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 MAKING A DETERMINATION THAT THE USE OF LOW- AND MODERATE-INCOME HOUSING FUNDS FROM THE HORTON PLAZA REDEVELOPMENT PROJECT AREA OUTSIDE THE PROJECT AREA WILL BE OF BENEFIT TO THE PROJECT AREA IN ACCORDANCE WITH CALIFORNIA HEALTH AND SAFETY CODE SECTION 33334.2.

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 Horton Plaza Redevelopment Project (Project Area); and

WHEREAS, the intent of the Redevelopment Plan for the Project Area is, in part, to provide for the construction and installation of necessary public infrastructure and facilities; to facilitate the repair, restoration or replacement, or both, of existing public facilities; to perform specific actions necessary to promote the redevelopment and the economic revitalization of the Project Area; to increase, improve and preserve the community's supply of low- and moderate-income housing, some of which may be located or implemented outside the Project Area; and to take all other necessary actions to implement the Redevelopment Plan for the Project Area and to expend tax increment to accomplish these goals and objectives; and

WHEREAS, the current Five-Year Implementation Plan for the Project Area, including any amendments thereto (Implementation Plan), sets out goals to support affordable housing, economic development, community revitalization, commercial revitalization, and institutional revitalization. To implement the programs and activities associated with each goal, the Agency

has made redevelopment fund commitments based on estimated available tax increment revenue and debt financing structures; and

WHEREAS, the Agency and the City of San Diego (City) wish to cooperate with one another to bring about the redevelopment of the Project Area and accomplish various tasks set forth in the Redevelopment Plan and the Implementation Plan; and

WHEREAS, pursuant to Health and Safety Code section 33220, certain public bodies, including the City, may aid and cooperate in the planning, undertaking, construction, or operation of redevelopment projects; and

WHEREAS, pursuant to California Health and Safety Code section 33334.2(g)(1), the Agency may use the Agency's low- and moderate-income housing funds derived from the Project Area for projects that include low- and moderate- income housing and are located outside of the Project Area upon a resolution by the Agency and the City Council that the use of such housing funds will be of benefit to the Project Area; and

WHEREAS, the Agency and the City propose to enter into a Cooperation Agreement (Agreement) to provide for the implementation of certain projects set forth in the Schedule of Projects attached to the Agreement as Exhibit 1 (Projects), and to require the Agency to advance funds to the City in accordance with the Payment Schedule attached to the Agreement as Exhibit 2 for the City's cost of performing its obligations under the Agreement, subject to all of the terms and conditions of the Agreement; and

WHEREAS, the programs and activities associated with the Projects include, but are not limited to, administration, acquisition and disposition of property, development of design criteria, design, planning, feasibility studies, permitting, preparation of construction bid documents, financial and economic analysis, financing, new construction, rehabilitation of

existing improvements and structures, remediation of hazardous materials, elimination or removal of blighting conditions, and monitoring and enforcement of affordable housing covenants and other requirements pursuant to applicable law. The Agency desires assistance and cooperation in the implementation and completion of the Projects in order to carry out the Projects in accordance with the objectives and purposes of the Redevelopment Plan and the Implementation Plan. The City wishes to enter into the Agreement with the Agency to aid the Agency and cooperate with the Agency to implement the Projects expeditiously in accordance with the Redevelopment Plan and the Implementation Plan and to undertake and complete all actions necessary or appropriate to ensure that the objectives of the Redevelopment Plan and the Implementation Plan are fulfilled expeditiously, and in any event within the time effectiveness of the Project Area; and

WHEREAS, the purpose of the Agreement is to facilitate the timely implementation and completion of the Projects and to provide a funding mechanism necessary to effectuate the completion of the Projects with Net Tax Increment, and if required because Net Tax Increment is insufficient, then Other Revenues received by the Agency and Available Fund Balances, as these terms are defined in the Agreement, in this current fiscal year and forthcoming fiscal years; and

WHEREAS, the Agreement provides that the Agency's pledge of Net Tax Increment, Other Revenues and Available Fund Balances pursuant to the Agreement shall constitute obligations to make payments authorized and incurred pursuant to Health and Safety Code sections 33334.2, 33445, 33679 and other applicable statutes. The Agreement states that the obligations set forth in the Agreement are present contractual obligations of the Agency that, if breached by the Agency, will subject the Agency to damages and other liabilities or remedies; and

WHEREAS, the obligations of the Agency under the Agreement shall constitute an indebtedness of the Agency for the purpose of carrying out the Redevelopment Plan for the Project Area, as well as the redevelopment plans for various other redevelopment project areas administered by the Agency and its affiliated redevelopment entities; and

WHEREAS, it is in the best interests of the City and for the common benefit of residents, employees, business tenants and property owners within the Project Area and the City as a whole for certain of the Projects to be developed and constructed in the Project Area (Horton Plaza Projects), as identified in the Schedule of Projects attached as Exhibit 1 to the Agreement; and

WHEREAS, pursuant to Health and Safety Code section 33334.2(g)(1), Agency staff has prepared a written determination and supporting factual information concerning the benefit of the use of the Agency's low- and moderate-income housing funds derived from the Project Area toward certain Projects that include low- and moderate- income housing and are located outside of the Project Area; and

WHEREAS, a copy of such written determination and supporting factual information (33334.2 Determination) is attached to the staff report pertaining to the joint public hearing on the Agreement. The 33334.2 Determination is on file in the office of the Agency Secretary as Document No. _____, and incorporated fully into this Resolution by this reference; and

WHEREAS, the Agency has reviewed and considered the staff report, 33334.2 Determination, documents and other written evidence presented at the hearing (collectively, Documentary Evidence) and all terms and conditions of the proposed Agreement, and believes the payments by the Agency to the City in accordance with the Agreement are in the best interests of the City 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 the City of San Diego as follows:

1. That the Agency finds and determines that the foregoing recitals are true and correct.

2. That the Agency determines, based upon the testimony and Documentary Evidence presented at the public hearing, with respect to the use of low- and moderate- income housing funds derived from the Project Area toward certain Projects that include low- and moderate- income housing located outside of the Project Area, as described in the 33334.2 Determination, that the use of such housing funds will be of benefit to the Project Area.

APPROVED: JAN I. GOLDSMITH, General Counsel

By Kevin Reisch
Kevin Reisch
Deputy General Counsel

KR:nja
02/15/2011
Or.Dept:Redev.Agency
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PL#2011-05653
Comp. R-2011-718

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