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(R-2011-776)
(REV. COPY)

RESOLUTION NUMBER R- 306880

DATE OF FINAL PASSAGE MAR 15 2011

RESOLUTION OF THE CITY OF SAN DIEGO APPROVING CERTAIN ACTIONS RELATED TO THE TRANSFER OF REAL PROPERTY ASSETS AND OTHER ASSETS AND OBLIGATIONS OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO TO THE CITY OF SAN DIEGO TO ACCOMPLISH IMPORTANT MUNICIPAL AND OTHER PUBLIC PURPOSES IN ACCORDANCE OR CONSISTENT WITH THE REDEVELOPMENT PLANS ADOPTED FOR THE REDEVELOPMENT PROJECT AREAS.

WHEREAS, the City Council of the City of San Diego (Council) has adopted a redevelopment plan, as amended from time to time (individually, Redevelopment Plan; collectively, Redevelopment Plans), for each of the 17 redevelopment projects (individually, Project Area; collectively, Project Areas) presently existing within the City which results in the allocation of certain property-based taxes from the Project Areas to the Redevelopment Agency of the City of San Diego (Agency) for purposes of redevelopment. The City's Redevelopment Department administers 11 of the Project Areas, as follows: Barrio Logan, City Heights, College Community, College Grove, Crossroads, Grantville, Linda Vista, Naval Training Center, North Bay, North Park, and San Ysidro. The Centre City Development Corporation, Inc. (CCDC) administers two of the Project Areas, as follows: Centre City and Horton Plaza. The Southeastern Economic Development Corporation, Inc. (SEDC) administers four of the Project Areas, as follows: Central Imperial, Gateway Center West, Mount Hope, and Southcrest (each of which is subject to a pending merger into a single project area, to be known as the Southeastern San Diego Merged Project Area); and

WHEREAS, the Agency finds it necessary and appropriate, and with certain exceptions described below, to transfer to the City each and every parcel of Agency-owned real estate [Real Property Assets] located in the City of San Diego, County of San Diego, State of California, as described in the Schedule of Real Property Assets (Attachment No. 1 to Report to the City Council No. RTC-11-039), together with each and every Agency asset (Other Assets), including without limitation accounts receivable and evidences of indebtedness, assignment of rents and leases, rents, leases, promissory notes, deeds of trust, security instruments and agreements, other accounts receivable and agreements, and other rights of the Agency to receive payments of funds and/or other consideration as described in the Schedule of Accounts (Attachment No. 2 to Report to the City Council No. RTC-11-039), to allow the City to appropriately complete redevelopment projects and other related activities, to pay previously incurred indebtedness, to enforce existing covenants, contracts or other obligations, and to allow for the City's use of the Real Property Assets and the Other Assets for municipal and other public purposes to benefit the respective Project Areas in accordance or consistent with the respective Redevelopment Plans, including without limitation facilitating the construction and installation of public infrastructure and facilities and increasing, improving, and preserving the community's supply of low and moderate-income housing in the community; and

WHEREAS, the Agency previously determined that the proposed transfers are consistent with the City of San Diego General Plan because they are consistent with the respective Redevelopment Plan for the applicable Project Area and authorized by each such Redevelopment Plan, and the Agency has determined that the transfer of the Real Property Assets and the Other Assets is consistent with the California Community Redevelopment Law to carry out the

Redevelopment Plans for the Project Areas, to pay previously incurred indebtedness, to comply with California Health and Safety Code section 33333.8 (for the provision of affordable housing), and to enforce existing covenants, contracts, or other obligations; and

WHEREAS, the transfer of the Real Property Assets and the Other Assets to the City will accomplish the public purposes of implementing the Redevelopment Plans for the Project Areas and achieving the goals and purposes of each such respective Redevelopment Plan; sustaining the redevelopment accomplished by the implementation of each such respective Redevelopment Plan; expanding and improving the community's supply of affordable housing; obtaining the benefits for the City of the municipal uses to which the Real Property Assets and the Other Assets will be put; enforcing the existing covenants, contracts, and other obligations arising from said redevelopment projects; and providing the City with assets such as public improvements, parks, buildings, land, and increased revenues; and

WHEREAS, the transfer of the Real Property Assets and the Other Assets to the City is expressly authorized by the Aid, Assistance, and Cooperation provisions of the California Community Redevelopment Law (California Health and Safety Code section 33220 *et. seq.*); and

WHEREAS, in connection with the transfer of the Real Property Assets, the Agency proposes to assign to the City the Agency's rights and obligations under the Agency's existing agreements relating to third-party use of the Real Property Assets, such as disposition and development agreements, owner participation agreements, lease agreements, and rehabilitation loan agreements (collectively, Existing Agreements); and

WHEREAS, in lieu of the transfer of certain Real Property Assets to the City, the Agency may grant a deed of trust in the City's favor encumbering those certain Real Property Assets to

secure certain debt owed by the Agency to the City, which debt pertains to the Project Area in which each encumbered Real Property Asset is located; and

WHEREAS, the Agency owns two Real Property Assets consisting of public parking garage facilities commonly known as the “Park It On Market” facility at Sixth and Market Streets and the “6th & K Parkade” at Sixth and K Streets in downtown San Diego (collectively, Downtown Parking Garages); and

WHEREAS, the Agency and the City previously entered into the following agreements relating to the Downtown Parking Garages: (a) the Parking Structure Operating Agreement dated as of August 1, 1999, including any subsequent amendments thereto, relating to the Park It On Market facility, and (b) the Parking Structure Operating Agreement dated as of August 1, 1999, including any subsequent amendments thereto, relating to the 6th & K Parkade (collectively, Parking Operating Agreements); and

