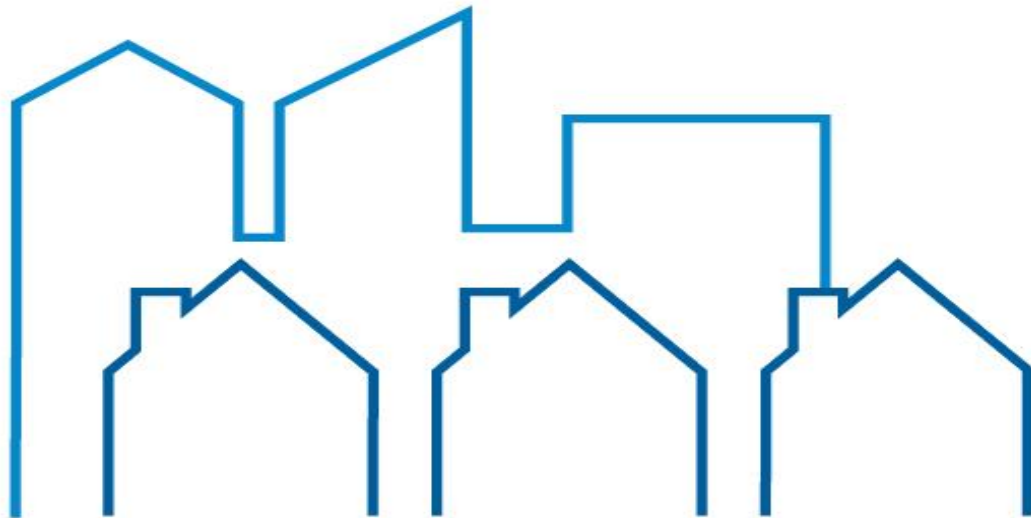


# **ANNUAL REPORT**



**CITY OF SAN DIEGO  
REDEVELOPMENT AGENCY**

**FISCAL YEAR 2011**

(Issued In December 2011)

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Redevelopment Agency of the City of San Diego

Roster of Officials  
As of Year Ended June 30, 2011

**BOARD OF DIRECTORS**

Sherril Lightner  
Member

Kevin Faulconer  
Member

Todd Gloria  
Member

Anthony Young  
Member

Carl DeMaio  
Member

Lorie Zapf  
Member

Marti Emerald  
Member

David Alvarez  
Member

**OFFICIALS**

Jerry Sanders  
Executive Director

Jay M. Goldstone  
Assistant Executive Director

Janice L. Weinrick  
Deputy Executive Director

Jan Goldsmith  
General Counsel

# Redevelopment Project Area Map



## 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 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 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; and,
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.

## 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 (City) 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 that 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);
- City Redevelopment (A department of the City of San Diego);
- 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.

**City Redevelopment**

In 1958, the City Council established the Redevelopment Agency to implement redevelopment projects within the City of San Diego. The Redevelopment Department is responsible for the general administration of the Redevelopment Agency, coordinates budget and reporting requirements, and maintains the meeting docket and official records. The Redevelopment Department administers 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.

On February 15, 2011, the Agency and City Council approved the merger of four (4) project areas administered by SEDC: Central Imperial, Gateway Center West, Mount Hope and Southcrest. The merged project areas are now called the Southeastern San Diego Merged Project Area. The merger provides flexibility in financing and will allow for more efficient and effective means of implementation of the Redevelopment Plan. Elimination of tax increment limits, time limits and extensions of durations and time limits provides additional flexibility, funding and time to implement projects and programs to alleviate blight in the project areas.

**Contact Information**

**Centre City Development Corporation**

401 B Street, 4<sup>th</sup> Floor

San Diego, CA 92101

(619) 235-2200

Website: [www.ccdc.com](http://www.ccdc.com)

**City of San Diego, Redevelopment Department**

1200 Third Avenue, 14<sup>th</sup> Floor

San Diego, CA 92101

(619) 236-6700

Website: [www.sandiego.gov/redevelopment-agency/](http://www.sandiego.gov/redevelopment-agency/)

**Southeastern Economic Development Corporation**

404 Euclid Avenue, Suite 221

San Diego, CA 92114

(619) 527-7345

Website: [www.sedcinc.org](http://www.sedcinc.org)

**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. 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 audited financial information. 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 audited financial information. 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 audited 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. The amount listed is the maximum tax increment the Agency can receive for the referenced fiscal year. This information is based on the Statement of Indebtedness submitted to the County for each project area.

**CITY OF SAN DIEGO  
REDEVELOPMENT AGENCY  
STATEMENT OF INDEBTEDNESS (SOI)  
FISCAL YEAR 2012  
(UNAUDITED)**

<b>ORGANIZATION</b>	<b>PROJECT AREA</b>	<b>SOI AMOUNT (Net Requirement)</b>
CCDC	Centre City	6,765,868,639
CCDC	Horton Plaza	88,267,097
Redevelopment Department	Barrio Logan	81,835,008
Redevelopment Department	City Heights	641,255,598
Redevelopment Department	College Community	20,708,231
Redevelopment Department	College Grove	42,046,112
Redevelopment Department	Crossroads	280,727,651
Redevelopment Department	Grantville	356,652,076
Redevelopment Department	Linda Vista	9,038,492
Redevelopment Department	Naval Training Center	296,307,812
Redevelopment Department	North Bay	639,333,447
Redevelopment Department	North Park	329,340,292
Redevelopment Department	San Ysidro	301,677,296
SEDC	Southeastern San Diego Merged	486,075,779
	<b>TOTAL:</b>	<b>10,339,133,530</b>

*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 2011**

<b>ORGANIZATION</b>	<b>PROJECT AREA</b>	<b>GROSS TAX INCREMENT</b>
CCDC	Centre City	114,723,731.39
CCDC	Horton Plaza	7,876,822.70
Redevelopment Department	Barrio Logan	576,166.94
Redevelopment Department	City Heights	11,176,379.61
Redevelopment Department	College Community	678,123.87
Redevelopment Department	College Grove	822,314.78
Redevelopment Department	Crossroads	3,330,446.52
Redevelopment Department	Grantville	1,200,106.58
Redevelopment Department	Linda Vista	115,628.93
Redevelopment Department	Naval Training Center	5,525,456.43
Redevelopment Department	North Bay	8,799,771.00
Redevelopment Department	North Park	7,050,200.24
Redevelopment Department	San Ysidro	5,150,324.29
SEDC	Southeastern San Diego Merged	5,781,574.22
	<b>TOTAL:</b>	<b>172,807,047.50</b>

*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. The taxing agency payments are reported by payments made to Local Education Agencies (LEA's), other governmental taxing agency payments, and the Supplemental Educational Revenue Augmentation Fund (SERAF)<sup>1</sup>.

**CITY OF SAN DIEGO  
REDEVELOPMENT AGENCY  
TAXING AGENCY PAYMENTS  
FISCAL YEAR 2011**

**TAXING AGENCY PAYMENTS – SCHOOLS/COMMUNITY COLLEGE DISTRICTS (LEA'S):**

San Diego Community College	2,913,891.97
San Diego Unified Schools	9,077,327.63
Lemon Grove School District	4,188.00
Grossmont Union High	4,181.00
Grossmont – Cuyamaca Community College	1,585.00
San Ysidro School District	441,318.00
County Office of Education	734,075.27
Southwestern Community College District	60,727.00
Sweetwater Union High School	225,375.00

<b>TOTAL TAXING AGENCY PAYMENTS – SCHOOL COMMUNITY COLLEGE DISTRICTS:</b>	<b>13,462,668.87</b>
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**TAXING AGENCY PAYMENTS – OTHER:**

City of San Diego	2,633,939.61
City Zoological Exhibits	65,148.19
County of San Diego	11,867,460.88
County Water Authority	20,743.89
Grossmont Healthcare District	1,241.00
MWD D/S Remainder of SDCWA	56,027.28

<b>TOTAL TAXING AGENCY PAYMENTS – OTHER:</b>	<b>14,644,560.85</b>
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**SUPPLEMENTAL EDUCATIONAL REVENUE AUGMENTATION FUND (SERAF)<sup>1</sup>:**

County of San Diego	11,468,256.00
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<b>TOTAL TAXING AGENCY PAYMENTS:</b>	<b>39,575,485.72</b>
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<sup>1</sup> Assembly Bill 26x4.

