

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

ANNUAL REPORT



FISCAL YEAR 2008
(Issued on December 31, 2008)

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Prepared by
The City of San Diego, City Planning & Community Investment Department

Redevelopment Agency of the City of San Diego

Roster of Officials
(as of the issuance of this report)

BOARD OF DIRECTORS

Sherril Lightner
Member

Kevin Faulconer
Member

Todd Gloria
Member

Anthony Young
Member

Carl DeMaio
Member

Donna Frye
Member

Marti Emerald
Member

Ben Hueso
Member

OFFICIALS

Jerry Sanders
Executive Director

William Anderson
Assistant Executive Director

Janice L. Weinrick
Deputy Executive Director

Jan Goldsmith
General Counsel

Redevelopment Agency of the City of San Diego

Roster of Officials
As of Year Ended June 30, 2008

BOARD OF DIRECTORS

Scott Peters*
Member

Kevin Faulconer
Member

Toni Atkins*
Member

Tony Young
Member

Brian Maienschein*
Member

Donna Frye
Member

Jim Madaffer*
Member

Ben Hueso
Member

OFFICIALS

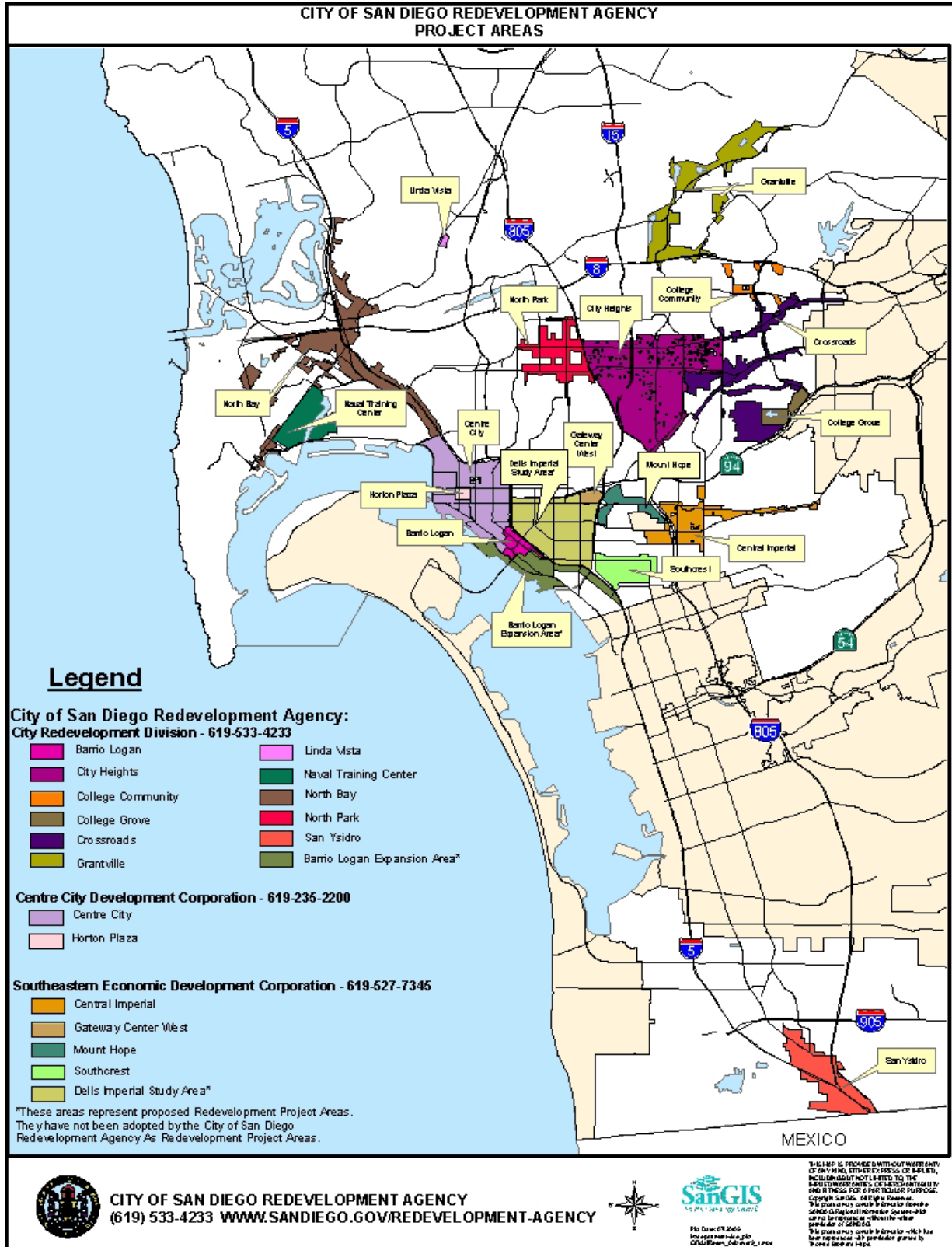
Jerry Sanders
Executive Director

James T. Waring*
Assistant Executive Director

Michael Aguirre*
General Counsel

* Individual is no longer an employee of the City.

Redevelopment Project Area Map¹



¹ Redevelopment Project Map is reflecting all the project areas as of the issuance of this report.

INTRODUCTION

The Redevelopment Agency is required to present to its legislative body an annual report within six (6) months of the end of the agency's fiscal year (California Health & Safety Code, Section 33080.1). California Redevelopment Law (CRL) at Health and Safety Code Section 33080.1 requires that the annual report shall contain the following:

1. The independent financial audit report for the previous fiscal year.
2. A fiscal statement for the previous fiscal year that lists the amount of outstanding indebtedness and tax increment (TI) revenues generated by the agency and in each project area.
3. A description of the agency's activities in the previous year affecting housing and displacement.
4. Report on the actions and activities to alleviating blight during the previous fiscal year.
5. List the status on all loans made by the Agency that were \$50,000 or more, that were in default, or not in compliance with the terms of the loan during the previous fiscal year.
6. Description of the total number and nature of the properties that the agency owns and the properties acquired in the previous fiscal year.
7. Any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.

As of the issuance of this report, the Redevelopment Agency Annual Financial Report for the year ended June 30, 2008 (Audit) has not been released. The financial information in this report is unaudited. It is anticipated that the Audit will be released in May 2009.

REDEVELOPMENT AGENCY OVERVIEW

The California Community Redevelopment Act was enacted in 1945. The Community Redevelopment Act gave cities and counties the authority to establish redevelopment agencies, gave these agencies the authority to address problems of urban decay, and enabled the agencies to apply for grants and loans from the federal government.

In 1951, the Community Redevelopment Act was codified and renamed the Community Redevelopment Law (Health and Safety Code § 33000 et seq.). 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.

Agency Organization

The City Council is the Board of Directors of the Redevelopment Agency. Project implementation and administration for the Redevelopment Agency are provided by three separate and distinct organizations:

- Centre City Development Corporation (CCDC);

- Redevelopment Division (The Redevelopment Division of the City of San Diego, City Planning & Community Investment Department);
- Southeastern Economic Development Corporation (SEDC).

Both CCDC and SEDC are public non-profit organizations established by the City Council, with the City of San Diego as the sole member of each corporation.

Centre City Development Corporation (CCDC)

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 Mayor and confirmed by the City Council. CCDC administers the Centre City and Horton Plaza project areas.

Redevelopment Division

In 1958, the City Council established the Redevelopment Agency to implement redevelopment projects within the City of San Diego. The Redevelopment Division of the City Planning & Community Investment Department performs general administration for the Redevelopment Agency, coordinates budget and reporting requirements, and maintains the Agency’s meeting docket and official records.² The Redevelopment Division administered the following eleven (11) project areas:

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

Southeastern Economic Development Corporation (SEDC)

In 1980, the City Council established the Southeastern Economic Development Corporation as a non-profit public corporation to implement redevelopment projects in Southeastern San Diego. The Corporation is governed by a nine-member Board of Directors appointed by the Mayor and confirmed by the City Council. SEDC administers the Central Imperial, Gateway Center West, Mount Hope, and Southcrest project areas.

² The Redevelopment Division as of the issuance of this report is a part of the City of San Diego, City Planning & Community Investment Department.

