

Item S504-B
6/17/14 Tues.

RESOLUTION NUMBER R- 309072

DATE OF FINAL PASSAGE JUN 25 2014

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO MAKING CERTAIN FINDINGS RELATING TO THE USE OF LOW AND MODERATE INCOME HOUSING TAX INCREMENT FUNDS OUTSIDE OF THE NAVAL TRAINING CENTER REDEVELOPMENT PROJECT AREA AND APPROVING A REVOCABLE GRANT AGREEMENT AMONG THE CITY OF SAN DIEGO, TOUSSAINT TEEN CENTER, L.P., AND S.V.D.P. MANAGEMENT, INC.

WHEREAS, in 1993 the United States Government authorized the closure of the Naval Training Center (NTC), located within the jurisdictional boundaries of the City of San Diego (City); and

WHEREAS, the Council of the City of San Diego (Council) has been officially recognized by the United States Department of Defense as the Local Redevelopment Authority responsible for the closure and redevelopment of NTC; and

WHEREAS, the Council established an advisory group, the NTC Reuse Committee, to advise the Council regarding the closure and reuse of NTC; and

WHEREAS, the NTC Reuse Committee established a structure of subcommittees to conduct outreach on certain aspects of the closure and reuse process, including the formation of a Homeless Subcommittee; and

WHEREAS, on July 1, 1996, the Council established parameters with the Homeless Subcommittee to support a financing and implementation plan that would establish up to 150 off-site transitional housing units in Council District 2; and

WHEREAS, on July 31, 1999, the City and Homeless Subcommittee executed the Agreement Between the City and Representatives of the Homeless Regarding the Homeless

Assistance Element of the San Diego NTC Reuse Plan (as amended, the NTC Homeless Assistance Agreement), which provides that a dollar commitment of \$50,000 for each of the proposed 150 transitional housing units, equal to \$7,500,000, is to be expended by certain identified transitional housing and homeless service providers on projects proposed by the members of the Homeless Subcommittee; and

WHEREAS, on July 19, 2005, pursuant to Resolution No. R-300691, the Council approved the First Amendment to the NTC Homeless Assistance Agreement, which authorized the funding of a project outside of Council District 2; and

WHEREAS, on February 14, 2007, pursuant to Resolution No. R-302353, the Council approved the Second Amendment to the NTC Homeless Assistance Agreement, which authorized funding of other projects located outside the boundaries of Council District 2 but within the City, redistributed funds among the transitional housing and homeless service providers, and provided for subsequent agreements between the former Redevelopment Agency of the City of San Diego (Former RDA) and the transitional housing and homeless service providers to implement and fund individual projects where the Former RDA was the source of funds for the project; and

WHEREAS, on April 28, 2009, pursuant to Resolution No. R-304854, the Council approved the Third Amendment to the NTC Homeless Assistance Agreement, which provided for use of funds granted under the NTC Homeless Assistance Agreement for rehabilitation of existing facilities; and

WHEREAS, Saint Vincent de Paul Villages is a nonprofit organization that provides transitional housing and related services to persons at risk of homelessness; and

WHEREAS, Toussaint Teen Academy, L.P. (Owner), an affiliate of St. Vincent de Paul Villages, owns the Toussaint Academy, an educational and transitional housing facility located at 1404 5th Avenue (Property) in the Centre City Redevelopment Project Area that provides transitional housing and educational and supportive services to homeless youth not involved in the court or foster care systems; and

WHEREAS, S.V.D.P. Management, Inc. (Grantee), another affiliate of St. Vincent de Paul Villages, operates the Toussaint Academy; and

WHEREAS, the Grantee has proposed to use a portion of the available funds under the NTC Homeless Assistance Agreement to rehabilitate the Toussaint Academy, including but not limited to, interior and exterior painting and window replacement (Project); and

WHEREAS, the Homeless Subcommittee has recommended that the grant of \$380,000 (Grant) be made to Grantee for the Project; and

WHEREAS, a separate action is before the Council for approval of a Fourth Amendment to the NTC Homeless Assistance Agreement that would provide for an allocation of \$380,000 for the Project; and

WHEREAS, the City wishes to enter into a Revocable Grant Agreement with Grantee and Owner (Grant Agreement) to fund the Project; and

WHEREAS, in consideration for the Grant being made to Grantee, Owner shall execute an Agreement Affecting Real Property imposing use restrictions on the Property requiring that transitional housing for persons of very low income, as defined in California Health and Safety Code section 50105, be made available on the Property for at least 55 years from completion of the Project; and

WHEREAS, California Health and Safety Code section 33334.2 provides that low and moderate income housing funds shall be used to provide housing for specific income groups, and that findings of benefit to the project area from which the funds are derived must be made by the Council prior to the approval of the use of such funds outside of the redevelopment project area; and

WHEREAS, funds provided under the Grant Agreement (Grant Funds) would consist of low and moderate income housing funds derived from the NTC Redevelopment Project Area, and would be used for the Project located in the Centre City Redevelopment Project Area; and

WHEREAS, the California Department of Finance (DOF) approved funding for the NTC Homeless Assistance Agreement grants as enforceable obligations to be paid with low and moderate income housing funds in the amounts specified in Items 103, 104, and 105 of the Recognized Obligation Payment Schedule (ROPS), and allowed the transfer of these funds to the City as housing successor as part of the DOF's approval of the list of housing assets by letter dated January 4, 2013; and

WHEREAS, the DOF confirmed its approval of the funding for the NTC Homeless Assistance Agreement grants with low and moderate income housing funds transferred to the City as part of its approval of the housing asset due diligence review by letter dated March 27, 2013, and the funds to be used towards the Grant were transferred to the City as housing successor along with other encumbered low and moderate income housing funds; and

WHEREAS, the Grant Funds are subject to California Health and Safety Code section 34176.1(a), which provides that funds received from the successor agency for items listed on the Recognized Obligation Payment Schedule shall be expended to meet enforceable obligations; and

WHEREAS, the DOF approved expenditure of the Grant Funds in the amount of \$380,000 as specified in Item 104 of ROPS 13-14B, covering the period from January 1, 2014 to June 30, 2014; NOW, THEREFORE

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

1. The Council makes the following Findings of Benefit regarding the proposed use of low and moderate income tax increment from the NTC Redevelopment Project Area for the Project:

a. The use of NTC low and moderate income housing funds will improve the supply of very low income housing within the City, which pursuant to California Health and Safety Code section 33334.6(a) is a direct benefit to the NTC project area in accomplishing the project area's objectives whether or not the project provides for housing within the project area.


b. The NTC Redevelopment Project Area will benefit from the funding of this Project as a partial fulfillment of the NTC Homeless Assistance Agreement.

2. The Council approves the Grant Agreement, including all attachments and exhibits thereto, a fully-executed copy of which shall be placed on file in the office of the City Clerk as Document No. RR- 309072.

3. The Council authorizes the Mayor, or designee, to execute the Grant Agreement, and take all actions and execute all documents necessary to carry out the Grant Agreement.

4. The Council authorizes the Chief Financial Officer, as delegated, to appropriate and expend an amount not to exceed \$380,000 for the Grant pursuant to the Grant Agreement from Fund No. 200706 per Item 104 in ROPS 13-14B.

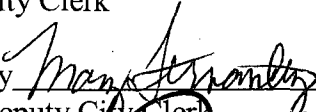
APPROVED: JAN I. GOLDSMITH, City Attorney

By 
Nathan Slegers
Deputy City Attorney

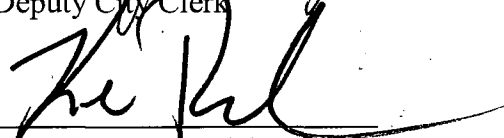
NLJS:dkr
06/02/2014
06/16/2014 Cor. Copy
Or.Dept: Economic Development
Doc. No. 797728_3

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JUN 17 2014.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 6/25/14
(date)


KEVIN L. FAULCONER, Mayor

Vetoed: _____
(date)

KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on JUN 17 2014, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Sherri Lightner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ed Harris	<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"/>
Myrtle Cole	<input checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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 JUN 25 2014

(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

KEVIN L. FAULCONER
Mayor of The City of San Diego, California.

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

(Seal)

By *May Hernandez*, Deputy

Office of the City Clerk, San Diego, California

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