***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 that are in default or not in compliance with the loan conditions in the Barrio Logan (refer to Page 14) and North Park (refer to Page 39) project areas.

***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. During March 2011, the Agency transferred real properties to the City. The properties owned by the Agency during the fiscal year are listed in Attachment 3.

***Jobs Information***

The California Redevelopment Association provided for its members a statistical tool to estimate the number of construction jobs created by redevelopment projects (referred to the “Jobs Calculator Tool” or “Tool”). The Tool is based on a widely accepted economic computer model. The Agency utilized this tool to prepare many of the job creation estimates stated in this report.

***Other Information***

Additional information may be located in the accompanying attachments to substantiate pertinent activities and relevant data (refer to Appendices on Page 50).

**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” that 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 assisted dwelling units from the California Department of Housing and Community Development Report (refer to Attachment 2):

<b>Fiscal Year 2011 – Agency-Assisted Dwelling Units*</b>				
	Very Low**	Low**	Moderate**	Total
Constructed	103	72	0	175
First Time Home Buyers	0	4	2	6
Rehabilitated (substantial)	30	58	0	88
<b>TOTAL:</b>	<b>133</b>	<b>134</b>	<b>2</b>	<b>269</b>

\* Restricted by Ordinance or Agreement (elderly and non-elderly)

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

**SIGNIFICANT ACTIONS TAKEN BY THE AGENCY**

The following is a summary of significant actions taken by the Agency including:

1. On August 26, 2010, the Agency issued \$47.8 million in tax allocation bonds for non-housing redevelopment activities in various project areas including, Crossroads, City Heights, San Ysidro and Naval Training Center project areas and pooled housing bonds in the amount of \$58.6 million for affordable housing projects in the City Heights, North Bay, North Park, Crossroads, Naval Training Center and San Ysidro project areas.
2. On October 19, 2010, Governor Brown approved California Senate Bill No. 863 (SB 863). Among other things, SB 863 eliminated the tax increment limit for the redevelopment plan of the Centre City Redevelopment Project.
3. On February 8, 2011, the City Council and Agency Board amended the existing agreement between the City and Agency established to provide for reimbursement by the Agency of Ballpark related bond debt paid by the City. The amendment modified the agreement to include the reimbursement of all remaining lease payments made by the City on the bonds resulting in a total increase of \$215 million to the existing reimbursement obligation of the Agency.
4. On February 23, 2011, the City Council adopted an ordinance approving the proposed amendments to merge the Central Imperial, Gateway Center West, Mount Hope and Southcrest Redevelopment Project Areas into a single project area known as the Southeastern San Diego Merged Redevelopment Project Area.
5. On February 28, 2011, the City and Agency entered into an approximately \$ 4.1 billion cooperation agreement with the City for the payment of costs associated with certain Agency funded projects (Projects Implementation Agreement). Pursuant to the agreement, the Agency advanced approximately \$289 million to the City in anticipation of work to be performed in future years.

6. On March 1, 2011, the City and Agency established certain loan agreements and associated promissory notes to memorialize previously established debt owed by the Agency to the City.
7. On March 15, 2011, the City and Agency authorized the transfer of approximately 95 real properties from the Agency to the City for the implementation of projects pursuant to the Projects Implementation Agreement and for other redevelopment purposes.
8. On April 1, 2011, the City and Agency entered into a cooperation agreement authorizing the Agency to reimburse the City for debt service on the Lease Revenue Bonds, Series 1998A, which were issued for the Convention Center Phase II Expansion project. The total debt service to be reimbursed by the Agency between fiscal years 2011 and 2028 is approximately \$228.6 million.

**PROJECT AREA INFORMATION**

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

**Barrio Logan Project Area**

*Redevelopment Department*

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 ADOPTIONS 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 provided for the rehabilitation of thirteen (13) homes through the Community Enhancement - Green Street Program. These homes were provided energy efficient upgrades, drought tolerant landscaping and other related improvements.

Staff is working with Urban Corps of San Diego to create the Green Build Program. The program will provide solar energy installation, roof repairs and substantial rehabilitation to low- and moderate-income residents.

- Improve Public Infrastructure activities:

The Community Enhancement - Green Street Program provided for the planting of street trees, removal of graffiti, litter abatement, refurbishing of decorative streetlights and other services.

The Agency collaborated with the City of San Diego to provide landscaping adjacent to Chicano Park to compliment improvements of the Mercado del Barrio Project.

Agency collaborated with Caltrans to implement pedestrian and traffic improvements to Cesar Chavez Parkway to enhance public safety.

- Increase Affordable Housing activities:

Construction began on the Estrella del Mercado Apartments Project, which will provide 92 apartment units for low- and moderate-income families.

- Economic Development activities:

Construction began on the Mercado del Barrio Project. The project includes a large commercial center that will create employment opportunities and serve the needs of the community.

Agency staff has continued to provide support for the Barrio Logan Community Plan Update process that is being prepared by the City of San Diego, Planning Division.

Initiated preliminary discussions with property owners on the possible formation of a maintenance or improvement district within the business corridors of the project area.

- Neighborhood Preservation activities:

The Agency was awarded Community Development Block Grant (CDBG) funding of approximately \$415,000 for the restoration of the Aztec Brewery “Rathskeller” historical structure and artifacts. This project will be included in the Mercado del Barrio 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.” An estimated 200 construction jobs associated with redevelopment activities in the Project Area created during the fiscal year.

## 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:

- Chuey’s Numero Uno, Inc. defaulted on a loan for \$400,000.00 for real property purchase of 1901-1911 Main Street, San Diego, CA. The Agency entered into a Disposition and Developer Agreement (DDA) with borrower in 2001 (Resolution No. R-03385 on October 16, 2001). The Agency note was subordinated to two separate bank loans used for construction of a restaurant in the approximate amount of \$2,500,000.00 in 2005. The borrower defaulted on the bank loans in 2008, and the first priority lender commenced foreclosure proceedings. The San Diego Community College District purchased the property in a foreclosure sale in 2009. The Agency was not repaid its outstanding loan, and the borrower’s liabilities were discharged through bankruptcy proceedings.

## Central Imperial Project Area

*Southeastern Economic Development Corporation*

On February 15, 2011, the Agency and City Council approved the merger of four (4) project areas: Central Imperial, Gateway Center West, Mount Hope and Southcrest. The merged project areas are now called the *Southeastern San Diego Merged Project Area* and all related information can be found starting on Page 45.



**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	7/30/2033
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 Agency, City of San Diego, Metropolitan Transit System, 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. The plan includes removing and replacing broken and damaged sidewalks, curbs and gutters, removing obstructive above ground planters and trees, and replacing missing tree grates and trees.

Completed the C Street safety enhancement, a component of the C Street Master Plan. The improvements include replacing tall, overgrown, mismatched landscape with drought-tolerant low-lying plants, updating streetlights and repairing missing curbs.

The Agency purchased four (4) parcels: three (3) separate parcels at the Fourth and Beech site, and one (1) parcel at the East Village Green site.

Completed the design of the Interim Leash Free Dog park and awaiting to go to bid. This interim park will be a 16,500 sq. ft. park, which includes separate areas for small and large dogs, seating and tables, shade opportunities, public art, lighting and a combination water fountain for people and dogs. The interim park will be located at Park Blvd. and Market Street, which is currently used as a construction lay down yard.

- Improve Public Infrastructure activities:

The 550-foot Harbor Drive Pedestrian bridge was completed March 2011. The bridge will connect two of San Diego's most important assets - Balboa Park and the San Diego Bay. The bridge was honored with three (3) awards: the award of Excellence by the Urban Land Institute; Project of the Year in the Transportation category by the American Public Works Association; and, second place in the Bridge category from the American Road and Transportation Builders Association.

The Quiet Zone is under construction on 12 of 13 public right-of-way railroad crossings and is expected to be completed by Spring 2012. The Quiet Zone will significantly reduce train noise and will improve conditions for residents and visitors. Planned safety upgrades will add safety enhancements for pedestrians and vehicles at the railroad crossings. The 13<sup>th</sup> crossing, included in the Quiet Zone, is the Park Boulevard At-Grade Crossing. CCDC is continuing to finalize the plans and necessary agreements with the rail entities for the crossing improvements. Once the agreements are executed, the project will begin construction to re-open the old Eighth Avenue Grade Crossing that is now known as Park Boulevard.

Completed the Cortez Streetlights Phase I project. The project encompassed the area bound by A Street, Date Street, 5<sup>th</sup> Avenue and 10<sup>th</sup> Avenue. Installed 155 energy efficient streetlights in the Cortez neighborhood, which 125 are new lights and thirty (30) were replacements of lights in poor condition with energy efficient lights.

Completed the Little Italy Public Improvements Phase I project. The project is bounded by Laurel Street, California Street, Ash Street, Union Street and Interstate 5 highway. The project included replacement of deteriorated sidewalks and installed new street trees and ground cover shrubs.

Completed the partial remediation of the Seventh Avenue and Market Street site, a 55,000 square feet block owned by the Agency. The project removed contaminated soil from a significant portion of the site, reconstructed, and improved the surface parking lot to meet current design standards.

Completed six (6) area wide traffic signals located at: Front & Cedar, Market & Third, Market & Ninth, Market & Union, Park & Island and Park & J.

The East Village Streetscape improvements is under construction. The East Village Streetscape consists of the removal and replacement of damaged sidewalks, driveways, parkways, curbs, gutters, non-ADA-compliant pedestrian ramps and utility boxes as well as the installation of missing streets trees in East Village.

The I-5 bridge streetlights project is under construction and will include the installation of twenty-five (25) energy efficient streetlights on I-5 bridges in the East Village and Cortez neighborhoods.

Completed the design phase and are out to bid: North Embarcadero Phase I, Island Avenue pop-outs Phase II, and the Fourth and Beech interim parking lot improvements. The North Embarcadero is a JPA between the Redevelopment Agency, the Unified Port of San Diego and the City of San Diego, to develop a mile and a half of the western waterfront property. Phase I includes the construction of a 100-foot-wide pedestrian esplanade on Harbor Drive between B Street Pier and the Navy Pier. The Island Avenue pop-outs Phase II include removing and

replacing older sidewalks in poor condition adjacent to Island Avenue and replacing them with new, wider sidewalks. The Fourth and Beech interim parking lot include the installation of asphalt paving, signing and striping on the Fourth and Beech site.

- Increase Affordable Housing activities:

Completed the construction of the expansion of the Cortez Hill Family Center in February 2011. The expansion is a 6,600 square feet addition that increased the building size to 25,000 square feet. The project provided a much needed additional educational, recreational and dining space that benefit homeless families.

The Cedar Gateway apartments, a 6-story 65 unit apartment building that has 64 affordable units, is under construction and anticipated to be completed in December 2011. Twenty-three (23) units are set aside as permanent supportive housing for mentally disabled individuals who were homeless or at risk of becoming homeless. This project features 54,385 square feet of residential and 4,362 square feet of retail/commercial.

The 15th & Commercial apartments, a 12-story building with a child day care center, 150 transitional beds for men and 64 affordable apartment units is anticipated to be completed December 2011. Of the 64 affordable units, 49 are set aside as permanent supportive housing for mentally disabled individuals.

The Ninth & Broadway Disposition and Development Agreement (DDA) was approved for the construction of a 17-story apartment building with 248 affordable units. The site area is 25,000 sq. ft. with 5,774 sq. ft. of retail/commercial. The project is currently securing all of its financing and construction is anticipated to begin by early 2013.

The Connections Housing Owner Participation Agreement (OPA) was approved, which provides for a permanent Homeless Service Center with construction anticipated to begin in December 2011. The existing 12-story office building will be rehabilitated into a one-stop homeless center and housing, including 150 transitional housing beds and 73 affordable apartment units to serve as supportive housing for the special needs population.

The Agency approved an Exclusive Negotiating Agreement (ENA) with Wakeland Housing to develop the Fourth and Beech site. A 12-story building with 203 affordable units including thirty-one (31) supportive housing units for special needs residents. It also includes 1,000 square feet of ground floor retail space for a cafe/restaurant. It is anticipated a DDA will likely be approved in FY2012.

The Agency approved an OPA for COMM 22, an innovative mixed use project of 197 units in Logan Heights, consisting of 130 family units of which 128 units are affordable and 70 senior units of which 69 are affordable units. Of the 128 family affordable units, thirteen (13) will be set aside as permanent supportive housing. This project also includes a childcare facility and commercial/retail space in an area that lacks it.

The rehabilitation of the Hotel Sandford is underway. The project will have 130 SRO affordable units for seniors and 3,267 square feet of commercial space. Anticipated to be completed in April 2012.

Achieving a significant reduction in downtown homelessness is a top priority. Common Ground, a nationally recognized non-profit organization, was retained to organize volunteers and secure financial commitments for the costs associated with organizing and conducting the event. Over

1,040 homeless individuals and 738 participants were surveyed that resulted in the most in-depth interview of downtown's homeless population in history. Vulnerability profiles were recorded that provided service providers with the information necessary to locate, assess housing and service needs, and place the most vulnerable individuals into housing.

Received a statewide Public Champions Award for its ongoing effort to end homelessness in Downtown San Diego from the California Department of Corporation for Supportive Housing. A policy was formalized that all affordable housing projects must designate 15% of the total housing units to supportive housing. This ensures that formerly homeless tenants receive the help they need for physical, emotional or substance abuse issues. A five year work plan toward a goal of ending homelessness was approved by the City Council.

- Economic Development activities:

Completed the construction of the Thomas Jefferson School of Law, a 175,000 square feet commercial development.

The New Downtown Main Library is under construction. It is located at the intersection of Park Blvd. and J Street. This library would serve as a major civic, cultural, research and recreational center offering a wide variety of services to San Diego residents. It would provide support for the entire San Diego library system, including thirty-five (35) branch libraries.

A new comprehensive Economic Development strategy in collaboration with a variety of public agencies and private organizations is being developed. The objectives of the strategy will be to actively create and attract new business and employment opportunities within the Centre City project areas an additional instrument to promote neighborhood revitalization and increase city revenue.

- Neighborhood Preservation activities:

The Monarch School amended DDA was entered into December 9, 2010. The amended DDA contains a purchase option for the developer to purchase the 1625 Newton property, and for the Agency to buy back 808 W. Cedar from the developer. The purpose of the first amendment is to accelerate the rehabilitation of a new expanded school for up to 350 disadvantaged children at the Newton property.

The façade improvement program is an ongoing project to assist the quality of life in downtown San Diego. The program is designed to assist property and business owners with rehabilitating their commercial facades.