Contact Information

Centre City Development Corporation

401 B Street, 4th Floor

San Diego, CA 92101

(619) 235-2200

Website: www.ccdc.com

City of San Diego, City Planning & Community Investment - Redevelopment Agency

1200 Third Avenue, 14th Floor

San Diego, CA 92101

(619) 236-6700

Website: www.sandiego.gov/redevelopment-agency/

Southeastern Economic Development Corporation

4393 Imperial Avenue, Suite 200

San Diego, CA 92113

(619) 527-7345

Website: www.sedcinc.com

REPORTS SUBMITTED TO THE STATE OF CALIFORNIA

Much of the content required by California Redevelopment Law for this report is also submitted to the State of California on an annual basis. The audited financial statements were not available at the time the reports were submitted to the State. These filings are listed and described below.

California State Controller's Report

The Agency is required to file the Annual Report of Financial Transactions with the State Controller's Office (SCO) within six (6) months of the end of the fiscal year (refer to Attachment 1). The State Controller's Report was filed electronically to the state utilizing unaudited financial information on December 30, 2008. This circumstance was disclosed to the State Controller's Office at the time of the submittal. Attachment 1 represents the database screen prints of the information submitted electronically to the State.

California Department of Housing and Community Development Report

The Agency is required to file the Annual Housing Activity Report with the California Department of Housing and Community Development (HCD) within six (6) months of the end of the fiscal year (refer to Attachment 2). The Housing and Community Development Report was filed electronically to the state utilizing unaudited financial information on December 31, 2008. This circumstance was disclosed to the California Department of HCD at the time of the submittal. Attachment 2 represents the information submitted electronically to the State.

FINANCIAL OVERVIEW

The Financial Overview is a summary of actual fiscal activities for the Agency as a whole. The State Controller’s Report has unaudited information on the financial activity of the Redevelopment Agency (refer to Attachment 1).

Statement of Indebtedness

The following table complies with Section 33080.5(a), which requires the amount of outstanding indebtedness generated by the agency in each project area.

**CITY OF SAN DIEGO
REDEVELOPMENT AGENCY
STATEMENT OF INDEBTEDNESS (SOI)
FISCAL YEAR 2008
(UNAUDITED)**

ORGANIZATION	PROJECT AREA	SOI AMOUNT
CCDC	Centre City	\$ 472,387,495
CCDC	Horton Plaza	28,927,030
Redevelopment Division	Barrio Logan	24,805,771
Redevelopment Division	City Heights	53,281,194
Redevelopment Division	College Community	5,061,278
Redevelopment Division	College Grove	1,976,877
Redevelopment Division	Crossroads	14,296,041
Redevelopment Division	Grantville	737,256
Redevelopment Division	Linda Vista	6,011,590
Redevelopment Division	Naval Training Center	43,319,251
Redevelopment Division	North Bay	26,035,778
Redevelopment Division	North Park	28,597,417
Redevelopment Division	San Ysidro	8,566,895
SEDC	Central Imperial	59,176,292
SEDC	Gateway Center West	20,059,339
SEDC	Southcrest	13,157,500
SEDC	Mount Hope	47,306,168
TOTAL:		\$ 853,703,172

Required Payments for Existing Indebtedness

The respective financial statements for each Project Area reflect payments made on the existing outstanding indebtedness during the fiscal year as described in Section 33080.5(f).

Tax Increment Property Tax Revenues

The following table complies with Section 33080.5(b), which requires the amount of tax increment property tax revenues generated by the agency in each project area.

**CITY OF SAN DIEGO
REDEVELOPMENT AGENCY
TAX INCREMENT PROPERTY TAX REVENUE
FISCAL YEAR 2008
(UNAUDITED)**

ORGANIZATION	PROJECT AREA	TAX INCREMENT
CCDC	Centre City	\$ 116,971,868.71
CCDC	Horton Plaza	8,400,582.04
Redevelopment Division	Barrio Logan	679,168.44
Redevelopment Division	City Heights	14,290,408.28
Redevelopment Division	College Community	1,159,625.24
Redevelopment Division	College Grove	718,495.28
Redevelopment Division	Crossroads	4,273,408.52
Redevelopment Division	Grantville *	809,523.79
Redevelopment Division	Linda Vista	93,579.50
Redevelopment Division	Naval Training Center	4,000,878.99
Redevelopment Division	North Bay	8,230,876.54
Redevelopment Division	North Park	7,963,134.33
Redevelopment Division	San Ysidro	3,936,852.88
SEDC	Central Imperial	2,248,671.29
SEDC	Gateway Center West	333,325.54
SEDC	Mount Hope	1,597,740.59
SEDC	Southcrest	2,453,601.88
TOTAL:		\$ 178,161,741.84

* Grantville generated \$809,523.79 in gross incremental revenue. The Agency received \$737,256.00 the Statement of Indebtedness (SOI) Net Requirement amount for Fiscal Year 2008.

Payment to Taxing Agencies

The following table complies with Section 33080.5(c) and 33080.5(e), and summarizes the amount of tax increment revenues paid to taxing agencies.

**CITY OF SAN DIEGO
REDEVELOPMENT AGENCY
TAXING AGENCY PAYMENTS
FISCAL YEAR 2008
(UNAUDITED)**

TAXING AGENCY PAYMENTS - SCHOOL/COMMUNITY COLLEGE DISTRICTS :	
San Diego Community College	\$ 2,636,612
San Diego Unified Schools	6,953,769
Lemon Grove School District	149
Grossmont Union High	149
Grossmont - Cuyamaca Comm College	56
San Ysidro School District	248,567
County Office of Education	590,992
Southwestern Comm College District	34,204
Sweetwater Union High School	126,939
TOTAL TAXING AGENCY PAYMENTS -	<hr/>
SCHOOL/COMMUNITY COLLEGE DISTRICTS :	\$ 10,591,437 <hr/>
 TAXING AGENCY PAYMENTS - OTHER:	
City of San Diego	\$ 2,237,733
City Zoological Exhibits	25,292
County of San Diego	6,697,352
County Water Authority	17,193
Grossmont Healthcare District	1,287
MWD D/S Remainder of SDCWA	23,844
TOTAL TAXING AGENCY PAYMENTS - OTHER:	<hr/> \$ 9,002,701 <hr/>
 TOTAL TAXING AGENCY PAYMENTS	 \$ 19,594,138 <hr/> <hr/>

Defaulted or Non-Compliant Loans of \$50,000 or greater

California Redevelopment Law under Section 33080.1(e) requires that the Annual Report include “a list of, and status report on, all loans made by the redevelopment agency that are fifty thousand dollars (\$50,000) or more, that in the previous fiscal years were in default, or not in compliance with the terms of the loan approved by the redevelopment agency.” There were agency loans made in the previous year that are in default or not in compliance with the loan conditions in the Central Imperials Project Area (refer to Page 15 – 18).

Property Report

California Redevelopment Law under Section 33080.1(f) requires that the Annual Report include a description of the total number and nature of the properties that the Agency owns. The properties owned by the Agency during Fiscal Year 2008 are listed in Attachment 3.

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” A description of the actions that were taken to alleviate blight is listed in the *Project Area Information* section.

LOW AND MODERATE HOUSING FUND

In 1976, the legislature imposed what is commonly referred to as the “20 Percent Set-Aside,” which requires twenty (20) percent of tax increment generated from the project area to be used by the agency to increase, improve, and preserve the supply of affordable housing for persons and families of low and moderate income (refer to Section 33334.2). These funds are restricted to affordable housing related expenses.

The following table is a summary of the Agency’s assisted dwelling units from the California Department of Housing and Community Development Report (refer to Attachment 2):

Fiscal Year 2008 – Agency-Assisted Dwelling Units				
	Very Low*	Low*	Moderate*	Total
Construction	320	50	14	384
First Time Home Buyers	0	0	12	12
TOTAL:	320	50	26	396

* Very Low: Families with less than 50% Area Median Income (AMI). Low: Families between 51% - 80% AMI. Moderate: Families between 81% - 120% AMI.

PROJECT AREA INFORMATION

All seventeen project areas are listed in name order on the following pages:

Barrio Logan Project Area

Redevelopment Division

General Information:

PROJECT AREA SIZE (ACRES)	133	REDEVELOPMENT PLAN TIME LIMIT	5/20/2032
COUNCIL DISTRICT	8	INCURRING DEBT FINAL DATE	5/20/2011
PLAN ADOPTION DATE	5/20/1991	EMINENT DOMAIN TIME LIMIT	5/20/2015
		TIME LIMIT TO USE TI TO REPAY DEBT	5/20/2042

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken during the previous fiscal year:

- Eliminate Blight activities:

The Agency approved an Exclusive Negotiating Agreement (ENA) with Shea Properties, LLC, for the Mercado del Barrio Project.

