

FOURTH IMPLEMENTATION PLAN
FOR THE
HORTON PLAZA & CENTRE CITY
REDEVELOPMENT PROJECTS

For the Period
July 2009 – June 2014

Approved Pursuant to Agency Resolution No: _____
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Centre City Development Corporation
The Redevelopment Agency of the City of San Diego

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**Project Area Profile
Centre City & Horton Plaza
Redevelopment Project Areas**

Land Area: Approximately 1,445 acres

Boundary: Interstate 5 and Laurel Street on the North and East, and San Diego Bay on the South and West.

Land Use:
(2006 Community Plan)

- 9.3% Residential
- 13.5% Commercial
- 21.3% Institutional/Utilities
- 5.3% Industrial
- 3.2% Open Space/Park
- 2.4% Vacant
- 45.0% Public Right-of-Way

Date Adopted: Centre City May 11, 1992
Horton Plaza July 25, 1972

Date of Amendment:

	<u>Horton Plaza</u>	<u>Centre City</u>
First Amendment	December 8, 1986	November 28, 1994
Second Amendment	November 28, 1994	January 9, 1995
Third Amendment	November 22, 1999	November 8, 1999
Fourth Amendment		November 8, 1999
Fifth Amendment		November 22, 1999
Sixth Amendment		September 12, 2000
Seventh Amendment		December 9, 2002
Eighth Amendment		April 12, 2004
Ninth Amendment		April 3, 2006
Tenth Amendment		April 10, 2006
Eleventh Amendment		September 4, 2007

Redevelopment Plan Time Limits For:

	<u>Horton Plaza:</u>	<u>Centre City:</u>
<u>Plan Effectiveness:</u>	August 25, 2013	Expansion Sub Area - May 11, 2033 Gaslamp Quarter Sub Area - July 30, 2023 Columbia/Marina Sub Area-December 29, 2017
<u>Eminent Domain</u>	December 8, 1994	April 12, 2016
<u>Incurring Debt</u>	January 1, 2004	Not Applicable
<u>Debt Repayment</u>	August 25, 2023	Expansion Sub Area – May 11, 2043 Gaslamp Quarter Sub Area – July 30, 2033 Columbia/Marina Sub Area-December 29, 2027
<u>Tax Increment Limit</u>	\$240,000,000	\$2,894,000,000
<u>Total Increment</u>	\$128,728,358	\$669,485,522 (through FY 2008)

I. INTRODUCTION

This document contains the five-year Implementation Plan for the period July 2009 – July 2014 for the Centre City and Horton Plaza Redevelopment Project Areas (Project Areas), administered by Centre City Development Corporation. The Implementation Plan is being prepared and adopted in accordance with State Health and Safety Code Section 33490 and related sections. These sections outline the purpose and requirements of the Implementation Plan as follows:

- Agencies were required to adopt their first five-year Plan(s) for existing Project Areas by December 1994.
- Each Plan must state the Agency's goals and objectives for the Project Area, identify specific programs and expenditures over the next five years, and describe how these goals and objectives, programs, and expenditures will alleviate blight.
- Each Plan must identify approaches to increase, improve and preserve the supply of low and moderate income housing. The Plan must further incorporate a plan to meet mandated housing production, affordability, and targeted income requirements.
- Each Plan may be adopted only after a noticed public hearing has been conducted. The adoption of the Plan does not constitute a "project" within the meaning of the California Environmental Quality Act.

A. Centre City Development Corporation

CCDC is the public, non-profit corporation created by the City of San Diego to staff and implement Downtown redevelopment projects and programs. Formed in 1975, the corporation serves on behalf of the Redevelopment Agency of the City of San Diego as the catalyst for public-private partnerships to facilitate redevelopment projects adopted pursuant to redevelopment law. Through an operating agreement, CCDC is the Agency's representative in the development of retail, residential, office, hotel, cultural and educational projects and public improvement projects. Each of CCDC's seven-member board of directors is appointed by the Mayor and City Council to three year terms.

B. Horton Plaza and Centre City Project Areas (the "Projects")

The Horton Plaza Redevelopment Project was adopted in 1972. The Horton Plaza Redevelopment Project extends from Union Street to 4th Avenue, and Broadway to G Street. It remains in effect until 2013.

The Centre City Redevelopment Project was adopted in 1992. The Centre City Redevelopment Project includes the extents of downtown outside the Horton Plaza Redevelopment area, excluding selected parcels on B Street. The Columbia, Marina, and Gaslamp Quarter Sub Areas were merged as the Centre City Redevelopment Project in a 1992 action, which also included expanding the project boundaries to include East Village, Little Italy, and Cortez. As a result of the merger, the Expansion Sub Area remains in effect through May 11, 2033, the Gaslamp Quarter Sub Area July 30, 2023 and the Columbia/Marina Sub Areas December 29, 2017.

The Projects were adopted because the conditions of deteriorating and dilapidated buildings and properties, health and safety hazards, obsolete buildings, shifting and incompatible uses,

inadequate utility infrastructure, deteriorated public rights-of-way, and severe housing and social needs are pervasive throughout the Centre City and Horton Plaza areas. Isolated or sporadic attempts to eliminate blight in these areas are not effective. Only a comprehensive, community-wide approach to the reversal of blight and deterioration will prove effective in the long-term. The eight individual neighborhoods downtown comprising the Horton Plaza and Centre City Redevelopment Project areas are dependent upon one another for their physical, social, and economic well being; all of them together are the region's heart.

The Centre City Redevelopment Plan merged three former redevelopment projects (Columbia Redevelopment Project, Marina Redevelopment Project and Gaslamp Quarter Redevelopment Project) and expanded the entire redevelopment project area from 365 acres to nearly 1,500 acres on May 11, 1992. The Centre City Redevelopment Project is the compilation and continuation of the Redevelopment Plans for the merged Columbia, Marina and Gaslamp Quarter Projects, and also applies to the area added to the merged Projects.

The Centre City Redevelopment Plan has been amended as follows: 1st) November 28, 1994, 2nd) January 9, 1995, 3rd and 4th) November 8, 1999, 5th) November 22, 1999, 6th) September 12, 2000 and 7th) December 9, 2002, 8th) April 12, 2004, 9th) April 3, 2006, 10th) April 7, 2006 and 11th) September 4, 2007.

The Horton Plaza Redevelopment Plan has been amended as follows: 1st) December 8, 1986, 2nd) November 28, 1994, 3rd) November 22, 1999 and 4th) April 7, 2006.

II. DESCRIPTION OF PROJECT AREA BLIGHTING CONDITIONS

Many of the conditions of blight in the Horton Plaza Redevelopment Project have been addressed by the development of the Horton Plaza retail center, the SBC Building, the NBC Building, the Meridian Condominiums and the rehabilitation of the historic Balboa Theatre. Other blighting influences including incompatible and obnoxious land uses, obsolete structures, congested streets, and inadequate parking facilities have also been addressed. However, the project area continues to exhibit blighting conditions which include structures in need of rehabilitation, a portion of the project area that has been subdivided into a size which may preclude proper usefulness and development and deteriorating infrastructure in need of replacement.

Conditions of project blight within the Centre City Redevelopment Project have begun to be addressed in the redevelopment of the three merged project areas. These efforts began in 1976 and are ongoing. However, the project area continues to exhibit blighting conditions. A number of factors characterize the magnitude and effect of blighting conditions within the Centre City Redevelopment Project. Five general categories characterize the physical conditions. These are: 1) deterioration and dilapidation of buildings and properties; 2) shape and size of parcels; 3) incompatible land use; 4) toxic and hazardous materials; and 5) the poor condition of existing public improvements. Economic conditions in the project area are characterized by three factors: 1) business migration out of Centre City; 2) commercial vacancy factors; and 3) impaired investments. Social blight is characterized by worsening historical and current demographic trends and conditions, which historically show increases in crime, transiency, and general social maladjustment. Crime has decreased since redevelopment activities were initiated.

Specific blighting conditions within the Project Areas are related to building conditions, property conditions, seismic and structural reinforcement, buildings without sprinklers, use of asbestos, hazardous materials contamination, exposure to noise, access for the disabled, building code

violations, and age and obsolescence of structures and improvements. Building conditions, property conditions, and factors that indicate functional obsolescence are common in the Project Areas.

At the time the Centre City Redevelopment Project area was established, economic blight was evidenced by a steady decline in many of the economic indicators including assessed land values, business formations, business relocations, unemployment, retail sales, household income and public expenditures. Other economic indicators showed that the market was depressed and that the feasibility of rehabilitation of many of the older and dilapidated structures was very poor.

Conditions of severe social blight were also prevalent within the Centre City Redevelopment Project. Specific indicators of population, economic status, housing, crime, transiency, and mental health combine to show that social blight pervades the Project Area. Moreover, household incomes were very low. Centre City serves as a collection point for the County's most needy residents, especially the homeless. Crime, transiency, mental health problems, and alcohol and drug addictions are far more prevalent within the Project Areas than in the rest of the region.