Four (4) proposals are currently under review to redevelop the historic chapel in the Cedar Gateway project. The restored chapel is anticipated to have 4,362 square feet of retail/commercial space once completed.

The 13<sup>th</sup> annual Multicultural Festival was held January 2011. The event brings more than 20,000 people to celebrate cultures from around the globe. Music and dance performers, storytelling, and children's activities as well as a wide range of food and retail vendors are all part of this free, family-friendly event.

**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.” An estimated 503 jobs associated with redevelopment activities in the Project Area created during the fiscal year.

**City Heights Project Area**

*Redevelopment Department*

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 ADOPTIONS 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 continued to oversee construction of the City Heights Square Residential and Retail Project located at the corner of University Avenue and Fairmount Avenue. The project includes ninety-two (92) residential units, 20,500 square feet of retail space, and two (2) levels of subterranean parking.

Agency issued and sold Tax Allocation Bonds for non-housing uses for the following project areas: City Heights 2010A and 2010B bonds, Crossroads 2010A bonds, Naval Training Center 2010A bonds, and San Ysidro 2010A and 2010B bonds.

The Agency reached a settlement agreement with Jack in the Box regarding claims of loss of goodwill and relocation at the formal location on 43<sup>rd</sup> Street and University Avenue.

The Agency worked with consultants, and stakeholders to identify potential development opportunities for an Agency-owned property located on University Avenue at I-15.

The Agency funded one (1) Code Enforcement position to provide proactive code enforcement services in the project area to address vacant foreclosed properties and other code related issues that contribute to blight.

Agency staff continued to work with the City of San Diego on a SANDAG Smart Growth Grant for the I-15 Corridor.

Agency staff continued to administer the EPA Brownfield Assessment Grant to conduct environmental assessments and remediation related activities.

- Improve Public Infrastructure activities:

Continued to oversee the design phase of the 5,348 square foot City Heights Square Mini Park.

Worked with Engineering Department, consultants and the Project Area Committee to identify the scope and cost of replacement/repair and installment of missing sidewalks and streetlights in the Colina del Sol Neighborhood.

Worked with Engineering Department, consultants and the Project Area Committee to identify and design missing sidewalks along Euclid Avenue.

Worked with the Park and Recreation Department to identify street safety improvements necessary for the Home Avenue Neighborhood Park.

Approved funding for the Swan Canyon Restoration Project.

- *Increase Affordable Housing activities:*

Provided funding for eleven (11) loans through the Housing Enhancement Loan Program administered by the San Diego Housing Commission. The program provides forgivable loans up to \$30,000 for qualified homeowners to improve interior and exterior conditions of homes.

Provided funding for six (6) loans through the Home in the Heights Program administered by Community HousingWorks. The program provides forgivable loans up to \$30,000 to first time homebuyers.

The Agency issued Housing Set-Aside Tax Allocation Bonds, Series 2010A (Taxable) with a pledge from six project areas for the repayment of the bonds. The following are the pledged project areas: City Heights, Crossroads, Naval Training Center, North Bay, North Park, and San Ysidro.

- *Economic Development activities:*

The Agency has provided funding to the City of San Diego, Economic Development Department to manage the Storefront Improvement Program, which provides forgivable loans to property owners and business tenants for property façades improvements within the project area.

- *Neighborhood Preservation activities:*

Negotiated an Owner Participation Agreement with the property owner of the Silverado Ballroom Building to restore and rehabilitate the historic structure.

Provided funding to enhance thirty-four (34) homes and beautify the public right-of-ways through the Community Enhancement Program. The program provides exterior home improvements for qualified homes and community improvements including graffiti abatement, canyon restoration, and beautification of public-right-of ways.

## 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.” An estimated 228 jobs associated with redevelopment activities in the Project Area created during the fiscal year.

**College Community Project Area**

*Redevelopment Department*

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 ADOPTIONS 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:

Due to the numerous acquisitions of private properties by SDSU and its auxiliary agencies and their subsequent removal from the tax rolls, the Agency is currently reserving most of the tax increment receipts to meet its Affordable Housing Program obligations and, as such, the Agency is currently unable to pursue any other redevelopment projects.

- Increase Affordable Housing activities:

The Agency approved funding for a loan to Community Housing Works for development of the Kalos apartment project located on Florida Street south of University Avenue. The development will provide 82 units for households earning 50% to 60% of the area median income. The project area committed affordable housing funds to this project. The project is anticipated to be completed in FY2012.

**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.” There were no jobs created in the fiscal year directly associated with redevelopment activities in the Project Area.



**College Grove Project Area**

*Redevelopment Department*

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 ADOPTIONS 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:

- *Eliminate Blight activities:*

Agency is working on merging the College Grove Redevelopment Project Area with the Crossroads Redevelopment Project Area in order to support effective redevelopment.

- *Improve Public Infrastructure activities:*

Agency staff and City Engineers are evaluating the installation of sidewalks and streetlights along the northeast side of College Avenue between Livingston Street and Racine Road. The project will enhance public safety due to the lack of sidewalks, which pose a risk for pedestrians in the Rolando Park neighborhood to walk to the College Grove Shopping Center.

- *Increase Affordable Housing activities:*

Completed the rehabilitation of the Village Green Apartments to preserve, enhance and upgrade 94 multiple-family rental-housing units adjacent to the Project Area. College Grove provided affordable housing funds towards the rehabilitation.

Agency has provided funding to maintain and preserve five (5) existing single-family homes through the College Grove Housing Enhancement Loan Program within two census tracts adjacent to the Project Area. The funding allowed for the maintenance and preservation of these homes.

**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.” An estimated one (1) job associated with redevelopment activities in the Project Area created during the fiscal year.

**Crossroads Project Area**

*Redevelopment Department*

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 ADOPTIONS 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:*

The Agency is working on merging the College Grove Redevelopment Project Area with the Crossroads Redevelopment Project Area in order to support effective redevelopment.

The Agency funded one (1) Code Enforcement position to provide proactive code enforcement services in the project area to address vacant foreclosed properties and other code related issues that contribute to blight.

The Agency provided funding for the Storefront Improvement Program to maintain and preserve existing commercial and retail establishments.

Agency issued and sold Tax Allocation Bonds for non-housing uses for the following project areas: City Heights 2010A and 2010B bonds, Crossroads 2010A bonds, Naval Training Center 2010A bonds, and San Ysidro 2010A and 2010B bonds.

Obtained community input and consensus for the SANDAG Smart Growth Chollas Triangle Study regarding land use, urban form, and circulation.

- *Improve Public Infrastructure activities:*

The Agency reviewed existing conditions of sidewalks along El Cajon Boulevard within the project area for future improvements.

Review existing conditions and obtain community input on potential transportation improvements along University Avenue within the project area.

- *Increase Affordable Housing activities:*

Completed the rehabilitation of the Village Green Apartments to preserve, enhance and upgrade 94 multiple-family rental-housing units within the Project Area.

The Agency issued Housing Set-Aside Tax Allocation Bonds, Series 2010A (Taxable) with a pledge from six project areas for the repayment of the bonds. The following are the pledged project areas: City Heights, Crossroads, Naval Training Center, North Bay, North Park, and San Ysidro.

The Agency has funded ten (10) loans through the Crossroads Housing Enhancement Loan Program within and adjacent to the Project Area. The program provides forgivable loans up to \$25,000 for qualified homeowners to improve interior and exterior conditions of homes.

- *Economic Development activities:*

The project area provided funding for a Storefront Improvement Program to maintain and preserve existing commercial and retail establishments within the project area.

Agency staff attended and participated in monthly Business Improvement District meetings and events.

## **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.” An estimated eleven (11) jobs associated with redevelopment activities in the Project Area created during the fiscal year.

## **Gateway Center West Project Area**

*Southeastern Economic Development Corporation*

On February 15, 2011, the Agency and City Council approved the merger of four (4) project areas: Central Imperial, Gateway Center West, Mount Hope and Southcrest. The merged project areas are now called the *Southeastern San Diego Merged Project Area* and all related information can be found starting on Page 45.

**Grantville**

*Redevelopment Department*

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 ADOPTIONS DATE	5/17/2005	EMINENT DOMAIN TIME LIMIT	5/17/2017
		TIME LIMIT TO USE TI TO REPAY DEBT	5/17/2050

**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:

Completed the planning process for traffic lane alternatives for the intersections of I-8 and Mission Gorge Road for the purposes of increasing traffic capacity and reducing traffic congestion.

Completed the density, traffic, and zoning studies for the Navajo Community Plan Amendment for the Grantville Sub-Area A and the preparation of a draft Environmental Impact Report.

- Improve Public Infrastructure activities:

Completed the hydrology study for the Alvarado Creek Flood Channel in order to prepare design alternatives for increased future development, flood control and water quality improvements.

- Increase Affordable Housing activities:

Provided technical entitlement assistance to developers for potential affordable housing projects including a senior apartment project along Zion Avenue in Sub-Area C.

The Grantville Housing Enhancement Loan Program (HELP) provided one (1) loan to assist in the preservation and improvement of a single family home.

- Economic Development activities:

Provided technical assistance to a developer for the demolition and construction of a new 7,200 square foot commercial establishment at the corner of Friars and Mission Gorge Roads.

**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.” An estimated six (6) jobs associated with redevelopment activities in the Project Area created during the fiscal year.

**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 ADOPTIONS 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:*

Approved the Owner Participation Agreement (OPA) to construct a world-class urban plaza to replace the former Robinsons-May building next to the Balboa Theatre at the Westfield Horton Plaza shopping center. The renovation would include restoring the adjacent Horton Plaza and the historic park and fountain in front of the shopping center. Over the past several years, the historic park has become blighted, uninviting to the general public and predominantly used by the transient population. The new plaza is proposed to become a central gathering place for not only downtown residents, workers and visitors, but for all San Diegans.

- *Improve Public Infrastructure activities:*

The design of the Lyceum Theatre lobby and restroom renovation is underway with an estimated completion date of March 2012. The Lyceum Theatre is a two-level subterranean structure and each level has a lobby and two restrooms. Proposed renovations include 14,000 square feet of common areas along with 1,500 square feet outside the subterranean entrance.

Assisted in the funding for the design and construction of the 19,000 square feet Bayside Fire Station. Preliminary planning for this station will include three apparatus bays to house engine, truck, medic and other fire-rescue vehicles. The final design is anticipated to be completed in January 2012.

- *Increase Affordable Housing activities:*

The Agency provided funding for the Transitional Senior Housing program, which provided thirty-seven (37) vouchers for homeless seniors to rent rooms and housing facilities.

- *Economic Development activities:*

The Agency approved the OPA to demolish the former Robinsons-May building at the Westfield Horton Plaza shopping center to construct an urban public plaza. The renovation would include restoring the adjacent Horton Plaza and the historic park and fountain in front of the shopping center to ensure its historical significance is preserved. The project is envisioned to be the dynamic, active public heart of the city and a true gathering place for more than 200 civic events and community celebrations each year.

- *Neighborhood Preservation activities:*

The design of the Lyceum Theatre lobby and restroom renovation is underway with an estimated completion date of March 2012. The proposed renovations include 14,000 square feet of common areas with 1,500 square feet outside subterranean entrance. More than 2.4 million patrons have attended the events at the theatre since it opened in 1986. In 2011-2012, the theatre will host a projected 525 events, bringing more than 157,000 people downtown. The renovation of the theatre will assure that downtown continues to have a cultural town-hall for the public to enjoy today and well into the future.

On January 2011, the Redevelopment Agency approved an OPA to construct a world-class urban plaza at the former Robinsons May building in the Westfield Horton Plaza shopping center. The urban public plaza will be constructed to invigorate the neighborhood and complement the adjacent historic park. In addition, the historic park, including the existing historic Broadway Fountain, will be rehabilitated. The goal of this project is the rehabilitation of the historic park site to include elements that were present from 1910 to 1930. This period was selected because the fountain was present starting in 1910. The existing historic park is approximately 20,000 square feet while the proposed new plaza will be approximately 37,000 square feet. Not only will the project create vital new urban open space for a growing downtown population, it will also reactivate a historically significant community asset.

## 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.”

**Linda Vista Project Area**

*Redevelopment Department*

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 ADOPTIONS 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 Qualifications and Proposals (RFQ/P) for the redevelopment of the Agency-owned property located at 6901 - 6921 Linda Vista Road was released on July 30, 2009. The Agency subsequently approved an Exclusive Negotiation Agreement (ENA) with MRW Development Company LLC, which became effective in July 2010. In the course of the ENA negotiation period, Agency staff and its consultants studied and analyzed the physical, environmental and historic conditions of the existing building and overall sites to determine the impact of these and other factors on the redevelopment project. Agency staff and MRW worked with the community responding to concerns and providing regular updates. The ENA between the Agency and MRW terminated on April 4, 2011 after a 90-day extension. Upon its expiration, Agency staff worked diligently with MRW hoping the ENA could be reinstated but citing opposition to the project and the depressed economic environment, MRW withdrew from the project on May 26, 2011.

- Improve Public Infrastructure activities:

Resolutions were adopted by the Redevelopment Agency and the City Council for the conveyance of Morley Green to the City upon expiration of the Linda Vista Project Area and its subsequent dedication as a park in perpetuity.

The Agency completed an existing conditions and opportunities for improvement study for the public right-of-way, inclusive of Morley Green, within the Linda Vista Project Area. Agency staff applied for funds under the Community Development Block Grant (CDBG) program to carry out certain public improvements within Morley Green focusing on addressing Americans with Disabilities Act (ADA) deficiencies but the Agency was not successful in securing these funds.

- Increase Affordable Housing activities:

Three (3) projects were funded and completed construction, utilizing funds from the Linda Vista Redevelopment Area Housing Enhancement Loan Program, and leveraged additional funds from the San Diego Housing Commission. These projects were completed and benefited very low-income homeowners.



- Neighborhood Preservation activities:

The Agency owned property located at 6905–6921 Linda Vista Road, was designated as a historical building by the City of San Diego Historical Resources Board (HRB) on February 24, 2011.

## **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.”

## **Mount Hope Project Area**

*Southeastern Economic Development Corporation*

On February 15, 2011, the Agency and City Council approved the merger of four (4) project areas: Central Imperial, Gateway Center West, Mount Hope and Southcrest. The merged project areas are now called the ***Southeastern San Diego Merged Project Area*** and all related information can be found starting on Page 45.

## Naval Training Center Project Area

### *Redevelopment Department*

General Information:

PROJECT AREA SIZE (ACRES)	504	REDEVELOPMENT PLAN TIME LIMIT	6/30/2035
COUNCIL DISTRICT	2	INCURRING DEBT FINAL DATE	6/30/2024
PLAN ADOPTIONS DATE	5/13/1997	EMINENT DOMAIN TIME LIMIT	5/13/2016
		TIME LIMIT TO USE TI TO REPAY DEBT	6/30/2050

## 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:*

Regional Water Quality Control Board and Navy continued negotiations regarding environmental remediation and conveyance of the NTC Boat Channel.

The Agency issued Tax Allocation Bonds for non-housing uses for the following project areas: City Heights 2010A and 2010B bonds, Crossroads 2010A bonds, Naval Training Center 2010A bonds, and San Ysidro 2010A and 2010B bonds.

- *Improve Public Infrastructure activities:*

The Agency initiated an assessment of the NTC Boat Channel shoreline to determine future improvements and conduct a cost study for the project.

- *Increase Affordable Housing activities:*

Continued negotiations with various parties of the NTC Homeless Assistance Agreement.

The Agency approved funding for a loan to Community Housing Works for development of the Kalos apartment project located on Florida Street south of University Avenue. The development will provide 82 units for households earning 50% to 60% of the area median income. The project area committed affordable housing funds to this project. The project is anticipated to be completed in FY2012.

The Agency issued Housing Set-Aside Tax Allocation Bonds, Series 2010A (Taxable) with a pledge from six project areas for the repayment of the bonds. The following are the pledged project areas: City Heights, Crossroads, Naval Training Center, North Bay, North Park, and San Ysidro.

- *Economic Development activities:*

Assisted with crafting legislation regarding the Local Agency Military Base Recovery Area (LAMBRA) program and challenges associated with use of tax credit financing nationally.

- *Neighborhood Preservation activities:*

The Second Rehabilitation Grant for rehabilitation of historic buildings in the Civic, Arts and Cultural Center is anticipated to be completed in FY2012.

The Agency approved the the Third Rehabilitation Grant Agreement for the rehabilitation of the historic buildings in the Civic, Arts and Cultural Center in 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.” An estimated eight (8) jobs associated with redevelopment activities in the Project Area created during the fiscal year.

**North Bay Project Area**

*Redevelopment Department*

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 ADOPTIONS 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:*

Completed the construction of the Multi-Use Gymnasium for the YMCA of San Diego County, Peninsula Branch located at 4300 Valeta Street. The new facility is Phase II of the YMCA site improvements and expansion project, and will serve an additional 3,000 members from the surrounding community and the adjacent Correia Middle School.

Completed the construction of the Recycling Education and Community Outreach Center, and Rooftop Garden for the Urban Corps of San Diego County located at 3167 Jefferson Street. The new project removed a dilapidated structure and replaced it with a new 5,800 square foot LEED Certified facility that will provide educational and training opportunities in conservation and protection of the environment for the community and Corps members. The facility has allowed 120 at risk youth to transition from temporary status to regular Corps members to learn new job skills while earning income.

- *Improve Public Infrastructure activities:*

Completed the design of the Five Points Pedestrian Improvements project located along Washington Street from Hancock Street to San Diego Avenue.

Completed the design of the Washington Street at India Street Median Improvements project located on Washington Street between San Diego Avenue and India Street.

- *Increase Affordable Housing activities:*

Completed the construction of the Veterans Village of San Diego - Phase III project for the facilities located at 4141 Pacific Highway. The project provides an additional 96 transitional beds for formerly homeless veterans.

The Owner Participation Agreement was approved for the construction of the Mission Apartments project located at 1815-1847 Hancock Street. Started construction for an 85 unit apartment building with an anticipated completion date in FY2013.

The Agency entered into a Third Implementation Agreement with Vietnam Veterans of San Diego for the construction of the Veterans Village - Phase IV project located at 4141 Pacific

Highway. The project will provide twenty-four (24) transitional beds for formerly homeless veterans. The construction of the project is anticipated in FY2013.

The Agency terminated the Owner Participation Agreement (OPA) for the Stella at Five Points project located at 2015 Hancock Street. The purpose of the OPA was for the construction of thirteen (13) affordable for-sale housing units as part of an 85-unit for-sale residential development.

The Agency issued Housing Set-Aside Tax Allocation Bonds, Series 2010A (Taxable) with a pledge from six project areas for the repayment of the bonds. The following are the pledged project areas: City Heights, Crossroads, Naval Training Center, North Bay, North Park, and San Ysidro.

- Economic Development activities:

The Agency staff has continued to provide technical support for the Old Town San Diego and Midway/Pacific Highway Corridor Community Plan Updates with the City of San Diego Development Services Department.

The Agency staff has continued to provide technical support for the Uptown Community Plan Update with the City of San Diego Development Services Department.

The Agency has provided funding to the City of San Diego, Economic Development Department to manage the Storefront Improvement Program, which provides forgivable loans to property owners and business tenants for property façades improvements within the project area.

- Neighborhood Preservation activities:

The Agency approved a Financial Assistance Agreement with Urban Corps of San Diego County for the installation of the Gateway Mural project located on the underpass of Interstate 5 at the corner of Rosecrans and Jefferson Streets. The project is a 5,000 square foot permanent mural that will depict the area's historical influences, prominent features and attractions and will be an enhancement of a high traffic area located at one of the main gateways into Old Town, Midway and Point Loma for the benefit of 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.” An estimated 83 jobs associated with redevelopment activities in the Project Area created during the fiscal year.

**North Park Project Area**

*Redevelopment Department*

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 ADOPTIONS 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:*

Acquired the vacant former Woolworth building at 3067 University Avenue and entered into an Exclusive Negotiaton Agreement for future development as a mixed-use project that will conform to the Secretary of the Interior’s Standards for historic rehabilitation.

- *Improve Public Infrastructure activities:*

Contracted with local artist Blair Thornley to design and produce 16 pieces of art that were reproduced as large scale banners and installed on the four sides of the North Park Public Parking Garage. Thornley's whimsical drawings have appeared in many national publications, among which include the New York Times, Vogue, and Vanity Fair.

Transferred ownerhsip of a parking lot located behind the North Park Theatre to the City of San Diego for future development of a mini-park.

Transferred ownerhsip of approximately 3,000 square foot commercial space located at 4332 30<sup>th</sup> Street to the City of San Diego for future development of a community room and police storefront.

- *Increase Affordable Housing activities:*

Completed construction of the North Park Inn adaptive reuse project at 2625 University Avenue. This formerly crime-ridden property now provides seventeen (17) units of permanent supportive rental housing for homeless men with a dual diagnosis of substance abuse and mental illness.

The Agency approved funding for a loan to Community Housing Works for development of the Kalos apartment project located on Florida Street south of University Avenue. The development will provide 82 units for households earning 50% to 60% of the area median income. The project area received affordable housing funds from other project areas for this project. The project is anticipated to be completed in FY2012.

The Agency issued Housing Set-Aside Tax Allocation Bonds, Series 2010A (Taxable) with a pledge from six project areas for the repayment of the bonds. The following are the pledged project areas: City Heights, Crossroads, Naval Training Center, North Bay, North Park, and San Ysidro.

Completed nine (9) residential rehabilitation projects through the North Park Housing Enhancement Loan Program within and adjacent to the Project Area. The project provides forgivable loans up to \$30,000 for qualified homeowners to improve interior and exterior conditions of homes.

- *Economic Development activities:*

Approved funding for the rehabilitation of an approximately 36,000-square-foot building at 3029 University Avenue to renovate two floors for a new Pan-Asian restaurant. The development will activate this important commercial storefront and provide 60 new jobs.

- *Neighborhood Preservation activities:*

Provided funding for the rehabilitation of the historic Lafayette Hotel located at 2223 El Cajon Boulevard that began in April 2010. The renovation will promote viability of the hotel and retain more than 50 jobs. The project is estimated to be completed by January 2012.

Completed the rehabilitation of the North Park Theatre located on University Avenue. The rehabilitation included remediation of the HVAC system, waterproofing of the basement, and historic restoration of the University Avenue vertical marquee.

## 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.” An estimated 66 construction jobs and three (3) direct jobs associated with redevelopment activities in the Project Area created during the fiscal year.

