



THE CITY OF SAN DIEGO  
**REPORT TO THE CITY COUNCIL**

DATE ISSUED: May 1, 2009

ATTENTION: Budget Review Committee  
Agenda of May 7, 2090

SUBJECT: Technical Review of Southeastern Economic Development Corporation  
Budget

REFERENCE: IBA Report Number 09-01  
IBA Report Number 09-12

REQUESTED ACTION: This is an information item. No action is required.

SUMMARY:

This report is the product of Financial Management's technical review of the Southeastern Economic Development Corporation's Fiscal Year 2010 Proposed Budget. This report is submitted to the Budget Review Committee as a way to call attention to changes in year-to-year budgeting and spending.

**OVERVIEW AND BACKGROUND**

The City of San Diego publishes a City Agencies chapter within Volume I of its Proposed and Annual Budgets. This chapter consists of a high-level overview of Agency Budgets published for the public's information; the Financial Management Department does not play a role in either constructing or monitoring Agency budgets. Agencies included in this chapter are the Redevelopment Agency, Southeastern Economic Development Corporation (SEDC), Centre City Development Corporation (CCDC), San Diego Housing Commission (SDHC), and the San Diego Data Processing Corporation (SDDPC).

During Fiscal Year 2009 various budgetary improprieties came to light associated with SEDC's budget, including the payment of unbudgeted bonuses to staff. Since that investigation, SEDC has worked to institute reforms many of which were recommended in a performance audit released in September of 2008. In addition to implementing the findings of the performance audit and other changes, the Independent Budget Analyst suggested that "Financial Management will perform a technical review [of SEDC's budget] to ensure compliance with the City's process and budget parameters." (*IBA Report Number 09-01:7*) Based on this recommendation, Financial Management will be providing a technical review for each of the Agencies listed in the City Agencies chapter of the Fiscal Year 2010 Proposed Budget. The technical review will include an overview of budgeted expenditures and revenues that more closely mirrors the details provided by City departments.

In previous years, City Agencies had been requested to provide an overview of expenditures for the current and proposed budget years, as well as explanations for any significant budget adjustments and details of reimbursements paid to the City. The request for information this year included more details on budgeted expenditures (including a fringe breakdown), salary information, and revenue sources. City Agencies were asked to provide actual expenditures and revenues for Fiscal Year 2008 (either audited or unaudited), their budgeted and projected expenditures and revenues for Fiscal Year 2009, and their proposed budget for Fiscal Year 2010. Budgeted salaries were only requested for Fiscal Years 2009 and 2010 however, in keeping with the standard format published in the City of San Diego's budget document.

The information in this report is what was provided to Financial Management from the City Agencies, and is more detailed and more current, than what is published in the City's Proposed Budget. The City Agencies chapter in the Proposed Budget does not include revenue budgets, nor Fiscal Year 2009 projected or Fiscal Year 2008 actual expenditures, although the City's Proposed Budget does include Fiscal Year 2008 Annual Budget information that had not been requested as part of the technical review.

Financial Management's technical reviews are not the only new element in the City Agency budget process; Agencies have also been asked to present their budget during the Budget Review Committee Hearings. These new elements of the City Agency budget process has resulted in some difficulties in coordinating these efforts as each of the Agencies have their own budget process timelines that may differ from the City's, as well as from each other's. City Agencies were also asked to provide information to Financial Management for publication and review that they had not been asked for before, and which—particularly in the case of salary information—some Agencies considered to be sensitive information. Financial Management appreciates Agency flexibility in ensuring that Agency budget process timelines accommodate the timing of the City's budget process and that the requested budget and financial information is made available in a timely fashion.

#### **SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION**

SEDC is one of the Redevelopment Agency's public nonprofit corporations and staff oversees the following four redevelopment project areas: Central Imperial, Gateway Center West, Mt. Hope, and Southcrest. SEDC's project budget will be spent in the four redevelopment project areas in order to achieve the following goals: eliminate blight, improve public infrastructure, increase affordable housing, and promote economic development and neighborhood preservation. Please refer to **Attachment A** below for a copy of SEDC's Fiscal Year 2010 Proposed Budget.

SEDC is proposing a \$15.2 million expenditure budget for Fiscal Year 2010 which is a \$3.1 million or 16.9 percent decrease in the expenditure budget from Fiscal Year 2009. This budget has an overall net reduction of 0.50 full-time equivalent (FTE) positions due to the following changes: the addition of 1.00 CFO, 1.00 HR Manager, 1.00 Manager of Projects, and 0.50 Messenger position; and the decrease of 1.00 Director of Finance, 1.00 Sr. Project Manager, 1.00 Community Relations Manager, and 1.00 Research Coordinator. The decrease of the Fiscal Year 2010 Proposed Budget from Fiscal Year 2009 includes a reduction in overall personnel expenses

of \$0.3 million or 17 percent and \$2.8 million or 16.9 percent in non-personnel expenses. The majority of the decrease in non-personnel expenditures is attributed to the reduction in Project Costs of \$1.6 million or 13.8 percent and the reduction in Debt Service Appropriation of \$1.2 million or 27.2 percent. Professional Services increased by \$19,500 or 12.1 percent due to additional services required due to the performance audit. Further explanations of significant budget adjustments between Fiscal Years 2010 and 2009 are listed in **table 6** below.

Personnel expenses for Fiscal Year 2009 are projected to match the \$1.8 million budgeted for that year, while non-personnel expenses are projected to be \$2.1 million or 12.8 percent over-budget due in part to the \$0.5 million ERAF payment. Projected personnel expenses in Fiscal Year 2009 are \$0.3 million or 20.5 percent more than Fiscal Year 2008 actual (unaudited) personnel expenses. Projected non-personnel expenses in Fiscal Year 2009 are \$1.0 million or 5.8 percent higher than actual non-personnel expenditures in Fiscal Year 2008. Details regarding Fiscal Year 2008 Actual Expenditures (unaudited), Fiscal Year 2009 Budget and Projected Expenditures, and the Fiscal Year 2010 Proposed Budget, are displayed in **tables 1 and 2** below.

<b>TABLE 1</b>					
<b>SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION</b>					
<b>PROPOSED BUDGET SUMMARY</b>					
	<b>FY 2008 Actual<sup>1</sup></b>	<b>FY 2009 Budget</b>	<b>FY 2009 Projected<sup>2</sup></b>	<b>FY 2010 Proposed Budget</b>	<b>FY 2009-2010 Change</b>
Positions	14.50	16.00	16.00	15.50	(0.50)
Personnel Expense	\$ 1,452,300	\$ 1,750,700	\$ 1,750,700	\$ 1,452,600	\$ (298,100)
Non-Personnel Expense	\$ 17,583,500	\$ 16,487,300	\$ 18,601,800	\$ 13,704,400	\$ (2,782,900)
<b>TOTAL</b>	<b>\$ 19,035,800</b>	<b>\$ 18,238,000</b>	<b>\$ 20,352,500</b>	<b>\$ 15,157,000</b>	<b>\$ (3,081,000)</b>

<sup>1</sup>Fiscal Year 2008 Actual numbers are unaudited.

<sup>2</sup>Fiscal Year 2009 Projected Budget includes the \$0.5 million ERAF consideration.

**TABLE 2  
SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION EXPENDITURES**

	FY 2008 Actual <sup>1</sup>	FY 2009 Budget	FY 2009 Projected <sup>2</sup>	FY 2010 Proposed Budget	FY 2009-2010 Change
<b>PERSONNEL</b>					
Salaries & Wages	\$ 1,169,900	\$ 1,335,700	\$ 1,335,700	\$ 1,107,100	\$ (228,600)
Fringe Benefits (health)	108,000	206,900	206,900	167,500	(39,400)
Fringe Benefits (pension)	141,000	169,600	169,600	132,900	(36,700)
Fringe Benefits (Life Insurance, Workers' Comp, Employer Employment Taxes)	33,400	38,500	38,500	45,100	6,600
<b>SUBTOTAL PERSONNEL</b>	<b>\$ 1,452,300</b>	<b>\$ 1,750,700</b>	<b>\$ 1,750,700</b>	<b>\$ 1,452,600</b>	<b>\$ (298,100)</b>
<b>NON-PERSONNEL</b>					
Supplies & Services	\$ 428,300	\$ 750,400	\$ 750,400	\$ 648,050	\$ (102,350)
Professional Services	87,200	161,000	161,000	180,500	19,500
Information Technologies	40,500	11,600	11,600	32,400	20,800
Energy/Utilities	23,913	27,600	27,600	31,400	3,800
Equipment Outlay	10,600	15,600	15,600	650	(14,950)
Project Costs	10,363,000	11,274,100	13,388,600	9,720,400	(1,553,700)
Debt Service Appropriation	6,630,000	4,247,000	4,247,000	3,091,000	(1,156,000)
<b>SUBTOTAL NON-PERSONNEL</b>	<b>\$ 17,583,513</b>	<b>\$ 16,487,300</b>	<b>\$ 18,601,800</b>	<b>\$ 13,704,400</b>	<b>\$ (2,782,900)</b>
<b>TOTAL</b>	<b>\$ 19,035,813</b>	<b>\$ 18,238,000</b>	<b>\$ 20,352,500</b>	<b>\$ 15,157,000</b>	<b>\$ (3,081,000)</b>

<sup>1</sup>Fiscal Year 2008 Actual numbers are unaudited.

<sup>2</sup>Fiscal Year 2009 Projected Budget includes the \$0.5 million ERAF consideration.

SEDC's budget includes reimbursements to various City of San Diego departments for services rendered. The Fiscal Year 2010 Proposed Budget for reimbursements is \$0.7 million, \$54,000 more than what was budgeted in the Fiscal Year 2009 Budget due to the inclusion of County Services in SEDC's City Reimbursements budget. SEDC is projecting to exactly expend their Fiscal Year 2009 reimbursement budget for all departments/entities. Fiscal Year 2008 actual data was not provided by SEDC; Fiscal Year 2009 and 2010 budget figures were updated during the writing of this technical review, but Fiscal Year 2008 actual data was not submitted in the updates provided by SEDC despite requests from Financial Management.

Details regarding Fiscal Year 2009 Budget and Projected Reimbursements, and the Fiscal Year 2010 Proposed Budget are displayed in **table 3** below.

**TABLE 3**  
**SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION**  
**REIMBURSEMENTS TO DEPARTMENTS/ENTITIES**

DEPARTMENT/ENTITIES	FY 2009 Budget	FY 2009 Projected	FY 2010 Proposed Budget	FY 2009-2010 Change
City Attorney	\$ 45,500	\$ 45,500	\$ 45,500	\$ -
City Auditor	100,100	100,100	100,100	-
Financial Management	1,000	1,000	1,000	-
Treasurer	30,000	30,000	30,000	-
Redevelopment Division	78,000	78,000	78,000	-
Arbitrage	12,000	12,000	12,000	-
GGS	66,300	66,300	66,300	-
Redevelopment Audit Fees	75,000	75,000	75,000	-
Community Development Block Grant (audit fees)	25,000	25,000	25,000	-
Municipal Revenue Advisor	2,500	2,500	2,500	-
County Services (accounting services) <sup>1</sup>	-	-	54,000	54,000
General Liabilities Insurance	95,000	95,000	95,000	-
Maintenance (street light/storage)	1,200	1,200	1,200	-
Neighborhood Code Compliance	132,000	132,000	132,000	-
<b>TOTAL</b>	<b>\$ 663,600</b>	<b>\$ 663,600</b>	<b>\$ 717,600</b>	<b>\$ 54,000</b>

<sup>1</sup>County Services are combined with the City Reimbursements effective with the Fiscal Year 2010 Budget. Note: Some of the City services such as General Liabilities Insurance, Maintenance, and Neighborhood Code Compliance are reflected in project costs for the Fiscal Year 2010 Budget.

SEDC lists \$15.2 million in revenue for their Fiscal Year 2010 Proposed Budget, a revenue decrease of \$4.7 million or 23.7 percent from Fiscal Year 2009. SEDC explains this decrease in **table 6** as a reduction in tax increment revenue due to anticipated increases in foreclosures and appeals, as well as a reduction in Carryover and Other Income due to depleted bond proceed balances. Revenues for the Fiscal Year 2010 Proposed Budget equal SEDC's expenditures.

Revenues of \$19.9 million are projected to come in at budget in Fiscal Year 2009 which is a decrease of \$10.0 million or 33.4 percent from Fiscal Year 2008 actual (unaudited) revenues. Details regarding Fiscal Year 2008 Actual Revenues (unaudited), Fiscal Year 2009 Budget and Projected Revenues, and the Fiscal Year 2010 Proposed Revenues, are displayed in **table 4** below.

Revenue Source	FY 2008 Actual <sup>1</sup>	FY 2009 Budget	FY 2009 Projected	FY 2010 Proposed Budget	FY 2009-2010 Change
Tax Increment <sup>2</sup>	\$ 6,635,000	\$ 7,366,775	\$ 7,366,775	\$ 6,823,000	\$ (543,775)
Bond Proceeds	19,093,000	-	-	-	-
Interest	1,466,000	-	-	-	-
Carryover and Other Income <sup>3</sup>	2,644,000	12,507,925	12,507,925	8,334,000	(4,173,925)
<b>TOTAL</b>	<b>\$ 29,838,000</b>	<b>\$ 19,874,700</b>	<b>\$ 19,874,700</b>	<b>\$ 15,157,000</b>	<b>\$ (4,717,700)</b>

<sup>1</sup>Fiscal Year 2008 Actual numbers are unaudited.

<sup>2</sup>Anticipated reduction in tax increment revenue in Fiscal Year 2010 due to foreclosures and appeals.

<sup>3</sup>Carryover includes use of bond proceeds from prior year bond issuances.

SEDC salaries are budgeted at \$1.1 million for Fiscal Year 2010 and fringe benefits are budgeted at \$0.3 million, decreases from Fiscal Year 2009 of \$0.2 million or 17.1 percent, and \$69,500 or 16.7 percent respectively. Salary increases are not budgeted in Fiscal Year 2010, but they are budgeted at \$212,900 in Fiscal Year 2009. SEDC states however, that despite being budgeted no bonuses have been paid, or will be paid, for Fiscal Year 2009. Explanations for the overall salary decrease are provided in **table 6** below, while details regarding salaries, overtime, and salary increases for the Fiscal Year 2009 Budget and the Fiscal Year 2010 Proposed Budget, are displayed in **table 5** below. The 'Pay-in-Lieu' column details expenses which are payments to employees for unused vacation (up to 80 hours) and unused sick leave (up to 40 hours) per the current company policy. In Fiscal Year 2009 bonuses were budgeted in the Overtime line item; in Fiscal Year 2010, only overtime is included in this line item.

Position Title	FY 2009 Budget						FY 2010 Proposed Budget					
	Positions	Base Salary	Salary Increases (Merit, Bonus, etc.) <sup>1</sup>	Pay-in-Lieu <sup>2</sup>	Salary Subtotal	Fringe Benefits	Positions	Base Salary	Salary Increases (Merit, Bonus, etc.)	Pay-in-Lieu <sup>2</sup>	Salary Subtotal	Fringe Benefits
President	1.00	\$ 178,880	\$ 7,155	\$ 17,200	\$ 203,235	\$ 41,227	1.00	\$ 172,000	\$ -	\$ 9,923	\$ 181,923	\$ 45,057
CFO	0.00	-	-	-	-	-	1.00	115,000	-	11,923	126,923	36,812
H.R. Manager	0.00	-	-	-	-	-	1.00	60,000	-	3,462	63,462	27,434
Director of Finance	1.00	109,200	4,368	6,300	119,868	40,613	0.00	-	-	-	-	-
Manager of Projects	0.00	-	-	-	-	-	1.00	90,000	-	5,192	95,192	29,760
Project Mgr	3.00	169,520	6,781	10,840	187,141	65,127	3.00	169,000	-	14,219	183,219	61,756
SR Project Mgr	1.00	80,000	3,200	4,615	87,815	30,749	0.00	-	-	-	-	-
Community Relations Manager	1.00	75,920	3,037	4,380	83,337	20,315	0.00	-	-	-	-	-
Executive Assistant	1.00	63,440	2,538	4,880	70,858	15,827	1.00	61,000	-	5,132	66,132	15,115
Senior Accountant	1.00	71,760	2,870	4,140	78,770	19,543	1.00	69,000	-	5,805	74,805	17,585
Staff Accountant	1.00	50,960	2,038	2,940	55,938	25,855	1.00	49,000	-	4,123	53,123	22,233
Administrative Support Coordinator	1.00	47,840	1,914	2,780	52,514	14,094	1.00	46,000	-	3,870	49,870	13,822
Administrative Secretary	1.00	38,480	1,539	2,220	42,239	17,641	1.00	40,700	-	2,348	43,048	15,778
Receptionist	1.00	35,152	1,409	2,025	38,586	25,322	1.00	33,900	-	2,844	36,744	21,342
Assistant Project Manager	1.00	40,000	1,558	2,350	43,908	19,002	1.00	37,250	-	3,134	40,384	10,556
Research Coordinator	1.00	40,000	1,558	2,350	43,908	19,002	0.00	-	-	-	-	-
Messenger	0.00	-	-	-	-	-	0.50	10,400	-	-	10,400	1,892
Overtime <sup>3</sup>		3,348	170,997	-	174,345	26,090		35,357	-	-	35,357	7,741
<b>TOTAL</b>	<b>16.00</b>	<b>\$ 1,055,800</b>	<b>\$ 212,900</b>	<b>\$ 67,000</b>	<b>\$ 1,335,700</b>	<b>\$ 415,000</b>	<b>15.50</b>	<b>\$ 1,035,125</b>	<b>\$ -</b>	<b>\$ 71,975</b>	<b>\$ 1,107,100</b>	<b>\$ 345,500</b>

<sup>1</sup>No bonuses have been paid, or will be paid, for Fiscal Year 2009

<sup>2</sup>Pay-in-Lieu are payments to employees for unused vacation (up to 80 hours) and unused sick leave (up to 40 hours) per the current company policy

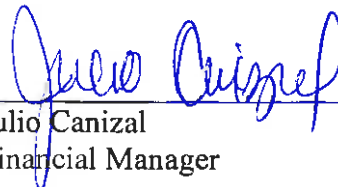
<sup>3</sup>Fiscal Year 2009 figures include bonuses that were budgeted in this line item, while the Fiscal Year 2010 budget includes only overtime

**TABLE 6**  
**SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION**  
**SIGNIFICANT BUDGET ADJUSTMENTS**

Significant Budget Adjustments	Position	Revenue	Expenses
<b>Salaries and Benefits Adjustments</b>			
Reduction due to company reorganization which reduced payroll and fringe benefits costs.	(0.50)	\$ -	\$ (298,100)
<b>Non-Personnel Expenditure Adjustments</b>			
<b>Supplies &amp; Services</b> Adjustment reflects a reduction in administrative costs in order to bring budget in line with prior-year actual spending.	0.00	\$ -	\$ (102,350)
<b>Professional Services</b> Adjustment reflects an additional increase due to the audit.	0.00	\$ -	\$ 19,500
<b>Information Technologies</b> Adjustment is a result of costs associated with the implementation of the City's SAP system.	0.00	\$ -	\$ 20,800
<b>Energy/Utilities</b> Increase brings budget in line with actual spending.	0.00	\$ -	\$ 3,800
<b>Equipment Outlay</b> Adjustment due to cutbacks.	0.00	\$ -	\$ (14,950)
<b>Project Costs and Debt Service Appropriation</b> Adjustments reflect the amount of the \$24.2 million 2007 tax allocation net bond proceeds that were used to fund projects in prior fiscal years and therefore are not available in the subsequent years.	0.00	\$ -	\$ (2,709,700)
<b>TOTAL EXPENSE ADJUSTMENTS</b>	<b>(0.50)</b>	<b>\$ -</b>	<b>\$ (3,081,000)</b>
<b>Revenue Adjustments</b>			
Adjustment reflects an anticipated reduction in tax increment due to foreclosures and appeals.	0.00	\$ (543,775)	\$ -
Reduction in Carryover and Other Income due to depleted bond proceed balances.	0.00	\$ (4,173,925)	\$ -
<b>TOTAL REVENUE ADJUSTMENTS</b>	<b>0.00</b>	<b>\$ (4,717,700)</b>	<b>\$ -</b>



Nader Tirandazi  
 Financial Management Director



Julio Canizal  
 Financial Manager

Attachments:           A.     Fiscal Year 2009-2010 Budget for the San Diego Redevelopment Agency Projects Administered by SEDC



Date: May 7, 2009

Attention: City of San Diego, Budget and Finance Committee

Subject: Fiscal Year 2009-2010 Budget for the San Diego Redevelopment Agency Projects Administered by SEDC

Staff Contact: Terry Darden, Chief Financial Officer

Requested Action: The Southeastern Economic Development Corporation requests that the City Council for the City of San Diego and the San Diego Redevelopment Agency approve the FY 2009-2010 Budget for the projects administered by SEDC and for SEDC's FY 2009-2010 Administrative Budget.

Staff Recommendations: SEDC recommends that the City Council for the City of San Diego and the San Diego Redevelopment Agency approve the Fiscal Year 2009-2010 for the San Diego Redevelopment Agency projects administered by SEDC and SEDC's Administrative Budget.

Summary: This memorandum, combined with Attachment A, represents a proposed FY 2009-2010 for the Central Imperial, Southcrest, Mt Hope, and Gateway Redevelopment Projects. The proposed budget totals \$15.2 million.

Fiscal Considerations: The proposed FY 2009-2010 Budget totals \$15.2 million and is financed with tax increment, bond proceeds, developer proceeds, interest income and other income.

Board Recommendation: On March 22, 2009, the Board of Directors voted unanimously, Chair Gonzalez, Secretary Lawrence, Director Geisler, Director Williams, Director McNeely, and Director Wong, to approve staff's recommendation of the FY 2009-2010 Budget for the San Diego Redevelopment Agency projects administered by the Corporation and the Corporation's FY 2009-2010 Administrative Budget.

