

REQUEST FOR REDEVELOPMENT AGENCY ACTION CITY OF SAN DIEGO	CERTIFICATE NUMBER (FOR COMPTROLLER'S USE ONLY) 3000003404
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TO: REDEVELOPMENT AGENCY/CITY COUNCIL	FROM (ORIGINATING DEPARTMENT): City Redevelopment	DATE: 07/01/2010
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SUBJECT: Housing Enhancement Loan Program FY 2011 Findings of Benefit

PRIMARY CONTACT (NAME, PHONE): Ulysses Panganiban, 236-6261, 56D	SECONDARY CONTACT (NAME, PHONE): Michele St. Bernard, 236-6531, 56D
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COMPLETE FOR ACCOUNTING PURPOSES

FUND					
DEPT / FUNCTIONAL AREA	See Attached				
ORG / COST CENTER					
OBJECT / GENERAL LEDGER ACCT					
JOB / WBS OR INTERNAL ORDER					
C.I.P./CAPITAL PROJECT No.					
AMOUNT	0.00	0.00	0.00	0.00	0.00



FUND					
DEPT / FUNCTIONAL AREA					
ORG / COST CENTER					
OBJECT / GENERAL LEDGER ACCT					
JOB / WBS OR INTERNAL ORDER					
C.I.P./CAPITAL PROJECT No.					
AMOUNT	0.00	0.00	0.00	0.00	0.00

COST SUMMARY (IF APPLICABLE): Fiscal Impact: \$735,695 total from the following redevelopment project areas: College Grove, Crossroads, Grantville, Linda Vista, and North Park. These program expenditures are included in the approved Fiscal Year 2011 budget and have been taken into account when determining each project area's ability to pay into the State's ERAF and CDBG debt to the City.

ROUTING AND APPROVALS

CONTRIBUTORS/REVIEWERS:	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED
Environmental Analysis	ORIG DEPT.	Weinrick, Janice	7/1/2010
Comptroller	CFO		
Liaison Office	DEPUTY CHIEF	Weinrick, Janice	7/8/2010
	COO		
	CITY ATTORNEY	Berkey, Kendall	7/8/2010
	COUNCIL PRESIDENTS OFFICE	JuradoSainz, Diana	7/14/2010

PREPARATION OF: RESOLUTIONS ORDINANCE(S) AGREEMENT(S) DEED(S)

Redevelopment Agency:

- 1.Approving and adopting findings that allow for the use of low- and moderate-income housing tax increment set-aside funds outside the College Grove Redevelopment Project Area for the College Grove Redevelopment Housing Enhancement Loan Program.
- 2.Approving and adopting findings that allow for the use of low- and moderate-income housing tax increment set-aside funds outside the Crossroads Redevelopment Project Area for the Crossroads Redevelopment Housing Enhancement Loan Program.
- 3.Approving and adopting findings that allow for the use of low- and moderate-income housing tax increment set-aside funds outside the Grantville Redevelopment Project Area for the Grantville Redevelopment Housing Enhancement Loan Program.
- 4.Approving and adopting findings that allow for the use of low- and moderate-income housing tax increment set-aside funds outside the Linda Vista Redevelopment Project Area for the Linda Vista Redevelopment Housing Enhancement Loan Program.
- 5.Approving and adopting findings that allow for the use of low- and moderate-income housing tax increment set-aside funds outside the North Park Redevelopment Project Area for the North Park Redevelopment Housing Enhancement Loan Program.

City Council:

- 1.Approving and adopting findings that allow for the use of low- and moderate-income housing tax increment set-aside funds outside the College Grove Redevelopment Project Area for the College Grove Redevelopment Housing Enhancement Loan Program.
- 2.Approving and adopting findings that allow for the use of low- and moderate-income housing tax increment set-aside funds outside the Crossroads Redevelopment Project Area for the Crossroads Redevelopment Housing Enhancement Loan Program.
- 3.Approving and adopting findings that allow for the use of low- and moderate-income housing tax increment set-aside funds outside the Grantville Redevelopment Project Area for the Grantville Redevelopment Housing Enhancement Loan Program.
- 4.Approving and adopting findings that allow for the use of low- and moderate-income housing tax increment set-aside funds outside the Linda Vista Redevelopment Project Area for the Linda Vista Redevelopment Housing Enhancement Loan Program.
- 5.Approving and adopting findings that allow for the use of low- and moderate-income housing tax increment set-aside funds outside the North Park Redevelopment Project Area for the North Park Redevelopment Housing Enhancement Loan Program.

STAFF RECOMMENDATIONS:

Staff recommends approving all the requested actions.

SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION)

COUNCIL DISTRICT(S):	3, 4, 6, and 7
COMMUNITY AREA(S):	College Area, Linda Vista, Mid-City (City Heights and Eastern), Navajo, North Park, Tierrasanta
ENVIRONMENTAL IMPACT:	<p>This activity will not result in a direct or reasonably foreseeable indirect physical change in the environment, and is not subject to the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15060(c)(2).</p> <p>Housing Impact: Program assists low- and moderate-income owner-occupants enhance their homes.</p>
CITY CLERK INSTRUCTIONS:	Redevelopment Agency and Council companion items.