## 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:

- Lyric Opera San Diego defaulted on a rehabilitation loan agreement (Resolution No. R-04466 on December 4, 2009) for \$162,918 in FY 2012. The rehabilitation loan note is secured by a subordinated deed of trust, which created a lien on the property located at 2891 University Avenue. As of September 19, 2011, the note was in default for a total balance of \$148,956.15. The first priority lien is held by Clearinghouse NMTC (Sub 6), LLC. On October 17, 2011, Lyric Opera San Diego filed Chapter 11 Bankruptcy.



**San Ysidro Project Area**

*Redevelopment Department*

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 ADOPTIONS 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:

Initiated the public participation workshops for the San Ysidro Community Plan Update (CPU), which shall memorialize the community's land use policies and provide a master Environmental Impact Report (EIR) for the community of San Ysidro. The Agency approved funding for the CPU.

Continued work tasks and draft documents associated with the proposed San Ysidro Redevelopment Plan Amendment for extending the Agency's eminent domain authority for twelve (12) years.

Coordinated with the City and SANDAG on developing a scope of work to initiate a comprehensive analysis for an Intermodal Transportation Center (ITC) adjacent to the international border crossing. The ITC analysis shall address various regional transportation and mobility impacts that are anticipated to be generated by the federal General Services Administration’s (GSA) new Land Port of Entry (LPOE) Project.

Agency issued and sold Tax Allocation Bonds for non-housing uses for the following project areas: City Heights 2010A and 2010B bonds, Crossroads 2010A bonds, Naval Training Center 2010A bonds, and San Ysidro 2010A and 2010B bonds.

Coordinated with regional agencies and the General Services Administration/Customs and Border Protection (GSA/CBP) to identify traffic alternatives for temporarily re-routing I-5 southbound vehicle traffic from the existing Puerto Mexico inspection facility to Mexico’s proposed new inspection facility (El Chaparral), which is scheduled to be operational by September 2012.

Initiated an update of the project areas 5-Year Implementation Plan.

- Improve Public Infrastructure activities:

Completed the design work for public improvements along Camino de la Plaza between the I-5 off ramp and Virginia Avenue. The project will include the installation of new sidewalks, curbs, and gutters. The project shall also make way for an additional westbound lane to facilitate traffic circulation associated with the changes to the border crossing.

Completed the draft report for the San Ysidro Library study. Anticipate completion of the final report in FY2012.

Coordination with regional agencies and the General Services Administration/Customs and Border Protection (GSA/CBP) on developing a new public transit center on Virginia Avenue, which will replace the existing transit facility on Camiones Way near Camino de la Plaza. The transit facility on Camiones Way will be eliminated with the construction of GSA's new LPOE Project.

Initiated preliminary design work for the installation of traffic signals at the intersection of West San Ysidro Boulevard and Averil Road, and Beyer Boulevard and Smythe Avenue.

The Agency staff worked with the San Ysidro Project Area Committee to identify infrastructure needs for the implementation of various public improvements (i.e., new sidewalks, upgrading sidewalks, curbs, and gutters) throughout the San Ysidro Project Area.

Worked with the owner of Las Americas to complete the final design plan for deferred public improvements associated with the Las Americas regional shopping center. The public improvements shall include minor widening, new bicycle lanes/restriping and turn lanes, and new traffic signals at the intersection of Dairy Mart Road and Camino de la Plaza.

- Increase Affordable Housing activities:

Completed construction of the Verbena Family Apartments, an 80 unit affordable housing project on approximately 6.8-acres located at 3774 Beyer Boulevard.

Approved a Loan Modification Agreement to the Owner Participation Agreement (OPA) with Global Premier for the El Pedregal Family Apartments, which was completed in July 2010. The El Pedregal Family Apartments is a forty-five (45) unit affordable housing project located at the northeast corner of West San Ysidro Boulevard and Averil Street. The residential units are rent restricted for households earning between 30% to 60% of the area median income.

Completed seven (7) housing rehabilitations through the San Ysidro Housing Enhancement Loan Program administered by the San Diego Housing Commission. The program provides forgivable loans up to \$30,000 for qualified homeowners to improve interior and exterior conditions of homes.

Performed the due diligence (i.e., pro forma analysis, environmental assessments) process for the proposed 70-unit La Adalba Senior Apartments located at the northeast corner of West San Ysidro Boulevard and Averil Street.

The Agency issued Housing Set-Aside Tax Allocation Bonds, Series 2010A (Taxable) with a pledge from six project areas to the repayment of the bonds. The following are the pledged project areas: City Heights, Crossroads, Naval Training Center, North Bay, North Park, and San Ysidro.

- Economic Development activities:

The Agency approved the 7th Implementation Agreement to the Disposition and Development Agreement (DDA) with the Shamrock Group for the east parcels adjacent to the Las Americas regional shopping center.

Initiated workshops with community groups, businesses, and other stakeholders for the San Ysidro Storefront Improvement Program (SIP). The SIP will provide eligible applicants up to \$20,000 for facade and sign renovations for commercial and business locations.

The San Ysidro Business Association assisted the Agency in implementing economic revitalization programs and activities. The activities included a year round banner program, the utility art box program, and identifying needed public infrastructure needs within the major commercial corridors of the project area.

- *Neighborhood Preservation activities:*

The Agency implemented the San Ysidro Community Enhancement Program, which included completing four (4) community cleanups, neighborhood revitalization events, rehabilitating twenty-five (25) residential housing units, and beautifying public right-of-ways. The Agency worked with non-profit Urban Corps of San Diego County to provide technical assistance along with labor and equipment for the project.

Worked with non-profit Casa Familiar to assist the Agency in facilitating community outreach efforts, identifying new affordable housing opportunities, identifying neighborhood infrastructure needs, facilitating community clean-ups, and implementing other affordable housing and revitalization 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.” An estimated 380 construction and three (3) permanent jobs associated with redevelopment activities in the Project Area created during the fiscal year.

## **Southcrest Project Area**

*Southeastern Economic Development Corporation*

On February 15, 2011, the Agency and City Council approved the merger of four (4) project areas: Central Imperial, Gateway Center West, Mount Hope and Southcrest. The merged project areas are now called the *Southeastern San Diego Merged Project Area* and all related information can be found starting on Page 45.

**Southeastern San Diego Merged Project Area**

*Southeastern Economic Development Corporation*

General Information:

Central Imperial - Component Area

PROJECT AREA SIZE (ACRES)	580	REDEVELOPMENT PLAN TIME LIMIT	9/14/2033
COUNCIL DISTRICT	4	INCURRING DEBT FINAL DATE	ELIMINATED
PLAN ADOPTIONS DATE	9/14/1992	EMINENT DOMAIN TIME LIMIT	11/3/2015
		TIME LIMIT TO USE TI TO REPAY DEBT	9/14/2043

Central Imperial 2 - Component Area

COUNCIL DISTRICT	4	INCURRING DEBT FINAL DATE	ELIMINATED
TIME LIMIT TO USE TI TO REPAY DEBT	12/10/2042	EMINENT DOMAIN TIME LIMIT	11/3/2015
REDEVELOPMENT PLAN TIME LIMIT	12/10/2027	PLAN ADOPTIONS DATE	12/10/1996

Central Imperial 3 - Component Area

COUNCIL DISTRICT	4	INCURRING DEBT FINAL DATE	ELIMINATED
TIME LIMIT TO USE TI TO REPAY DEBT	11/14/2046	EMINENT DOMAIN TIME LIMIT	11/3/2015
REDEVELOPMENT PLAN TIME LIMIT	11/14/2031	PLAN ADOPTIONS DATE	11/14/2000

Gateway Center West - Component Area

PROJECT AREA SIZE (ACRES)	59	REDEVELOPMENT PLAN TIME LIMIT	11/17/2029
COUNCIL DISTRICT	4	INCURRING DEBT FINAL DATE	ELIMINATED
PLAN ADOPTIONS DATE	11/17/1976	EMINENT DOMAIN TIME LIMIT	EXPIRED
		TIME LIMIT TO USE TI TO REPAY DEBT	11/17/2039

Mount Hope - Component Area

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

Southcrest - Component Area

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

**MERGER INFORMATION**

On February 15, 2011, the Agency and City Council approved the merger of four (4) project areas: Central Imperial, Gateway Center West, Mount Hope and Southcrest. The merged project areas are now called the Southeastern San Diego Merged Project Area. The merger provides flexibility in financing and will allow for more efficient and effective means of implementation of the Redevelopment Plan. Elimination of tax increment limits, time limits and extensions of durations and time limits provides additional flexibility, funding and time to implement projects and programs to alleviate blight in the project areas.

**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:

Completed merger of 4 redevelopment project areas and financial amendments with Agency and Council approval on February 15, 2011.

In June, 2010, Village at Market Creek application was approved for State of California Housing & Community Development Catalyst Community Gold Designation, economically positioning the area for State funding priorities.

- Improve Public Infrastructure activities:

Imperial Avenue 20 new Streetlights began construction in June 2011, scheduled for completion in Fall 2011, will provide safety and security improvements for pedestrians and vehicles on this commercial, residential, transit corridor.

Held groundbreaking ceremony in February 2011, and initiated construction of Mt. Hope Market Street landscaped medians and 14 streetlights, to be completed in Winter 2011.

On June 21, 2011, Agency approved funding to add to the City's Stormwater Department 'green alley' pilot program for removal of sediment and pollutants along several blocks adjacent to Southcrest Trails Park and Chollas Creek.

Groundbreaking held in November 2010, and construction underway for 43rd street re-alignment project. Achieved inclusion into project of 'complete street' design for pedestrians and a pilot program for stormwater improvements.

Completed large mural at the 62<sup>nd</sup> Street Trolley Station with local and national artists that included participaton of local youth.

Successfully advocated with San Diego Association of Governments (SANDAG) and Metro Transit Authority to include Americans with Disabilities Act improvements at the 62<sup>nd</sup> Street Trolley station, construction to conclude in 2012.

City allocated \$900,000 for redesign of SR94 and Euclid interchange, now in design process for this interchange that is currently substandard and unsafe for vehicles and pedestrians.

Commented on Caltrans I-805 Managed Lanes and Bus Rapid Transit (BRT) widening project to include an inline BRT Station near the 47<sup>th</sup> Street Trolley stop to provide public transit connections between the Orange line trolley and the BRT for Southeastern residents to commute to job centers both north and south. This BRT station was included in SANDAG's recently adopted 2050 transportation plan. The project was identified for priority funding and preliminary designs are underway.

Completed design of Southcrest Trails Park in March 2011, and initiated permit processing. Construction scheduled to start in 2012.

Completed design of 20 new streetlights in Southcrest component of the Merged Project Area, scheduled for installation in 2012, and design ongoing for remaining 51 Agency funded streetlights throughout Southcrest.

Completed installation of art murals on three large, graffiti-targeted walls on National Avenue and on Alpha Street with local and national artists.

- Increase Affordable Housing activities:

Initiated substantial rehabilitation of the 49-unit Vista Grande Apartments, including new playgrounds, community room with computers, free internet access, laundry room, and energy efficient improvements. Construction included new roofs, doors, windows, furnaces, cabinets, flooring, fixtures, and lighting. This market rate development will now provide 45 four bedroom, one 3-bedroom and two 2-bedroom homes for extremely low, very low, and low income large families earning from 30% to 50% AMI.

Executed an Owner Participation Agreement with Bridge Housing COMM 22, for multi-phased construction of a mixed-use transit oriented development on Commercial and 22nd Streets along the Orange Line Trolley in Southeastern San Diego. Development will include 130 family rental units and 70 senior units, child care facility, community serving commercial and retail space, market rate live-work lofts/office space, 17 for sale row homes, parking, and significant associated infrastructure improvements. 128 family units will be affordable to extremely low, very low and low income families and will include 13 permanent supportive housing units. 69 senior units will be affordable to extremely-low and very-low income households.

Completed rehabilitation of eleven owner-occupied single-family homes totaling \$317,328 of Agency funds through the SEDC Housing Enhancement Loan Program (HELP) for low income households.

Completed lead remediation in three rental communities on a total of 15 units, utilizing \$25,216 in Agency funds through the SEDC Lead Safe San Diego Program providing lead based paint remediation in rental homes.

- Economic Development activities:

On April 12, 2011, Agency approved extension of Exclusive Negotiation Agreement with Valencia Business Park Development LLC for local job producing uses including office and commercial development.

Executed a Disposition and Development Agreement with Mark and Sharon Petrarca for the construction of a 7,000 square foot industrial building on City-owned property in the Gateway Center West business park.

SEDC hosted its first Advanced Entrepreneur Academy 6 week workshop series in Fall 2010 geared towards individuals who had been in business for at least two years, for additional business training.

- Neighborhood Preservation activities:

On January 11, 2011, entered into lease of City-owned sites on Market Street to Project New Village for a community garden for a three year interim use. Sponsored city municipal code deregulation to allow community gardens on commercial properties without costly permitting process.

Conducted a 'Green Today' community enhancement event for clean-up, home repair and painting, energy efficiency improvements, lead abatement, landscaping, tree planting in the right of way and other streetscape enhancement installation.

**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.” An estimated 412 jobs associated with redevelopment activities in the Project Area created during the fiscal year.



## ANNUAL FINANCIAL AUDIT REPORT

The Redevelopment Agency of the City of San Diego, Annual Financial Report for fiscal year ending June 30, 2011 (Audit) was released and issued on December 23, 2011. The audit was conducted in accordance with generally accepted auditing standards and rules governing audit reports issued by the State Board of Accountancy. The audit report also included an opinion of the Agency's compliance with laws, regulations, and administrative requirements governing the activities of the Agency.

Section 33080.2 requires the Agency to inform the legislative body of any major violations, as defined in Section 33080.8 based on the financial audit report. There are nine statutorily defined "major audit violations" listed in Section 33080.8(j).<sup>2</sup> *The failure to correct a major violation may result in the filing of an action by the California Attorney General pursuant to Section 33080.8.*

The Audit had one (1) finding and no Major Violations per California Redevelopment Law (refer to Attachment 3, Page 124 - 129).

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<sup>2</sup> The following are the major audit violations as codified by Section 33080.8(j): (1) File an independent financial audit report that substantially conforms with the requirements of subdivision (a) of Section 33080.1; (2) File a fiscal statement that includes substantially all of the information required by Section 33080.5; (3) Establish time limits, as required by Section 33333.6; (4) Deposit all required tax increment revenues directly into the Low and Moderate Income Housing Fund upon receipt, as required by Sections 33334.3, 33334.6, 33487, or 33492.16; (5) Establish a Low and Moderate Income Housing Fund, as required by subdivision (a) of Section 33334.3; (6) Accrue interest earned by the Low and Moderate Income Housing Fund to that fund, as required by subdivision (b) of Section 33334.3; (7) Determine that the planning and administrative costs charged to the Low and Moderate Income Housing Fund are necessary for the production, improvement, or preservation of low- and moderate-income housing, as required by subdivision (d) of Section 33334.3; (8) Initiate development of housing on real property acquired using moneys from the Low and Moderate Income Housing Fund or sell the property, as required by Section 33334.16; (9) Adopt an implementation plan, as required by Section 33490.

**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 of the City of San Diego,  
Annual Financial Report for Fiscal Year Ended  
June 30, 2011

**Attachment 4** – Redevelopment Agency Property Report