4,300,000 and rehabilitate the World Trade Center into a one-stop service center and housing for the homeless, which includes a multi-service homeless center, a medical clinic, administrative offices, 150 transitional housing beds, 73 permanent supportive housing units and 2 manager's units (Project); and

WHEREAS, the proposed DDA requires the Developer to operate the Project, upon completion of rehabilitation, for the benefit of very low and extremely low income households for a period of fifty-five (55) years, as more specifically defined and provided for in the proposed DDA; and

WHEREAS, the Agency and the City Council of the City of San Diego (Council) held a joint public hearing to consider the approval of the sale of the World Trade Center on March 1, 2010, after publishing notice of the public hearing in accordance with California Health and Safety Code section 33433; and

WHEREAS, pursuant to California Health and Safety Code section 33433, CCDC administered the preparation of the "Summary Report Pertaining to the Proposed Conveyance of Certain Real Property Interest within the Project Area" (Summary Report), which is attached to CCDC Report No. CCDC-11-18, dated February 23, 2011, and is incorporated fully into this Resolution by this reference; and

WHEREAS, the Agency has made copies of the proposed DDA and the Summary Report available for public inspection and copying no later than the time of the first publication of the notice of the public hearing; and

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WHEREAS, the Summary Report contains a summary which describes and specifies all of the following:

(i) The cost of the DDA to the Agency, including land acquisition costs, clearance costs, relocation costs, the costs of any improvements to be provided by the Agency, plus the expected interest on any loans or bonds to finance the DDA;

(ii) The estimated value of the interest to be conveyed, determined at the highest and best uses permitted under the Redevelopment Plan;

(iii) The estimated value of the interest to be conveyed, determined at the use and with the conditions, covenants, and development costs required by the DDA, and an explanation as to why the sales price to the Developer is less than fair market value, determined at highest and best use under the Redevelopment Plan, including an explanation of the difference; and

(iv) An explanation of why conveyance of the Property to Developer in accordance with the DDA will assist in the elimination of blight, with reference to all supporting facts and materials relied upon in making this explanation; and

WHEREAS, the Council believes that the proposed DDA is 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; and

WHEREAS, the Council has considered any written evidence and any testimony received in support of or in opposition to the proposed DDA, as well as the entire record; 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 all recitals set forth in this Resolution are true and correct and fully incorporated into this Resolution by this reference.
2. That the Council has reviewed and approves the Summary Report.


3. That the Council finds and determines that the consideration to be received by the Agency for the World Trade Center is not less than fair reuse value at the use and with covenants and conditions and development costs authorized by the DDA for, among other reasons, the reasons set forth in Sections IV, V and VI of the Summary Report.

4. That the Council finds and determines that the conveyance and development of the World Trade Center to Developer in accordance with the DDA will assist in the elimination of blight and provide housing for low-income or moderate income persons, for the reasons set forth in Sections IV and VII of the Summary Report.

5. That the Council finds and determines that the conveyance of the World Trade Center and the development of the World Trade Center in accordance with the DDA are consistent with Section III of the Implementation Plan adopted pursuant to California Health and Safety Code section 33490.

6. That the Council approves the conveyance by the Agency of the World Trade Center to the Developer and the development of the World Trade Center, in accordance with the DDA.

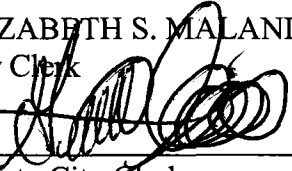
APPROVED: JAN I. GOLDSMITH, City Attorney

By 
Elisa A. Cusato
Deputy City Attorney

EAC:MRT:hm
02/23/11
Or.Dept:CCDC
PL#2011-05813
Companion to: RA-2011-103

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of MAR 01 2011.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 3-1-11
(date)


JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor