

REDEVELOPMENT AGENCY OF
THE CITY OF SAN DIEGO

RESOLUTION NUMBER R-_____

DATE OF FINAL PASSAGE _____

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO (i) APPROVING AN EXCLUSIVE NEGOTIATION AGREEMENT WITH CONNECTIONS HOUSING DOWNTOWN, L.P. FOR THE PROPOSED REHABILITATION AND OPERATION OF THE WORLD TRADE CENTER BUILDING LOCATED AT 1250 SIXTH AVENUE (PROPERTY) AS A HOMELESS SERVICE CENTER AND HOUSING FACILITY (FACILITY) WITHIN THE CENTRE CITY REDEVELOPMENT PROJECT AREA (PROJECT AREA); (ii) AUTHORIZING AGENCY STAFF TO ENTER INTO EXCLUSIVE NEGOTIATIONS WITH THE CITY OF SAN DIEGO FOR SITE CONTROL OF THE PROPERTY FOR THE FACILITY; AND (iii) AUTHORIZING AGENCY STAFF TO ENTER INTO EXCLUSIVE NEGOTIATIONS WITH THE CITY OF SAN DIEGO FOR ACQUISITION OF THE ADJACENT PARKING STRUCTURE FOR FUTURE REHABILITATION OR REDEVELOPMENT WITHIN THE PROJECT AREA.

WHEREAS, the Redevelopment Agency of the City of San Diego (Agency) is engaged in activities necessary to carry out and implement the Redevelopment Plan for the Centre City Redevelopment Project Area (Project Area); and

WHEREAS, the Centre City Development Corporation, Inc. (CCDC) has been authorized to administer the redevelopment projects within the Project Area; and

WHEREAS, in order to carry out and implement the Redevelopment Plan, CCDC, in collaboration with the San Diego Housing Commission (SDHC) and the City of San Diego (City), issued a Request for Proposals (RFP) on April 3, 2009 with a goal to address homelessness by providing housing coupled with supportive services, consistent with the

Housing First Model as outlined in the 10-Year Plan to End Chronic Homelessness in the San Diego Region; and

WHEREAS, a selection committee was formed, representing the public sector, business community, residents and non-profit organizations working on homelessness issues in San Diego, and specifically consisted of representatives from the CCDC, SDHC, City, Downtown Resident Group, East Village Community Action Network, United Way, County of San Diego Department of Mental Health, Downtown Partnership and Corporation for Supportive Housing; and

WHEREAS, after an extensive review process, the selection committee recommended the selection of a proposal submitted by Connections Housing Downtown, L.P., a California limited partnership (Developer) to rehabilitate the World Trade Center building located at 1250 Sixth Avenue (Property) into a multi-service center, a medical clinic, 150 interim housing beds and 75 permanent supportive housing units; and

WHEREAS, on July 14, 2010, the Land Use and Housing Committee (LU&H) of the City approved a recommendation to the City Council to request that the Agency enter into exclusive negotiations with the Developer for rehabilitation and operation of the Facility, and further approved a recommendation to the City Council to authorize staff to negotiate disposition of the Property and the adjacent parking structure to the Agency; and

WHEREAS, the Developer proposes to rehabilitate the Property into a one-stop service center and housing for the homeless, which includes a multi-service center, a medical clinic, 150 interim housing beds, and 73 permanent supportive housing units and 2 manager units (Facility); and

WHEREAS, an Exclusive Negotiation Agreement (Agreement) with the Developer and the Agency is proposed in order for the parties to negotiate the terms and conditions of a Disposition and Development Agreement (DDA) for the rehabilitation and operation of the Facility, which DDA would be subject to the Agency being able to secure site control of the Property from the City; and

WHEREAS, pursuant to the Agreement, the Agency and Developer shall negotiate on an exclusive basis for 270 days the terms and conditions of a DDA; however, at the option of the Agency's Executive Director or designee, the negotiation period may be extended for an additional 90 days; and

WHEREAS, during the Agreement period, the Agency will use best efforts to negotiate site control of the Property with the City for purchase or lease and the Agency and the Developer will negotiate the scope of Property rehabilitation, the rehabilitation and operating budgets, funding sources, the Agency subsidy amount, operating conditions of a Conditional Use Permit (CUP) subject to City approval, operating program and service providers and the Property's future ownership structure; and

WHEREAS, the Developer has submitted to the Agency an executed original of the proposed Agreement in the form negotiated by Agency's staff and representatives and the Developer's representatives; and

WHEREAS, the Agency would separately negotiate acquisition of the adjacent parking structure with the City, which is not part of the Facility and may be acquired by the Agency using non-Low and Moderate Income Housing Fund for future rehabilitation or redevelopment; and

WHEREAS, the Agency has duly considered all terms and conditions of the proposed Agreement and believes that the proposed Agreement is in the best interests of the Project Area, the City of San Diego and the health, safety, morals and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local law and requirements; NOW, THEREFORE,

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

1. That the Agency hereby approves the Exclusive Negotiation Agreement (Agreement) by and between the Agency and Connections Housing Downtown, L.P.
2. That the Agency hereby authorizes the Agency Executive Director or designee, for and on behalf of the Agency, to execute the Agreement; a copy of the Agreement, when executed by the Agency, shall be placed on file in the Office of the Agency Secretary as Document No. D-_____.
3. That the Agency hereby authorizes Agency staff and the Centre City Development Corporation, Inc., on behalf of the Agency, to conduct negotiations with Connections Housing Downtown, L.P. pursuant to the Agreement.
4. That the Agency hereby authorizes Agency staff and the Centre City Development Corporation, Inc., on behalf of the Agency, to enter into exclusive negotiations with the City of San Diego for site control of the World Trade Center building located at 1250 Sixth Avenue, City of San Diego (Property).
5. That the Agency hereby authorizes Agency staff and the Centre City Development Corporation, Inc., on behalf of the Agency, to enter into exclusive negotiations

with the City of San Diego for acquisition of the parking structure adjacent to the Property for future rehabilitation or redevelopment.

6. That the Agency hereby authorizes the Agency Executive Director or designee to execute all other documents on behalf of the Agency that are necessary and appropriate to carry out and implement the purposes set forth in this Resolution according to its terms, and to administer the Agency's obligations, responsibilities and duties to be performed hereunder.

APPROVED: JAN I. GOLDSMITH, GENERAL COUNSEL

By Kendall D. Berkey
Kendall D. Berkey
Deputy General Counsel

KDB:nda
August 27, 2010
Or.Dept:CCDC
RA-2011-21
PL#2010-02033

I hereby certify that the foregoing Resolution was passed by the Redevelopment Agency of the City of San Diego, at this meeting of _____.

REDEVELOPMENT AGENCY

By _____
Jeannette Santos, Deputy Secretary

Approved: _____
(date)

JERRY SANDERS, Executive Director

Vetoed: _____
(date)

JERRY SANDERS, Executive Director