- Increase Affordable Housing activities:

The construction and occupancy of the Gateway Family Apartments Project was completed, a forty-two (42) unit affordable housing project for low-income families at 16th Avenue and Logan Avenue. The Centre City Redevelopment Project area contributed funds to this project.

The construction of the Los Vientos Family Apartments Project was initiated, an eighty-nine (89) unit affordable housing project for low-income families at 1629 and 1668 National Avenue.

The construction of the La Entrada Family Apartments Project was initiated, an eighty-five (85) unit affordable housing project for low-income families at Beardsley Avenue and Logan Avenue.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. The following were the jobs created or lost within the project area during the fiscal year:

- Jobs Created: 93 (90 Construction Jobs)

Central Imperial Project Area

Southeastern Economic Development Corporation

General Information:

Central Imperial

PROJECT AREA SIZE (ACRES)	580	REDEVELOPMENT PLAN TIME LIMIT	9/14/2033
COUNCIL DISTRICT	4	INCURRING DEBT FINAL DATE	9/14/2012
PLAN ADOPTION DATE	9/14/1992	EMINENT DOMAIN TIME LIMIT	9/14/2016
		TIME LIMIT TO USE TI TO REPAY DEBT	6/30/2043

Central Imperial - 2

COUNCIL DISTRICT	4	INCURRING DEBT FINAL DATE	12/10/2026
PLAN ADOPTION DATE	12/10/1996	EMINENT DOMAIN TIME LIMIT	9/14/2016
REDEVELOPMENT PLAN TIME	12/10/2027	TIME LIMIT TO USE TI TO REPAY DEBT	12/10/2042

Central Imperial - 3

COUNCIL DISTRICT	4	INCURRING DEBT FINAL DATE	11/14/2020
PLAN ADOPTION DATE	11/14/2000	EMINENT DOMAIN TIME LIMIT	9/14/2016
REDEVELOPMENT PLAN TIME	11/14/2031	TIME LIMIT TO USE TI TO REPAY DEBT	11/14/2046

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- *Eliminate Blight activities:*

The Central Imperial Redevelopment Plan was amended to extend the plan time limits as required by California Redevelopment Law.

Prepared the 2nd and 3rd Draft Environmental Impact Reports for substantial amendments to the community plan, redevelopment plan and planned district ordinance to implement the Pilot City of Villages at Euclid Avenue and Market Street to accommodate mixed-use and higher density residential development within the Imperial Avenue Corridor and other community areas.

Completed site acquisition on the 5000 block of Imperial Avenue of a vacant former library site, determined level of hazardous building materials and interior air quality levels. Initiated the planning process for the building disposition and site development.

- *Improve Public Infrastructure activities:*

Imperial Avenue Corridor Streetscape Improvements from I-805 to Euclid Avenue that consisted of the installation of streetlights. Identified specific improvements for Phase I implementation, completed design and prepared improvement plans for certain sites that will include landscaping, sidewalks, curbs, gutters, benches, trash receptacles and public art painting.

Identified locations for twenty-one (21) additional streetlights along Imperial Avenue from 61st to 69th Streets and provided funding for the City of San Diego to complete design, construction and installation related costs.

Staff worked with the Diamond Business Improvement District (BID), community members, and property owners to initiate outreach efforts to identify the community's level of interest and support for the Maintenance Assessment District (MAD).

- *Increase Affordable Housing activities:*

Staff initiated the development process for an Affordable Housing project on Hilltop Drive and Euclid Avenue. This process consisted of issuing a Request for Proposals (RFP), analyzed submitted proposals, presented proposals to the community, identified a development team pending Agency approval, and initiated negotiations for an agreement for residential development including an affordable component.

The Lincoln Park Paseo I / Ouchi Courtyards project consisted of negotiating a development agreement for site purchase and development for proposed thirty-five (35) unit town homes development within the Imperial Avenue Corridor Master Plan area. The site acquisition of vacant commercial property within the project area was completed. An environmental study to determine the level of hazardous containing building materials was conducted, and completed the preliminary specifications for the demolition of the building. Corrected unsafe site conditions, installed high intensity lighting, secured building until the demolition commences to ensure public safety.

The Lincoln Park Paseo II / Willie James Jones project reviewed affordable multi-family housing development proposal, analyzed feasibility of financial assumptions, and continued negotiations for a development agreement with an owner and development team that is pending Agency approval.

Affordable housing proposals were reviewed consisting of the analysis of development concepts, financial assumptions and determination of the feasibility of affordable housing development for family and seniors at a possible site in the area of 47th and Market Street.

Affordable housing proposals were reviewed consisting of the analysis of development concepts, financial assumptions and determination of the feasibility of affordable housing development for families at a possible site in the area of 53rd Street and Naranja Avenue.

Staff completed a purchase and sale agreement, performed due diligence studies including appraisals and sites studies, and initiated the preparation for a potential site acquisition next year of vacant commercial property at 63rd Street and Imperial Avenue to implement the Imperial Avenue Corridor Master Plan development.

- *Economic Development activities:*

The Valencia Business Park development consisting of staff prepared and re-issued a Request for Proposals (RFP) for commercial/industrial development, reviewed and analyzed proposals, selected a development team and initiated negotiations for a development agreement.

Construction continued on a 75,000 square foot office and community meeting center and occupancy of completed floors by the Jacobs Center, pursuant to the owner participation agreement with Agency for the Village Center at Euclid Avenue and Market Street. Completion of the facility is anticipated in early Fiscal Year 2009.

A substantial conformance review was completed for construction of the final building sites. Obtained the development plans and permits for the Navy Federal Credit Union an 8,000 square foot facility, which will relocate from Gateway Center in the Gateway project area to Central Imperial in the Imperial Marketplace Retail Center. Construction began and is scheduled for completion in August 2008.

The Entrepreneur Academy was held over a series of seven (7) weekly workshops to assist small business owners and local residents interested in starting a small business with the fundamentals of opening and/or growing a business for forty (40) participants from any of the four (4) project areas administered by SEDC.

Staff continued quarterly contact with employers in Agency developed properties to monitor compliance with SEDC's requirements including employment of area residents as required by the employment and training agreements between the Agency and employers as a condition of receiving Agency assistance.

- Neighborhood Preservation activities:

Provide funding to the City of San Diego, Neighborhood Code Compliance Department for neighborhood code enforcement and building inspector staff to focus on code compliance issues within the project area. Over thirty (30) new code violation cases were opened and over ten (10) cases remediated and closed.

The "Hey Neighbor Campaign" surveyed the project area monthly to identify "Hey Neighbor Card" recipients that consisted of sending out a series of postcards to promote property maintenance and encourage good neighbor relationships in older social and physically blighted areas.

Selected local artist and completed art paintings on twenty-three (23) utility boxes along Imperial Avenue and 47th Street as Phase I and Phase II of the Utility Box Art project.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include "any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities." Additional information was provided within the body of this report. The following were the jobs created or lost within the project area during the fiscal year:

- Jobs Created: 224

DEFAULTED OR NON-COMPLIANT LOANS OF \$50,000 OR GREATER

California Redevelopment Law under Section 33080.1(e) requires that the Annual Report include "a list of, and status report on, all loans made by the redevelopment agency that are fifty thousand dollars (\$50,000) or more, that in the previous fiscal years were in default, or not in compliance with the terms of the loan approved by the redevelopment agency." The following agency loan(s) made in the previous year that are in default or not in compliance with the loan conditions:

- Roseau Development Company, LLC defaulted on a commercial rehabilitation loan agreement (Resolution No. R-03347 on June 19, 2001) for the amount of \$265,000. The rehabilitation loan note is secured by a first priority deed of trust, which created a lien on the property located at 6375 Imperial Ave. As of May 3, 2007, the note was in default for a total balance of principal and interest of \$332,745.97. The Agency will be initiating a foreclosure action in Fiscal Year 2009.