WHEREAS, Section 2.01 of each of the Parking Operating Agreements states that, upon termination of such agreement and payment in full of all amounts owed thereunder, the Agency’s interests and rights to the pertinent Downtown Parking Garage shall vest in the City automatically on such date, without further action by the Agency or the City; and

WHEREAS, to confirm the existence of the Parking Operating Agreements and the obligations thereunder as a matter of public record, the Agency and the City propose to record a memorandum as to each of such agreements in the San Diego County Recorder’s Office (collectively, Memoranda of Operating Agreements); and

WHEREAS, the Council considered the proposed transactions under this Resolution initially on March 14, 2011, and continued the matter for one week; and

WHEREAS, on March 15, 2011, during the single consolidated agenda of March 14 and March 15, 2011, the Council determined that the matter should be considered immediately due to the imminent passage of California legislation disestablishing redevelopment agencies throughout California; and

WHEREAS, at the meeting of March 15, 2011, the Council suspended the Permanent Rules of Council, per Permanent Rule 2.12, to reconsider the proposed transactions under this Resolution; and

WHEREAS, the Council approved a motion to reconsider the proposed transactions under this Resolution; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred; and

WHEREAS, the Council has reviewed and duly considered the proposed transfer of the Real Property Assets and the Other Assets to the City, as well as the proposed recordation of the Memoranda of Operating Agreements as to the Downtown Parking Garages, and believes such transfers are in the best interests of the Project Areas, the City, and benefit the public health, safety, or general welfare, and are 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. The Council finds and determines that the foregoing recitals are true and correct.
2. The Council has received and heard all oral and written objections to the Agency's transfer of the Real Property Assets and the Other Assets to the City, as well as the recordation of the Memoranda of Operating Agreements as to the Downtown Parking

Garages to SDFELC, and to other matters authorized pursuant to this Resolution, and all such oral and written objections are hereby overruled.

3. The Council approves the transfer of the Real Property Assets, except as otherwise authorized by this Resolution, for use by the City for important municipal and other public purposes in accordance or consistent with the Redevelopment Plans adopted for the Project Areas.

4. The Council approves the present assignment by the Agency to the City of the Other Assets for important municipal and other public purposes in accordance or consistent with the Redevelopment Plans adopted for the Project Areas.

5. The Mayor or his designee is authorized to execute and deliver in the name and on behalf of the City one or more Agreement of Assignments, in substantially the form presented to the Council (Attachment No. 3 to Report to the City Council No. RTC-11-039), related to and for the assignment of the Other Assets, and on such other terms and conditions deemed by the Mayor to be in the best interests of the City, copies of which when executed shall be placed on file with the City Clerk as Document

No. RR-306680-1.

6. The Mayor or his designee is authorized to accept in the name and on behalf of the City the one or more Quitclaim Deeds, in substantially the form presented to the Council (Attachment No. 2 to Report to the City Council No. RTC-11-039), related to and for the transfer of the Real Property Assets, and on such other terms and conditions deemed by the Mayor to be in the best interests of the City, copies of which when

executed shall be placed on file with the City Clerk as Document No. RR306680-2.

7. The Mayor or his designee is authorized to accept in the name and on behalf of the City the one or more Deeds of Trust, in substantially the form presented to the Council (Attachment No. 5 to Report to the City Council No. RTC-11-039), and on such other terms and conditions deemed by the Mayor to be in the best interests of the City, pledging Real Property Assets to secure Agency indebtedness owed to the City, copies of which when executed shall be placed on file with the City Clerk as Document No.

RL-306680-3

8. The Mayor or his designee is authorized to execute and deliver in the name and on behalf of the City the one or more Assignment and Assumption Agreements, in substantially the form presented to the Council (Attachment No. 4 to Report to the City Council No. RTC-11-039), and on such other terms and conditions deemed by the Mayor to be in the best interests of the City, assuming the Agency's rights and obligations under existing contracts relating to third-party use of the Real Property Assets, copies of which when executed shall be placed on file with the City Clerk as Document

No. RL-306680-4

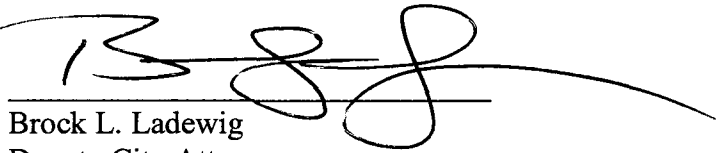
9. The Council approves and authorizes the Mayor or his designee to execute and cause the recordation of the Memoranda of Operating Agreements as to the Downtown Parking Garages in form and content acceptable to the Mayor or his designee and the City Attorney, copies of which when executed shall be placed on file with the City Clerk as Document No. RL-306680-5

10. The Council approves and authorizes the Mayor or his designee to take all reasonable and necessary actions and to execute, in the name and on behalf of the City of

San Diego, all reasonable and necessary documents to implement and carry out the purposes of this Resolution, including without limitation the transfer of the Real Property Assets and Other Assets from the Agency to the City, utilizing the appropriate Conveyance Instruments, and on such other terms and conditions deemed by the Mayor or his designee to be in the best interests of the City, subject to the approval of the City Attorney.

APPROVED: JAN I. GOLDSMITH, City Attorney

By


Brock L. Ladewig
Deputy City Attorney

BLL:mcm
3/15/2011
Or.Dept:Real Estate Assets Dept.
PL#2011-06078
Companion to: RA-2011-116

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of MAR 15 2011.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 3.15.11
(date)


JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor