
Five-Year Implementation Plan

Introduction

This Section presents the Five-Year Implementation Plan (“Implementation Plan”) for the Project Area. If the Redevelopment Plan is adopted by the City Council, then this Implementation Plan will guide the Agency as it implements specific redevelopment projects in the Project Area. If adopted, this Implementation Plan will be in place for the next five years (fiscal years 2005-06 to 2009-010). Between the 2nd and 3rd years after adoption of the Implementation Plan, there will be a mid-term review and update of this Implementation Plan at which time community input will again be solicited.

If adopted, the Grantville Redevelopment Plan will set goals and guide activities for implementing projects, programs and redevelopment activities. The Grantville Project strives to eliminate blight in the Project Area by assisting with rehabilitation and new construction of commercial and industrial areas and upgrading of public infrastructure, facilities, open space and parks.

This Implementation Plan has been prepared pursuant to Section 33490 of the CRL. Every redevelopment agency is required to prepare an implementation plan that outlines the projects and expenditures the agency will undertake to address blight in a redevelopment project area. Implementation plans are initially formulated and subsequently updated through a legally mandated process that incorporates public input. The purpose is to inject more public input into the programs a redevelopment agency implements.

Pursuant to Sections 33352(c) and 33490 of the CRL, this Implementation Plan presents the following:

- The major objectives of the Agency for the Project Area.
- The programs, projects, and estimated expenditures planned for the next five years.
- An explanation of how the programs, projects and expenditures will achieve the goals of the Agency and eliminate blight in the Project Area.
- An explanation of how the programs, projects, and expenditures will implement the affordable housing requirements of the CRL and will increase, improve, and preserve the supply of housing affordable to very low, low, and moderate income households.

The Agency has been working with the community and the Grantville Redevelopment Advisory Committee to identify the constraints and opportunities in the Project Area. The following is a discussion of the objectives of the Redevelopment Plan and proposed projects for the next five-years.

Plan Objectives

The Plan delineates the Agency's redevelopment objectives for the Project Area. These objectives, which are listed below, were employed to formulate the overall strategy for this Implementation Plan and will serve as a guide for the Agency's activities during the next five years.

1. Eliminate and prevent the spread of blight and deterioration, as well as redevelop the proposed Redevelopment Project Area in accordance with the General Plan, applicable community plans, this Plan, and local codes and ordinances as these documents exist or may be amended in the future;
2. Improve the flow of traffic through the development of a circulation network that will provide for less congested access to the Mission Gorge corridor and Grantville industrial area, without adversely affecting surrounding residential communities and facilitate traffic and pedestrian enhancements that adequately support land uses, while improving the safety and viability of the Project Area and the surrounding communities. This should include comprehensive coordination of the multiple municipal agencies that have responsibility for planning and land use, traffic control, and funding;
3. Improve public infrastructure and undertake other public improvements in, and of benefit to, the Project Area including: preparation of a comprehensive Public Facilities Financing Plan to address short and long term infrastructure improvements; storm drain improvements (particularly to properties affected by the Alvarado Creek and San Diego River); widening, reducing or otherwise modifying existing roadways or creating additional streets, walkways, and paths for proper pedestrian, bicycle and/or vehicular circulation; and undergrounding electrical distribution lines and telephone lines along major streets;
4. Alleviate the shortage of commercial and industrial parking while avoiding negative impacts on residential neighborhoods by implementing a coordinated and comprehensive plan for the proportional distribution and proper configuration of parking spaces and facilities for existing and future uses;
5. Create an attractive and pleasant environment within the Project Area through streetscape enhancements, revitalization of incompatible uses and obsolete buildings and other viable measures;

6. Enhance economic growth within the Project Area by continuing ongoing efforts to revitalize commercial and industrial areas, particularly the commercial corridor along Mission Gorge Road;
7. Expand employment opportunities in the Project Area for adjacent residents by encouraging the development of professional enterprises and improving accessibility of employment centers within and outside the Project Area;
8. Explore opportunities in the Project Area for development of mixed residential and commercial uses particularly transit-oriented residential development to take advantage of nearby multi-modal transit system;
9. Focus on the retention and expansion of neighborhood supporting businesses in the Project Area. Ensure the continued viability of the commercial and industrial districts in the face of growing competition from contemporary developments;
10. Ensure that the appearance and character of industrial uses are compatible with the character of the surrounding commercial and residential areas;
11. Address urban runoff and industrial pollution issues to minimize negative impacts on sensitive environmental resources and to optimize the environmental assets of the Project Area such as the San Diego River and Mission Trails Regional Park;
12. Expand community serving recreational opportunities in the Project Area through rehabilitation and expansion of existing park and recreation facilities as well as adding park and recreation facilities and integrating environmentally sensitive recreation activities along the San Diego River, particularly for residents in and near the Project Area and in coordination with nearby school facilities;
13. Support habitat conservation and restoration along the San Diego River in coordination with developed plans for the area and in concert with other related municipal and private entity activities;
14. Improve and/or develop public facility assets and amenities such as schools, community centers, libraries, senior centers, and other community-serving facilities; and
15. Protect the heritage of the Project Area through the preservation of historical sites.

Definition of Blighting Conditions in Accordance with the CRL

The Project Area was established to address blighting conditions. CRL Sections 33030 and 33031 define physical and economic blight as:

Physical blight includes the following:

- Buildings in which it is unsafe or unhealthy for persons to live or work. These conditions can be caused by serious building code violations, dilapidation and deterioration, defective design or physical construction, faulty or inadequate utilities, or other similar factors.
- Factors that prevent or substantially hinder the economically viable use or capacity of buildings or lots. This condition can be caused by substandard design, inadequate size given present standards and market conditions, lack of parking, or other similar factors.
- Adjacent or nearby uses that are incompatible with each other and which prevent the economic development of those parcels or other portions of the project area.
- The existence of subdivided lots of irregular form and shape and inadequate size for proper usefulness and development that are in multiple ownership.

Economic blight includes the following:

- Depreciated or stagnant property values or impaired investments, including, but not necessarily limited to, those properties containing hazardous wastes that require the use of Agency authority.
- Abnormally high business vacancies, abnormally low lease rates, high turnover rates, abandoned buildings, or excessive vacant lots within an area developed for urban use and served by utilities.
- A lack of necessary commercial facilities that are normally found in neighborhoods, including grocery stores, drug stores, and banks and other lending institutions.
- Residential overcrowding or an excess of bars, liquor stores, or other businesses that cater exclusively to adults that has led to problems of public safety and welfare.
- A high crime rate that constitutes a serious threat to the public safety and welfare.

The CRL also provides that deficient public improvements may be identified as a blighting condition under circumstances including the presence of physical and economic blight.

The Agency's objectives, programs and projects presented in this Implementation Plan are designed to alleviate and/or eliminate blight in the Project Area, as described in Section B of this Report.

Financial Resources

The following table presents a projection of revenues the Agency may have available over the next five years to fund the Implementation Plan activities. The projections are based on the financial analysis included in Section E of this Report. Table C-1 presents the annual projected gross tax increment receipts, low and moderate housing set-aside requirement, statutory payments to affected taxing entities, and the remaining net revenues allocated to non-housing projects. Over the first five years of the Plan, the Agency is anticipated to collect \$1,064,640 in housing fund revenue and \$3,193,919 in non-housing fund revenue. In addition, potential net bond proceeds of \$13.3 to the non-housing fund may also be realized. It should be noted that these are revenue estimates and actual funds available could either increase or decrease depending on the level of actual growth in the assessed valuation of the Project Area. It should also be noted that the Agency may decide to sell bonds that leverage the housing fund revenues thus increasing the amount of revenue available for affordable housing projects.

**TABLE C-1
PROJECTED REVENUES FOR IMPLEMENTATION
GRANTVILLE REDEVELOPMENT PROJECT AREA**

Fiscal Year	Gross Tax Increment Revenue	Taxing Agency Payments	Nonhousing Funds				Housing Funds	
			Annual Tax Incmt	Net Bond Proceeds	Bond Debt Service	Cumulative	Annual Tax Increment	Cumulative
2005-06			<i>No Tax Increment Revenue Received Until 2005-06</i>					
2006-07	\$580,076	(\$116,015)	\$348,045			\$348,045	\$116,015	\$116,015
2007-08	\$1,064,388	(\$212,878)	\$638,633	\$6,726,774	(\$555,333)	\$7,158,119	\$212,878	\$328,893
2008-09	\$1,572,709	(\$314,542)	\$943,626		(\$555,333)	\$7,546,412	\$314,542	\$643,435
2009-10	\$2,106,027	(\$421,205)	\$1,263,616	\$6,583,004	(\$1,098,796)	\$14,294,235	\$421,205	\$1,064,640
			\$3,193,919	\$13,309,778	(\$2,209,462)		\$1,064,640	

Source: Section E of the Report to the City Council

Note: Nonhousing funds are net of statutory taxing agency payments.

Five-Year Programs and Expenditures

Estimated funding for each year of the Implementation Plan is listed beneath the program year heading.

First Program Year - Fiscal Year 2005-06

Estimated Project Funding: No tax increment will be available during the First Program Year, thus, funding will need to come from another source.

Administrative staff will be put in place for implementation and monitoring purposes.

Assist in the update of Navajo and Tierrasanta Community Plans through the appropriate community planning groups.

Study parking and infrastructure deficiencies, potential commercial/residential mixed use, transit oriented re-uses and industrial development and begin proposing solutions including the preparation of a Public Facilities Financing Plan as part of the Community Plan updates.

Initiate planning phase of Mission Gorge Road traffic improvements including the Interstate 8 interchange at Alvarado Canyon Road.

Identify storm drain improvements for the Project Area in coordination with the affected community and appropriate public agencies.

Initiate planning phase of Alvarado Creek enhancements including hydrology studies.

Continue to educate and update the community about redevelopment tools and processes.

Develop appropriate rehabilitation programs for the Grantville Redevelopment Project.

Prepare to solicit ideas and development proposals from business owners and other interested individuals.

Examine opportunities and impacts of the San Diego River Master Plan once it is finalized.

Examine opportunities for pedestrian circulation improvements in the vicinity of Alvarado Creek, particularly related to access to the Grantville Trolley Station (north/south access).

Develop a housing strategy for the expenditure of low and moderate income housing funds that enhances the economic base of the Project Area and has a positive impact on adjoining neighborhoods.

Respond to resident and business owner concerns and interests, outreach to real estate brokerage, development and lending companies to attract and retain investment in the Project Area.

Monitor, coordinate and expand activities with other public agencies including business outreach and marketing, housing programs, streetscape, lighting and landscape improvements and re-use options.

Second Program Year – Fiscal Year 2006-07

Estimated Funding: Non-Housing - \$348,000; Housing - \$116,000

Complete the update of Navajo Community Plan.

Complete design phase of Mission Gorge Road traffic improvements including the Interstate 8 interchange at Alvarado Canyon Road in anticipation of bond proceeds the following fiscal year (2007-08).

Complete design phase of Alvarado Creek improvements in anticipation of bond proceeds the following fiscal year (2007-08).

Coordinate design of storm drain improvements in the Project Area.

Implement rehabilitation program to assist existing businesses with deferred maintenance, code deficiencies, health and safety violations and zoning deficits.

Proactively identify and assist in the development of new commercial, industrial, residential and mixed use projects based upon the updated Navajo and Tierrasanta Community Plans.

Continue to educate and update the community about redevelopment tools and processes.

Continue to solicit ideas and development proposals from business owners and other interested individuals.

Complete the preparation of a Public Facilities Financing Plan and update of the Navajo and Tierrasanta Community Plans.

Consider parking and infrastructure solutions, develop budgets and funding strategies.

Based upon projected tax increment receipts, prepare for the issuance of a tax allocation bond next year.

Respond to resident and business owner concerns and interests, outreach to real estate brokerage, development and lending companies to attract and retain investment in the Project Area.

Begin implementation of the housing strategy for the expenditure of low and moderate income housing funds.

Monitor, coordinate and expand activities with other public agencies including business outreach and marketing, housing programs, streetscape, and lighting and landscape improvements.

Monitor project activities and coordinate community input into project development.

Third Program Year – Fiscal Year 2007-08

Estimated Funding: Non-Housing - \$6.8 million; Housing - \$213,000

During this program year about \$6.7 million of bond financing may be available.

Identify funding sources for Mission Gorge Road traffic improvements including the Interstate 8 interchange at Alvarado Canyon Road.

Identify funding sources for Alvarado Creek improvements.

Develop funding sources for identified storm drain improvements in the Project Area.

Continue to implement rehabilitation program to assist existing businesses with deferred maintenance, code deficiencies, health and safety violations and zoning deficits.

Proactively seek and assist in the development of new commercial, industrial, residential and mixed use projects located at identified key locations in the Project Area.

Continue to educate and update the community about redevelopment tools and processes.

Continue to solicit ideas and development proposals from business owners and other interested individuals.

Assist in implementing parking and infrastructure upgrades pursuant to master infrastructure plans.

Monitor the housing strategy for the expenditure of low and moderate income housing funds.

Respond to resident and business owner concerns and interests, outreach to real estate brokerage, development and lending companies to attract and retain investment in the Project Area.

Monitor, coordinate and expand activities with other public agencies including business outreach and marketing, housing programs, streetscape, and lighting and landscape improvements.

Monitor project activities and coordinate community input into project development.

Prepare and present the Mid-term Implementation Plan Report to the community and City Council.

Fourth Program Year – Fiscal Year 2008-09

Estimated Funding: Non-Housing - \$388,000; Housing - \$314,000

Begin construction of Mission Gorge Road traffic improvements including the Interstate 8 interchange at Alvarado Canyon Road.

Begin construction of Alvarado Creek improvements.

Begin construction of storm drain improvements in the Project Area.

Continue to implement rehabilitation program to assist existing businesses with deferred maintenance, code deficiencies, health and safety violations and zoning deficits.

Proactively seek and assist in the development of new commercial, industrial, residential and mixed use projects located at identified key locations in the Project Area.

Continue to educate and update the community about redevelopment tools and processes.

Continue to solicit ideas and development proposals from business owners and other interested individuals.

Assist in implementing parking and infrastructure upgrades.

Respond to resident and business owner concerns and interests, outreach to real estate brokerage, development and lending companies to attract and retain investment in the Project Area.

Monitor the effectiveness of the housing strategy for the expenditure of low and moderate income housing funds in anticipation of its mid-term update the following fiscal year (2009-10).

Monitor, coordinate and expand activities with other public agencies including business outreach and marketing, housing programs, streetscape, and lighting and landscape improvements.

Based upon projected tax increment receipts, prepare for the issuance of a tax allocation bond next year.

Monitor project activities and coordinate community input into project development.

Fifth Program Year – Fiscal Year 2009-10

Estimated Funding: Non-Housing - \$6.7 million; Housing - \$421,000

During this program year about \$6.6 million of bond financing may be available.

Continue construction activities for the Mission Gorge Road traffic improvements including the Interstate 8 interchange at Alvarado Canyon Road.

Continue construction of Alvarado Creek improvements.

Continue construction activities for storm drain improvements in the Project Area.

Continue to implement rehabilitation program to assist existing businesses with deferred maintenance, code deficiencies, health and safety violations and zoning deficits.

Proactively seek and assist in the development of new commercial, industrial, residential and mixed use projects located at identified key locations in the Project Area.

Continue to educate and update the community about redevelopment tools and processes.

Continue to solicit ideas and development proposals from business owners and other interested individuals.

Assist in implementing parking and infrastructure upgrades.

Respond to resident and business owner concerns and interests, outreach to real estate brokerage, development and lending companies to attract and retain investment in the Project Area.

Prepare and present the new Five Year Implementation Plan including the updated Housing Strategy Report to the community and City Council.

Monitor, coordinate and expand activities with other public agencies including business outreach and marketing, housing programs, streetscape, and lighting and landscape improvements.

Based upon projected tax increment receipts, prepare for the issuance of a tax allocation bond next year.

Monitor project activities and coordinate community input into project development.

How Agency Objectives will Eliminate Blighting Conditions in the Project Area

These programs will enable the Agency to assist in implementing the improvements described in the Navajo and Tierrasanta Communities Plans, which are guided by the General Plan. Agency funding and project activities will be used to implement the existing (and likely updates of) Community Plans in particular economic development and housing programs with needed infrastructure upgrades. The area lacks adequate parking, public transportation opportunities and suffers from overburdened traffic loads. Overall, the Project Area does not have adequate developed park areas, public facilities or open space.