Centre City Project Area

Centre City Development Corporation

General Information:

Centre City - Merged Project Area Information

PROJECT AREA SIZE (ACRES)	1,398	COUNCIL DISTRICT	2, 8
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Columbia - Sub Area

PLAN ADOPTION DATE	12/29/1976	REDEVELOPMENT PLAN TIME LIMIT	12/29/2017
EMINENT DOMAIN TIME LIMIT	5/11/2016	TIME LIMIT TO USE TI TO REPAY DEBT	12/29/2027

Marina - Sub Area

PLAN ADOPTION DATE	12/29/1976	REDEVELOPMENT PLAN TIME LIMIT	12/29/2017
EMINENT DOMAIN TIME LIMIT	5/11/2016	TIME LIMIT TO USE TI TO REPAY DEBT	12/29/2027

Gaslamp - Sub Area

PLAN ADOPTION DATE	7/26/1982	REDEVELOPMENT PLAN TIME LIMIT	7/30/2023
EMINENT DOMAIN TIME LIMIT	5/11/2016	TIME LIMIT TO USE TI TO REPAY DEBT	7/30/2033

Expansion - Sub Area

PLAN ADOPTION DATE	5/11/1992	REDEVELOPMENT PLAN TIME LIMIT	5/11/2033
EMINENT DOMAIN TIME LIMIT	5/11/2016	TIME LIMIT TO USE TI TO REPAY DEBT	5/11/2043

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Eliminate Blight activities:

The Downtown Community Plan calls for adding significant acres of new open space to the existing seventy-five (75) plus acres. Three (3) parcels have been acquired for the East Village Green Park and one (1) parcel for St. Joseph's Park. The goal is to have public open space within five-to-ten minute walking distance of every downtown resident. Glatting-Jackson, Landscape Architects, is preparing a Needs Assessment that will assist on-going implementation for the parks, open space and the recreation element of the Downtown Community Plan. The assessment will be completed in FY2009.

Cortez Hill Park featuring Tweet Street was completed. The \$1.9 million linear park includes seventy-five (75) new trees and uniquely designed birdhouse sculptures that are incorporated throughout the park to delight visitors and serve downtown's avian population.

Construction for the Children's Museum Park began in November 2007 and was completed in April 2008. The \$2.6 million triangular park features a reading circle, shade trellises, landscaping that includes an extensive lawn for activities and eighty-eight (88) new trees and palms. The Children's Museum Park designers have implemented several processes to make the

park green and environmentally friendly. There is an efficient watering system that waters only plants and the specialized lawn is Bermuda grass, favored for its low water intake.

The Agency, City of San Diego, Metropolitan Transit System (MTS), Downtown Partnership and other stakeholders have worked to develop the “C” Street Master Plan. The purpose of the “C” Street Master Plan is to create an overall vision for the revitalization of C Street for 16 blocks starting from India Street to Park Blvd. The plan will define specific improvements of the corridor, including trolley, transit and infrastructure investments, streetscape enhancements, improved vehicular and pedestrian circulation, redevelopment opportunities and public art.

India Street Improvement Phase II is nearly complete. The second phase is the public improvements consisting of gutter, sidewalk and streetlight of India Street from Grape Street to Laurel Street.

The Agency acquired a 23,850 square feet site on the north side of Cedar between 5th & G Avenues. Located on the site is a vacant historic chapel and a parking lot which was used by the homeless as a location to loiter. The site will be developed into a sixty-five (65) unit affordable housing project and the Agency will restore the historic chapel and convert it to retail space. The site would also be used to provide public parking.

- Improve Public Infrastructure activities:

The Agency awarded a contract for the construction of the Pedestrian Bridge that will provide a safe pedestrian crossing over Harbor Drive and Park Boulevard and the existing train and trolley tracks. The \$26.8 million project is a collaboration of federal, regional, state and local agencies.

The Children's Museum opened which consists of a 50,000 square feet of commercial space which provides a dynamic, playful, public space and a community center for children and families. The new museum is environmentally friendly: it contains solar panels, recycled building materials, water-saving devices and natural lighting. It relies on cooling bay breezes that enter through the rolled-up doors and windows.

The Core District Street Lights is underway. This public works project will install 110 new streetlights and retrofit sixteen (16) streetlights. Older lights will be replaced and existing high voltage wiring will be converted to safer low voltage circuits. Construction began January 2008 and scheduled to be completed in January 2009.

The Little Italy Streetlights project will install 234 new streetlights is scheduled to start construction during the summer of 2008 with an anticipated completion during Fiscal Year 2009.

The litter receptacle Phase II is underway. The installation of 215 new litter receptacles and the removal of 150 existing litter receptacles is a component of the project. The installation of the receptacles is anticipated to be completed by January 2009.

Six (6) new traffic signals went out to bid and construction should be completed in Fiscal Year 2009. They include signals at the following locations: 3rd and Market; Union and Market; Park and J; Park and Island; 9th and Market; and also, Front and Cedar.

New developments increased the number of people living adjacent to railroad tracks and crossings in downtown San Diego. Noise and safety at rail crossings have become a significant concern. To establish a Quiet Zone, the railroad crossings must be improved and include safety enhancements such as additional gates, medians, traffic signals and warning lights. The designs of the civil and traffic signal improvements are almost complete. This will allow freight trains in

the early morning hours to sound their horn only in emergencies. Required legal requirements for the Quiet Zone are being finalized. The project has completed the environmental review and the public and City ordinance process to convert G Street to a one-way street. The advertising and bid process to construct the Quiet Zone project will be done in Fiscal Year 2009.

The North Embarcadero Visionary Plan is envisioned to transform downtown San Diego's western waterfront into a green esplanade with open and covered walkways, plaza spaces and art and memorial areas. A consulting team was selected to create the construction documents for Phase I (Broadway to B Street) of the plan.

The construction of the Gaslamp streetscape improvements was completed. The areas rehabilitated in the Gaslamp area are bound by Broadway, L Street, Fourth Avenue and Sixth Avenue.

The pilot program to test new parking meter technology was completed. It is expected that seventy-five (75) new technology parking meters will be purchased in addition to the existing fifty (50) to be placed throughout downtown in Fiscal Year 2009. These new meters replace the existing single head meters in front of each stall with a single kiosk or two kiosks per block thereby reducing street clutter.

- *Increase Affordable Housing activities:*

A total of 130 affordable housing units were built with Agency funds generated within the project area. The three (3) residential developments are Auburn Park with thirty-four (34) units, City Heights Square with seventy-five (75) units and Gateway Family Apartments with twenty-one (21) units. These projects were located outside of the Centre City Redevelopment Project Area.

The Agency acquired land for the development of Cedar Gateway, a sixty-five (65) unit apartment building that will provide rents to very low and extremely low income households. Twenty three (23) of the sixty-five (65) units will be used as supportive housing for special needs population. In addition to the residential component, the project includes 8,665 sq. feet of retail space.

The 1050 B development, a 226 price-restricted rental housing project which includes 14,000 sq. ft. of retail space began construction. Upon completion of construction the land will be granted to the Agency and the Agency will lease it back to the developer thereby ensuring that the Agency has control of the land in the future and can ensure the project remains affordable or redeveloped when the project becomes obsolete. Construction began in during the fiscal year with a completion expected in April 2010. This project is a 100% affordable high-rise providing housing for families, individuals and seniors earning 25% to 60% of the area median income (AMI) in San Diego. This building has been designed to earn a Leadership in Energy and Environmental Design (LEED) certification, striving for the Silver rating. This would make it the first residential high-rise in this category.

Housing Development Partners is constructing 275 affordable residential apartment units in a five-story building called Studio 15. Construction began in April 2007 with a targeted completion in January 2009.

The rehabilitation of the Parkside mixed-used development is underway. When complete, this building will have seventy-seven (77) rental units, seventy-six (76) of which are affordable.

- Economic Development activities:

In an effort to save taxpayer dollars, reduce the City of San Diego's Downtown operating costs and improve efficiency, CCDC, on behalf of the City of San Diego, is exploring a variety of alternatives including the possible redevelopment of downtown's Civic Center Complex, including City Hall located at 202 C Street. If the project is deemed financially feasible and provides a cost savings to taxpayers, the result could be a public/private partnership creating a new and more efficient City administration facilities and the opportunity for high-density, urban-mixed development on the remainder of the site. Gerding Edlen and Hines were selected from among eight (8) competing firms for the opportunity to redevelop the Civic Center Complex.

Seven (7) new residential market rate developments were completed consisting of 909 units. They are Electra a 248 unit building, Aria a 137 unit building, Current a 146 unit building, Lofts at 655 a 106 unit building, The Legend a 183 unit building, Bayview Apartments a seventy-nine (79) unit building and West Laurel Studios a ten (10) unit building. Included with the units are commercial spaces of 4,000 sq. ft in the Current, 12,000 sq. ft. at the Lofts at 655, 30,000 sq. ft at the Legend and 15,000 sq. ft at West Laurel Studios.

Four new hotels were completed. They are the Ivy hotel with 159 rooms, Setai with 185 rooms, the Hard Rock Hotel with 393 rooms and the Bayview Motel with 121 rooms. Included with the hotel rooms is 25,000 square feet of commercial space at the Hard Rock Hotel. Commercial spaces were also added at the Candy Factory with 27,000 sq. ft, the Schieffer Building with 14,000 sq. ft. and Metrowork with 80,000 sq. ft.

- Neighborhood Preservation activities:

CCDC formed the Education Task Force to improve the quality of life for current and future residents, workers and visitors to San Diego's downtown population. The task force is evaluating existing downtown educational opportunities and discussing possibilities for future schools and programs to support the growing population. In May 2008, the first Education Fair was held to help elevate awareness of the breadth of downtown San Diego educational opportunities. An education summit is being programmed for the Spring of 2009.

An overwhelming goal of the Downtown Community Plan, which predicts tripling the population growth by 2030, is creating sustainability guidelines that guide the commitment to "growing green". CCDC is conducting a series of interrelated studies, both planned and underway such as neighborhood design guidelines, parking, transit, open space needs, downtown lighting and wayfinding. These studies will assess opportunities for correlation and integration that smartly fit the goal to grow green. Some of these ideas are already in place such as a component of the North Embarcadero Visionary Plan which includes a water filtering system that moves storm water through plants, rocks and other environmentally friendly substances to ensure runoff coming from downtown streets will be cleaned before reaching San Diego Bay. Also, studies and downtown projects underway feature transit-oriented design opportunities that will save money, reduce the carbon footprint and enhance the social economic vitality of downtown. Green models of transportation will become more appealing when the public areas in which they arrive and depart are redeveloped.

The Agency acquired a historic chapel at 1620 6th Ave. This building will be restored and transformed into a retail space.

A façade improvement program was created by the Agency as part of a redevelopment program to assist in the quality of life in downtown San Diego. The program is designed to assist property and business owners with rehabilitating their commercial facades.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. The following were the jobs created or lost within the project area during the fiscal year:

- Jobs Created: 5,191

City Heights Project Area

Redevelopment Division

General Information:

PROJECT AREA SIZE (ACRES)	1,984	REDEVELOPMENT PLAN TIME LIMIT	5/11/2033
COUNCIL DISTRICT	3, 4, 7	INCURRING DEBT FINAL DATE	5/11/2012
PLAN ADOPTION DATE	5/11/1992	EMINENT DOMAIN TIME LIMIT	11/27/2012
		TIME LIMIT TO USE TI TO REPAY DEBT	5/11/2043

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Eliminate Blight activities:

Agency staff initiated property negotiations with the City of San Diego, Real Estate Assets Department to purchase five (5) City-owned properties along the I-15 that are currently vacant as opportunity sites for future redevelopment activities.

Continued discussions with the owner of the Silverado Ballroom property regarding historic rehabilitation and restoration of the building and to alleviate public blight.

Continue work on the future development of Agency owned properties located on the northeast corner of University Avenue and I-15.

- Improve Public Infrastructure activities:

Provided funding to the City of San Diego, Park and Recreation Department to initiate the design and construction of a 5,348 square foot mini-park on 43rd Street and University Avenue anticipated to be completed in Fiscal Year 2011.

A 25,000 square foot public park constructed at the Auburn Park Apartments project on 52nd Street and University Avenue was completed.

The Agency allocated funding for the installation of twenty-two (22) street lights located within a ten (10) block area of the City Heights Urban Village project.

- Increase Affordable Housing activities:

The City Heights Square Senior Housing Project was completed adding 150 restricted affordable units in the project area. The Centre City Redevelopment Project area contributed funds to this project.

The Auburn Park Apartments Project was completed adding sixty-seven (67) restricted affordable units within the City Heights project area. The Centre City Redevelopment Project area contributed funds to this project.

Agency staff and the City Heights Project Area Committee (PAC) worked with the San Diego Housing Commission to revise and expand the Housing Enhancement Loan Program (HELP) administered by the San Diego Housing Commission.

- Economic Development activities:

The Agency continues to refine and expand the Adopt-a-Block commercial facade program to businesses located within the project area.

Provided \$120,000 in funding for the Community FACELIFT and Project C.L.E.A.N. programs administered by Community Housing Works for low- and moderate-income residents within the project area to improve the living conditions within their community.

- Neighborhood Preservation activities:

The Agency has continued to manage the historic restoration of the Euclid Tower with an anticipated completion date in Fiscal Year 2009.

Staff has worked with the City Heights PAC to identify potential vacant or other suitable properties lots for possible development of infill projects for single family residential units.

The Agency funded four (4) Home in the Heights First Time Homebuyer Program loans increasing homeownership for families with an income below 100% area median income (AMI).

The City Heights Housing Enhancement Loan Program (HELP) provided funding to twenty-eight (28) low- to moderate-income owners that occupy single family homes to perform residential rehabilitation and other home repair related activities.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report.

College Community Project Area

Redevelopment Division

General Information:

PROJECT AREA SIZE (ACRES)	131	REDEVELOPMENT PLAN TIME LIMIT	11/30/2034
COUNCIL DISTRICT	7	INCURRING DEBT FINAL DATE	6/30/2019
PLAN ADOPTION DATE	11/30/1993	EMINENT DOMAIN TIME LIMIT	6/27/2017
		TIME LIMIT TO USE TI TO REPAY DEBT	11/30/2044

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Eliminate Blight activities:

Issued Request for Qualifications (RFQ) for a mixed-use development on an 11-acre site located within the Core Sub-area.

Agency staff also acted as liasion to the City Planning and Development Services departments in regards to the entitlement process for projects within the project area.

- Increase Affordable Housing activities:

Provided technical support and information to the Wesley Student Housing Project team that is currently underway.

- Neighborhood Preservation activities:

Agency staff assisted in the the completion of the Fraternity and Sorority Convertibility Guidelines.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report.

College Grove Project Area

Redevelopment Division

General Information:

PROJECT AREA SIZE (ACRES)	167	REDEVELOPMENT PLAN TIME LIMIT	5/19/2027
COUNCIL DISTRICT	4, 7	INCURRING DEBT FINAL DATE	5/19/2027
PLAN ADOPTION DATE	5/6/1986	EMINENT DOMAIN TIME LIMIT	5/6/1998
		TIME LIMIT TO USE TI TO REPAY DEBT	5/19/2037

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- *Increase Affordable Housing activities:*

The College Grove Low and Moderate Housing funds were provided to the Crossroads Redevelopment Project Area for the continuation of the Housing Enhancement Loan Program (HELP), since there are no residential properties within the project area boundaries.

- *Economic Development activities:*

Provided information to businesses located in the College Grove Shopping Center on available tax incentives and business support services to expand employment opportunities for local residents.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report.

Crossroads Project Area

Redevelopment Division

General Information:

PROJECT AREA SIZE (ACRES)	1,031	REDEVELOPMENT PLAN TIME LIMIT	5/6/2033
COUNCIL DISTRICT	4, 7	INCURRING DEBT FINAL DATE	5/6/2023
PLAN ADOPTION DATE	5/6/2003	EMINENT DOMAIN TIME LIMIT	5/6/2015
		TIME LIMIT TO USE TI TO REPAY DEBT	5/6/2048

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Eliminate Blight activities:

Agency staff began working with the development team that was recommended from the Request for Proposal (RFP) for the the Chollas Triangle project.

The Agency and the Crossroads Project Area Committee (PAC) worked with the International Rescue Committee (IRC) to create an urban farm at 54th and Chollas Parkway on a vacant parcel of land to assist community residents with an urban farming project.

Entered into a Second Implementation Agreement with CentrePoint LLC.

The Exclusive Negotiation Agreement with AMCAL for the Aztec Inn project expired and was not extended. Developer indicated that they did not need Agency assistance to proceed with the project.

Adopted the Second 5-year Implementation Plan for the project area.

- Improve Public Infrastructure activities:

Completed the reconstruction and landscaping of the El Cajon medians between 54th Street to 73rd Street.

A preliminary application was completed and submitted to the State of California's Infrastructure Bank to obtain a loan to assist with the construction of Phase 1C improvements at North Chollas Park. Agency will be notified in Fiscal Year 2009 on a funding decision.

- Increase Affordable Housing activities:

The Crossroads Housing Enhancement Loan Program (HELP) provided funding for seven (7) low-income owners that occupy single family homes and nine (9) funded enhancements were completed.

The Agency and PAC worked with the Housing Commission to revise and expand the Housing Enhancement Loan Program (HELP) within the project area.

- Economic Development activities:

Agency staff attended several College Area Business Improvement District (BID) meetings and events to promote the redevelopment efforts within the project area and to seek feedback from the community.

- Neighborhood Preservation activities:

Existing single-family homes that have received funds through the Housing Enhancement Loan Program ("HELP") have been maintained and preserved.

The Agency and PAC worked with the College Area BID and City Economic Development Division to establish a commercial renaissance program to promote historical preservation and expand economic opportunities within the project area.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include "any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities." Additional information was provided within the body of this report. The following were the jobs created or lost within the project area during the fiscal year:

- Jobs Created: 22

Gateway Center West Project Area

Southeastern Economic Development Corporation

General Information:

PROJECT AREA SIZE (ACRES)	59	REDEVELOPMENT PLAN TIME LIMIT	11/17/2016
COUNCIL DISTRICT	4	INCURRING DEBT FINAL DATE	11/14/2020
PLAN ADOPTION DATE	11/17/1976	EMINENT DOMAIN TIME LIMIT	11/17/1982
		TIME LIMIT TO USE TI TO REPAY DEBT	11/17/2029

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- *Eliminate Blight activities:*

Conducted a blight study of the proposed expansion of the project area (Dells Imperial Study Area), developed a public outreach effort to engage local residents and stakeholders in the amendment process, and determined a possible schedule for the Redevelopment Plan amendment process (for expansion of territory).

Provided funds for a full-time code enforcement officer in the City of San Diego, Neighborhood Code Compliance Department to focus on municipal code issues and violation within the project area.

- *Economic Development activities:*

Ensured compliance to the Owner Participation Agreement with San Diego Gas & Electric (SDG&E) and monitored the construction of the SDG&E Administration Building located within the project area.

The Entrepreneur Academy was held over a series of seven (7) weekly workshops to assist small business owners and local residents interested in starting a small business with the fundamentals of opening and/or growing a business for forty (40) participants from any of the four (4) project areas administered by SEDC.

- *Neighborhood Preservation activities:*

Ensured compliance and proper use of mitigation funds provided by SDG&E for the Chollas Creek project.

Staff continued quarterly contact with employers in Agency developed properties to monitor compliance with SEDC’s requirements including employment of area residents as required by the employment and training agreements between the Agency and employers as a condition of receiving Agency assistance.

Staff initiated an area-wide water conservation campaign, "Going Native Naturally," which included quarterly workshops, free consultations with landscape architects, and promotion of California-friendly and native plants to address the current water shortage within the region.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. The following were the jobs created or lost within the project area during the fiscal year:

- Jobs Created: 140

Grantville

Redevelopment Division

General Information:

PROJECT AREA SIZE (ACRES)	970	REDEVELOPMENT PLAN TIME LIMIT	5/17/2035
COUNCIL DISTRICT	7	INCURRING DEBT FINAL DATE	5/17/2025
PLAN ADOPTION DATE	5/17/2005	EMINENT DOMAIN TIME LIMIT	5/17/2017
		TIME LIMIT TO USE TI TO REPAY DEBT	5/17/2050

The County of San Diego and a property owner filed a lawsuit with the court to invalidate the Grantville Redevelopment adoption process and findings. A settlement was agreed upon between the Redevelopment Agency and the County of San Diego, and other concerned parties, in September 2008. The project area has been validated as of the issuance of this Annual Report.

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Eliminate Blight activities:

Agency staff started worked with the City of San Diego, Planning Department and the formation of a Stakeholder Committee on developing a Master Plan (for sub-area A & B).

Due to the litigation cited above, the Agency has not been able to undergo activities to Eliminate Blight. It is the goal of the Agency now that the project area has been validated to pursue activities that will eliminate blight within the project area.

- Improve Public Infrastructure activities:

Agency staff worked with City of San Diego, Engineering and Capital Project on a preliminary study on possible alternative alignments for Alvarado Canyon Road.

Due to the litigation cited above, the Agency has not been able to undergo activities to improve public infrastructure. It is the goal of the Agency now that the project area has been validated to pursue activities that will improve public infrastructure within the project area.

- Increase Affordable Housing activities:

Due to the litigation cited above, the Agency has not been able to undergo activities to increase affordable housing. It is the goal of the Agency now that the project area has been validated to pursue activities that will increase affordable housing.

- Economic Development activities:

Due to the litigation cited above, the Agency has not been able to undergo activities to address economic development. It is the goal of the Agency now that the project area has been validated to pursue activities that will address economic development within the project area.

- Neighborhood Preservation activities:

Due to the litigation cited above, the Agency has not been able to undergo activities to address neighborhood preservation. It is the goal of the Agency now that the project area has been validated to pursue activities that will address neighborhood preservation within the project area.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report.

Horton Plaza Project Area

Centre City Development Corporation

General Information:

PROJECT AREA SIZE (ACRES)	41	REDEVELOPMENT PLAN TIME LIMIT	8/25/2013
COUNCIL DISTRICT	2	INCURRING DEBT FINAL DATE	1/1/2004
PLAN ADOPTION DATE	7/25/1972	EMINENT DOMAIN TIME LIMIT	Expired
		TIME LIMIT TO USE TI TO REPAY DEBT	8/25/2023

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Eliminate Blight activities:

In January 2008, the historic Balboa Theatre opened to the delight of the San Diego community. The Balboa Theatre was named for the Spanish explorer Vasco Nunez de Balboa, the first European to discover the Pacific Ocean. The Balboa Theatre was originally completed in 1924. As San Diego expanded in the 1950's, the Balboa was set to be demolished to become a parking lot as the decade came to an end. However, the City designated the Balboa Theatre as a historic site in 1972. The Agency purchased the Balboa Theatre in 1985. The Balboa Theatre's restoration and rebirth has been the dream of many passionate individuals, organizations and officials who advocated for their shared vision of what this historic venue could be. CCDC's mission has been to transform the Balboa into a contemporary performing arts venue while contributing to the redevelopment and advancement of a vital Downtown theatre district. Between 1985 and the opening of the Balboa Theatre in January 2008, CCDC preserved the blighted building during the years it was closed. The Balboa again is a public asset and restored under the U.S. Department of Interior standards for historic buildings. The Balboa is now a culture center showcasing local, national and international performances to community, corporate and convention gatherings to excite, educate and entertain.

- Improve Public Infrastructure activities:

The Balboa Theatre was transformed from a blighted theatre to a historic icon. After numerous unsuccessful private efforts over the past 18 years to renovate and reopen the Balboa Theatre, CCDC completed the \$26.5 million restoration project to ensure the theatre maintains its historic value and continue to contribute to the San Diego community.

- Increase Affordable Housing activities:

The Agency funded the Transitional Senior Housing Program. This program is providing homeless seniors with vouchers to rent rooms and housing facilities so they will not have to live on the street.

The Agency expended funds for the development of the Talmadge Senior project which is outside of the Horton Plaza project area.

- Economic Development activities:

The renovated Balboa Theatre is anticipated to encourage patrons to come Downtown and enjoy the theatre and the surrounding community and create additional economic benefits within the project area.

A remodel of the former Robinson's-May location, in the Horton Plaza retail center is planned by Westfield Shopping Center (owner of Horton Plaza) in Fiscal Year 2009.

- Neighborhood Preservation activities:

The Agency provided funding of the Barrio Logan Community Plan that is underway. The plan will support upgrades and changes to a community adjacent to downtown San Diego. The plan will be administered by the City Planning & Community Investment staff.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. The following were the jobs created or lost within the project area during the fiscal year:

- Jobs Created: 177 (Construction Only)

Linda Vista Project Area

Redevelopment Division

General Information:

PROJECT AREA SIZE (ACRES)	12	REDEVELOPMENT PLAN TIME LIMIT	11/22/2012
COUNCIL DISTRICT	6	INCURRING DEBT FINAL DATE	1/1/2004
PLAN ADOPTION DATE	11/22/1972	EMINENT DOMAIN TIME LIMIT	11/22/1984
		TIME LIMIT TO USE TI TO REPAY DEBT	11/21/2022

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Eliminate Blight activities:

A Request for Proposals was issued to seek qualified applicants for redevelopment of two Agency owned parcels in the project area.

- Increase Affordable Housing activities:

The Agency provided a Housing Enhancement Loan Program (HELP) to residents of the community of Linda Vista since there are no residential properties within the project area boundaries. HELP provides funds to homeowners to address exterior needs such as repairs, roofs and painting, as well as interior needs. Nine (9) projects were completed during this period. The HELP funds are administered by the San Diego Housing Commission to provide assistance to qualified homeowners within the Linda Vista community.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report.

Mount Hope Project Area

Southeastern Economic Development Corporation

General Information:

PROJECT AREA SIZE (ACRES)	210	REDEVELOPMENT PLAN TIME LIMIT	11/22/2025
COUNCIL DISTRICT	8	INCURRING DEBT FINAL DATE	11/22/2025
PLAN ADOPTION DATE	11/22/1982	EMINENT DOMAIN TIME LIMIT	11/22/1994
		TIME LIMIT TO USE TI TO REPAY DEBT	11/22/2035

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Eliminate Blight activities:

Determined scope of temporary development of agency-owned property located at 4260-4274 Market Street.

- Improve Public Infrastructure activities:

Completed plans for the Mt. Hope Market Street median and streetlight project, worked with City Development Services Department to complete review of the plans, and currently working toward the preparation of the bidding process.

Researching and analyzing potential funding for other infrastructure improvements within the project area.

- Increase Affordable Housing activities:

The Agency administered the Mt. Hope Residential Rehabilitation Program which funded \$20,000 in grants and completed \$10,000 of rehabilitation work for community residents.

Staff revised the Residential Rehabilitation Program to increase limits on loan/grant amounts to ensure the highest derived benefit is obtained.

- Economic Development activities:

The Entrepreneur Academy was held over a series of seven (7) weekly workshops to assist small business owners and local residents interested in starting a small business with the fundamentals of opening and/or growing a business for forty (40) participants from any of the four (4) project areas administered by SEDC.

The SEDC staff continued to monitor for compliance with the Gateway Center East Planned Industrial Permit and mandated conditions.

- Neighborhood Preservation activities:

Provided funds for a full-time code enforcement officer in the City of San Diego, Neighborhood Code Compliance Department to focus on municipal code issues and violation within the project area.

Due to the increase rate of foreclosures SEDC staff has actively explored possible measures for short-term maintenance of foreclosed and abandoned properties to prevent additional blighting conditions and crime associated with vacant properties.

Staff continued quarterly contact with employers in Agency developed properties to monitor compliance with SEDC's requirements including employment of area residents as required by the employment and training agreements between the Agency and employers as a condition of receiving Agency assistance.

Staff initiated an area-wide water conservation campaign, "Going Native Naturally," which included quarterly workshops, free consultations with landscape architects, and promotion of California-friendly and native plants to address the current water shortage within the region.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include "any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities." Additional information was provided within the body of this report. The following were the jobs created or lost within the project area during the fiscal year:

- Jobs Created: 285

Naval Training Center Project Area

Redevelopment Division

General Information:

PROJECT AREA SIZE (ACRES)	504	REDEVELOPMENT PLAN TIME LIMIT	5/13/2035
COUNCIL DISTRICT	2	INCURRING DEBT FINAL DATE	5/12/2024
PLAN ADOPTION DATE	5/13/1997	EMINENT DOMAIN TIME LIMIT	5/13/2016
		TIME LIMIT TO USE TI TO REPAY DEBT	5/13/2050

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Eliminate Blight activities:

The Naval Training Center (NTC) project area is a former military base that was closed due to the Base Realignment and Closure legislation of 1993. Ongoing rehabilitation and renovation of the historic properties in preparation of future uses continues the elimination of blight.

New businesses have located within the project area to provide jobs that were lost when the former training center was closed.

- Improve Public Infrastructure activities:

NTC Park Phase 2 construction began and anticipated to be continued in Fiscal Year 2009.

- Increase Affordable Housing activities:

NTC low/mod housing funds assisted with the Verbena and El Pedregal affordable housing projects in the San Ysidro Redevelopment Project Area.

- Economic Development activities:

Courtyard by Marriott opened a new 200 room hotel located at 2592 Laning Road in the project area.

Homewood Suites by Hilton opened a new 150 room hotel located at 2576 Laning Road in the project area.

Renovation was completed on the Liberty Station Convention Center within the Liberty Station Resort Village.

Shoreline Plaza/Ocean Village completed three (3) building rehabilitations and two (2) businesses opened in these expanded locations.

- Neighborhood Preservation activities:

The Rock Church completed renovation of their facilities located at 2277 Rosecrans Street 206,084 square feet building in the project area.

The former fitness facility (Bldg 210) was renovated to provide current fitness services within the historic building at 2751 Roosevelt Road.

Rehabilitation began on six (6) historic buildings in the northern area for a new commercial/retail district called The Landing with an anticipated completion date in Fiscal Year 2009.

The seventh and final office building broke ground and began construction anticipated to be completed in Fiscal Year 2009 located at 2305 Historic Decatur Road.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. The following were the jobs created or lost within the project area during the fiscal year:

- Jobs Created: 508

North Bay Project Area

Redevelopment Division

General Information:

PROJECT AREA SIZE (ACRES)	1,360	REDEVELOPMENT PLAN TIME LIMIT	5/19/2029
COUNCIL DISTRICT	2, 6	INCURRING DEBT FINAL DATE	5/17/2018
PLAN ADOPTION DATE	5/18/1998	EMINENT DOMAIN TIME LIMIT	5/18/2010
		TIME LIMIT TO USE TI TO REPAY DEBT	5/19/2044

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Eliminate Blight activities:

The Third Five Year Implementation Plan for the North Bay Redevelopment Project Area was approved by the Agency on May 13, 2008.

Agency staff worked with the Peninsula YMCA to identify potential renovations to modernize and update their facilities.

- Improve Public Infrastructure activities:

The Morena Boulevard Traffic Signal was completed at the intersection of Morena Boulevard and Linda Vista Road.

The Agency approved the installation of Pedestrian Improvements in the Five Points community. The Five Points Pedestrian Improvements will include two pedestrian curb ramps, two curb extensions, and one countdown pedestrian crossing signal.

The Agency entered into an Agreement with Burgener-Clark, LLC for the design and construction of the Clairemont Drive median improvements. The median will provide a safer ingress and egress for vehicular traffic flow on Clairemont Drive. In addition to landscaping, the median will include an entry-way sign into the Clairemont community.

- Increase Affordable Housing activities:

The Phase IIA construction of the Veterans Village of San Diego was completed creating 112 transitional housing beds for Homeless Veterans.

The Phase IIB construction of the Veterans Village of San Diego consisting of the building of a medical facility and employment center is currently underway and anticipated to be completed in Fiscal Year 2009.

The Agency purchased the land for the Veterans Village Phase III that will add an additional ninety-six (96) transitional beds and a parking lot. The Agency anticipates the property will be conveyed in Fiscal Year 2009; contingent upon financing being obtained by the developer/operator.

The Agency has continued to monitor the construction of Stella at Five Points by Constellation Property Group to create eighty-five (85), which thirteen (13) units will be affordable housing.

- *Economic Development activities:*

The Agency provided funding for the Midway Pacific Highway Corridor Community Plan update that will be administered by the City Planning & Community Investment.

The Agency provided funding for the Morena Boulevard Storefront Improvement Program (SIP) that is administered by the City of San Diego, Economic Development Division. Two (2) SIP projects were completed in the project area.

The Agency is continuously analyzing to identify additional funding opportunities to leverage available resources to improve the project area.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. The following were the jobs created or lost within the project area during the fiscal year:

- Jobs Created: 75 (Estimated Construction Jobs)

North Park Project Area

Redevelopment Division

General Information:

PROJECT AREA SIZE (ACRES)	555	REDEVELOPMENT PLAN TIME LIMIT	3/5/2028
COUNCIL DISTRICT	3	INCURRING DEBT FINAL DATE	3/4/2017
PLAN ADOPTION DATE	3/4/1997	EMINENT DOMAIN TIME LIMIT	3/4/2009
		TIME LIMIT TO USE TI TO REPAY DEBT	3/4/2043

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Eliminate Blight activities:

A market study was initiated to evaluate potential redevelopment/rehabilitation opportunities for property on the south side of University Avenue between Grim Avenue and 31st Street.

- Improve Public Infrastructure activities:

The Agency assisted with the selection of a consultant to work with the City of San Diego and the community on design and development of a park on Agency owned property behind the North Park Theatre.

The Agency formed a committee and solicited artist submissions for artwork that will be replicated as sixteen large scale banners and installed on the North Park Parking Garage.

- Increase Affordable Housing activities:

An Owner Participation Agreement was entered into with SVDP Management (Father Joe’s Villages) to provide a \$2.4 million residual receipts loan for the construction of twenty-three (23) very low-income rental units.

- Economic Development activities:

A contract with North Park Main Street, a non-profit organization charged with revitalization of the North Park Business Improvements District, was extended to assist in proactively seeking new commercial and residential development within the project area through the solicitation of developer interest/proposals.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. The following were the jobs created or lost within the project area during the fiscal year:

- Jobs Created: 5

San Ysidro Project Area

Redevelopment Division

General Information:

PROJECT AREA SIZE (ACRES)	766	REDEVELOPMENT PLAN TIME LIMIT	4/16/2027
COUNCIL DISTRICT	8	INCURRING DEBT FINAL DATE	4/16/2016
PLAN ADOPTION DATE	4/16/1996	EMINENT DOMAIN TIME LIMIT	4/16/2008
		TIME LIMIT TO USE TI TO REPAY DEBT	4/16/2042

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Eliminate Blight activities:

The Agency initiated the San Ysidro Plan Amendment effort to extend the eminent domain authority for another twelve (12) years as required under California Redevelopment Law.

The Agency initiated efforts to reestablish the San Ysidro Project Area Committee (PAC) to provide input regarding Agency initiated plans, projects and programs.

- Improve Public Infrastructure activities:

Installed nine (9) pole attachments for the first phase of the estimated \$400,000 Street Light Improvement Project, which includes twenty (20) decorative lights and thirty-five (35) cobra lights throughout the project area. Completed design work and initiated bid process for the decorative lights. The design work for the cobra lights is anticipated to be fully complete in Fiscal Year 2009.

Completed design work and initiated the bidding process for the Camino de la Plaza Improvement Project. Estimated at \$600,000, the Project shall consist of the construction of sidewalks, curbs, landscaping, fencing, and sidewalk furniture along the north and south side of Camino de la Plaza between Camiones Way and San Ysidro Boulevard.

The Agency has negotiated a \$245,000 Rehabilitation Loan Agreement with the San Ysidro Health Center to assist with constructing offsite improvements for the expansion of the current facilities.

- Increase Affordable Housing activities:

The El Pedregal Project, a forty-five (45) unit affordable housing project by SYEP Associates on approximately 2.2-acres located at the northeast corner of West San Ysidro Boulevard and Averil Street was awarded 9% tax credits from the California Tax Credit Committee (TCAC). The residential units shall be made available for households earning 30% to 60% of the area median income (AMI).

The First Implementation Agreement with the Chelsea Investment Corporation for the development of the Verbena Project, which shall consist of eighty (80) affordable rental units on approximately 6.8-acres located at 3774 Beyer Boulevard was approved by the Agency.

- Economic Development activities:

A Consultant Services Agreement was entered with the San Ysidro Business Association (SYBA) in the amount of \$65,150. Pursuant to the Agreement, SYBA shall assist the Agency with the collection of data related to needed area improvements, analysis of existing conditions and potential resources, and implementation of various improvement projects and programs.

The draft proposal for Storefront Improvement Program (SIP) along major commercial corridors in San Ysidro was completed. An estimated \$150,000 has been set aside to provide eligible applicants up to \$15,000 for facade improvements. The proposed program can be combined with the existing City program, which provides applicants with \$5,000 matching grants

- Neighborhood Preservation activities:

Approved Agency sponsored Home Rehabilitation Program to allow up to \$30,000 in forgivable loans for health and safety repairs, including exterior improvements. A total of \$500,000 was approved for the program.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report.

Southcrest Project Area

Southeastern Economic Development Corporation

General Information:

PROJECT AREA SIZE (ACRES)	301	REDEVELOPMENT PLAN TIME LIMIT	4/14/2027
COUNCIL DISTRICT	4, 8	INCURRING DEBT FINAL DATE	4/14/2027
PLAN ADOPTION DATE	4/14/1986	EMINENT DOMAIN TIME LIMIT	4/14/1998
		TIME LIMIT TO USE TI TO REPAY DEBT	4/14/2037

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Eliminate Blight activities:

The First Amendment to the Amended Cooperation Agreement between the City of San Diego Parks & Recreation Department and the Redevelopment Agency was finalized.

- Improve Public Infrastructure activities:

Community input was sought and received on a number of public improvement opportunities within the project area. Specifically, SEDC staff presented material and solicited feedback which resulted in identifying public improvements such as streetlight installations, streetscape enhancements, and commercial corridor improvements. The pre-design work for additional streetlights in Southcrest has begun and it is anticipated that funding will be provided to install new streetlights in Fiscal Year 2009.

- Increase Affordable Housing activities:

The Agency provided a refinancing loan to the MAAC Project for the Mayberry Townhomes a seventy (70) unit low- and very-low income rental homes project. In addition, rehabilitation funds to the MAAC Project for rehabilitation of identified units were approved.

SEDC funded seven (7) grants totaling \$35,000 and completed four (4) residential rehabilitation projects totaling \$20,000 for Single Family Residential Rehabilitation Loan and Grant Program participants.

The construction and sale of Legacy Walk townhomes was completed by The Olson Company, which includes eleven (11) affordable units on 43rd Street and Logan Avenue.

- Economic Development activities:

The Entrepreneur Academy was held over a series of seven (7) weekly workshops to assist small business owners and local residents interested in starting a small business with the fundamentals of opening and/or growing a business for forty (40) participants from any of the four (4) project areas administered by SEDC.

Staff continued quarterly contact with employers in Agency developed properties to monitor compliance with SEDC's requirements including employment of area residents as required by the employment and training agreements between the Agency and employers as a condition of receiving Agency assistance.

The Agency provided a portion of the funding for the expansion of the San Diego Regional Enterprise Zone.

- Neighborhood Preservation activities:

Provide funding to the City of San Diego, Neighborhood Code Compliance Department for neighborhood code enforcement and building inspector staff to focus on code compliance issues within the project area. Over thirty (16) new code violation cases were opened.

The “Hey Neighbor Campaign” surveyed the project area monthly to identify “Hey Neighbor Card” recipients that consisted of sending out a series of postcards to promote property maintenance and encourage good neighbor relationships in older social and physically blighted areas.

Staff initiated an area-wide water conservation campaign, "Going Native Naturally," which included quarterly workshops, free consultations with landscape architects, and promotion of California-friendly and native plants to address the current water shortage within the region.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. The following were the jobs created or lost within the project area during the fiscal year:

- Jobs Created: 203

ANNUAL FINANCIAL AUDIT REPORT

The Redevelopment Agency of the City of San Diego, Annual Financial Report for fiscal year ending June 30, 2008 (Audit) has not been completed as of the preparation and submission of this report. The final report of the audit will be provided to the City Council within 30 days of receipt. The audit is anticipated to be completed in May 2009, which will include an examination of, and opinion on, the financial statements of the agency for the operations and financial position of the agency, including all financial activities with moneys required to be held in a separate Low and Moderate Income Housing Fund pursuant to Section 33334.3. The audit will be conducted in accordance with generally accepted auditing standards and rules governing audit reports issued by the State Board of Accountancy. The audit report will also include an opinion of the Agency's compliance with laws, regulations, and administrative requirements governing the activities of the Agency.

Appendices

Attachment 1 – California State Controller Report
(Printed Version of Electronic Submission)

Attachment 2 – California Department of Housing and Community
Development Report
(Printed Version of Electronic Submission)

Attachment 3 – Redevelopment Agency Property Report