Background: SEDC is a not-for-profit public benefit corporation organized in 1981 to administer economic development projects within the community of Southeast Sand Diego and provide redevelopment services to the Redevelopment Agency of the City of San Diego.

This memorandum combined with Attachment A, lists potential elements of the FY 2009-2010 Budget for review and discussion. Within Attachment A, Chart A summarizes the revenue and expenditures for the fiscal year. Schedule I is the fiscal year budget summary of revenue and expenditures for the combined Central Imperial, Southcrest, Mt Hope, and Gateway Redevelopment



Projects. Schedule II is the budget summary of revenue and expenditures for each project area. Schedule III is the consolidated project expense summary.

Discussion: The proposed FY 2009-2010 budget consists of six components: Affordable housing budgets, non-housing project budgets, appropriations for long-term debt, tax sharing payments, city payments and SEDC's administrative budget. The six components of the budget have funding sources derived from tax increment, bond proceeds, developer proceeds, interest income and other income.

Project Budgets (\$4.8 million): Project budgets contain multiyear projects and therefore the budget includes adjustments to existing project activities and provisions for new activities. The proposed budget contains a total of \$4.8 million of new appropriation for projects and related soft costs. Significant components of the budget include a provision for funding identification and development assistance of multi-family, commercial, and mixed use projects in the Southcrest area. Current industrial zoning, or rezoning, for development around the Keeler Court area of Southcrest could potentially allow additional generation of jobs and tax increment funding. Residential development at the Agency-owned sites near 40<sup>th</sup> & Alpha will provide for sustainable affordable housing and a model of future residential development in the area. SEDC will also be utilizing the SDG&E mitigation funds to further enhance the Las Chollas Creek in the Southcrest Redevelopment Project Area. Commercial development in the Central Imperial Redevelopment project area includes the development of Valencia Business Park, the former Valencia Park Library, along with the commercial mixed use developments along the Imperial Avenue Corridor and within the Village Center at Euclid and Market. Residential development efforts will focus on the Hilltop and Euclid site, the Village Center at Euclid and Market, 47<sup>th</sup> and Market Street, and various sites along the Imperial Avenue corridor. Residential developments include very low, low and moderate income housing. Amendments to the Redevelopment Plans of the Mount Hope, Southcrest, and Gateway Center West Project Areas will be initiated to increase the tax increment revenue caps. A plan amendment for the Gateway Center West Redevelopment Project Area is being initiated with the formation of a Project Area Committee formed through a community election process. The plan amendment will add territory to the existing Project Area.

Affordable Housing (\$4.1 million): The proposed budget provides funding for affordable housing in the amount of \$4.1 million to be used for various affordable housing projects.

Tax Sharing Payments (\$.6 million): The proposed budget includes funding for tax sharing agreements of \$.6 million.

SEDC Administrative Budget (\$2.3 million): The total administrative budget is \$2.3 million, which includes \$.2 million for low- and moderate-income housing planning and administration. The administrative budget represents a decrease of \$.4 million, or 14%, from the current year's budget. The decreases consist of reductions in salaries and benefits of \$298,000, and \$73,000 in overhead costs.

Long-Term Debt: The long-term debt payments for FY 2009-2010 total \$3.1 million.

Conclusion: This memorandum, combined with the attachments, represents a proposed FY 2009-2010 budget for the Central Imperial, Southcrest, Mt Hope, and Gateway Redevelopment Projects and the administration budget. The proposed FY 2009-2010 budget consists of six components: Affordable housing budgets, non-housing project budgets, appropriations for long-term debt, tax sharing payments, city payments and SEDC's administrative budget. The six components of the budget have funding sources derived from tax increment, bond proceeds, developer proceeds, interest income and other income.

**REDEVELOPMENT AGENCY OF  
THE CITY OF SAN DIEGO**

**SOUTHEASTERN ECONOMIC DEVELOPMENT  
CORPORATION, INC.  
REDEVELOPMENT PROJECT AREAS  
FISCAL YEAR 2009 - 2010 BUDGET**

**Prepared By:  
Southeastern Economic Development Corporation, Inc.  
May 7, 2009**

**Redevelopment Agency of the City of San Diego  
Southeastern Economic Development Corp. Project Areas**

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**SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION**  
**FISCAL YEAR 2010 BUDGET SUMMARY**  
**REVENUE AND EXPENDITURES**  
**\$15.2 (In Millions)**

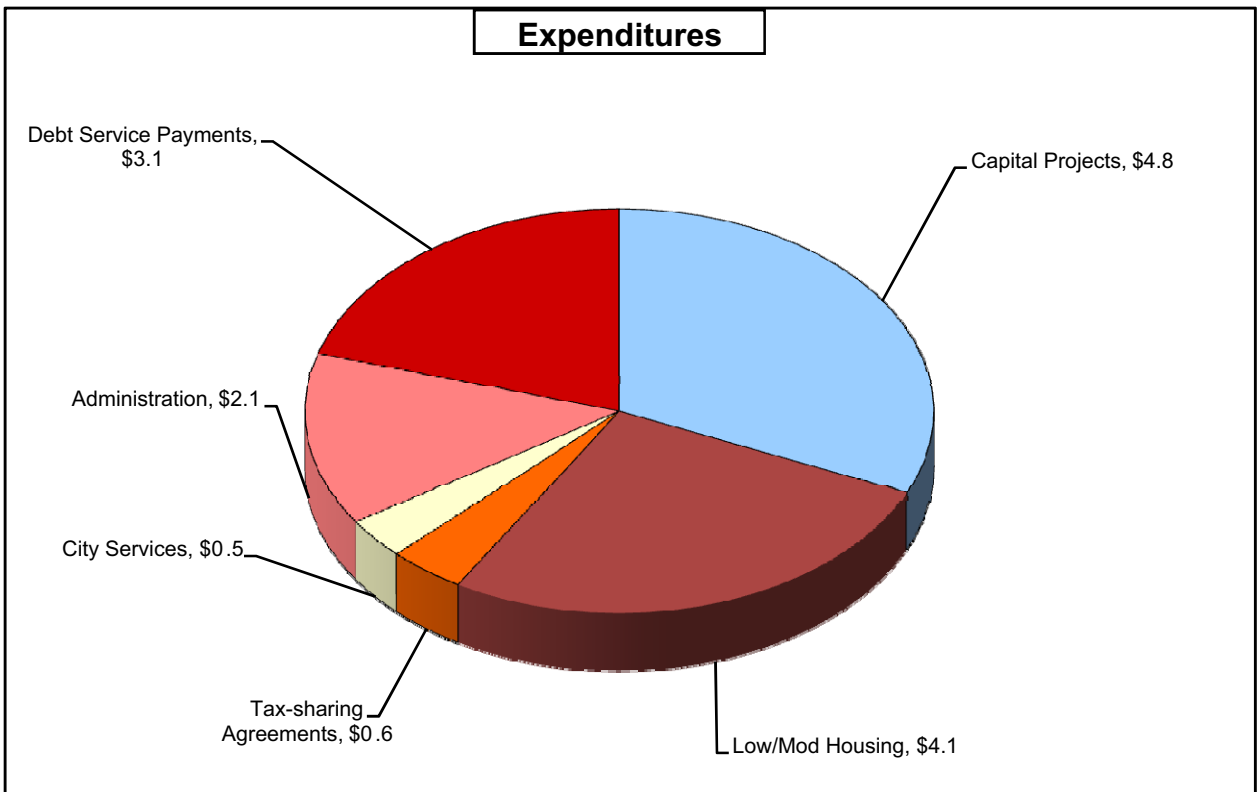
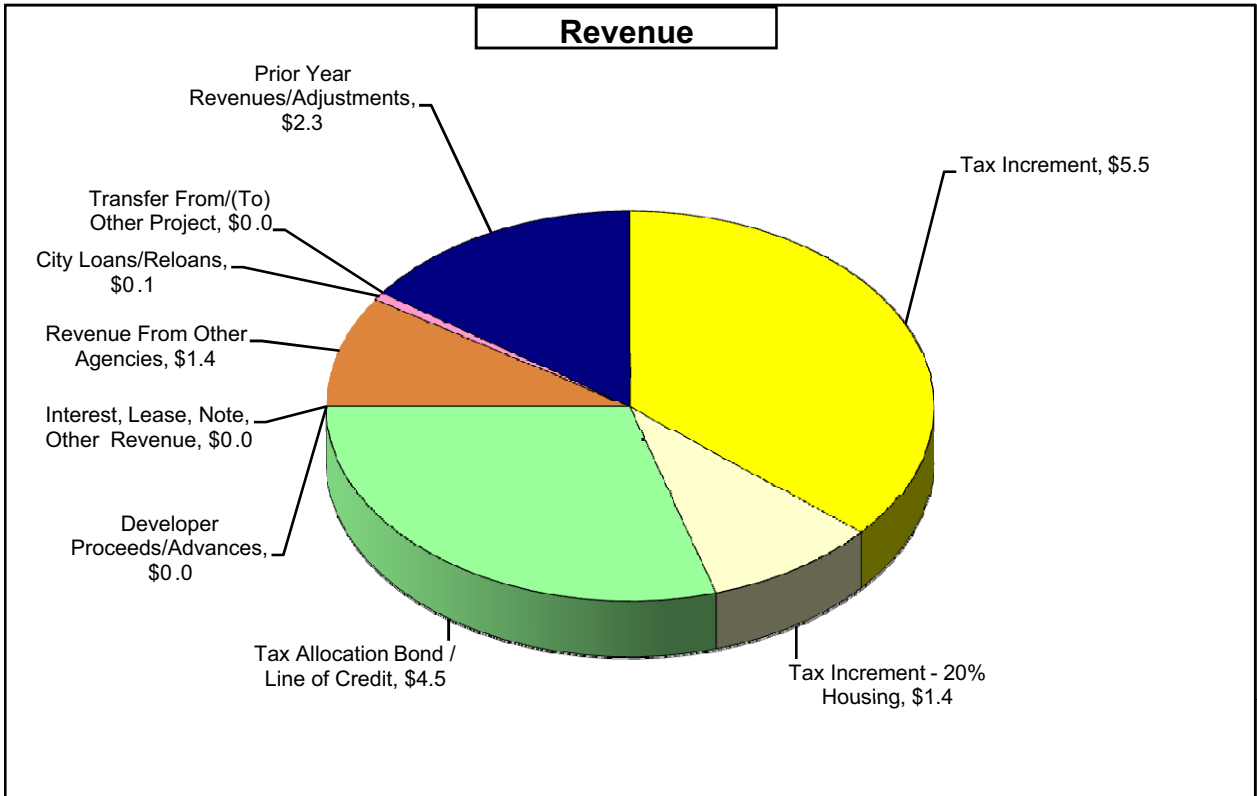


CHART A - CONSOLIDATED

**SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION**  
**FISCAL YEAR 2010 BUDGET SUMMARY**  
**REVENUE AND EXPENDITURES**  
(In Millions)

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**REVENUES**

Tax Increment - Non-Housing	\$ 5.5
Tax Increment - 20% Housing Set-Aside	1.4
Tax Allocation Bonds / Lines of Credit	4.5
Developer Proceeds / Advances (Net)	-
Interest, Lease, Notes, Other	-
Revenue from Other Agencies	1.4
City Loans/Reloans	0.1
Transfer From/(To) Other Project	-
Prior Years Revenues / Adjustments	2.3
Total Revenues	<u>\$ 15.2</u>

**EXPENDITURES**

Project Activities (Schedule VI, Page 13)	\$ 4.8
Low/Mod Projects Activities (Schedule VI, Page 14)	4.1
Tax Sharing Payments (Schedule VI, Page 14)	0.6
City Services (Schedule VI, Page 14)	0.5
Administration (Schedule VI, Page 14)	2.1
Debt Service Payments (Schedule VI, Page 14)	3.1
Total Expenditures	<u>\$ 15.2</u>

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**SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION**  
**FISCAL YEAR 2010 BUDGET BY PROJECT AREA**  
**REVENUE AND EXPENDITURES**  
(In Millions)

	Central Imperial	Gateway Center West	Mount Hope	Southcrest	Dells Imperial	Commercial Rehab	<b>FY 2010 Budget</b>
<b>Revenue</b>							
Tax Increment	\$ 2.0	\$ 0.2	\$ 1.4	\$ 1.9	\$ -	\$ -	\$ 5.5
Tax Increment - 20% Housing	0.5	0.1	0.3	0.5	-	-	1.4
Tax Allocation Bond / Line of Credit	0.9	-	-	3.6	-	-	4.5
Developer Proceeds/Advances	-	-	-	-	-	-	-
Interest, Lease, Note, Other Revenue	-	-	-	-	-	-	-
Revenue From Other Agencies	0.1	-	0.7	0.6	-	-	1.4
City Loans/Re loans	-	-	0.1	-	-	-	0.1
Transfer From/(To) Other Project	-	-	-	-	-	-	-
Prior Year Revenues/Adjustments	0.5	0.1	0.8	0.9	-	-	2.3
<b>Total Revenue</b>	<b>\$ 4.0</b>	<b>\$ 0.4</b>	<b>\$ 3.3</b>	<b>\$ 7.5</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15.2</b>
<b>Expenditures</b>							
Capital Projects	\$ 0.6	\$ 0.1	\$ 0.8	\$ 3.3	\$ -	\$ -	\$ 4.8
Low/Mod Housing	1.7	0.1	1.3	1.0	-	-	4.1
Tax-sharing Agreements	0.3	-	0.1	0.2	-	-	0.6
City Services	0.1	-	0.1	0.3	-	-	0.5
Administration	0.2	-	0.4	1.5	-	-	2.1
Debt Service Payments	1.1	0.2	0.6	1.2	-	-	3.1
<b>Total Expenditures</b>	<b>\$ 4.0</b>	<b>\$ 0.4</b>	<b>\$ 3.3</b>	<b>\$ 7.5</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15.2</b>

**SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION**  
**CONSOLIDATED SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION**  
**FISCAL YEAR 2010 EXPENDITURE BUDGET**  
(In Thousands)

	Est FY 2009 Carryover	FY 2010 New	Available Budget
1 Central Imperial General	\$ 393	\$ 189	\$ 582
2 Valencia Business Park	311	100	411
3 Imperial Market Place (formerly known as North Creek)	1	30	31
4 Las Chollas Creek	30	-	30
5 54th & Market Street	48	-	48
6 Imperial Avenue Corridor Master Plan - 61st to 69th Street	1,927	15	1,942
7 Imperial Avenue Corridor Master Plan - I 805 to Euclid Avenue	327	35	362
8 Market Creek Plaza	169	149	318
9 Ouchi Courtyard (formerly known as Lincoln Park Paseo)	262	27	289
10 Valencia Business Park - Lots 2 - 7	71	34	105
11 Mar Vista Mixed Use	137	-	137
12 Dell/Imperial Study Area	722	-	722
13 Gateway Center West General	400	124	524
14 Gateway Land Acquisition and Assembly	129	-	129
15 Mount Hope General	555	304	859
16 Mount Hope Market Street Demonstration Project	177	-	177
17 Mount Hope Public Improvement - Phase II	-	518	518
18 Southcrest General	(1,116)	2,961	1,845
19 Southcrest Community Park	17	-	17
20 Southcrest Alpha Street Construction Phase II	209	-	209
21 Southcrest Land Acquisition	1,720	-	1,720
22 Southcrest Public Improvement	1,848	290	2,138
23 Southcrest Development & Community Programs	393	-	393
24 Southcrest Alpha Street and 40th Street	53	-	53
25 Commercial Rehabilitation Program	171	-	171
Total Projects Expenditures	8,954	4,776	13,730
26 Affordable Housing	821	4,131	4,952
27 Tax Sharing Agreements	473	613	1,086
28 City Services	-	478	478
29 Administration	-	2,068	2,068
30 Debt Service Payments	-	3,091	3,091
Total FY 2010 Budget	\$ 10,248	\$ 15,157	\$ 25,405



**SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION**  
**CENTRAL IMPERIAL REDEVELOPMENT PROJECT**  
**FISCAL YEAR 2010 EXPENDITURE BUDGET**  
(In Thousands)

	Est FY 2009 Carryover	FY 2010 New	Available Budget
1 Central Imperial General	\$ 393	\$ 189	\$ 582
2 Valencia Business Park	311	100	411
3 Imperial Market Place (formerly known as North Creek)	1	30	31
4 Las Chollas Creek	30	-	30
5 54th & Market Street	48	-	48
6 Imperial Avenue Corridor Master Plan - 61st to 69th Street	1,927	15	1,942
7 Imperial Avenue Corridor Master Plan - I 805 to Euclid Ave	327	35	362
8 Market Creek Plaza	169	149	318
9 Ouchi Courtyard (formerly known as Lincoln Park Paseo)	262	27	289
10 Valencia Business Park - Lots 2 - 7	71	34	105
11 Mar Vista Mixed Use	137	-	137
Total Projects Expenditures	3,676	579	4,255
24 Affordable Housing:			-
Low/Moderate Income Housing	2	431	433
Hilltop and Euclid Housing	114	47	161
Market Creek Housing	173	1,212	1,385
25 Tax Sharing Agreements	313	278	591
26 City Services	-	72	72
27 Administration	-	258	258
28 Debt Service Payments	-	1,091	1,091
Total FY 2010 Budget	\$ 4,278	\$ 3,968	\$ 8,246

**SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION**  
**DELLS/IMPERIAL STUDY AREA**  
**FISCAL YEAR 2010 EXPENDITURE BUDGET**  
(In Thousands)

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	Est FY 2009 Carryover	<b>FY 2010 New</b>	Available Budget
1 Dells/Imperial Study Area	\$ 722	\$ -	\$ 722
Total Projects Expenditures	722	-	722
5 Affordable Housing	-	-	-
6 Tax Sharing Agreements	-	-	-
7 City Services	-	-	-
8 Administration	-	-	-
9 Debt Service	-	-	-
Total FY 2010 Budget	\$ 722	\$ -	\$ 722

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**SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION**  
**GATEWAY CENTER WEST REDEVELOPMENT PROJECT**  
**FISCAL YEAR 2010 EXPENDITURE BUDGET**  
(In Thousands)

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	Est FY 2009 Carryover	<b>FY 2010 New</b>	Available Budget
1 Gateway Center West General	\$ 400	<b>\$ 124</b>	\$ 524
2 Gateway Land Acquisition and Assembly	129	-	129
Total Projects Expenditures	529	<b>124</b>	653
5 Affordable Housing	26	<b>103</b>	129
6 Tax Sharing Agreements	-	-	-
7 City Services	-	<b>16</b>	16
8 Administration	-	<b>15</b>	15
9 Debt Service Payments	-	<b>147</b>	147
Total FY 2010 Budget	\$ 555	<b>\$ 405</b>	\$ 960

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**SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION**  
**MOUNT HOPE REDEVELOPMENT PROJECT**  
**FISCAL YEAR 2010 EXPENDITURE BUDGET**  
(In Thousands)

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	Est FY 2009 Carryover	FY 2010 New	Available Budget
1 Mount Hope General	\$ 555	\$ 304	\$ 859
2 Mount Hope Market Street Demonstration Project	177	-	177
3 Mount Hope Public Improvement - Phase II	-	518	518
Total Projects Expenditures	732	822	1,554
24 Affordable Housing	(256)	1,295	1,039
25 Tax Sharing Agreements	80	125	205
26 City Services	-	78	78
27 Administration	-	344	344
28 Debt Service Payments	-	615	615
Total FY 2010 Budget	\$ 556	\$ 3,279	\$ 3,835

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**SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION**  
**SOUTHCREST REDEVELOPMENT PROJECT**  
**FISCAL YEAR 2010 EXPENDITURE BUDGET**  
(In Thousands)

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	Est FY 2009 Carryover	<b>FY 2010 New</b>	Available Budget
1 Southcrest General	\$ (1,116)	<b>\$ 2,961</b>	\$ 1,845
2 Southcrest Community Park	17	-	17
3 Southcrest Alpha Street Construction Phase II	209	-	209
4 Southcrest Land Acquisition	1,720	-	1,720
5 Southcrest Public Improvement	1,848	<b>290</b>	2,138
6 Southcrest Development & Community Programs	393	-	393
7 Southcrest Alpha Street and 40th Street	53	-	53
Total Projects Expenditures	3,124	<b>3,251</b>	6,375
24 Affordable Housing	762	<b>1,043</b>	1,805
25 Tax Sharing Agreements	80	<b>210</b>	290
26 City Services	-	<b>312</b>	312
27 Administration	-	<b>1,451</b>	1,451
28 Debt Service Payments	-	<b>1,238</b>	1,238
Total FY 2010 Budget	\$ 3,966	<b>\$ 7,505</b>	\$ 11,471

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**SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION**  
**COMMERCIAL REHABILITATION PROGRAM AND ENTREPRENEUR ACADEMY**  
**FISCAL YEAR 2010 EXPENDITURE BUDGET**  
(In Thousands)

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		Est FY 2009 Carryover	<b>FY 2010 New</b>	Available Budget
1	Commercial Rehabilitation Program	\$ 171	\$ -	\$ 171
	Total Projects Expenditures	171	-	171
5	Affordable Housing	-	-	-
6	Tax Sharing Agreements	-	-	-
7	City Services	-	-	-
8	Administration	-	-	-
9	Debt Service	-	-	-
	Total FY 2010 Budget	\$ 171	\$ -	\$ 171

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**SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION**  
**FISCAL YEAR 2010 BUDGET**  
**REVENUE DETAIL**  
(In Thousands)

Description	Central Imperial	West	Mount Hope	Southcrest	Total
<b>TAX INCREMENT REVENUE</b>	\$ 1,922	\$ 272	\$ 1,326	\$ 1,938	\$ 5,458
<b>Total Tax Increment Revenues</b>	<b>1,922</b>	<b>272</b>	<b>1,326</b>	<b>1,938</b>	<b>5,458</b>
<b>TAX INCREMENT - 20% Housing Set-Aside</b>	481	68	332	484	1,365
<b>TAX ALLOCATION BOND PROCEEDS</b>	917	-	-	3,550	4,467
<b>INTEREST / LEASE / NOTES / OTHER REVENUE</b>					
Lease / Note Receivable Income					
Additional Land Sales Proceeds	26				26
<b>Revenues From Other Agencies</b>					
Refund from Housing Commission	83	-	373	300	756
Anticipated Additional Funding from other Agencies			323	359	682
Total Revenue from Other Agencies	<b>83</b>	<b>-</b>	<b>696</b>	<b>659</b>	<b>1,438</b>
<b>City Loans / Reloans</b>					
Section 108 Loan			100		100
<b>PRIOR YEAR REVENUE / ADJUSTMENTS</b>	539	65	825	878	2,307
<b>TOTAL REVENUES</b>	<b>\$ 3,968</b>	<b>\$ 405</b>	<b>\$ 3,279</b>	<b>\$ 7,509</b>	<b>\$ 15,161</b>

**SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION**  
**FISCAL YEAR 2010 BUDGET**  
**EXPENDITURE DETAIL (In Thousands)**

ITEM	DESCRIPTION	Est FY 2009 Carryover	FY 2010 New	Available Budget	COMMENTS
<b><u>CENTRAL IMPERIAL</u></b>					
1	General	\$ 393	\$ 189	\$ 582	Amend redevelopment plan for financial purposes
2	Valencia Business Park	311	100	411	Development agreement
3	Imperial Market Place (formerly known as North Creek)	1	30	31	Coordinate construction of final phase
4	Las Chollas Creek	30	-	30	
5	54th & Market Street	48	-	48	
6	Imperial Avenue Corridor Master Plan - 61st to 69th Street	1,927	15	1,942	Negotiate ENA/DDA for development
7	Imperial Avenue Corridor Master Plan - I 805 to Euclid Avenue	327	35	362	Facilitate implementation of agreements
8	Market Creek Plaza	169	149	318	Review and approve proposed tenants, revise OPA
9	Ouchi Courtyard (formerly known as Lincoln Park Paseo)	262	27	289	Site development plans and construction
10	Valencia Business Park - Lots 2 - 7	71	34	105	Negotiate ENA/DDA for development
11	Mar Vista Mixed Use	137	-	137	Land use amendment
	Total	<u>3,676</u>	<u>579</u>	<u>4,255</u>	
<b><u>DELLS IMPERIAL</u></b>					
12	Dells/Imperial Study Area	722	-	722	
	Total	<u>722</u>	<u>-</u>	<u>722</u>	
<b><u>GATEWAY CENTER WEST</u></b>					
13	Gateway Center West General	400	124	524	Amend plan for financial purposes & potential expansion
14	Gateway Land Acquisition and Assembly	129	-	129	
	Total	<u>529</u>	<u>124</u>	<u>653</u>	
<b><u>MOUNT HOPE</u></b>					
15	Mount Hope General	555	304	859	Redevelop underutilized sites for jobs creation and TI revenue
16	Mount Hope Market Street Demonstration Project	177	-	177	
17	Mount Hope Public Improvement - Phase II	-	518	518	Complete median, streetlights construction
	Total	<u>732</u>	<u>822</u>	<u>1,554</u>	
<b><u>SOUTHCREST</u></b>					
18	Southcrest General	(1,116)	2,961	1,845	Redevelop underutilized sites for jobs creation and TI revenue
19	Southcrest Community Park	17	-	17	
20	Southcrest Alpha Street Construction Phase II	209	-	209	
21	Southcrest Land Acquisition	1,720	-	1,720	
22	Southcrest Public Improvement	1,848	290	2,138	Monitor installation of street lights, identify improvements funding
23	Southcrest Development & Community Programs	393	-	393	
24	Southcrest Alpha Street and 40th Street	53	-	53	
	Total	<u>3,124</u>	<u>3,251</u>	<u>6,375</u>	
<b><u>25 - COMMERCIAL REHABILITATION</u></b>					
	Central Imperial - Commercial Rehabilitation	66	-	66	
	Gateway Center West - Commercial Rehabilitation	25	-	25	
	Mount Hope - Commercial Rehabilitation	56	-	56	
	Southcrest - Commercial Rehabilitation	24	-	24	
	Total	<u>171</u>	<u>-</u>	<u>171</u>	
	<b>SUBTOTAL FY 2010 PROJECTS</b>	<u>\$ 8,954</u>	<u>\$ 4,776</u>	<u>\$ 13,730</u>	



SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION  
FISCAL YEAR 2010 BUDGET  
EXPENDITURE DETAIL (In Thousands)

ITEM	DESCRIPTION	Est FY 2009 Carryover	FY 2010 New	Available Budget	COMMENTS
<b>26 - AFFORDABLE HOUSING</b>					
<b>Central Imperial:</b>					
	Low/Moderate Income Housing	\$ 2	\$ 431	\$ 433	Determine feasibility of proposed affordable multi-family
	Hilltop and Euclid Housing	114	47	161	DDA negotiations
	Market Creek Housing	173	1,212	1,385	OPA negotiations, affordable housing funding
<b>Gateway Center West:</b>					
	Low/Moderate Income Housing	26	103	129	Provide assistance for low- and moderate-income housing
<b>Mount Hope:</b>					
	Low/Moderate Income Housing	(256)	1,295	1,039	Residential rehabilitation programs
<b>Southcrest:</b>					
	Low/Moderate Income Housing	762	1,043	1,805	Residential rehabilitation programs
	Total	<u>821</u>	<u>4,131</u>	<u>4,952</u>	
<b>ADMINISTRATION/MISCELLANEOUS</b>					
27	<b>Tax Sharing Agreements</b>				
	Central Imperial	313	278	591	
	Mount Hope	80	125	205	
	Southcrest	80	210	290	
28	<b>Administration/City &amp; County Services</b>				
	Central Imperial	-	72	72	
	Gateway Center West	-	16	16	
	Mount Hope	-	78	78	
	Southcrest	-	312	312	
29	<b>Administration/SEDC</b>				
	Central Imperial	-	258	258	
	Gateway Center West	-	15	15	
	Mount Hope	-	344	344	
	Southcrest	-	1,451	1,451	
	Total	<u>473</u>	<u>3,159</u>	<u>3,632</u>	
TOTAL PROPOSED FY 20 10 PROJECT BUDGETS		<u>\$ 10,248</u>	<u>\$ 12,066</u>	<u>\$ 22,314</u>	
<b>DEBT SERVICE</b>					
30	<b>Debt Service</b>				
	Central Imperial 2007A&B Bonds	\$ -	\$ 991	\$ 991	
	Central Imperial CDBG Installment Payment	-	100	100	
	Gateway Center West 1995 Bond	-	145	145	
	Mount Hope 1995 A Bond	-	93	93	
	Mount Hope 20 02 A Bond	-	153	153	
	Mount Hope 20 07 A Bond	-	334	334	
	Mount Hope Section 10 8	-	36	36	
	Southcrest 20 07 A & B Bonds	-	1,238	1,238	
	Sub Total Bond Debt Service Payments	<u>-</u>	<u>3,090</u>	<u>3,090</u>	
	Southcrest City Loan Repayment		-	-	
	Total Debt Service	<u>-</u>	<u>3,090</u>	<u>3,090</u>	
TOTAL FY 20 10 PROPOSED BUDGET		<u>\$ 10,248</u>	<u>\$ 15,156</u>	<u>\$ 25,404</u>	

**SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION  
FY 2009-2010 ADMINISTRATIVE BUDGET**

DESCRIPTION	FY 2009 BUDGET	TOTAL FY 2010 PROPOSED*	CHANGE	% CHANGE
<b>PERSONNEL EXPENDITURES:</b>				
Existing Positions	\$ 1,061,700	\$ 1,008,600	\$ (53,100)	-5.00%
Additional/Annualized Positions	160,000	63,500	(96,500)	-60.31%
Intern Programs/Overtime	114,000	35,000	(79,000)	-69.30%
Benefits	415,000	345,500	(69,500)	-16.75%
<b>Total Personnel</b>	<b>1,750,700</b>	<b>1,452,600</b>	<b>(298,100)</b>	<b>-17.03%</b>
<b>NON-PERSONNEL EXPENSES:</b>				
Rent - Office Space	211,500	212,200	700	0.33%
Equipment Lease	45,000	41,700	(3,300)	-7.33%
Telephone	12,000	13,400	1,400	11.67%
Electric Service	15,600	18,000	2,400	15.38%
Cable/Internet Services	6,500	5,300	(1,200)	-18.46%
Photography & Blueprinting	10,500	9,000	(1,500)	-14.29%
Reproduction	7,100	6,000	(1,100)	-15.49%
Office Supplies	22,900	20,750	(2,150)	-9.39%
Postage	34,500	20,600	(13,900)	-40.29%
Publications/Subscriptions	4,400	5,400	1,000	22.73%
Brochures, Printing	34,900	29,300	(5,600)	-16.05%
Advertising	28,200	21,000	(7,200)	-25.53%
Business Expense	33,600	21,550	(12,050)	-35.86%
Titles & Fees/Licenses	2,000	1,000	(1,000)	-50.00%
Travel - Scheduled	28,100	15,500	(12,600)	-44.84%
Memberships	5,700	2,800	(2,900)	-50.88%
Conference/Seminars	21,900	21,400	(500)	-2.28%
Tuition Reimbursement	10,600	9,750	(850)	-8.02%
Auto Expense	5,400	-	(5,400)	-100.00%
Mileage	7,100	7,400	300	4.23%
Parking	3,600	4,600	1,000	27.78%
Promotions/Special Events	75,000	32,000	(43,000)	-57.33%
Security	2,000	2,050	50	2.50%
Repairs & Maintenance	20,000	13,400	(6,600)	-33.00%
Director's Fees	5,400	4,500	(900)	-16.67%
Insurance/Claims	2,000	-	(2,000)	-100.00%
Audits	27,000	51,000	24,000	88.89%
Legal Consultants	32,000	72,000	40,000	125.00%
Financial Consultants	-	2,500	2,500	N/A
Other Consultants	-	50,500	50,500	N/A
Contingency Reserve (Vacation Accrual)	45,000	-	(45,000)	-100.00%
Janitorial Services	16,000	14,000	(2,000)	-12.50%
Messenger Service	1,700	1,250	(450)	-26.47%
Other Contractual Services	96,600	83,500	(13,100)	-13.56%
Payroll Processing	3,600	3,600	-	0.00%
Data Processing Services	20,000	36,000	16,000	80.00%
Equipment	2,700	2,000	(700)	-25.93%
Computer Hardware	8,400	5,000	(3,400)	-40.48%
Computer Software	15,200	4,400	(10,800)	-71.05%
Computer Services/Maintenance.	38,000	28,000	(10,000)	-26.32%
Furniture	4,500	650	(3,850)	-85.56%
<b>Total Non-Personnel</b>	<b>966,200</b>	<b>893,000</b>	<b>(73,200)</b>	<b>-7.58%</b>
<b>Total Department Expenditures</b>	<b>\$ 2,716,900</b>	<b>\$ 2,345,600</b>	<b>\$ (371,300)</b>	<b>-13.67%</b>
* Project Costs Allocation Breakdown				
Allocation to Capital Projects		\$ 2,068,430		
Allocation to Low/Mod Housing		277,170		
Total G&A 2009-2010 Budget		<u>\$ 2,345,600</u>		

EXHIBIT A

SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION  
FY 2009-2010 ADMINISTRATIVE BUDGET

STAFF POSITION	FY 2009	FY 2010	CURRENT			PROPOSED		
President	1.0	1.0	\$ 149,400	to	\$ 185,400	\$ 149,400	to	\$ 185,400
Chief Financial Officer	-	1.0	-	to	-	105,000	to	135,000
Director of Finance	1.0	-	97,900	to	123,600	-	to	-
Mgr of Projects/Development	1.0	1.0	-	to	-	80,000	to	100,000
Community Relations Manager	1.0	-	75,200	to	87,600	-	to	-
Senior Project Manager	1.0	-	61,800	to	82,400	-	to	-
Senior Accountant	1.0	1.0	61,800	to	82,400	61,800	to	82,400
Operating Manager/Human Resource Manager	-	1.0	-	to	-	52,015	to	72,100
Project Manager	3.0	3.0	50,500	to	70,000	50,500	to	70,000
Executive Assistant	1.0	1.0	48,500	to	70,000	48,500	to	70,000
Staff Accountant	1.0	1.0	46,400	to	59,800	46,400	to	59,800
Administrative Support Coordinator	1.0	1.0	41,200	to	56,700	41,200	to	56,700
Administrative Secretary	1.0	1.0	39,000	to	50,000	39,000	to	50,000
Assistant Community Development Coordinator	1.0	1.0	36,100	to	46,400	36,100	to	46,400
Receptionist	1.0	1.0	30,900	to	41,200	30,900	to	41,200
Assistant Project Manager	1.0	1.0	30,000	to	40,000	30,000	to	40,000
Research Coordinator	1.0	0.0	30,000	to	40,000	-	to	-
Messenger Clerk	-	0.5	-	to	-	10,000	to	20,000
<b>Subtotal Positions &amp; Base Salaries</b>	<b>17.0</b>	<b>15.5</b>	<b>\$ 1,053,000</b>			<b>\$ 1,045,000</b>		
Allowance for Payments in Lieu of Vacation/Sick Leave, and Other Pay			164,100			27,100		
<b>Subtotal Positions &amp; Salaries, Allowance for Other Pay</b>			<b>1,217,100</b>			<b>1,072,100</b>		
Overtime/Temporary(Intern)			118,600			35,000		
<b>Total Positions &amp; Salaries</b>			<b>\$ 1,335,700</b>			<b>\$ 1,107,100</b>		

**Southeastern Economic Development Corporation  
Central Imperial Redevelopment Project Area  
Fiscal Year 2010 Work Plan**

**Eliminate Blight**

- Amend the Central Imperial Redevelopment Plan for financial purposes.
- Issue RFP and negotiate a partnership for re development of Valencia Business Park and former Valencia Park Library sites.
- Identify strategy for redeveloping underutilized sites for both jobs creation and tax increment financing.
- Initiate redevelopment activities on high-priority sites, including Village Center at Euclid and Market, Hilltop and Euclid, Ouchi Courtyards, and others.
- Together with City Code Enforcement, encourage elimination of health and safety violations on private property in residential neighborhoods and neighborhood commercial districts.

**Improve Public Infrastructure**

- Monitor design for installation of public improvements necessary for redevelopment at Hilltop and Euclid.
- Monitor design for installation of traffic mitigation improvements necessary for redevelopment at Euclid and Market.
- Collaborate with City for identifying funding and implementation of CIP projects in project area.
- Identify funding and collaborate with the City to construct public improvements including street improvements necessary to support proposed growth in area west of I-805 along major corridors and the transit and trolley lines.

**Increase Affordable Housing**

- Approve and implement the DDA for residential development at Hilltop and Euclid.
- Identify funding, negotiate agreements and coordinate plans for additional phases of development of the Village Center at Euclid and Market – Pilot Village.
- Coordinate preparation of site development plans and initiate construction for redevelopment at Lincoln Park Paseo #1 – Ouchi Courtyards.
- Negotiate any necessary agreement for affordable multifamily development at Lincoln Park Paseo #2.
- Negotiate agreement and assist to identify funding necessary for affordable multi-family development at 53<sup>rd</sup> and Naranja.
- Negotiate agreement necessary for affordable multi-family development at 47<sup>th</sup> and Market St.
- Identify additional funds for and monitor Housing Enhancement Loan Program (HELP).
- Review and determine feasibility of first-time homebuyer's assistance program.

EXHIBIT B

ATTACHMENT A

**Southeastern Economic Development Corporation  
Central Imperial Redevelopment Project Area  
Fiscal Year 2010 Work Plan**

**Economic Development**

- Facilitate implementation of agreements for the Imperial Avenue Corridor Master Plan.
- Negotiate ENA/DDA for development at Valencia Business Park Lots 2 – 7.
- Negotiate agreements for development on Imperial Avenue from 61<sup>st</sup> – 63<sup>rd</sup>, Encantada Plaza
- Review and approve proposed tenants of Market Creek Plaza and Village Center per OPA.
- Determine proposed tenants of new industrial space at 54th & Market Street.
- Continue to conduct Entrepreneur Academy to improve existing businesses and promote new small business opportunities.
- Encourage local area businesses to utilize supportive services including, but not limited to the Facade Improvement Program, Enterprise Zone/Community Renewal Program, Revolving Loan Program and Entrepreneur Academy.
- Conduct quarterly redevelopment area tours to inform interested parties, market development opportunities and promote the benefits of redevelopment.

**Neighborhood Preservation**

- Support Facade Improvement Program to assist area businesses with exterior building improvement.
- Collaborate with City, Housing Commission, and other agencies to develop a program to stabilize neighborhoods, forestall foreclosures, train buyers, etc.
- Monitor compliance with SEDC's Employment and training requirements including employment of area residents.
- Continue the "Hey Neighbor Campaign" a neighborhood capacity building tool encouraging friendly interactions and neighborhood pride.
- Develop new component to "Going Native Naturally" program, including proposed water supply mitigation measures.
- Identify funding and collaborate with City and community to prepare the community plan update cluster for Southeastern San Diego and Skyline Paradise Hills.

EXHIBIT B

ATTACHMENT A

**Southeastern Economic Development Corporation  
Gateway Center West Redevelopment Project Area  
Fiscal Year 2010 Work Plan**

**Eliminate Blight**

- Amend the Gateway Center West Redevelopment Plan for financial purposes.
- Conduct a public outreach effort as part of the initiation of a plan amendment to expand territory.
- Identify strategy for redeveloping underutilized sites for both jobs creation and tax increment revenue.
- Together with City Code Enforcement, encourage elimination of health and safety code violations.

**Improve Public Infrastructure**

- Collaborate with City for identifying funding and implementation of capital improvement projects.
- Coordinate with the community and other agencies for identification of funding of capital improvement projects.

**Economic Development**

- Select the highest and best opportunities of Agency-owned sites and identify strategy for redevelopment activities on site.
- Continue to conduct Entrepreneur Academy to improve existing businesses and promote new small business opportunities.
- Encourage local area businesses to utilize supportive services including, but not limited to the Facade Improvement Program, Enterprise Zone/Community Renewal Program, Revolving Loan Program and Entrepreneur Academy.

**Neighborhood Preservation**

- Collaborate with City, Housing Commission, and other agencies to develop a program to stabilize neighborhoods, forestall foreclosures, and promote first-time homebuyer opportunities.
- Monitor compliance with SEDC's employment and training requirements including employment of area residents.
- Hey Neighbor Campaign- Neighborhood communication tool encouraging friendly interactions and neighborhood pride.
- Develop new component to "Going Native Naturally" program to include water supply mitigation measures.

EXHIBIT B

ATTACHMENT A

**Southeastern Economic Development Corporation  
Mt. Hope Redevelopment Project Area  
Fiscal Year 2010 Work Plan**

<p><b>Eliminate Blight</b></p> <ul style="list-style-type: none"> <li>• Amend the Mt. Hope Redevelopment Plan for financial purposes.</li> <li>• Identify strategy for redeveloping underutilized sites for both jobs creation and tax increment revenue.</li> <li>• Encourage infill and development of any underutilized sites.</li> <li>• Together with City Code Enforcement, encourage elimination of health and safety code violations.</li> </ul>
<p><b>Improve Public Infrastructure</b></p> <ul style="list-style-type: none"> <li>• Monitor and complete the construction of Market Street Public Improvements.</li> <li>• Collaborate with City for identifying funding and implementation of capital improvement projects.</li> <li>• Coordinate with the community and other agencies for identification of funding of capital improvement projects.</li> </ul>
<p><b>Increase Affordable Housing</b></p> <ul style="list-style-type: none"> <li>• Continue to implement residential rehabilitation (HELP) program.</li> <li>• Review and determine feasibility of first-time homebuyer’s assistance program.</li> <li>• Continue update to SEDC’s Housing Policy in collaboration with local and regional partners.</li> </ul>
<p><b>Economic Development</b></p> <ul style="list-style-type: none"> <li>• Select the highest and best opportunities of Agency-owned sites and identify strategy for redevelopment activities on site.</li> <li>• Continue to monitor compliance with Gateway Center East Planned Industrial Permit.</li> <li>• Continue to conduct Entrepreneur Academy to improve existing businesses and promote new small business opportunities.</li> <li>• Encourage local area businesses to utilize supportive services including, but not limited to the Facade Improvement Program, Enterprise Zone/Community Renewal Program, Revolving Loan Program and Entrepreneur Academy.</li> </ul>
<p><b>Neighborhood Preservation</b></p> <ul style="list-style-type: none"> <li>• Collaborate with City, Housing Commission, and other agencies to develop a program to stabilize neighborhoods, forestall foreclosures, and promote first-time homebuyer opportunities.</li> <li>• Monitor compliance with SEDC’s employment and training requirements including employment of area residents.</li> <li>• Hey Neighbor Campaign- Neighborhood communication tool encouraging friendly interactions and neighborhood pride.</li> <li>• Develop new component to “Going Native Naturally” program to include water supply mitigation measures.</li> </ul>

EXHIBIT B

ATTACHMENT A

**Southeastern Economic Development Corporation  
Southcrest Redevelopment Project Area  
Fiscal Year 2010 Work Plan**

**Eliminate Blight**

- Amend the Southcrest Redevelopment Plan for financial purposes.
- Identify strategy for redeveloping underutilized sites for both jobs creation and tax increment revenue
- Initiate redevelopment activities on high priority sites, including 43<sup>rd</sup> and Newton Streets
- Together with City Code Enforcement, encourage elimination of health and safety code violations on private property in residential neighborhoods and neighborhood commercial districts.

**Improve Public Infrastructure**

- Coordinate with the community for funding and construction of public improvements.
- Coordinate with community to identify potential public improvements needed and identify funding.
- Monitor installation and repair of SEDC funded streetlights.
- Monitor SEDC funded 252 Corridor Park design and development.
- Fund and coordinate with City of San Diego Parks & Recreation Department Public Improvement Assessment District Formation process.
- Identify funding and coordinate with City and community on Streetscape concepts and previously identified public improvements.
- Identify funding and coordinate with Park & Recreation for the design and installation of park lights in Southcrest Community Park.
- Identify funding and design & develop alley improvements along the south end of the 252 Corridor Park.
- Design and develop a creek enhancement project with SDG&E mitigation funds.

**Increase Affordable Housing**

- Monitor low-income rental requirements and loan agreement for Mayberry Townhomes.
- Implement DDA for residential development on Agency-owned property.
- Continue to implement residential rehab program.
- Review and determine feasibility of first-time homebuyer's assistance program.
- Continue update SEDC's Housing Policy in collaboration with local and regional partners

**Economic Development**

- Continue to conduct Entrepreneur Academy to improve existing businesses and promote new small business opportunities.
- Encourage local area businesses to utilize supportive services including, but not limited to the Facade Improvement Program, Enterprise Zone/Community Renewal Program, Revolving Loan Program and Entrepreneur Academy.

**Neighborhood Preservation**

- Determine use of mitigation funds provided by SDG&E for Las Chollas Creek.
- Collaborate with City, Housing Commission, and other agencies to develop a program to stabilize neighborhoods, forestall foreclosures, train buyers, etc.
- Monitor compliance with SEDC's employment and training requirements including employment of area residents.
- Hey Neighbor Campaign- Neighborhood communication tool encouraging friendly interactions and neighborhood pride.
- Develop new component to "Going Native Naturally" program, including water supply mitigation measures.

EXHIBIT B

ATTACHMENT A



**Southeastern Economic Development Corporation  
Central Imperial Redevelopment Project Area  
Fiscal Year 2009 Status**

<p><b>Eliminate Blight</b></p> <p>Amend the Central Imperial Redevelopment Plan increase tax increment limits in accordance with California Redevelopment law Section 33354.6 (a) &amp; (b).</p>	<p><b>Status</b></p> <p>Continued to FY 2010</p>
<p>Prepare for approval of the Fourth Redevelopment Area 5 Year Implementation Plan (July 2010 – June 2014) in accordance with California Redevelopment Law Section 33000 et seq.</p>	<p>Accomplished</p>
<p>Determine the ultimate use of the former Valencia Park Library Site.</p>	<p>Completed building hazardous materials and historical evaluation and initiated process for issuance of RFP for site development.</p>
<p>Analyze feasibility of development proposals on Market Street as received.</p>	<p>Analyzed two Market Street proposals and initiated negotiations</p>
<p>Encourage infill and development of any underutilized sites.</p>	
<p>Fund a full time code enforcement officer s to assist SEDC in code compliance complaints.</p>	<p>Accomplished</p>
<p><b>Improve Public Infrastructure</b></p> <p>Implement Imperial Avenue Corridor Master Plan</p>	<p><b>Status</b></p> <p>Prepared and submitted two applications for SANDAG Smart Growth Capital Project grant program to fund portion of public improvements on Imperial Avenue from 45<sup>th</sup> to Euclid and San Jacinto to Valencia Parkway.</p> <p>Prepared permit submittal plans for improvements on Imperial Avenue at 49<sup>th</sup> Street and 45<sup>th</sup> Street.</p>
<p>Review developer analysis of public improvements necessary for development at Hilltop and Euclid.</p>	<p>Prepared independent analysis of Euclid Avenue traffic improvements and determined dedication of site frontage necessary for widening of street.</p>
<p>Prepare improvement plans for trolley line enhancements.</p>	<p>Prepared improvement concepts for trolley line enhancements including replacement and decorative fencing, bus shelter, bench and landscape improvements.</p> <p>Submitted one application for SANDAG Smart Growth Capital Project grant program to assist in funding improvements at 62<sup>nd</sup> Street trolley station.</p>
<p>Fund and construct various public improvements.</p>	<p>Completed traffic study and Program EIR for Central Imperial, which identified necessary traffic improvements.</p> <p>Negotiated with Caltrans for mitigation for identified freeway impacts.</p> <p>Prepared concepts and cost estimates for traffic improvements.</p> <p>Prepared and submitted for two SANDAG Smart Growth Capital Project grant program to fund a portion of necessary traffic improvements identified in EIR.</p>

**Southeastern Economic Development Corporation  
Central Imperial Redevelopment Project Area  
Fiscal Year 2009 Status**

<b>Increase Affordable Housing</b>	<b>Status</b>
<p>Determine feasibility of any proposed multi-family residential developments as received.</p> <p>Review feasibility of proposal and negotiate any necessary agreement for affordable multifamily development at Lincoln Park Paseo #2.</p>	<p>Reviewed, analyzed and negotiated for four multi-family and one senior low and very low income affordable proposals including:</p> <ul style="list-style-type: none"> <li>• Euclid and Logan</li> <li>• Willie James Jones Apts.(Lincoln Park Paseo #2)</li> <li>• 53<sup>rd</sup> and Naranja (Creekside)</li> <li>• 47<sup>th</sup> and Market Street (Crossings)</li> </ul>
<p>Coordinate residential development at Hilltop and Euclid.</p>	<p>Negotiated an agreement with developer to provide 102 for-sale homes including 20 low-mod affordable townhomes.</p>
<p>Review construction plans for Phase I residential development for the development of 42 townhomes at Village Center at Euclid and Market – Pilot Village.</p>	<p>Reviewed preliminary plans and project proforma.</p> <p>Negotiated for assistance with project gap funding.</p> <p>Completed program environmental review and land use amendments to allow mixed use and higher density residential development.</p>
<p>Complete development agreement, coordinate preparation of site development plans and initiate construction for mixed use development at Lincoln Park Paseo #1 – Ouchi Courtyards.</p>	<p>Negotiated development agreement and reviewed preliminary development plans.</p>
<p>Introduce and fund Residential Rehabilitation Program.</p>	<p>Completed. Provided \$200,000 funding for program.</p>
<p>Review and determine feasibility of first-time homebuyers assistance program.</p>	<p>Collaborated with SD Housing Commission to begin formulation of new homebuyer assistance program in consideration of current market conditions.</p>
<p>Complete update to SEDC Multifamily Housing Guidelines.</p>	<p>Completed update with community collaborative process, posted on website, printed new documents for distribution and use.</p>
<p>Update SEDC's Housing Policy.</p>	<p>Collaborated with City, Housing Commission, and other agencies to develop a program to stabilize neighborhoods, forestall foreclosures, train buyers, etc.</p>
<b>Economic Development</b>	
<p>Facilitate implementation of agreements for the Imperial Avenue Corridor Master Plan.</p>	<p>Completed major community plan amendment to allow mixed use and higher density along transit and trolley lines, and Program EIR for amendments.</p>
<p>Encourage local area businesses to utilize supportive services including, but not limited to the Facade Improvement Program, Enterprise Zone/Community Renewal Program, Revolving Loan Program and Entrepreneur Academy.</p>	
<p>Negotiate ENA/DDA for development at Valencia Business Park Lots 2 – 7.</p>	<p>Reissued RFP for the site and selected a developer.</p>
<p>Negotiate agreements for development on Imperial Avenue from 61st – 63rd, Encantada Plaza</p>	<p>Negotiations slowed due to market conditions. Requested, reviewed and analyzed updated pro forma and financing plan information.</p>

EXHIBIT C

ATTACHMENT A

**Southeastern Economic Development Corporation  
Central Imperial Redevelopment Project Area  
Fiscal Year 2009 Status**

Review and approve proposed tenants and revise development agreement to allow for mixed use development at Village Center at Euclid – Pilot Village.	Negotiated revised development agreement.
Review and approve proposed tenants of new industrial space at 54th & Market Street.	Referred interested parties. Identified and contacted potential tenants.
Continue to conduct Entrepreneur Academy to improve existing businesses and promote new small business opportunities.	Accomplished
<b>Neighborhood Preservation</b> Support Facade Improvement Program to assist area businesses with exterior building improvement.	<b>Status</b> Accomplished
Monitor compliance with SEDC’s Employment and training requirements including employment of area residents.	Accomplished
Phase III Utility Box Art	Selected local artists and completed art paintings on 40 utility boxes along Imperial Avenue.
Present quarterly workshops about water-wise landscaping techniques and promote the “Going Native Naturally” campaign.	Completed an area-wide water conservation campaign which included quarterly workshops and free consultations with landscape architects.

**Southeastern Economic Development Corporation  
Gateway Center West Redevelopment Project Area  
Status of Fiscal Year 2009 Work Plan**

<p><b>Eliminate Blight</b></p> <ul style="list-style-type: none"> <li>• Amend the Gateway Center West Redevelopment Plan and begin the Plan Amendment Process to include a portion of the Dells Imperial Study Area.</li> <li>• Prepare for approval of the Fourth Redevelopment Area 5 Year Implementation Plan (July 2010 – June 2014) in accordance with California Redevelopment Law Section 33000 et seq.</li> <li>• Acquisition of sites</li> <li>• Encourage development of underutilized sites in the project area.</li> <li>• Code Compliance</li> </ul>	<p><b>Status</b></p> <ul style="list-style-type: none"> <li>• In process</li> <li>• Accomplished</li> <li>• Ongoing</li> <li>• Ongoing</li> <li>• Fund two part-time code enforcement officers to focus on municipal code issues along area major corridors</li> </ul>
<p><b>Economic Development</b></p> <ul style="list-style-type: none"> <li>• Prepare and issue Request for Proposals for Agency-owned sites</li> <li>• Entrepreneur Academy</li> <li>• Conduct single topic Business Development Workshops.</li> <li>• Encourage local area businesses to utilize supportive services including, but not limited to the Facade Improvement Program, Enterprise Zone/Community Renewal Program, Revolving Loan Program and Entrepreneur Academy.</li> </ul>	<p><b>Status</b></p> <ul style="list-style-type: none"> <li>• On Hold</li> <li>• Accomplished</li> <li>• Accomplished</li> <li>• Ongoing</li> </ul>
<p><b>Neighborhood Preservation</b></p> <ul style="list-style-type: none"> <li>• Monitor use of mitigation funds provided by SDG&amp;E for Las Chollas Creek.</li> <li>• Explore collaboration with financial institutions for short term maintenance of foreclosed and abandoned properties.</li> <li>• Employment and training requirements.</li> <li>• Hey Neighbor Campaign</li> <li>• “Going Native Naturally”</li> <li>• SEDC public arts and culture program.</li> </ul>	<p><b>Status</b></p> <ul style="list-style-type: none"> <li>• In process</li> <li>• Researched existing programs for maintenance of foreclosed and abandoned properties, and worked with City Code Compliance to obtain data</li> <li>• Accomplished</li> <li>• Accomplished</li> <li>• Conducted an area-wide water conservation education campaign which included quarterly workshops and free consultations with landscape architects.</li> <li>• Ongoing</li> </ul>

EXHIBIT C

ATTACHMENT A

**Southeastern Economic Development Corporation  
Mt. Hope Redevelopment Project Area  
Status of Fiscal Year 2009 Work Plan**