FY 2011 HELP Findings of Benefit Actions - Accounting Information

Rehab LOAN							
Project Area	Fund	G/L Account	Cost Center	Internal Order	Functional Area	Amount	
College Grove FY 11	200550	512225	2235400022	935400701101	OTHR-00000013-NS	\$	127,500
Crossroads FY11	200535	512225	2240400022	940400701101	OTHR-00000013-NS	\$	222,700
Grantville FY 11	200536	512225	2250400022	950400701101	OTHR-00000013-NS	\$	42,500
Linda Vista FY 11	200546	512225	2260400022	960400701101	OTHR-00000013-NS	\$	20,604
North Park FY11	200539	512225	2280400022	980400703101	OTHR-00000013-NS	\$	212,500
Total						\$	625,804

ADMIN EXPENSE							
Project Area	Fund	G/L Account	Cost Center	Internal Order	Functional Area	Amount	
College Grove FY 11	200550	512059	2235400022	935400701101	OTHR-00000012-NS	\$	22,500
Crossroads FY11	200535	512059	2240400022	940400701101	OTHR-00000012-NS	\$	39,300
Grantville FY 11	200536	512059	2250400022	950400701101	OTHR-00000012-NS	\$	7,500
Linda Vista FY 11	400647 200546	512059	2260500011	960500106101	OTHR-00000012-NS	\$	3,091
North Park FY11	200539	512059	2280400022	980400703101	OTHR-00000012-NS	\$	37,500
Total Interest						\$	109,891

TOTAL							
Project Area							Amount
College Grove FY 11							\$ 150,000
Crossroads FY11							\$ 262,000
Grantville FY 11							\$ 50,000
Linda Vista FY 11							\$ 23,695
North Park FY11							\$ 250,000
Total							\$ 735,695

**REDEVELOPMENT AGENCY ACTION
EXECUTIVE SUMMARY SHEET
CITY OF SAN DIEGO**

DATE: 07/01/2010

ORIGINATING DEPARTMENT: City Redevelopment

SUBJECT: Housing Enhancement Loan Program FY 2011 Findings of Benefit

COUNCIL DISTRICT(S): 3, 4, 6, and 7

CONTACT/PHONE NUMBER: Ulysses Panganiban/236-6261, 56D

REQUESTED ACTION:

REDEVELOPMENT AGENCY: Approve and adopt findings that allow for the use of low-and moderate-income housing tax increment set-aside funds out of the College Grove, Crossroads, Grantville, Linda Vista, and North Park redevelopment project areas for each area's respective Housing Enhancement Loan Program (HELP).

CITY COUNCIL: Approve and adopt findings that allow for the use of low- and moderate-income housing tax increment set-aside funds out of the College Grove, Crossroads, Grantville, Linda Vista, and North Park redevelopment project areas for each area's respective HELP.

STAFF RECOMMENDATION:

Staff recommends approving all the requested actions.

EXECUTIVE SUMMARY OF ITEM BACKGROUND:

The Redevelopment Agency created HELP as part of an overall redevelopment program to increase, improve, and preserve the supply of low- and moderate-income housing occupied by persons and families of extremely low, very low, low, and moderate income within the redevelopment project areas and the surrounding neighborhoods. The program is actively being marketed and implemented and has been very successful, and some project areas are in need of additional funds to assist more homeowners due to the high demand for these home rehabilitation loans.

Under California Community Redevelopment Law, the Agency and Council must make findings of benefit to the redevelopment project area from which funds are derived in order to spend those funds outside of the subject redevelopment project area. Because the College Grove, Crossroads, Grantville, Linda Vista, and North Park HELP provide loans to participants who may live outside of the project areas from which the funds are derived, the Agency and Council must make findings of benefit to recapitalize these programs.

FISCAL CONSIDERATIONS:

On June 21, 2010, the Redevelopment Agency approved the Fiscal Year 2011 budget for the redevelopment project areas managed by the Redevelopment Division of the City Planning & Community Investment Department. The approved Fiscal Year 2011 budget allocates \$735,695 to recapitalize the previously approved HELP for College Grove, Crossroads, Grantville, Linda Vista, and North Park. Funding HELP in Fiscal Year 2011 would not hamper the Agency's ability to pay into its Community Development Block Grant (CDBG) debt to the City and to pay into the state of California's Educational Revenue Augmentation Fund (ERAF) upon legal

obligation. These proposed expenditures have been taken into account when determining the project areas' ability to fund their estimated portions of pending CDBG and ERAF payments.

EQUAL OPPORTUNITY CONTRACTING INFORMATION (IF APPLICABLE):

None.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

On December 7, 2009, the Agency and Council approved and adopted findings of benefit to recapitalize HELP in Fiscal Year 2010 for College Grove, Crossroads, Linda Vista, and North Park.

ENVIRONMENTAL IMPACT:

This activity will not result in a direct or reasonably foreseeable indirect physical change in the environment, and is not subject to the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15060(c)(2).

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

On May 7, 2010, and June 21, 2010, the Redevelopment Agency held public meetings on the Fiscal Year 2011 Redevelopment Agency budget, which included proposed funding allocations for HELP.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Owner-occupants of one- and two-unit properties within the boundaries of the College Grove HELP, Crossroad HELP, Grantville HELP, Linda Vista HELP, and North Park HELP whose gross household income is not greater than 100% of the Area Median Income.

ALTERNATIVE:

The alternative to staff's recommendations is to disapprove and not adopt the findings of benefit. In such a case, HELP would continue to be offered to owner-occupants of homes strictly within the College Grove, Crossroads, Grantville, Linda Vista, and North Park redevelopment project areas, which would effectively halt HELP in those areas since there is no or very little residential development within them.

Weinrick, Janice

Originating Department

Weinrick, Janice

Deputy Chief/Chief Operating Officer