

RESOLUTION NUMBER R- 309749

DATE OF FINAL PASSAGE MAY 19 2015

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO MAKING CERTAIN FINDINGS AND DETERMINATIONS, AND APPROVING VARIOUS ACTIONS, RELATED TO THE PROPOSED TROLLEY RESIDENTIAL AFFORDABLE HOUSING PROJECT.

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

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 *California Redevelopment Assn v. Matosantos*, 53 Cal. 4th 231 (2011); 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 (Code) section 34173(d)(1), and further designating the City to serve as the housing successor to the Former RDA (Housing Successor) for purposes of performing the Former RDA's housing functions pursuant to 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 (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, Assembly Bill 1484 (AB 1484), enacted on June 27, 2012, and subsequent legislation; and

WHEREAS, pursuant to 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 Housing Successor, and the California Department of Finance (DOF) approved the Oversight Board's decision on January 4, 2013; and

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

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

WHEREAS, Code section 34176(d) requires all monies in the Housing Asset Fund to be used in accordance with applicable housing-related provisions of the Redevelopment Law, including Code sections 34176(a) and 34176.1(a)(3)(A), which require, among other things, that at least 30 percent of such funds be expended for the development of housing affordable to and occupied by extremely low-income households, defined as households earning 30 percent or less of Area Median Income (AMI); and

WHEREAS, Civic San Diego (Civic SD) administers affordable housing projects and implements housing functions on behalf of the Housing Successor pursuant to a written consultant agreement, as amended; and

WHEREAS, Civic SD, acting on behalf of the City, has negotiated an Owner Participation Agreement included as Attachment C to Staff Report No. CSD-15-10 (Agreement) with Trolley Residential CIC, LP, a California limited partnership (Owner), wherein Owner has agreed to construct a 52-unit housing project, which includes 51 affordable housing units and one manager unit (Project), on an approximately 1.84 acre site owned by Owner, and generally located on the south side of Market Street in the Chollas View neighborhood of Encanto and in the Southeastern San Diego Merged Redevelopment Project Area (Property); and

WHEREAS, the Agreement provides for the financing of Owner's acquisition and construction of a portion of the Project consisting of six residential units (Eligible Residential Units), which upon completion of construction, shall be operated as rental housing that is affordable to extremely low-income households, as more specifically defined and provided for in the Agreement; and

WHEREAS, pursuant to Resolution No. R-304857 adopted effective April 28, 2009, the Former RDA, acting as the designated "lead agency" for purposes of the California Environmental Quality Act (CEQA), has previously certified the Final Environmental Impact Report for the Fifth Amendment to the Central Imperial Redevelopment Plan (2009 Final EIR), on file with the City Clerk as Document No. D-304857; and

WHEREAS, the City has administered the preparation of the Environmental Secondary Study for the Project dated February 10, 2010 and the Final Environmental Impact Report Consistency Evaluation for the Project dated February 20, 2015 (collectively, Consistency

Evaluation), which are included as Attachment D to Staff Report No. CSD-15-10, in accordance with CEQA and state and local guidelines adopted pursuant thereto; and

WHEREAS, the Consistency Evaluation sets forth findings that the Project is within the scope of the development program analyzed in the 2009 Final EIR, and will not result in new or increased environmental effects compared to what already has been evaluated under such CEQA documents; and

WHEREAS, the Agreement contemplates that the City will issue to the Owner a loan in the amount not to exceed \$800,000 (City Loan) from the Housing Asset Fund; and

WHEREAS, the Project will involve the production of 51 affordable housing units (Affordable Units), including the Eligible Residential Units, which shall be subject to 55-year affordability covenants; and

WHEREAS, the Affordable Units will be restricted as follows: 18 units restricted to households earning 60 percent of AMI; 16 units restricted to households earning 50 percent of AMI; 11 units restricted to households earning 40 percent of AMI; and 6 units restricted to households earning 30 percent of AMI (i.e., the Eligible Residential Units); and

WHEREAS, the City will cause to be recorded an Agreement Affecting Real Property (Attachment No. 6 to the Agreement) which imposes the 55-year affordability covenants on the Eligible Residential Units; NOW, THEREFORE,

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

1. Consistent with the analysis contained in the Consistency Evaluation, the environmental effects of the Project were adequately addressed in the 2009 Final EIR and the Project is within the scope of the development program described therein.

2. The Council adopts the following findings and determinations, as set forth in the Consistency Evaluation, with respect to the environmental effects of the Project:

(a) No substantial changes are proposed in the Southeastern San Diego Merged Redevelopment Project, or with respect to the circumstances under which the Southeastern San Diego Merged Redevelopment Project is to be undertaken as a result of the Project, which will require important or major revisions in the 2009 Final EIR; and

(b) No new information or substantial importance to the Southeastern San Diego Merged Redevelopment Project has become available, which was not known or could not have been known at the time the 2009 Final EIR was certified as complete, and which shows that the Project will have any significant effects not discussed previously in the 2009 Final EIR, or that any significant effects previously examined will be substantially more severe than shown in the 2009 Final EIR, or that any mitigation measures or alternatives previously found not to be feasible or not previously considered would substantially reduce or lessen any significant effects on the environment; and

(c) No negative declaration, subsequent environmental impact report, or supplement or addendum to the 2009 Final EIR is necessary or required; and

(d) The development of the Project will have no significant effect on the environment, except as identified and considered in the 2009 Final EIR, and no new or additional project-specific mitigation measures are required in connection with development of the Project; and

(e) The Project will not have any new effects that were not adequately covered in the 2009 Final EIR, and therefore, the Project is within the scope of the development program approved under the 2009 Final EIR.

3. Pursuant to CEQA Guidelines section 15162, the Council determines that no further environmental documentation is required to address the potential environmental effects of the Project.

4. The Council approves the Agreement, including all attachments and exhibits thereto.

5. The Mayor, or his designee, is authorized to execute the Agreement, including all attachments and exhibits thereto requiring the City's signature; a copy of the fully-executed Agreement shall be placed on file in the Office of the City Clerk as Document No.

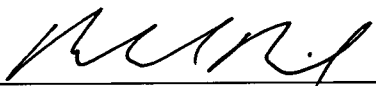
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6. The Mayor, or designee, is authorized to sign all documents necessary and appropriate to carry out and implement the Agreement and to administer the City's obligations, responsibilities, and duties to be performed under the Agreement, including all attachments and exhibits thereto.

7. The Chief Financial Officer, as delegated, is authorized to appropriate, encumber, and expend an amount not to exceed \$800,000 from the Low and Moderate Income Housing Asset Fund in accordance with the Agreement, contingent on certification by the City Comptroller that funds are available.

APPROVED: JAN I. GOLDSMITH, City Attorney

By



Michael T. Reid
Deputy City Attorney

MTR:meb
May 4, 2015
Or.Dept: Civic San Diego
Doc. No.: 1008791

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of 5/19/2015.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 5/19/15
(date)


KEVIN L. FAULCONER, Mayor

Vetoed: _____
(date)

KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on MAY 19 2015, 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"/>
Lorie Zapf	<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"/>
Chris Cate	<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 MAY 19 2015

(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 , Deputy

Office of the City Clerk, San Diego, California

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