Significant portions of the Project Areas include areas and buildings that clearly show the signs of years of disinvestment and neglect. These areas include an over concentration of homeless persons and a street population that extends into the existing business districts. Infrastructure is lacking. Public improvements, such as streets and sidewalks, are in significant states of disrepair.

Many of these blighting conditions have begun to be addressed by the Agency through the development of new projects, both public and private. The Agency has participated with owners in the Project Areas to implement commercial projects as well as supporting the development of very low-, low-, and moderate- income housing. Despite these efforts, many of the blighting conditions listed above remain.

III. PROJECT AREA GOALS AND OBJECTIVES

To further eliminate the blighting conditions described in the previous section, the following goals/objectives are established. In general, the goals and objectives for the Project Areas are in accord with the Centre City Community Plan (the "Community Plan") which sets the vision for the future form of the downtown community. The Community Plan envisions the downtown area as the core for government, financial, commercial, and cultural activities integrated with distinct residential neighborhoods including high, moderate, low, and very low income housing along with the amenities and services necessary to support a vibrant downtown urban community.

Specific goals of the Agency to address the blighting conditions in the Project Areas include:

- Creation of incentive programs for existing property owners to reinvest in their properties;
- Creation of viable housing options within Centre City that span a range of incomes, including housing for the homeless and formerly homeless;
- Creative implementation of catalyst projects which spur reinvestment on surrounding blocks;
- Land acquisition for the creation of public facilities which serve both the immediate neighborhood and the community at large;

- Enhancement of ceremonial streets which function as the focal points of their individual neighborhoods;
- Systematic elimination of toxic substances in soils and groundwater;
- Continued preservation of historically significant structures;
- Improvements to existing water and sewer lines, streets, sidewalks, parkways, and lighting in the public right-of-way; continued participation in the enhancement of the public transit system;
- Continued participation in the physical enhancement of the justice system;
- Continued participation in the physical enhancement of the educational system; and
- Acquisition and disposition of property to abate blighting influence uses and provide for future development.
- In addition to the foregoing objectives, develop and support a Ballpark Project within a unique Sports/Entertainment District so as to:
 - Accommodate sports and entertainment facilities for major sporting events and local visitor attractions, recreation areas, retail, and commercial development, research and development facilities and residential;
 - Continued support in the funding of a baseball facility to assure the continued presence of the Padres in San Diego;
 - Provide a family-oriented environment associated with the ballpark by including recreational, educational and retail activities;
 - Reduce reliance on the automobile as the primary means of transportation to events; by taking advantage of a well-developed mass transit system;
 - Provide a catalyst for redevelopment in the area around the ballpark;
 - Increase patronage of local retail businesses such as restaurants, hotels and retail shops;
 - Complement the San Diego Convention Center by providing an adjacent facility to host large outdoor meetings;
 - Provide parks and open space for existing and future downtown residents;
 - Provide additional parking for downtown businesses and residents during non-event periods;
 - Provide another regional facility for civic events amateur athletics, concerts, multiple day trade shows, private parties and other gatherings;
 - Help implement a park-to-bay linkage by creating a new promenade street connecting Eighth Avenue with Park Boulevard; and

- Take advantage of the synergies and proximity to the Gaslamp Quarter.
- In addition to the foregoing objectives, create Ancillary Development Projects near the Ballpark Project in a manner so as to:
 - Encourage businesses to establish offices in the downtown area;
 - Provide property tax-increment and transient occupancy tax funding for the Ballpark and related infrastructure improvements through the addition of new hotel rooms, office space, and commercial retail facilities;
 - Develop a neighborhood with year-round activities; and
 - Provide shared parking to be used during events.

IV. GOALS AND OBJECTIVES, PROPOSED PROJECTS, AND CONTRIBUTION TO BLIGHT ALLEVIATION FOR THE FIVE-YEAR PERIOD

A number of projects have been identified which would reduce or eliminate many of the blighting influences listed in Section II. Whereas California Redevelopment Law requires a five-year implementation plan regardless of economic conditions existing during the five-year period, it should be understood that the timing of these projects may be greatly influenced by market conditions and the ability of the private sector to respond to Agency initiatives. The projects and expenditures represented below rely on the private sector's ability to obtain financing for projects as well as the Redevelopment Agency's ability to maintain and increase its tax increment flow. If Redevelopment Agency funds are depleted due to new requirements imposed by State and local legislation or actions, it is unlikely that the projects listed below will be implemented.

The work programs are established based upon available resources and market opportunities. The descriptions identify near-term opportunities to remove blight in the Project Areas. However, within the next five years, new implementation programs and priorities could arise. The Plans may be amended to take advantage of unforeseen and significant opportunities. Certain projects may not be constructed in the District listed, but may, upon study prior to implementation, be located elsewhere in the Project Areas.

The work programs are divided into two sets of activities: 1) projects designed to assist private development throughout the Project Areas and 2) public infrastructure and facilities identified by District and as area-wide activities.

A. Goals and Objectives

The goals and objectives for the Project Areas continue to be the attraction of retail and commercial business and residents back to the area; the creation of a strong job base and regional government hub; and the implementation of a social issues strategy to address homelessness and crime.

B. Proposed Private Projects

The Agency also plans to participate in a number of activities with private and non-profit entities to implement the Horton Plaza and Centre City Redevelopment Plans. The range of activities to assist

future projects is listed below. More specific project descriptions will be developed as projects are submitted for Agency assistance. The project's individual contribution to blight removal will be evaluated at that time. The Agency will assist in private activities as the market presents opportunities to do so. Such activities may include:

The following table describes proposed private projects and their contribution to blight removal:

PROJECT	PROJECT DESCRIPTION	CONTRIBUTION TO BLIGHT REMOVAL
Commercial District Façade Rehabilitation	Assist street-level business in improving the façade of their businesses. Loans would be available for planning and construction of improvements.	Aid the private sector in the improvement of street facades and restoration of commercial shopping nodes. Façade improvements will complement planned streetscape improvements.
Construct Off-Site Improvements	In conjunction with private development, construct off-site improvements, including sidewalks, lighting, street trees, and street furniture.	Public/private partnership to replace outdated public improvements.
Historic Preservation Loans	Execute Owner Participation, Disposition and Development and Mills Act agreements to make historic rehabilitation feasible under present market conditions.	Rehabilitation of historic structures and implementation of creative reuse strategies while simultaneously removing blight.
Acquisition/Disposition of Property & Relocation Services	Through acquisition, assemble developable parcels for public facilities, parks, open space and private development.	Remove/demolish blighted and other properties, where necessary, to provide for appropriate new development.
Elimination of Toxic Substances	Consistent with state and federal laws remedy or remove a release(s) or hazardous substances on, under or from property.	Facilitate the redevelopment of "brownfields," urban areas that are suspected of contamination by hazardous materials.
Seismic Retrofit	Assist in the planning, development and construction for the seismic rehabilitation of structures in the Project Areas.	Rehabilitate blighted and underutilized structures and create new economic opportunities in the Project Areas.
Educational Facilities	Aid in the acquisition and development of property for commercially-operated educational facilities.	Public/Private partnership to create educational facilities to attract new development and increase investment in the Project Area.
Rehabilitation Loans	Assist private and non-profit developers in financing rehabilitation work in the Project Areas.	Rehabilitate blighted structures and create new economic opportunities in the Project Area.
Low- & Moderate- Income Loans – Rental Housing	Assist the private sector in development of affordable rental housing.	Increase supply of decent affordable housing available to a broad spectrum of individuals in the Project Areas.

PROJECT	PROJECT DESCRIPTION	CONTRIBUTION TO BLIGHT REMOVAL
Low- & Moderate- Income Housing Loans – Owner Occupied Housing	Assist the private sector in development of affordable ownership housing within the Project Areas.	Increase the supply of decent affordable ownership housing for individuals and families within the Project Areas. Bring new stakeholders into downtown.
Interim Property Improvement Loans	Small loans to provide incentives for property owners to undertake rehabilitation and development of properties within the Project Areas.	Aid the private sector in improving street facades and restoring neighborhoods within the Project Area.
Expedited Development Processing	Provide environmental review, plan review, and entitlement assistance to developers proposing development projects within the Project Areas.	Increase the rate at which projects are redeveloped within the Project Areas.

C. Proposed Public Improvements

The following table describes proposed public infrastructure and facilities by district/area wide and their contribution to blight removal:

EAST VILLAGE

PROJECT	PROJECT DESCRIPTION	CONTRIBUTION TO BLIGHT REMOVAL
Street Lighting/Lighting Conversion	Design and implement new street lighting system, convert existing low-pressure sodium to high-Pressure sodium lights and provide efficiencies with adoption of a comprehensive lighting plan.	Increased lighting will improve public safety, deter crime and provide energy efficiencies.
Sewer/ Water & Storm Drain Upgrades	Systematically replace outdated and outmoded storm drain, sewer and water facilities.	Replacement of public improvements allows new development to occur.
Elimination of Blighting Conditions	Acquire or otherwise eliminate and mitigate blighting influence uses including liquor stores, vacant properties, and areas of known drug trafficking.	Eliminate general blighting characteristics of specific properties to be identified.
Park Blvd Enhancements	Enhance major north/south thoroughfare with new landscaping, paving, and street furniture; improve trolley accessibility.	Replacement of inadequate public improvements, improve commercial activity on Park Blvd.
Underground Utility Lines	Bury all overhead utility lines and pad mounted facilities.	Remove visually blighting influence, enhance area as desirable location.
Enhanced Community Facilities	Creation of parks, public spaces and/or plazas and recreational facilities to provide catalysts for new development and activity centers for persons in the Project Areas.	Proposed parks and recreational facilities would create residential amenities, provide adequate public facilities for the area will increase the desire for residents to live in the East Village neighborhood..

Market Street and Broadway Improvements	Determine feasibility, construct and improve medians on Market Street and Broadway.	Improve appearance of downtown's second "ceremonial" street; catalyst for redevelopment of adjacent vacant and underutilized properties.
Extend Linear Park Southward	Extend the Linear Park to the entire southern edge of the East Village Redevelopment District.	Provide public amenities as a catalyst for new development and investment.
Park Blvd & Harbor Drive Pedestrian Bridge	Engineering and construction of a pedestrian bridge over trolley and freight rail tracks, and Harbor Drive, per December 2003 P.U.C. decision. Reconnect 8 th Avenue (Park Blvd) to Harbor Drive for vehicular only access at grade.	Enables the only vehicular connection of ballpark district redevelopment sites to Harbor Drive and waterfront. Provides visitor/convention attendees access from waterfront to inland sites, retail merchants and the Ballpark district.
Ancillary Development Projects to Ballpark	A baseball park and its related support facilities, retail/entertainment uses (including the Retail at the Park), recreational uses (including the Park at the Park), parking facilities, mass transit improvements and infrastructure improvements including accompanying mitigation measures accommodating such uses and improved infrastructure. Continue support in funding debt service payments associate with the financing of the project.	Continue to act as a catalyst for future development by providing incentive for private development and investment and the removal of blight.
Railroad Corridor Safety & Quiet Zone Analysis	Analysis and implementation of safety improvements at downtown railroad crossings, to improve vehicular and pedestrian safety and enable FRA train horn quiet zone.	Improves user safety and access at south and west sides of entire downtown and enhances desirability of adjacent land for full-capacity residential and commercial development and the elimination of blight.
Commuter Rail Station	Participate with SANDAG and North County Transit District to provide a commuter rail station at the Ballpark.	Encourage use of mass transit to events at the Ballpark to alleviate traffic congestion and encourage pedestrian activity in the commercial areas adjacent to the Ballpark.

COLUMBIA

PROJECT	PROJECT DESCRIPTION	CONTRIBUTION TO BLIGHT REMOVAL
Highway Improvement	Improve streets with new paving, sidewalks, street furniture, and landscaping.	Improve gateway streets into the Project Area, provide needed improvements to public infrastructure.

North Embarcadero Alliance Visionary Plan	Implementation of a comprehensive plan for Port, County, Navy and private lands and public right-of-ways.	Encourage economically -viable development; increase economic and social vitality of bay front; provide uses and amenities that celebrate the community ; provide public access and open space; create a signature expression that draws attention to the area; serve local community and tourists; and preserve and maximize bay views.
Kettner, India, B & C	Provide for the appropriate development of the parcel between Kettner Blvd., India, B, and C streets.	Development of Agency-owned parcel to provide a catalyst for new development, investment and public amenity .
Parcel C	Provide for the appropriate development of parcels on the south side of Broadway, between State Street and Kettner Blvd.	Infill Agency-owned parcels with private development to increase the economic activity of the project.
Transit Corridor Enhancements	Enhancement of transit stations and corridor along C Street. Improve pedestrian access to transit corridor.	Replace inadequate public improvements, improve public safety and provide a catalyst for new development to improve pedestrian access to transit.
Downtown Jails & Courts	Participate with county , state and federal governments to facilitate adequate jail and court facilities in downtown San Diego.	Provide publicly -owned facilities to increase public safety , deter crime in the Project Areas and enhance economic activity .

CORE

PROJECT	PROJECT DESCRIPTION	CONTRIBUTION TO BLIGHT REMOVAL
C Street Enhancement	Continue improvements to trolley right-of-way on either side and the center of C Street, through downtown.	Replacement of inadequate public improvements, improve commercial activity on C Street and pedestrian activity .
Pedestrian Improvements in the B Street Expansion between First and Third avenues.	Provide public right-of-way improvements between First and Third avenues to enhance pedestrian circulation.	Replacement of inadequate public improvements within the Project Areas.
Civic Center Enhancement	Continue efforts to recruit and retain government agencies; plan and implement public improvements, infrastructure and capital resources as appropriate. Assist the City of San Diego in the planning of the potential redevelopment of the Civic Center.	Increase downtown employment, replace functionally obsolete structures, provide public amenities to complement San Diego's civic buildings.

CORTEZ

PROJECT	PROJECT DESCRIPTION	CONTRIBUTION TO BLIGHT REMOVAL
Interstate 5 Enhancement	Enhance the southern and western boundaries of Interstate 5 through the Cortez District.	Improve noise attenuation and create public amenities for a residential neighborhood.
Demolition of Second Avenue off-ramp from southbound Interstate 5.	Study the feasibility of removing the off-ramp from Interstate 5 to Second Avenue.	Replacement of outdated public improvements and facilities to provide an incentive for private investment, thereby removing neighborhood blight.
St. Joseph's Park	The creation of new and the enhancement of existing public parks and open space for active and passive recreational use.	Increase the amount of public open space to enhance downtown residential neighborhoods and commercial districts.

GASLAMP QUARTER

PROJECT	PROJECT DESCRIPTION	CONTRIBUTION TO BLIGHT REMOVAL
Gaslamp Off-Site Improvements	Complete off-site improvements in the Gaslamp Quarter.	Replace inadequate public improvements.
Gaslamp Park	Review the feasibility to modify the public space.	Replace an inoperable water feature to provide enhanced public access.

LITTLE ITALY

PROJECT	PROJECT DESCRIPTION	CONTRIBUTION TO BLIGHT REMOVAL
North Embarcadero Alliance Visionary Plan	Implementation of a comprehensive plan for Port, County, Navy and private lands and public right-of-ways.	Encourage economically-viable development; increase economic and social vitality of bay front; provide uses and amenities that celebrate the community; provide public access and open space; create a signature expression that draws attention to the area; serve local community and tourists; and preserve and maximize bay views.
Little Italy Parking	Provide for permanent public parking facilities	Provide for enhanced activity for commercial and residential activity in the community.

MARINA

PROJECT	PROJECT DESCRIPTION	CONTRIBUTION TO BLIGHT REMOVAL
Marina Off-Site Improvements	Complete off-site improvements in the Marina District.	Replace inadequate public improvements.

North Embarcadero Alliance Visionary Plan	Implementation of a comprehensive plan for Port, County, Navy and private lands and public right-of-ways.	Encourage economically viable development; increase economic and social vitality of bay front; provide uses and amenities that celebrate the community; provide public access and open space; create a signature expression that draws attention to the area; serve local community and tourists; and preserve and maximize bay views.
Water, Sewer & Storm Drain Upgrades	Replace outdated and outmoded water, sewer and storm drain facilities.	Upgrade of public improvements allows new development to occur.
Pacific Highway Improvements	Design and construct new medians for Pacific Highway.	Enhance major gateway into Centre City, provide needed improvements to public infrastructure.

HORTON PLAZA REDEVELOPMENT PROJECT

PROJECT	PROJECT DESCRIPTION	CONTRIBUTION TO BLIGHT REMOVAL
Horton Off-Site Improvements	Complete off-site improvements in the Horton Project.	Replace inadequate public improvements.
Lyceum Theatre	Renovate the public spaces of the Lyceum Theatre	Encourages and increases economic and social vitality by providing a social and performing art experience to stimulate residents and visitors to Horton Plaza retail center and other downtown retail centers; provides small and emerging theatre groups an opportunity to work and perform in a professional public theatre; and attracts a wide diverse audience.
Balboa Theatre	Implement a rehabilitation program in order to place the structure in use and maintain as a public asset.	The blighted historic structure will become a cultural amenity in the Project Areas, thereby attracting additional investment to the area and improving a blighted property.
Horton Plaza Park	The creation of new and the enhancement of existing public parks and open space for active and passive recreational use.	Increase and enhance the amount of public open space to enhance downtown commercial districts and residential neighborhoods.

OTHER PUBLIC INFRASTRUCTURE/FACILITY PROJECTS (AREA WIDE)

PROJECT	PROJECT DESCRIPTION	CONTRIBUTION TO BLIGHT REMOVAL
Community Plan Update	An effort to update and implement the 2006 Community Plan for the entire 1,445-acre Centre City jurisdiction, including land use, housing, circulation, urban design, open space, and other planning elements and implementing documents.	The plan establishes specific goals and policies which guide the enactment of the Redevelopment Plan and specific implementing projects, all of which remove numerous and various blight conditions.

PROJECT	PROJECT DESCRIPTION	CONTRIBUTION TO BLIGHT REMOVAL
Downtown Street Lighting	Installation of new and conversion of existing street lighting from low pressure sodium to high pressure sodium.	Increased lighting will improve public safety and deter crime.
Street Enhancement	Enhance public rights-of-way, providing new paving, landscaping, sidewalks, public art and street furniture.	Replace inadequate public improvements and provide a catalyst for new development by implementing off-site improvements.
Central Library	Replace existing Central Library with a new facility .	Replacement of obsolete facility to provide appropriate cultural resources for the downtown area.
Miscellaneous Public Improvements & Facilities	Provide public improvements, public safety and fire rescue facilities as needed within, or to serve, the various areas of the Project Areas.	Replacement of outdated public improvements and facilities to provide an incentive for private investment, thereby removing neighborhood blight. Insure adequate health and safety facilities for future development.
Increase Availability of Parking	Increase availability of parking to support downtown uses through a comprehensive strategy .	Increased availability of parking will assist in the retention and reuse of historic structures and public buildings, attract greater development opportunities to the immediate area and enhance downtown residential living.
Linear Park Improvements	Extend Linear Park to northern and southern edges of the project area.	Provide public amenities and improve public right-of-way as a catalyst for new development and investment.
Government Offices	Assist City , County , State and Federal government agencies in finding suitable locations within the Project Areas. Provide acquisition and relocation as necessary .	Provide added vitality to the Project Areas by attracting and retaining major employers and making downtown a true "Civic" Center.
Park to Bay Link	Create links between Balboa Park and the San Diego Bay . Links would include enhanced paving, enhanced landscaping, street furniture and enhanced transit facilities.	The Bay to Park Link Program replaces inadequate public facilities and infrastructure with appropriate improvements which link two of downtown's greatest amenities.
Parks, Open Space & Recreation	The creation of new and the enhancement of existing public parks and open space for active and passive recreational use.	Increase the amount of public open space to enhance downtown residential neighborhoods and commercial districts.
Interstate 5 Freeway Enhancement	Enhance the western boundary of Interstate 5 through the Little Italy Neighborhood.	Improve noise attenuation and create public amenities for the residential neighborhood.
Water, Sewer & Storm Drain Upgrades	Replace outdated and outmoded water, sewer and storm drain facilities.	Upgrade of public improvements allows new development to occur .
Transit Corridor Enhancements	Enhancement of surface improvements at transit stations and improved pedestrian access to transit facilities.	Replace inadequate public improvements, improve public safety and provide a catalyst for new development.

Implementation of the Agency's Social Issues Policies Working Strategy	Develop transitional and permanent supportive and permanent affordable housing throughout San Diego for formerly homeless persons.	Decrease homelessness and transiency, and create very-low income housing for the needy in Centre City and Horton Plaza.
Elimination of Toxic Substances	Systematic identification, removal and remediation of toxic substances.	Facilitate the redevelopment of "brownfields," urban areas that are suspected of being contaminated by hazardous materials.
Ancillary Development Projects	Continued developments around the ballpark to include office-commercial, professional office, research and development, retail, hotels and residential.	Elimination of underutilized land.
Schools/Educational Facilities	Coordinate with San Diego Unified, City College and various private schools, with possible infrastructure and park improvements and land assembly, to retain, establish and expand a full range of educational opportunities for downtown residents, families and workers.	Private, magnet and charter elementary schools can be integrated into urban mixed-use projects, providing a necessary service to downtown families and workers; the resulting employment and residential developments further the redevelopment of the Project Areas.
Under/above ground Utility Lines/Facilities	Bury all overhead utility lines and pad mounted facilities.	Remove visually-blighting influence, enhance area as desirable location.

D. Proposed Expenditures

The projects listed above represent the current public infrastructure/facility and private activities priorities of the Redevelopment Agency. The Plans include a projected \$765 million in expenditures for the Centre City Redevelopment Project and projected \$50 million of expenditures for the Horton Plaza Redevelopment Project, for a total of \$815 million over the five-year period. The \$815 million in expenditures for the Centre City and Horton Plaza Redevelopment Project is estimated to consist of \$139 million for Low and Moderate Income Housing inclusive of debt service for the housing bonds, \$225 million for debt service on the non-housing bonds and other long term obligations, \$160 million for payments to the taxing entities, and \$291 million for project including but not limited to parks, fire stations, the North Embarcadero improvements, the C Street corridor public improvements, New Main Library, parking facilities, and other public and neighborhood infrastructure improvements, as well as, implementation cost associated with developments.

Tax increment growth over the five years of this Plan, which is based on recently updated financial projections is estimated for the five years of this Plan in the following table.

Fiscal Year	Gross Tax Increment	Taxing Agency Payments	Net Tax Increment
2010	\$133,600	\$17,000	\$116,600
2011	\$135,100	\$17,200	\$117,900
2012	\$138,000	\$40,200	\$ 97,800
2013	\$140,800	\$41,100	\$ 99,700
2014	\$146,900	\$43,200	\$103,700

Twenty percent (20%) of annual tax increment revenue is required to be set-aside in the Low and Moderate Income Housing Fund for the development of housing affordable to very low, low and moderate income households. Over the next five years, the Agency anticipates having approximately \$139 million available in the housing fund.

Fiscal Year	Gross Tax Increment	Taxing Sharing Payments	Housing Funds	Non- Housing Funds
2010	\$133,600	\$17,000	\$26,700	\$89,900
2011	\$135,100	\$17,200	\$27,000	\$90,900
2012	\$138,000	\$40,200	\$27,600	\$70,200
2013	\$140,800	\$41,100	\$28,200	\$71,500
2014	\$146,900	\$43,200	\$29,400	\$74,300

The Agency has entered into agreements with the affected local taxing agencies which provide for annual tax-sharing payments according to the following terms:

Taxing Entity	Tax Sharing Agreement			
	Annual TI < \$15 million	Annual TI \$15 million to \$27 million	Annual TI > \$27 million	Annual TI > \$114 million in Project Area and Sub Projects Cumulative Receipts > \$630 Million
San Diego County Office of Education	0.04%	0.18%	0.45%	0.50%
San Diego Unified School District	0.65%	2.40%	4.00%	13.60%
San Diego Community College District	0.10%	0.75%	1.65%	1.78%
County of San Diego	0.75%	5.00%	7.00%	14.70%

E. Horton Plaza Project Area Effectiveness Date

For project areas within six years of the time limit on the effectiveness of the redevelopment plan, the agency is required to address its ability to comply with certain provisions related to replacement dwelling units, inclusionary dwelling units and the disposition of remaining Housing Funds prior to the limit of the effectiveness of the redevelopment plan. The Horton Plaza Project Area will reach its effectiveness date July 25, 2013.

The Agency is not responsible for any replacement housing within the Horton Plaza Project Area. Prior to the time limit on the effectiveness of the redevelopment plan (August 25, 2013) at least fifteen percent (15%) of all new and substantially rehabilitated dwellings units developed within the a project area shall be available at affordable housing cost to and occupied by , persons and families of low- or moderate- income. A total of three hundred and one (301) new and substantially rehabilitated units have been developed in the Horton Plaza Project Area since the adoption of the Horton Plaza Redevelopment Plan. The Agency has provided fifty-one (51) low- and moderate-income units in the Horton Plaza Project Area (16.9%) exceeding the fifteen percent (15%) requirement. In addition, not less than forty percent (40%) of the fifteen percent (15%) or six

percent (6%) of the total are required to be available at affordable housing cost to, and occupied by, very low-income households. The Agency has assisted with the development of sixty-four (64) very low-income units with Horton Plaza Housing Funds (21%) exceeding the six percent (6%) requirement. The Agency will continue in its efforts to expend Housing Funds as required until and following the time limit on the effectiveness of the redevelopment plan.

The unencumbered balance in the Housing Fund on July 1, 2008 was approximately \$3,819,000. The funds remaining in the Housing Funds subsequent to August 25, 2003 and the twenty percent (20%) of the tax increment funds received annually thereafter are anticipated to be expended on the payment of the debt service on Housing Fund bonds until the sooner of: (i) the time limit on repayment of debt August 25, 2023 or (ii) such time that all of the debt obligations for the Housing Funds have been paid.

V. EXPLANATION OF HOW THE GOALS AND OBJECTIVES, PROJECTS AND EXPENDITURES WILL ELIMINATE PROJECT BLIGHTING CONDITIONS

Specific projects listed in the previous section include a description of how blight is eliminated as a result of implementation of a specific project. However, taken together, the cumulative effects of all of the projects listed will have a greater impact in eliminating blight than individual projects alone.

Taken together, the projects described in the previous section improve the Project Areas by :

- Increasing employment through provision of additional jobs created as a result of private sector investment;
- Increasing residential stability as a result of improved neighborhood conditions and an improved housing stock which meets the needs of a broad spectrum of incomes;
- Reducing social blight through implementation of the Agency's Social Issues Policies Working Strategy which advocates transitional and permanent housing for formerly homeless individuals;
- Correcting original deficiencies in planning of the Centre City area through redevelopment, thereby creating a more cohesive and appropriate urban environment for residents and visitors alike;
- Increasing private investment as a result of catalytic projects created throughout the neighborhoods of Centre City and Horton Plaza;
- Enriching downtown's neighborhoods through preservation of historically significant structures; and
- Reducing office and residential vacancies due to new residents and businesses entering the downtown community as blight is removed.

The previously adopted redevelopment project areas included within the merged and expanded Centre City Redevelopment Project evidence the success of past blight removal activities. The newer redevelopment districts are building on and ensuring the long-term success of the prior redevelopment project areas.

VI. EXPLANATION OF HOW THE GOALS AND OBJECTIVES, PROJECTS AND EXPENDITURES WILL IMPLEMENT PROJECT HOUSING REQUIREMENTS AGENCY/CITY WIDE (HOUSING COMPLIANCE PLAN)

California Community Redevelopment Law requires that not less than 20% of all tax increments allocated to a redevelopment agency must be used for the purposes of increasing, improving and preserving the community's supply of low-and moderate- income housing available at affordable housing costs further defined by State Law. Section 33413(b)(2) of the California Community Redevelopment Law requires that at least 15% of all new or substantially rehabilitated dwelling units developed within the project area by public or private entities other than the Agency must be available at affordable housing costs to, and occupied by, persons and families of low or moderate income (the "Affordable Units"); not less than 40% of the Affordable Units must be available at affordable housing costs to, and occupied by, very low income households. Additionally, the Affordable Units must remain affordable for the longest feasible time but not less than fifty-five years for rental units and forty-five years for owner-occupied units. The ongoing Projects' goal is to develop housing in compliance with current legislation and with available Projects' resources.

A. Comprehensive Affordable Housing Strategy

The Redevelopment Agency, comprised of the City's Redevelopment Division, Centre City Development Corporation (CCDC) and Southeastern Economic Development Corporation (SEDC), has formed a collaborative with the San Diego Housing Commission to accelerate and encourage new affordable housing development citywide. This collaborative is referred to as the Affordable Housing Collaborative. In January 2003, leveraging Redevelopment set-aside funds, the Affordable Housing Collaborative issued a Notice of Funding Availability (NOFA) announcing the availability of \$55 million to provide gap financing for very low, low and moderate income housing. Of the \$55 million, the Agency committed \$40 million from the Centre City and Horton Plaza project areas for the development of affordable low- and moderate-income housing.

Although the initial funding of the NOFA has been exhausted, affordable housing development proposals requesting local subsidies in the City of San Diego continue to be submitted through different channels to the Redevelopment Agency and/or San Diego Housing Commission. The Affordable Housing Collaborative continues to meet to review projects seeking funding under the Affordable Housing Opportunity Fund and to ensure affordable housing goals are met by the Agency and the Housing Commission.

To provide consistency among the three branches of the Redevelopment Agency (Redevelopment Division, CCDC and SEDC) and streamline the negotiation and approval process for affordable housing projects funded by the Agency, the Collaborative developed the "Expenditure of Low and Moderate Income Housing Fund Policy and Transaction Guidelines" to be utilized in reviewing affordable housing development proposals. These Policy and Transaction Guidelines were approved by the Agency Board on May 20, 2008 via Resolution R-04282 and are reviewed on a periodic basis to reflect changing policies and economic conditions.

In May 2008, the Redevelopment Agency issued the Centre City Redevelopment Project Tax Allocation Housing Bond, Series 2008A, for the amount of \$69 million. The Housing Bond provided approximately \$60 million to assist with the creation and rehabilitation of affordable housing for low- and moderate-income households and to leverage other affordable housing financial sources for low and moderate income housing projects.

B. Projects & Expenditures to be Made During the Next Five Year

The Project Areas' unencumbered Low and Moderate Income Housing Fund (Housing Fund), as of the beginning of FY 2009, was approximately \$3,819,000 for Horton Plaza and \$46,624,000 for Centre City. Projections of combined annual Housing Funds anticipated to be generated by the Project Areas over the next five years are shown in the following table.

Estimated Low and Moderate Income Housing Fund (2009-2014)

Fiscal Year	Low/Mod Fund*
2009-10	\$26,700,000
2010-11	\$27,000,000
2011-12	\$27,600,000
2012-13	\$28,200,000
2013-14	\$29,400,000
TOTAL	\$138,900,000

* Gross amount, including debt service and administration costs

These funds will be used to generate housing within the Project Area as opportunities for housing assistance are identified. All units developed with Agency assistance from the Housing Fund will be restricted to very low-, low-, or moderate-income households.

1. Projected Housing Units to be Developed in the Next Five Years

California Community Redevelopment Law requires that the Agency prepare an estimate of the number of new, substantially rehabilitated and price-restricted dwelling units to be developed in the Project Area. These numbers also includes the inclusionary housing requirements: units for very low, low and moderate income households. The inclusionary housing requirements state that fifteen percent (15%) of all new or substantially rehabilitated dwelling units developed by public or private activities, other than the Agency, in a redevelopment project area shall be affordable to low and moderate income households. Forty percent (40%) of the 15% inclusionary housing units shall be at affordability levels for very low income households.

Approximately 1,506 dwelling units could be developed over the ten year period (2009-2018) assisted by the Project Area's Housing Fund. The actual amount of Housing Funds will depend upon tax increment receipts. The number of units developed will depend upon the cost of the units, availability of pertinent and feasible opportunities for collaboration with housing developers, availability of tax increment-backed debt financing and the ability of the Agency to leverage funds. The Housing Fund expenditures will include costs for housing development, administration, and debt service payments.

It should also be noted that the City of San Diego Municipal Code (Chapter 14, Article 2, Division 13) places an inclusionary (affordable) housing obligation on new development. While these new affordable units can not be counted as production under the Redevelopment Agency's definitions, they are, for all intents and purposes, housing units available to low and moderate income households.

The following table (**Estimated Number of Units Assisted By Low and Moderate Income**

Housing Fund) indicates the estimated number of units that will be assisted and the estimated expenditures from the Housing Fund in each of the next ten years:

**Estimated Number of Units Assisted By Low and Moderate Income Housing Fund
(FY 2010 – FY 2019)**

Fiscal Year	New Rental Units	Rehabilitated Rental Units	Housing Fund Expenditures
2010	389	15	\$57,805,000*
2011	0	227	\$20,004,800*
52	41	38	\$9,299,200
2013	46	42	\$10,700,000
2014	49	45	\$11,800,000
2015	52	47	\$12,800,000
2016	57	53	\$14,700,000
2017	64	59	\$16,800,000
2018	70	65	\$19,100,000
2019	78	71	\$21,700,000
Total	845	661	\$194,709,000

* Includes carry over funds from previous years.

The following table (**Estimated Number of Units to be Developed in the Next Five Years**) indicates the estimated number of Agency assisted and non-Agency assisted units that will be developed in each of the next five years:

Estimated Number of Units to be Developed in the Next Five Years

Projects	FY2010*	FY2011	FY2012	FY2013	FY2014
Non-Agency Assisted	1,088	1	3	406	604
Proposed Agency Assisted	386	80	219	496	303
Total	1,474	81	222	902	907

* "Proposed Agency Assisted" units include 84 units (La Entrada) funded by the Centre City/Horton Low/Mod Funds, but are located outside fo the Centre City/Horton Redevelopment Areas.

The following table (**Breakdown of Estimated Number of Units to be Developed in the Next Five Years**) indicates the estimated number of units by income level that will be developed in each of the next five years:

Breakdown of Estimated Number of Units to be Developed in the Next Five Years

Housing Category	FY2010	FY2011	FY2012	FY2013	FY2014
Market Rate	1,088	1	3	406	604
Low/Moderate Income	189	0	0	206	42
Very Low Income	197	80	219	290	261
Total	1,474	81	222	902	907

2. Agency-Developed Units

As required by Section 33490 of the California Community Redevelopment Law, the Implementation Plan must contain an estimate of the number of Agency-developed residential units, if any, which will be developed during the next five years which will be governed by Section 33413(b)(1) and the number, if any, of Agency developed units for very low, low, and moderate income households which will be developed by the Agency during the next five years to meet the requirements of Section 33413(b)(1). Section 33413(b)(1) states that for units developed by the Agency, thirty percent (30%) of all new and substantially rehabilitated dwelling units shall be affordable for low and moderate income households, and not less than fifty percent (50%) of the 30% affordable units shall be affordable to very low income households. The Agency does not anticipate developing any residential units during the next five years.

C. Housing Unit Estimates for the Next Ten Years

It is estimated that up to 386 new, substantially rehabilitated or price-restricted residential units will be developed in the Project Areas in Fiscal Year 2010. Beginning in Fiscal Year 2011, through Fiscal Year 2019, the total number of new, substantially rehabilitated or price-restricted residential units to be developed is estimated to be 1,601.

The following table (**Estimated Number of Agency Assisted Units To Be Developed in the Next Ten Years**) illustrates the anticipated breakdown of total new dwelling units developed for very low, low and moderate income households over the next ten years as required by Section 33413(b)(2) of the California Community Redevelopment Law.

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Estimated Number of Agency Assisted Units To Be Developed in the Next Ten Years

Fiscal Year	Total Units	Low & Moderate Income (15%)	Very Low Income (40% of 15%)
2010	386	189	197
2011	80	0	80
2012	219	0	219
2013	496	206	290
2014	303	42	261
2015	86	47	39
2016	92	51	41
2017	97	53	44
2018	108	60	49
2019	120	66	54
TOTAL	1,987	713	1,274

The estimated number of new dwelling units that could be developed in the Project Areas over the life of the Redevelopment Plan (2033) is 53,100 units. The actual number of units developed will depend on market conditions and be determined as specific projects area pursued.

D. Very Low, Low and Moderate Income Units Developed in the Project Area

A summary of the Project Area's Housing Production of low-, very-low- and moderate-income units from 1975 to 2009 and a Ten Year Production Forecast/Duration of Project Areas Forecast can be found in Attachment A and B respectively.

The table (**Details of Housing Production in the Previous Implementation Plan Period**) on the next page provides a summary of the Project Areas' housing production including the number of units that were produced and the amount of Housing Funds used to assist the production of very low-, low- and moderate-income units for the period of the previous implementation plan (FY2004-FY2009).

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Details of Housing Production in the Previous Implementation Plan Period

Project	Housing Type	Location	Total Units	Aff. Units	Income Level	Housing Funds
<i>Centre City/Horton Project Areas</i>						
YMCA	SRO	Columbia	260	52	VL, Low	\$1,630,000
Leah Residence	Sp. Needs	East Village	24	23	VL	\$1,900,000
Lillian Place	Family	East Village	74	74	VL, Low, Mod	\$7,290,000
Southern Hotel	SRO	Core	89	50	VL	\$1,625,000
Sunburst Apts	Sp. Needs	East Village	24	23	VL, Low	\$2,775,000
16th and Market	Family	East Village	136	136	VL, Low	\$ -
Studio 15	SRO	East Village	275	273	VL, Low	\$16,498,000
<i>Subtotal</i>			882	631		\$31,718,000
<i>Outside Centre City/Horton Project Areas</i>						
Metro Villas	Family	City Heights	120	118	VL	\$2,000,000
Auburn Park	Family	City Heights	67	67	VL	\$6,472,000
Gateway Family	Family	Barrio Logan	42	41	VL	\$3,630,000
City Heights Sq.	Senior	City Heights	150	150	VL	\$8,800,000
Talmadge Senior	Senior	City Heights	91	90	VL	\$5,290,000
Veteran's Village	Sp. Needs	North Bay	56	56	VL	\$2,200,000
<i>Subtotal</i>			526	522		\$28,392,000
TOTAL			1,408	1,153		\$60,110,000

The following table provides the number of units that were produced for families with children and the amount of Housing Funds used to assist the production of such units for the period of the previous implementation plan (2004-2009).

Low and Moderate Income Units Produced for Families with Children in the Previous Implementation Plan Period (FY2004-FY2009)

Project	Housing Type	Location	Total Units	Aff. Units	Income Level	Housing Funds
<i>Centre City/Horton Project Areas</i>						
Lillian Place	Family	East Village	74	74	VL, Low, Mod	\$7,290,000
16th and Market	Family	East Village	136	136	VL, Low	\$ -
<i>Subtotal</i>			210	210		\$7,290,000
<i>Outside Centre City/Horton Project Areas</i>						
Metro Villas	Family	City Heights	120	118	VL	\$2,000,000
Auburn Park	Family	City Heights	67	67	VL	\$6,472,000
Gateway Family	Family	Barrio Logan	42	41	VL	\$3,630,000
<i>Subtotal</i>			229	226		12,102,000
TOTAL			439	436		\$19,392,000

E. Replacement of Dwelling Units Destroyed or Removed

The Redevelopment activities outlined in this Plan do not remove or destroy any housing units currently restricted to low or moderate income families. Where Redevelopment activities are planned, the Redevelopment will destroy a small number of market-rate rental units and replace these units with a much greater number of market-rate and very low, low, and moderate income units. Therefore, it is expected that units removed or destroyed will be replaced to a much greater extent than required by California Community Redevelopment Law.

F. Compliance with Housing Element and Regional Housing Share Requirements

The City of San Diego's regional share of housing need for persons of very low, low, and moderate income is published in the Housing Element of the City's General Plan. According to the City's FY 2005-2010 Housing Element, the proportional share of housing need in San Diego is 23% very low income (10,645 units city-wide), 18% low income (8,090 units city-wide), 19% moderate income (8,645 units city-wide) and 40% above moderate income (18,362 units city-wide).

Section 33334.4(a) of the California Community Redevelopment Law requires that the Agency expend Low and Moderate Income Housing Funds to assist in the development of housing for persons of very low, low and moderate income in at least the same proportion as the total number of housing units needed for each of those income groups within the community as each of those needs have been identified in the most recent determination pursuant to Government Code Section 65584 (i.e., the regional share of the statewide housing need). Using this definition and a denominator based upon the need for affordable units (total of 27,380 units), the threshold for the expenditure of low- and moderate-income housing funds is as follows: 39% very-low income (10,645 units), 29% low-income (8,090 units), and 32% moderate income (8,645 units).

In addition, Section 33334.4(b) of the California Community Redevelopment Law states, "Each agency shall expend, over the duration of each redevelopment implementation plan, the monies in the Low and Moderate Income Housing Fund to assist housing that is available to all persons regardless of age in at least the same proportion as the number of low-income households with a member under the age of 65 years bears to the total number of low-income households of the community as reported in the most recent census of the United States Census Bureau.

According to the 2000 census, there are 450,691 households in the City of San Diego. Of those households, 81,124 are "Senior Head of Household". Of those, "Senior Head of Household", 39,751 (49%) are low and moderate income. The total number of low and moderate income households in San Diego is 181,572. Therefore, the ratio of low and moderate income senior households to the total number of low and moderate income households is 21.89% (39,751/181,572).

The Agency will expend Housing Funds in the proportions cited above to ensure compliance with Redevelopment Law. The following table provides the proposed percentages of housing funds the Agency anticipates spending from the Project Areas Housing Fund for housing to match the City's proportional share of housing need for the next five years. The minimum percentages are the least amount the Agency may spend, and the maximum percentages are the most the Agency may spend for the categories of income and age.

Household Type	No. Of Households	Percentage of Housing Funds to be Expended	
Income			
Very Low Income	10,645	39%	Minimum
Low Income	8,090	29%	Minimum
Moderate Income	8,645	32%	Maximum
TOTAL	27,380		
Age			
LM Households Under Age 65	141,821	78%	Minimum
LM Household Over Age 65	39,751	22%	Maximum
TOTAL	181,572		

The table on the following page (**Housing Expenditures and Proportionality**) documents the amount of Housing Fund revenue expended during: a) the prior ten-year period (FY2000-FY2009) to assist in the development of housing for persons of very low-, low- and moderate-income in at least the same proportion as the total number of housing units needed for each of those income groups within the community ; and b) the previous Five-Year Implementation Plan period (FY2004-FY2009) in proportion to the number of low- and moderate-income senior households assisted to the number of low- and moderate-income seniors in the San Diego community .

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HOUSING EXPENDITURES AND PROPORTIONALITY

City of San Diego Redevelopment Agency

Centre City and Horton Redevelopment Areas

	Household Type			Income Category			
	No Age Restriction	Seniors	Total	Very Low	Low	Moderate	Total
Projects within Centre City/Horton Project Areas							
FY 09	\$ 16,498,000	\$ -	\$ 16,498,000	\$ 10,454,777	\$ 6,043,223	\$ -	\$ 16,498,000
FY 08	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FY 07	\$ 11,690,000	\$ -	\$ 11,690,000	\$ 8,833,108	\$ 1,379,189	\$ 1,477,703	\$ 11,690,000
FY 06	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FY 05	\$ 3,530,000	\$ -	\$ 3,530,000	\$ 2,683,654	\$ 846,346	\$ -	\$ 3,530,000
FY 04				\$ 2,590,000	\$ 2,835,000	\$ 1,575,000	\$ 7,000,000
FY 03				\$ 920,000	\$ -	\$ 6,000,000	\$ 6,920,000
FY 02				\$ 1,500,000	\$ -	\$ 3,227,000	\$ 4,727,000
FY 01				\$ -	\$ -	\$ -	\$ -
FY 00				\$ 317,864	\$ 1,236,136	\$ -	\$ 1,554,000
Projects outside of Centre City/Horton Project Areas funded by Centre City/Horton Housing Funds							
FY 05-FY09	\$ 12,302,000	\$ 14,090,000	\$ 26,392,000				
FY 00- FY09				\$ 4,500,000	\$ -	\$ -	\$ 4,500,000
Project Area Subtotal	5 Year Period (FY05-09)			10 Year Period (FY00-09)			
Centre City/Horton	\$ 31,718,000	\$ 0	\$ 31,718,000	\$ 27,299,402	\$ 12,339,895	\$ 12,279,703	\$ 51,919,000
Outside Centre City/Horton	\$ 12,302,000	\$ 14,090,000	\$ 26,392,000	\$ 30,892,000	\$ -	\$ -	\$ 30,892,000
Total	\$ 44,020,000	\$ 14,090,000	\$ 58,110,000	\$ 58,191,402	\$ 12,339,895	\$ 12,279,703	\$ 82,811,000
% (TO-DATE) - Units in Centre City/Horton	100%	0%		53%	24%	24%	
% (TO-DATE) Total Units Funded by Centre City/Horton	76%	24%		70%	15%	15%	
% (TARGET)	Min.78%	Max.22%		Min.39%	Min.29%	Max.32%	
Project Area Total	1975 (Inception) - FY09						
Centre City/Horton	\$ 69,759,634	\$ 8,285,043	\$ 78,050,752	\$ 41,593,617	\$ 15,726,063	\$ 20,724,997	\$ 78,044,677
Outside Centre City/Horton	\$ 19,163,900	\$ 14,090,000	\$ 33,253,900	\$ 32,850,428	\$ 403,472	\$ -	\$ 33,253,900
Total	\$ 88,923,534	\$ 22,375,043	\$ 111,298,577	\$ 74,444,045	\$ 16,129,535	\$ 20,724,997	\$ 111,298,577
% (TO-DATE) Units in Centre City/Horton	89%	11%		53%	20%	27%	
% (TO-DATE) Total Units Funded by Centre City/Horton	80%	20%		67%	14%	19%	
% (TARGET)	Min.78%	Max.22%		Min.39%	Min.29%	Max.32%	
Redevelopment Agency Total (To-Date)							
	\$ 104,200,564	\$ 25,039,043	\$ 129,239,607	\$ 89,410,088	\$ 18,829,612	\$ 20,999,908	\$ 129,239,608
% (TO-DATE)	81%	19%		69%	15%	16%	
% (TARGET)	Min.78%	Max.22%		Min.39%	Min.29%	Max.32%	

Based upon the noted expenditures, the Agency will need to target more of its Housing Funds to provide housing for low-income persons in order to meet the requirements for expenditures in proportion to the community's housing needs by income category. It should also be noted that the combined target percentage for very low- and low-income is 68% of Housing Funds expended. The Centre City and Horton Plaza project areas have expended 85% of Housing Funds over the previous 10-year period for very low- and low-income households.

VII. SUMMARY

The Plans set forth specific projects planned for the Project Areas during the next five years in accordance with the 2006 Downtown Community Plan and the California Community Redevelopment Law. These Plans provide for a number of catalytic projects including construction and rehabilitation of low- and moderate income housing. The Plans set forth programs which, when implemented, will aid the private sector to reinvest in downtown. These programs include: commercial facade rehabilitation loans, historic preservation loans, and land write-downs, and interim property improvement loans. These Plans also set forth the provision of major public improvements, including street improvements and facilitation of major public facilities. In addition, these Plans provide for a continuing investment in commercial and residential rehabilitation projects which help secure the long-term success of the public investments already implemented in the three former redevelopment project areas.

Attachment A

CENTRE CITY AND HORTON PLAZA REDEVELOPMENT PROJECTS ADMINISTERED BY CENTRE CITY DEVELOPMENT CORPORATION COMPLETED RESIDENTIAL PROJECTS

Project Name	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
HORTON PLAZA REDEVELOPMENT PROJECT						
Horton 4th Ave.	65	51	51	0	0	51
Meridian	172	0	0	0	0	0
Total Horton Plaza	237	51	51	0	0	51
L/M Hang out Proj Area (50%)	64	64	0	0	64	64
Grand Total Horton Plaza	301	115	51	0	64	115
Horton Plaza Low mod as a percentage of Market Rate		38%			Very low as a percentage of low mod	56%
CENTRE CITY REDEVELOPMENT PROJECT						
Columbia Sub Area						
Broadway 655 Apartments	12	0	0	0	0	0
Columbia Tower	150	148	0	2	146	148
Electra	248	0	0	0	0	0
Grande at Santa Fe North	222	0	0	0	0	0
Grande at Santa Fe South	222	0	0	0	0	0
Koill Phase I	24	0	0	0	0	0
Marina Park	120	0	0	0	0	0
Park Row	154	0	0	0	0	0
Sapphire	96	0	0	0	0	0
Treo	326	0	0	0	0	0
YMCA	260	52	0	27	25	52
Subtotal Columbia	1,834	200	0	29	171	200
Core District						
Broadway Lofts	84	0	0	0	0	0
Lofts @ 4C Square	29	0	0	0	0	0
On Broadway	33	0	0	0	0	0
Scripps Lofts	26	10	10	0	0	10
Smart Corner	301	0	0	0	0	0
Southern Hotel	89	50	0	0	50	50
Trolley Lofts	36	27	27	0	0	27
Vantage Pointe	679	0	0	0	0	0
YWCA	64	64	0	0	64	64
Subtotal Core	1,341	151	37	0	114	151
Cortez District						
Aloft @ Cortez Hill	168	0	0	0	0	0
Apartments at El Cortez	85	0	0	0	0	0
Aria	137	0	0	0	0	0
Beech Tower	54	0	0	0	0	0
Citymark on Cortez Hill	16	0	0	0	0	0
Cortez Blu	67	0	0	0	0	0
Cortez Hill Family Center	75	75	0	0	75	75
Current	146	0	0	0	0	0
Discovery Hill Condos	199	0	0	0	0	0
Elliot Arms	36	0	0	0	0	0
Heritage Apartments	230	38	38	0	0	38
Mills at Cortez Hill	130	0	0	0	0	0
Ninth & Beech	12	0	0	0	0	0
Palermo	225	0	0	0	0	0
Park at 10th Ave.	32	0	0	0	0	0
Second Ave. Apts.	24	0	0	0	0	0
Soleil Court/Millennium 3	4	0	0	0	0	0
Symphony Terrace	56	0	0	0	0	0
Solars Lofts	77	0	0	0	0	0
9th & Beech	6	0	0	0	0	0
Subtotal Cortez	1,779	113	38	0	75	113

**CENTRE CITY AND HORTON PLAZA REDEVELOPMENT PROJECTS
ADMINISTERED BY CENTRE CITY DEVELOPMENT CORPORATION
COMPLETED RESIDENTIAL PROJECTS**

Project Name	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
East Village District						
Angove	11	0	0	0	0	0
Breeza	158	0	0	0	0	0
SVDP - Bishop Maher Center	75	75	0	0	75	75
Carnation Building	9	0	0	0	0	0
Church Lofts	36	18	18	0	0	18
Coleman Apts	4	0	0	0	0	0
Diamond Terrace	113	0	0	0	0	0
Element	65	0	0	0	0	0
Entrada	172	40	18	22	0	40
Fahrenheit	77	0	0	0	0	0
Hacienda Townhomes	52	51	0	20	31	51
Icon	327	0	0	0	0	0
Island Village	280	280	0	196	84	280
Jacaranda Studios	4	0	0	0	0	0
Lillian Place	74	74	15	14	45	74
Leah Residence	24	23	0	0	23	23
Lofts @ 6th Ave.	97	0	0	0	0	0
Lofts @ 655 Sixth Avenue	106	0	0	0	0	0
Lofts @ 677 Seventh Avenue	153	0	0	0	0	0
Lofts @ 707 Tenth Avenue	209	0	0	0	0	0
Mark	244	0	0	0	0	0
Market Square Manor	200	200	0	0	200	200
Market Street Village	225	0	0	0	0	0
Metrome	184	0	0	0	0	0
Moto Villas	36	0	0	0	0	0
M2i	230	0	0	0	0	0
Neuhaus Ateliers	17	0	0	0	0	0
Nexus	68	0	0	0	0	0
Pacifica Villas	100	0	0	0	0	0
Park Blvd. East	107	0	0	0	0	0
Park Blvd. West	120	0	0	0	0	0
Park Loft Ph I	120	0	0	0	0	0
Park Terrace	223	0	0	0	0	0
Rachel's Center	9	9	0	0	9	9
Row Homes on F Street	17	0	0	0	0	0
Salvation Army Silvercrest	125	125	0	0	125	125
Studio 15	275	273	0	100	173	273
Sunburst Apartments	24	23	0	0	23	23
The Legend	183	0	0	0	0	0
Union Square	262	0	0	0	0	0
Villa Harvey Mandel	90	89	0	0	89	89
Village Place	46	46	0	2	44	46
Vista Hill Crisis Center	7	7	0	0	7	7
Yale Hotel	15	14	10	0	4	14
900 F St.	115	86	86	0	0	86
3 in a Rowhomes	3	0	0	0	0	0
16th & Market	136	136	0	27	109	136
Subtotal East Village	5,227	1,569	147	381	1,041	1,569

**CENTRE CITY AND HORTON PLAZA REDEVELOPMENT PROJECTS
ADMINISTERED BY CENTRE CITY DEVELOPMENT CORPORATION
COMPLETED RESIDENTIAL PROJECTS**

Project Name	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
Gaslamp Quarter Sub Area						
Alta	179	0	0	0	0	0
Cole Bldg.	44	44	0	33	11	44
Gaslamp City Square North	103	0	0	0	0	0
Gaslamp City Square South	120	0	0	0	0	0
Lincoln Hotel	41	41	0	0	41	41
Marston/Hubbell	11	0	0	0	0	0
Metropolitan	54	0	0	0	0	0
Montrose Bldg.	8	0	0	0	0	0
Pipitone Building	12	0	0	0	0	0
Pioneer Warehouse	85	0	0	0	0	0
Samuel Fox Lofts	21	0	0	0	0	0
Simmons	28	0	0	0	0	0
Steele Bldg.	26	0	0	0	0	0
Trellis	149	0	0	0	0	0
William Penn Hotel	18	0	0	0	0	0
Windsor Hotel*	32	0	0	0	0	0
Subtotal Gaslamp	<u>931</u>	<u>85</u>	<u>0</u>	<u>33</u>	<u>52</u>	<u>85</u>
Little Italy District						
Acqua Vista	390	0	0	0	0	0
Allegro Tower	211	0	0	0	0	0
Aperture	86	0	0	0	0	0
Bayview Apartments	79	0	0	0	0	0
Bella Via	41	0	0	0	0	0
Billboard Lofts	24	0	0	0	0	0
Camden Tuscan	163	0	0	0	0	0
Columbia & Elm	21	0	0	0	0	0
Columbia & Fir	16	0	0	0	0	0
Date St. Townhomes	2	0	0	0	0	0
Doma Lofts and Townhomes	124	0	0	0	0	0
Ecco	10	0	0	0	0	0
Essex Lofts Apts.	36	0	0	0	0	0
Finestra Lofts	8	0	0	0	0	0
Grape	2	0	0	0	0	0
Hawthorn Place	35	0	0	0	0	0
La Vita	304	0	0	0	0	0
LIND B & C	28	2	2	0	0	2
LIND A-1	37	36	10	18	8	36
LIND A-2	6	0	0	0	0	0
Porta d'Italia	200	0	0	0	0	0
Portico	84	0	0	0	0	0
Porto Siena Condos	88	0	0	0	0	0
Son of Kettner (Lusso Lofts)	31	0	0	0	0	0
State St. Condos	3	0	0	0	0	0
Titan	21	0	0	0	0	0
Victorian House	8	0	0	0	0	0
Village Walk Condos	77	0	0	0	0	0
Waterfront Apartments	42	0	0	0	0	0
West Laurel Studios	10	0	0	0	0	0
1631 State St.	7	0	0	0	0	0
350 W. Ast	76	0	0	0	0	0
Subtotal Little Italy	<u>2,270</u>	<u>38</u>	<u>12</u>	<u>18</u>	<u>8</u>	<u>38</u>

**CENTRE CITY AND HORTON PLAZA REDEVELOPMENT PROJECTS
ADMINISTERED BY CENTRE CITY DEVELOPMENT CORPORATION
COMPLETED RESIDENTIAL PROJECTS**

Project Name	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
Marina Sub Area						
CCBA	45	44	0	35	9	44
Chinese Regal	24	0	0	0	0	0
Cityfront Terrace	321	0	0	0	0	0
Citywalk	109	0	0	0	0	0
Columbia Place	103	0	0	0	0	0
Cornerstone	42	0	0	0	0	0
Cracker Factory Addition	11	0	0	0	0	0
Crown Bay Condos	86	0	0	0	0	0
Greystone	37	0	0	0	0	0
Horizons Condos	211	0	0	0	0	0
Horton House	153	150	0	5	145	150
Island Inn	200	197	118	39	40	197
J Street Inn	221	221	177	22	22	221
Lions Manor	131	129	0	1	128	129
Market St. Square	192	40	0	11	29	40
Marina Park	104	0	0	0	0	0
One Harbor Drive	202	0	0	0	0	0
Pacific Terrace	53	0	0	0	0	0
Park Place	178	0	0	0	0	0
Park Row	68	0	0	0	0	0
Pinnacle Museum Tower	182	0	0	0	0	0
Renaissance	221	0	0	0	0	0
SeaBridge (Archstone Harborview)	387	0	0	0	0	0
The Brickyard	18	0	0	0	0	0
WaterMark	96	0	0	0	0	0
101 Market Apts.	149	0	0	0	0	0
2nd & Island Lofts	18	0	0	0	0	0
7 on Kettner	7	0	0	0	0	0
600 Front St.	180	0	0	0	0	0
235 Market Condos	57	0	0	0	0	0
Subtotal Marina	<u>3,806</u>	<u>781</u>	<u>295</u>	<u>113</u>	<u>373</u>	<u>781</u>
Total Centre City	17,188	2,937	529	574	1,834	2,937
L/M Hang out Proj Area (50%)	261	261	0	15	246	261
Subtotal	17,449	3,198	529	589	2,080	3,198
Replacement Units	-75	-75	0	-45	-30	-75
Grand Total Centre City	<u>17,374</u>	<u>3,123</u>	<u>529</u>	<u>544</u>	<u>2,050</u>	<u>3,123</u>
Centre City Low/Mod as a Percentage of Total Market Rate		18%	Very Low as a Percentage of Low/Mod		66%	
Total CCRP and HP	<u>17,675</u>	<u>3,238</u>	<u>580</u>	<u>544</u>	<u>2,114</u>	<u>3,238</u>
CCRP and HP Low/Mod as a Percentage of Total Market Rate		18%	Very Low as a Percentage of Low/Mod		66%	

*Excluded from low/mod totals, Windsor Hotel units cannot be counted toward long-term affordability goals due to the limited duration of affordability restrictions.

Shaded area represents units added in FY2009

ATTACHMENT B
AFFORDABLE HOUSING PRODUCTION
CENTRE CITY/HORTON REDEVELOPMENT PROJECT AREAS
City of San Diego - Redevelopment Agency

10 YEAR FORECAST (FY2010-FY2019)

	T total Hsg Production	AFFORDABLE HOUSING (for Low & Moderate Income)							
		Required		To Be Produced				Net Surplus/Deficit	
		Very Low	T total Restricted	Very Low	Low & Mod	Unrestricted	TOTAL Restricted	Very Low	T total Restricted
Agency-Assisted (Estimates)									
Parkside	77	5	12	13	63	1	76	8	64
Ten Fifty B	229	14	35	126	100	3	226	112	191
Cedar Gateway	65	4	10	65	0	-	65	61	55
Ninth and Broadway	250	16	38	150	98	2	248	134	210
15th and Commercial	140	9	21	139	0	1	139	130	118
Mason Hotel	16	2	3	15	0	1	15	13	12
Hotel Metro	229	14	35	227	0	2	227	213	192
Other Units	798	48	120	396	386	16	782	348	662
Subtotal	1,804	112	274	1,131	647	26	1,778	1,019	1,504
Non-Agency Assisted (Estimates)	7,083	425	1,062	16	180	6,887	196	(409)	(882)
Outside Project Area (Estimates)	212	13	32	143	66	3	209	130	34
Outside Project Area - Half	106	6	16	72	33	2	105	65	89
TOTAL HOUSING PRODUCTION	8,993	543	1,352	1,219	860	6,915	2,079	675	710
Percentage to Total (%)	100%	6%	15%	14%	10%	77%	23%	8%	8%

DURATION OF PROJECT AREAS (Inception - FY2033)

	T total Hsg Production	AFFORDABLE HOUSING (for Low & Moderate Income)							
		Required		Produced/To Be Produced				Net Surplus/Deficit	
		Very Low	T total Restricted	Very Low	Low & Mod	Unrestricted	TOTAL Restricted	Very Low	T total Restricted
INCEPTION - FY2009¹	17,349	1,041	2,602	2,059	1,176	14,439	3,235	1,018	633
% to Total	100%	6%	15%	12%	7%	83%	19%	-	-
FY2010-FY2019 (10-year forecast)	8,993	543	1,352	1,219	860	6,915	2,079	675	710
% to Total	100%	6%	15%	14%	10%	77%	23%	-	-
FY2020 - FY2032²	13,375	802	2,006	322	394	12,659	716	(480)	(1,290)
% to Total	100%	6%	15%	2%	3%	95%	5%	-	-
TOTAL -Duration of Project Areas	39,717	2,387	5,961	3,600	2,430	34,013	6,030	1,213	53
Percentage to Total (%)	100%	6%	15%	9%	6%	86%	15%	3%	0.1%

¹ Numbers are based on Attachment A. Low/Mod units outside of Project Areas assisted by Centre City and Horton Low/Mod funds are added to Very Low and Low&Mod columns as two units for one unit. Total Housing Production column only includes units produced in Project Areas. Therefore, a total of Restricted and Unrestricted columns exceeds Total Housing Production Column. Replacement units are subtracted from Total Hsg Production, Very Low and Low&Mod columns.

² It is expected that the Tax Increment funds that can be collected from the Centre City Project Area will reach the Plan's limit in FY2022. The production forecast of restricted units is based on the assumption that no Low/Mod funds will be available to assist development of Low/Mod units starting in FY2023.