

The Redevelopment Agency of the City of San Diego

The California Community Redevelopment Act was enacted in 1945 to address problems common throughout not only California but the country. The Community Redevelopment Act gave cities and counties the authority to establish redevelopment agencies, gave these agencies the authority to attack problems of urban decay, and enabled the agencies to apply for grants and loans from the federal government.

The City Council of the City of San Diego established the Redevelopment Agency of the City of San Diego in 1958. Although City Council members serve as the Board of Directors of the Redevelopment Agency, the Agency is a separate, legally constituted body which operates under the authority granted by redevelopment law.

A Redevelopment Project Area is established by the City Council after an extensive study of the area has been conducted. Conditions of blight which deter new development and create a burden on the community, as defined by the law, must be documented and an environmental impact report must be prepared. Community participation, public noticing and public comment are major aspects of the process. The Planning Commission makes a recommendation to the City Council which, after conducting a public hearing, votes on whether or not to establish the area for redevelopment.

Once the project area is established, the tax base within the boundaries of the project area is "frozen," for a period not to exceed 30 years, as far as other taxing entities are concerned.

<u>Project Area</u>	<u>Acres</u>
Barrio Logan	133
Central Imperial	485
Centre City	1,398
City Heights	1,984
College Community	131
College Grove	167
Crossroads	1,031
Gateway Center West	59
Grantville	970
Horton Plaza	41
Linda Vista	12
Mount Hope	210
Naval Training Center	504
North Bay	1,360
North Park	555
San Ysidro	766
Southcrest	301
Total Projects	10,107
Study Areas	
Barrio Logan Expansion	692
Dells Imperial	960
Total Study Areas	1,652

Project Areas are approximately 4.8% of the City's total 211,840 acres. Projects *and* study areas are approximately 5.6% of City acreage.

All revenues from the growth in assessed valuation are allocated to the Agency for the redevelopment of the project area.

California

Redevelopment Law requires 20 percent of tax increment revenue to be set aside to provide housing for low and moderate income households. Where possible, the Agency leverages its funds by working in partnership with nonprofit housing organizations, private developers and other governmental agencies.

Agency Organization

The City Council is the Board of Directors of the Redevelopment Agency; the City Manager is the Executive Director. Project implementation and administration for the Agency are provided by three organizations:

- Centre City Development Corporation (CCDC)
- Southeastern Economic Development Corporation (SEDC)
- Redevelopment Division of the City's Community and Economic Development Department

The corporations are public non-profits established by the City Council, with the City of San Diego as the sole member of each corporation.

Centre City Development Corporation

In 1975, the City Council established the Centre City Development Corporation as a non-profit public corporation to implement redevelopment projects in the downtown area. The Corporation is governed by a seven-member Board of Directors appointed by the City Council. CCDC administers the Centre City and Horton Plaza project areas.

Southeastern Economic Development Corporation

The Southeastern Economic Development Corporation was established as a non-profit corporation by the City Council in 1980 and is governed by a nine-member Board of Directors appointed by the City Council. SEDC also carries out projects for the City in Southeast San Diego and reports to the Council on such matters.

SEDC administers four project areas:

- Central Imperial
- Gateway Center West
- Mount Hope
- Southcrest

SEDC also oversees plan adoption activities for the Dells Imperial Study Area.

City Redevelopment

The Redevelopment Division has a staff of over 19 to implement ten redevelopment project areas totaling over 7,600 acres. The division also performs general administration for the Redevelopment Agency, coordinating budget and reporting requirements and maintaining the Agency's meeting docket and official records. The project areas managed by the division include:

- Barrio Logan
- City Heights
- College Community
- College Grove
- Crossroads
- Grantville
- Linda Vista
- Naval Training Center
- North Bay
- North Park
- San Ysidro

Redevelopment Agency of the City of San Diego
FISCAL YEAR 2006 BUDGET SUMMARY

REVENUES AND EXPENDITURES
(In Thousands)

	CCDC	SEDC	City Redev	Agency Total
Revenue				
Tax Increment	\$63,300	\$4,292	\$28,270	\$95,862
Prior Year Tax Increment	0	179	3,532	3,711
Bond Proceeds	49,000	46	557	49,603
Reloans	0	605	0	605
Interest/Rent	6,200	991	267	7,458
Developer Proceeds	11,700	90	-4,563	7,227
City Loans	0	153	100	253
Other	12,100	0	200	12,300
Subtotal FY 2006 Revenue	\$142,300	\$6,356	\$28,363	\$177,019
Continuing Revenue	116,150	17,593	55,887	189,630
Total Revenue	\$258,450	\$23,949	\$84,250	\$366,649
Expenditures				
Capital Projects	\$74,990	\$14,623	\$24,491	\$114,104
Low/Mod Housing ⁽¹⁾	15,686	2,297	10,848	28,831
Administration	7,182	1,962	10,966	20,110
Tax Sharing Payments	5,500	187	13,135	18,822
ERAF	5,200	356	1,520	7,076
Debt Service/Loan Repayment	33,742	4,524	23,290	61,556
Subtotal FY 2006 Expenditures	\$142,300	\$23,949	\$84,250	\$250,499
Continuing Expenditures	116,150	0	0	116,150
Total Expenditures	\$258,450	\$23,949	\$84,250	\$366,649

⁽¹⁾ Excludes CCDC Admin

Redevelopment Agency of the City of San Diego
FISCAL YEAR 2006 BUDGET SUMMARY

GROSS TAX INCREMENT

(In Thousands)

	Budget FY 2005	Budget FY 2006	<i>Change</i>
Gross Tax Increment			
<u>City Redevelopment</u>			
Barrio Logan	\$159	\$387	\$228
City Heights	6,691	10,047	3,356
College Community	242	245	3
College Grove	442	821	379
Crossroads	197	1,756	1,559
Grantville	0	0	0
Linda Vista	87	81	-6
Naval Training Center	2,338	4,044	1,706
North Bay	4,378	4,405	27
North Park	3,124	4,220	1,096
San Ysidro	2,145	2,264	119
Total City Redevelopment	<u>\$19,803</u>	<u>\$28,270</u>	<u>\$8,467</u>
<u>CCDC</u>			
Centre City	\$43,783	\$57,406	\$13,623
Horton Plaza	5,637	5,868	\$231
Total CCDC	<u>\$49,420</u>	<u>\$63,300</u>	<u>\$13,854</u>
<u>SEDC</u>			
Central Imperial	\$1,016	\$1,736	\$720
Gateway Center West	247	321	\$74
Mount Hope	1,214	1,109	-\$105
Southcrest	1,077	1,126	\$49
Total SEDC	<u>\$3,554</u>	<u>\$4,292</u>	<u>\$738</u>
<u>Total Gross Tax Increment</u>	<u>\$72,777</u>	<u>\$95,862</u>	<u>\$23,085</u>

	Budget FY 2005	Budget FY 2006	<i>Change</i>
Gross Tax Increment ⁽¹⁾	\$72,777	\$95,862	\$23,085
Less:			
ERAF	\$3,137	\$6,869	\$3,732
Housing Set-Aside	14,230	18,882	\$4,652
Tax-Sharing Agreements	7,572	12,758	\$5,186
Debt Service/Loan Repayments	36,493	42,429	\$5,936
Total Deductions	<u>\$61,432</u>	<u>\$80,938</u>	<u>\$19,506</u>
Net Tax Increment	<u>\$11,345</u>	<u>\$14,924</u>	<u>\$3,579</u>

⁽¹⁾ Net of County Service Fee

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FISCAL YEAR 2006 BUDGET SUMMARY

PROJECT AREA EXPENDITURES

(In Thousands)

	Capital Projects	Low/Mod Housing	Admin	Tax Sharing	ERAF	Debt Service	Debt/Project Reserve	Agency Total
City Redevelopment								
Barrio Logan	\$0	\$162	\$259	\$146	\$10	\$4	\$0	\$581
City Heights	8,380	1,509	2,165	6,504	500	4,102	3,516	26,676
College Community	0	401	799	114	25	5	0	1,344
College Grove	0	433	117	146	50	780	0	1,526
Crossroads	1,750	586	681	586	0	0	0	3,603
Grantville	0	0	100	0	0	0	0	100
Linda Vista	403	193	277	0	15	0	0	888
Naval Training Center	5,050	1,747	463	1,268	200	4,480	0	13,208
North Bay	2,000	3,037	1,673	1,625	300	891	3,699	13,225
North Park	6,708	1,368	3,184	1,594	220	1,812	3,269	18,155
San Ysidro	200	1,412	1,248	1,152	200	732	0	4,944
Total City Redevelopment	\$24,491	\$10,848	\$10,966	\$13,135	\$1,520	\$12,806	\$10,484	\$84,250
CCDC								
Centre City	\$71,730	\$15,345	\$6,182	\$5,500	\$4,500	\$29,898	\$0	\$133,155
Horton Plaza	3,260	341	1,000	0	700	3,844	0	9,145
Total CCDC	\$74,990	\$15,686	\$7,182	\$5,500	\$5,200	\$33,742	\$0	\$142,300
SEDC								
Central Imperial	\$4,304	\$611	\$1,332	\$74	\$11	\$263	\$198	\$6,793
Gateway Center West	1,180	286	0	0	4	149	121	1,740
Mount Hope	7,134	630	134	0	179	613	497	9,187
Southcrest	1,821	770	496	113	162	431	2,252	6,045
Commercial Rehabilitation	171	0	0	0	0	0	0	171
Bridge Lights	13	0	0	0	0	0	0	13
Total SEDC	\$14,623	\$2,297	\$1,962	\$187	\$356	\$1,456	\$3,068	\$23,949
Total	\$114,104	\$28,831	\$20,110	\$18,822	\$7,076	\$48,004	\$13,552	\$250,499