<p><b>Eliminate Blight</b></p> <ul style="list-style-type: none"> <li>• Amend the Mt. Hope Redevelopment Plan to increase tax increment limits</li> <li>• Prepare for approval of the Fourth Redevelopment Area 5 Year Implementation Plan (July 2010 – June 2014) in accordance with California Redevelopment Law Section 33000 et seq.</li> <li>• Determine scope of development of agency-owned property located on Market Street.</li> <li>• Encourage infill and development of any underutilized sites.</li> <li>• Code Compliance</li> </ul>	<p><b>Status</b></p> <ul style="list-style-type: none"> <li>• Continued to next Fiscal Year</li> <li>• Accomplished</li> <li>• Continued to allow for coordination with the community plan update process</li> <li>• Ongoing</li> <li>• Fund two part-time code enforcement officers to focus on municipal code issues along area major corridors</li> </ul>
<p><b>Improve Public Infrastructure</b></p> <ul style="list-style-type: none"> <li>• Market Street Public Improvements.</li> <li>• Identify funding of potential improvements and initiate preparation of engineering and feasibility studies.</li> </ul>	<p><b>Status</b></p> <ul style="list-style-type: none"> <li>• In Process</li> <li>• Identified funding through the SANDAG Smart Growth Incentive Program and applied for funds</li> </ul>
<p><b>Increase Affordable Housing</b></p> <ul style="list-style-type: none"> <li>• Residential Rehabilitation Program to increase limits on loan/grant amounts and fund program.</li> <li>• Review and determine feasibility of first-time homebuyer's assistance program.</li> <li>• SEDC Multifamily Housing Guidelines.</li> <li>• Update SEDC's Housing Policy.</li> </ul>	<p><b>Status</b></p> <ul style="list-style-type: none"> <li>• In Process</li> <li>• In Process</li> <li>• Updated and approved.</li> <li>• Continued to work in collaboration with local and regional partners.</li> </ul>
<p><b>Economic Development</b></p> <ul style="list-style-type: none"> <li>• Develop and conduct single topic Business Development Workshops.</li> <li>• Continue to monitor compliance with Gateway Center East Planned Industrial Permit.</li> <li>• Support Facade Improvement Program to assist area businesses with exterior building improvement.</li> <li>• Entrepreneur Academy</li> <li>• Encourage local area businesses to utilize supportive services including, but not</li> </ul>	<p><b>Status</b></p> <ul style="list-style-type: none"> <li>• Accomplished</li> <li>• Accomplished</li> <li>• Accomplished</li> <li>• Accomplished</li> <li>• Accomplished</li> </ul>

EXHIBIT C

ATTACHMENT A

**Southeastern Economic Development Corporation  
Mt. Hope Redevelopment Project Area  
Status of Fiscal Year 2009 Work Plan**

<p>limited to the Facade Improvement Program, Enterprise Zone/Community Renewal Program, Revolving Loan Program and Entrepreneur Academy.</p>	
<p><b>Neighborhood Preservation</b></p> <ul style="list-style-type: none"> <li>• Monitor use of mitigation funds provided by SDG&amp;E for Las Chollas Creek.</li> <li>• Explore collaboration with financial institutions for short term maintenance of foreclosed and abandoned properties.</li> <li>• Employment and training requirements</li> <li>• Hey Neighbor Campaign</li> <li>• “Going Native Naturally”</li> <li>• SEDC public arts and culture program.</li> </ul>	<p><b>Status</b></p> <ul style="list-style-type: none"> <li>• Contemplated potential project</li> <li>• Researched existing programs for maintenance of foreclosed and abandoned properties, and worked with City Code Compliance to obtain data</li> <li>• Accomplished</li> <li>• Accomplished</li> <li>• Conducted an area-wide water conservation education campaign which included quarterly workshops and free consultations with landscape architects</li> <li>• Ongoing</li> </ul>

**Southeastern Economic Development Corporation  
Southcrest Redevelopment Project Area  
Status of FY 2009 Work Plan**

<p><b>Eliminate Blight</b></p> <ul style="list-style-type: none"> <li>• Prepared for Approval of the Fourth Redevelopment Area 5 Year Implementation Plan(July 2010-Jun2 2014)</li> </ul>	<p><b>Status</b></p> <ul style="list-style-type: none"> <li>• Accomplished</li> </ul>
<ul style="list-style-type: none"> <li>• Amend the redevelopment plan to extend the plan time limits (SB 1045 and SB 1096)</li> </ul>	<ul style="list-style-type: none"> <li>• Continued to FY 2010</li> </ul>
<ul style="list-style-type: none"> <li>• Begin process to amend document necessary to focus development opportunities along 43<sup>rd</sup> Street Corridor, including mixed use</li> </ul>	<ul style="list-style-type: none"> <li>• An MOU for the Community Plan Amendment is in negotiations with the City.</li> <li>• Funding has been budgeted.</li> </ul>
<ul style="list-style-type: none"> <li>• Encourage infill of and development of underutilized sites</li> </ul>	<ul style="list-style-type: none"> <li>• Coordinated with City Staff and district office to identify sites and determine feasibility of uses.</li> </ul>
<ul style="list-style-type: none"> <li>• Fund a Full time Code enforcement officer to assist SEDC in code compliance complaints</li> </ul>	<ul style="list-style-type: none"> <li>• Accomplished.</li> </ul>
<p><b>Improve Public Infrastructure</b></p> <ul style="list-style-type: none"> <li>• Coordinate with Community for funding and construction of public improvements</li> </ul>	<p><b>Status</b></p> <ul style="list-style-type: none"> <li>• Coordinated with community and identified potential public improvements</li> <li>•</li> </ul>
<ul style="list-style-type: none"> <li>• Southcrest Park Phase II</li> </ul>	<ul style="list-style-type: none"> <li>• Transferred funds to City Park &amp; Rec. for design and development of Phase II of the park.</li> </ul>
<ul style="list-style-type: none"> <li>• Southcrest Public Improvement Assessment District</li> </ul>	<ul style="list-style-type: none"> <li>• Developed concept of PID Funding and negotiated transfer of funds to City Parks &amp; Recreation</li> </ul>
<ul style="list-style-type: none"> <li>• Coordinate transfer of funds and installation of streetlights</li> </ul>	<ul style="list-style-type: none"> <li>• Accomplished. SEDC will monitor design and installation</li> </ul>
<p><b>Increase Affordable Housing</b></p> <ul style="list-style-type: none"> <li>• Monitor rehabilitation and construction at Mayberry Townhomes low income multifamily units.</li> <li>• Monitor low income rental requirements and loan agreement for Mayberry Townhomes.</li> </ul>	<p><b>Status</b></p> <ul style="list-style-type: none"> <li>• Accomplished</li> <li>• Ongoing</li> </ul>
<ul style="list-style-type: none"> <li>• Negotiate Agreement for a sustainable housing demonstration project on Agency Owned Property</li> </ul>	<ul style="list-style-type: none"> <li>• Negotiated the DDA for the site.</li> </ul>
<ul style="list-style-type: none"> <li>• Revise residential rehabilitation program to increase limits on loan/grant amounts and fund program.</li> </ul>	<ul style="list-style-type: none"> <li>• Accomplished.</li> <li>• Continue to implement residential rehab program.</li> </ul>
<ul style="list-style-type: none"> <li>• Complete update the Multi-family Development Guidelines</li> </ul>	<ul style="list-style-type: none"> <li>• Accomplished.</li> </ul>
<ul style="list-style-type: none"> <li>• Update SEDC Housing Policy</li> </ul>	<ul style="list-style-type: none"> <li>• Continued from FY 09 in collaboration with local and regional partners</li> </ul>
<p><b>Economic Development</b></p> <p>Develop Facade Improvement Program</p>	<p><b>Status</b></p> <ul style="list-style-type: none"> <li>• Worked with City, Consultants to develop program.</li> </ul>
<ul style="list-style-type: none"> <li>• Entrepreneur Academy</li> </ul>	<ul style="list-style-type: none"> <li>• Held 2 seven-week workshops for the Entrepreneur Academy for 40 participants.</li> </ul>

EXHIBIT C

ATTACHMENT A

**Southeastern Economic Development Corporation  
 Southcrest Redevelopment Project Area  
 Status of FY 2009 Work Plan**

<ul style="list-style-type: none"> <li>• Southcrest park Plaza Employment &amp; Training Agreements.</li> </ul>	Continued quarterly contact with employers in Southcrest Park Plaza to monitor compliance with SEDC’s employment and training requirements including employment of 219 area residents.
<ul style="list-style-type: none"> <li>• Encourage local area businesses to utilize supportive services.</li> </ul>	<ul style="list-style-type: none"> <li>• Provided funding for expanded San Diego regional Enterprise Zone.</li> </ul>

<p><b>Neighborhood Preservation</b></p> <ul style="list-style-type: none"> <li>• Code Compliance</li> </ul>	<p><b>Status</b></p> <ul style="list-style-type: none"> <li>• Funded full-time code enforcement officer to focus on municipal code issues along area major corridors. Opened over 16 new code violation cases.</li> </ul>
<ul style="list-style-type: none"> <li>• Hey Neighbor Campaign</li> </ul>	<ul style="list-style-type: none"> <li>• Surveyed area monthly to identify Hey Neighbor Card recipients and sent out series of monthly cards to recognize property maintenance, encourage ongoing maintenance and good neighbor relations.</li> <li>• Participated in neighborhood block party to encourage Hey Neighbor campaign and community relations</li> </ul>
<ul style="list-style-type: none"> <li>• Going Native Naturally – Present quarterly workshops about water-wise landscaping techniques and promote the campaign</li> </ul>	<ul style="list-style-type: none"> <li>• Accomplished.</li> <li>• Initiated an area-wide water conservation campaign which included quarterly workshops and free consultations with landscape architects.</li> </ul>



**SEDC Redevelopment Projects  
Completed Residential Projects  
As Of April 22, 2009**

Project Name	Community Area	Total new or rehabbed units	Total low and mod restricted units	Moderate up to 120% of AMI	Low up to 80% of AMI	Very Low up to 50% of AMI	Total low and mod restricted units
Casa de Suenos	Central Imperial	8	8	7	1		8
Evergreen Village	Central Imperial	56	12	12			12
Kings Row	Central Imperial	53	53	53			53
Sunshine Gardens	Central Imperial	41	3		3		3
Village at Euclid	Central Imperial	23	2	2			2
Morrison Street	Mt. Hope	6	6		6		6
Mt. Hope Rehab Program	Mt. Hope	134	134	11	42	81	134
38th Street Homes	Southcrest	4	4	4			4
Boston Village	Southcrest	12	12	12			12
Legacy Walk	Southcrest	110	11	11			11
Southcrest Park Estates I	Southcrest	33	5	5			5
Southcrest Park Estates II	Southcrest	62	62	62			62
Southcrest Rehab Program	Southcrest	87	87	19	31	37	87
Jarrett Heights	Lincoln Park	23	5	5			5
Knox Glen	Lincoln Park	54	54		54		54
Lincoln Park Co-op	Lincoln Park	15	15		2	13	15
Skyline Terrace	Skyline	<u>30</u>	<u>4</u>	<u></u>	<u>4</u>	<u></u>	<u>4</u>
<b>Total SEDC Area</b>		751	477	203	143	131	477
			Low/Mod as a Percentage of Total Market Rate	64%		Very low as a Percentage of Low/Mod	27%