

RESOLUTION NUMBER R- 308142

DATE OF FINAL PASSAGE MAY 30 2013

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN DIEGO APPROVING THE AFFORDABLE HOUSING MASTER PLAN, AUTHORIZING CIVIC SAN DIEGO TO PROCEED WITH IMPLEMENTATION OF THE AFFORDABLE HOUSING MASTER PLAN, AND AUTHORIZING THE NEGOTIATION OF A POTENTIAL AMENDMENT TO AN EXISTING AGREEMENT FOR CONSULTING SERVICES WITH CIVIC SAN DIEGO.

WHEREAS, from its formation in 1958 until its elimination on February 1, 2012, the Redevelopment Agency of the City of San Diego (Former RDA) administered the implementation of various redevelopment projects, programs, and activities within designated redevelopment project areas throughout the City of San Diego (City), and there are presently fourteen such project areas; and

WHEREAS, the Former RDA dissolved as of February 1, 2012, in accordance with a deadline for elimination of all redevelopment agencies throughout California set forth in Assembly Bill x1 26 (AB 26), as modified by the California Supreme Court in a final opinion issued on December 29, 2011, in litigation designated as Case No. S194861; and

WHEREAS, before the Former RDA's dissolution, the City Council adopted Resolution No. R-307238 effective January 12, 2012, designating the City to serve as the successor agency to the Former RDA (Successor Agency) pursuant to California Health and Safety Code section 34173(d)(1), and further designating the City to serve as the successor housing entity to the Former RDA (Successor Housing Entity) for purposes of performing the Former RDA's housing functions pursuant to California Health and Safety Code section 34176(a)(1); and

WHEREAS, upon the Former RDA's dissolution on February 1, 2012, the Successor Agency became vested with all of the Former RDA's authority, rights, powers, duties, and obligations under the California Community Redevelopment Law and, by operation of law, received all assets, properties, contracts, leases, books and records, buildings, and equipment of the Former RDA; and

WHEREAS, the Successor Agency is winding down the Former RDA's affairs in accordance with AB 26, enacted on June 28, 2011, and Assembly Bill 1484 (AB 1484), enacted on June 27, 2012; and

WHEREAS, pursuant to California Health and Safety Code section 34181(c), the seven-member Oversight Board directed the Successor Agency to transfer the Former RDA's affordable housing assets (Housing Assets) to the City as Successor Housing Entity, and the California Department of Finance approved the Oversight Board's decision; and

WHEREAS, the Successor Agency transferred the Housing Assets to the Successor Housing Entity on or about January 28, 2013; and

WHEREAS, pursuant to California Health and Safety Code section 34176(d), the Successor Housing Entity has created a new, separate fund, known as the Low and Moderate Income Housing Asset Fund (Housing Asset Fund), for purposes of depositing the Housing Assets transferred by the Successor Agency to the Successor Housing Entity and retaining any revenues generated from the Housing Assets in the future; and

WHEREAS, California Health and Safety Code section 34176(d) requires all monies in the Housing Asset Fund to be used in accordance with applicable housing-related provisions of the Community Redevelopment Law; and

WHEREAS, Civic San Diego, a California nonprofit corporation, administers affordable housing projects and implements housing functions on behalf of the Successor Housing Entity pursuant to the “Agreement for Consulting Services by and between the City of San Diego and Civic San Diego for Successor Agency and Housing Successor Agency Services” dated September 26, 2012, and filed with the Office of the City Clerk as Document No. RR-307537, as amended by the “First Amendment to Agreement for Consultant Services by and between the City of San Diego and Civic San Diego for Successor Agency and Housing Successor Agency Services” dated November 28, 2012 (collectively, the Consultant Agreement); and

WHEREAS, while not required by law, Civic San Diego has prepared an Affordable Housing Master Plan that outlines a proposed strategy and serves as a guiding instrument for the use and disposition of the Housing Assets to maximize continued affordable housing production and to promote affordable housing goals in the City; and

WHEREAS, the Affordable Housing Master Plan consists of Report to Council No. CSD 13-05 dated April 30, 2013, and all attachments thereto; and

WHEREAS, among other things, the Affordable Housing Master Plan envisions the sale of certain higher-value real estate Housing Assets in downtown San Diego to market-rate developers who will agree to construct at least 15 percent of the total residential units on the site as affordable housing units pursuant to recorded covenants, and further envisions that the net proceeds of each sale will be deposited into the Housing Asset Fund to be applied toward investment in new affordable housing projects outside of downtown; and

WHEREAS, the Affordable Housing Master Plan contemplates that Civic San Diego will assist with the sale of those higher-value real estate Housing Assets for negotiated fair market value and introduces a concept by which Civic San Diego will receive a proposed transaction fee

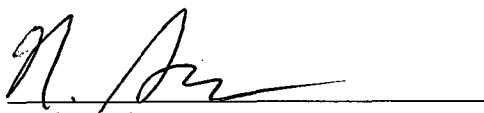
equal to four percent of the gross proceeds of the sale of each Housing Asset payable upon the closing of each sale (Proposed Transaction Fee); and

WHEREAS, implementation and payment of the Proposed Transaction Fee, which is intended to be used to cover Civic San Diego's staffing expenses in promoting future affordable housing opportunities throughout the City, would require a new amendment to the Consultant Agreement; NOW, THEREFORE,

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

1. Subject to Paragraph 3 below, the Affordable Housing Master Plan is approved.
2. Civic San Diego is authorized to proceed with implementation of the Affordable Housing Master Plan.
3. The Mayor or designee is authorized to negotiate with Civic San Diego concerning the terms of a proposed new amendment to the Consultant Agreement, to be presented to the City Council for its future consideration, which could allow payment of the Proposed Transaction Fee to Civic San Diego. Unless and until such a negotiated amendment to the Consultant Agreement is approved by the City Council and executed by the City and Civic San Diego, no transaction fee shall be payable to Civic San Diego in connection with the sale or transfer of any Housing Asset.

APPROVED: JAN I. GOLDSMITH, City Attorney

By   
Nathan Slegers  
Deputy City Attorney

NS:mm  
April 30, 2013  
Or.Dept: Civic San Diego  
Doc. #539939

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of ~~MAY 13~~ **MAY 13 2013**

ELIZABETH S. MALAND  
City Clerk

By   
Deputy City Clerk

Approved: \_\_\_\_\_  
(date)

\_\_\_\_\_  
BOB FILNER, Mayor

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
BOB FILNER, Mayor

Notes

Note: This Resolution was returned unsigned by the Mayor's Office to the Office of the City Clerk on May 30, 2013 at 4:02 p.m. Pursuant to San Diego Charter Section 295 (a)(2), this Resolution is deemed approved on May 30, 2013.

Passed by the Council of The City of San Diego on MAY 13 2013, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Sherrri Lightner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kevin Faulconer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Todd Gloria	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
District 4 (Vacant)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marti Emerald	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage MAY 30 2013

AUTHENTICATED BY:

(Seal)

BOB FILNER  
Mayor of The City of San Diego, California.

ELIZABETH S. MALAND  
City Clerk of The City of San Diego, California.

By , Deputy

Office of the City Clerk, San Diego, California
Resolution Number R- <u>308142</u>