

<b>REQUEST FOR REDEVELOPMENT AGENCY ACTION</b>			CERTIFICATE NUMBER (FOR COMPTROLLER'S USE ONLY) N/A		
CITY OF SAN DIEGO					
TO: Redevelopment Agency/City Council		FROM (ORIGINATING DEPARTMENT): City Redevelopment		DATE: 02/14/2011	
SUBJECT: Redevelopment Agency Debt to the City and Associated Loan Agreements					
PRIMARY CONTACT (NAME, PHONE): Janice Weinrick, 236-6250 MS 56D			SECONDARY CONTACT (NAME, PHONE): Scott Mercer, 236-6242 MS 56D		
COMPLETE FOR ACCOUNTING PURPOSES					
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
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): No fiscal impact. This item does not alter current (FY 11) debt service by the Agency to the City. Future debt service will be established and approved via the Agency's annual budget approval process. Unless otherwise specified in Loan Agreements, interest accrual on Agency debt to the City ceases on June 30, 2010.					
ROUTING AND APPROVALS					
CONTRIBUTORS/REVIEWERS:		APPROVING AUTHORITY		APPROVAL SIGNATURE	DATE SIGNED
Liaison Office		ORIG DEPT.		Weinrick, Janice	2/16/2011
Comptroller		CFO			
		DEPUTY CHIEF			
		COO		Goldstone, Jay	2/18/2011
		CITY ATTORNEY		Will, Brant	2/17/2011
		COUNCIL PRESIDENTS OFFICE		Jurado-Sainz, Diana	2/18/2011
PREPARATION OF:		<input checked="" type="checkbox"/> RESOLUTIONS	<input type="checkbox"/> ORDINANCE(S)	<input type="checkbox"/> AGREEMENT(S)	<input type="checkbox"/> DEED(S)
Redevelopment Agency:					

1. Execute Loan Agreement with the City and associated Promissory Note to memorialize certain existing loan by the City of United States Department of Housing and Urban Development (HUD) Section 108 funds to the Naval Training Center Redevelopment Project Area and establish the terms of repayment thereof;
2. Execute Loan Agreement with the City and associated Promissory Note to memorialize certain existing loan by the City of HUD Section 108 funds to the City Heights Redevelopment Project Area and establish the terms of repayment thereof;
3. Execute Loan Agreement with the City and associated Promissory Note to memorialize certain existing Redevelopment Agency debt to the City not otherwise established by Promissory Note, Repayment Agreement, Cooperation Agreement, or similar agreement.

City Council:

1. Execute Loan Agreement with the Redevelopment Agency to memorialize certain existing loan by the City of HUD Section 108 funds to the Naval Training Center Redevelopment Project Area and establish the terms of repayment thereof;
2. Execute Loan Agreement with the Redevelopment Agency to memorialize certain existing loan by the City of HUD Section 108 funds to the City Heights Redevelopment Project Area and establish the terms of repayment thereof;
3. Execute Loan Agreement with the Redevelopment Agency to memorialize certain existing Redevelopment Agency debt to the City not otherwise established by Promissory Note, Repayment Agreement, Cooperation Agreement, or similar agreement.

STAFF RECOMMENDATIONS:

Approve the requested actions.

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

COUNCIL DISTRICT(S):	2, 3, 4, 6, 7, 8
COMMUNITY AREA(S):	Barrio Logan, Centre City, City Heights, College Area, Eastern Area, Linda Vista, Mid-City, Midway/Pacific Highway, Peninsula, Old Town, North Park, San Ysidro, Southeastern San Diego
ENVIRONMENTAL IMPACT:	This activity will not result in a direct or reasonably foreseeable indirect physical change in the environment, and is not subject to CEQA pursuant to CEQA Guidelines Section 15060(c)(2).  HOUSING IMPACT: None with this action.
CITY CLERK INSTRUCTIONS:	Council Companion to Redevelopment Agency.

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

DATE: 02/14/2011

ORIGINATING DEPARTMENT: City Redevelopment

SUBJECT: Redevelopment Agency Debt to the City and Associated Loan Agreements

COUNCIL DISTRICT(S): 2, 3, 4, 6, 7, 8

CONTACT/PHONE NUMBER: Janice Weinrick/236-6250 MS 56D

**DESCRIPTIVE SUMMARY OF ITEM:**

This item provides a high level summary of Redevelopment Agency debt to the City and reports that some components of the debt are not presently memorialized through Loan Agreements. The intent of the item is to clarify the Agency's debt to the City and to execute Loan Agreements for those components of the debt that are currently not memorialized through Loan Agreements.

**STAFF RECOMMENDATION:**

Approve the requested actions.

**EXECUTIVE SUMMARY OF ITEM BACKGROUND:**

To execute Loan Agreements to memorialize those components of the Agency debt to the City that are not presently memorialized through Loan Agreements. To cease accrual of interest on all Agency debt to the City as of June 30, 2010 unless otherwise specified in specific Loan Agreements, Repayment Agreements, Cooperation Agreements, or similar documents.

**FISCAL CONSIDERATIONS:**

There is no fiscal impact to debt service currently budgeted as existing debt service obligations are already budgeted pursuant to existing repayment schedules. The proposed Promissory Notes for the City Heights and NTC Section 108 loans serve only to memorialize debt service obligations that are already budgeted. Future debt service by the Agency to the City pertaining to Category 1 Debt (General Debt) would be determined during the development of future Agency Budgets and would be approved by the Agency and City Council concurrently. The proposed Repayment Agreement for existing general (Category 1) debt permanently terminates the accrual of interest on July 1, 2010. This action will cap interest on existing general debt at levels accrued on June 30, 2010.

**EQUAL OPPORTUNITY CONTRACTING INFORMATION (IF APPLICABLE): N/A**

**PREVIOUS COUNCIL and/or COMMITTEE ACTION (describe any changes made to the item from what was presented at committee):**

The Redevelopment Agency and City Council approved the CDBG Repayment Agreement at a public hearing on June 21, 2010.

The Redevelopment Agency was presented information on Redevelopment Agency Debt and Debt Capacity at a public hearing on April 13, 2010.

The Redevelopment Agency and City Council was presented information on Redevelopment Agency debt to the City at a public hearing on February 23, 2010.

**COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:**

None for these actions. Past outreach on the Agency's debt occurred prior to the approval of the 2010 CDBG Repayment Agreement.

**KEY STAKEHOLDERS AND PROJECTED IMPACTS:**

The primary purpose of this action is to execute formal loan agreements for existing City Loans to the Agency that have already been approved through resolutions of the City and the Agency and that are documented in various reports to the Agency and the City Council. This action provides definition and clarity to the terms of these pre-existing agreements and accordingly provides an enhanced public record of these obligations.

**ENVIRONMENTAL REVIEW:** This activity will not result in a direct or reasonably foreseeable indirect physical change in the environment, and is not subject to CEQA pursuant to CEQA Guidelines Section 15060(c)(2)

Weinrick, Janice

Originating Department

Goldstone, Jay

Deputy Chief/Chief Operating Officer