The Community Plans envision upgraded commercial nodes, with mixed use development and a pedestrian orientation near the Grantville trolley station. Fostering the relocation and expansion of light industrial and manufacturing uses to diversify development and provide additional employment opportunities will benefit the Project Area. As needed, the Agency may assist in assembling land for new development.

The proposed housing programs will provide appropriate new housing units in proximity to the Project Area designed to minimize impacts on existing residential neighborhoods. Because there are no known residential units in the Project Area the Agency does not expect to engage in residential relocation or rehabilitation activities, although the Agency will evaluate opportunities to establish a residential rehabilitation program for existing residential units surrounding the Project Area. The low and moderate income housing fund will be used to assist in providing very low, low and moderate income housing where appropriate. The Agency proposes an array of housing assistance programs including, but not limited to, the following: first-time homebuyer programs; urban design linkages to connect neighborhoods with existing parks and transit opportunities; and marketing programs to enhance the desirability of the area.

The proposed projects and programs will alleviate the blighting conditions prevalent in the Project Area. Without redevelopment tools and tax increment revenue made available by the adoption of the Redevelopment Plan the area will continue to deteriorate.

Blighting Conditions Alleviated or Removed by Programs

These programs will begin to address the following conditions of blight identified in the Project Area:

- Factors Hindering Viable Use
- Unsafe/Unhealthy Buildings
- Lots of Irregular Shape and Form that are in Multiple Ownership
- Incompatible Uses
- Depreciated Values/Impaired Investments
- Inadequate Public Improvements and Open Space

Affordable Housing Compliance Plan

The provisions of Section 33413(b)(4) of the CRL require the Agency to adopt and periodically update a plan to ensure compliance with the existing criteria of Section 33413 of the CRL regarding the affordability mix of new or rehabilitated housing units (“Housing Compliance Plan”). As previously mentioned, the Project Area does not contain any known residential units. The CRL further requires that this Housing Compliance Plan be prepared as part of the implementation plan required by Section 33490 of the CRL. This Housing Compliance Plan must be consistent with the jurisdiction's housing element and must also be reviewed and, if necessary, amended at least every five (5) years with either the housing element cycle or the implementation plan cycle.

The following narrative addresses the requirements pursuant to Section 33490(a)(2)(A) and (B) of the CRL:

1. *The amount available in the Low and Moderate Income Housing Fund and the estimated amounts that will be deposited in the Low and Moderate Income Housing Fund during each of the next five years.*

Table C-1 indicates the annual projected housing fund revenues over the next five years. The projected deposits to the Housing Fund during the next five years will total approximately \$1 million. This funding could increase if the Agency issues bonds that leverage the housing fund revenue.

2. *Estimates of the number of new, rehabilitated, or price-restricted units to be assisted during each of the five years and estimates of the expenditures of moneys from the Low and Moderate Income Housing Fund during each of the five years.*

Table C-1 presents a forecast of the annual deposits to the Housing Fund between 2005-06 and 2009-10. Available funding for housing is estimated to be \$1 million. Because there are no existing resident units in the Project Area, no residential rehabilitation activities are expected in the Project Area, although the Agency may assist with rehabilitation of affordable housing units near the Project Area. Development of new housing in the Project Area may occur if owners and developers determine to convert commercially zoned properties to residential use (which is allowed by zoning in some areas), or if the Community Plans are modified to allow other residential development. For example, if areas designated as "Opportunity Areas" are developed with housing, as many as 3,010 residential units could be developed. The presence of the Grantville Trolley Station in the Project Area also provides the opportunity for transit-oriented development that may include residential development. The precise number of units to be developed in the Project Area will be a function of market conditions, conversion of commercially developed properties to residential development where allowed, revisions to the Community Plans to allow for residential development, and property owner and developer interest in constructing residential units. Although the Agency has no approved plans to assist with housing construction, if private entity proposals for residential construction are made during the first five years, the Agency could assist such development in order to achieve deed-restricted affordable housing.

3. *An estimate of the number of new, substantially rehabilitated or price-restricted residential units to be developed or purchased within the Project Area, both over the life of the Redevelopment Plan and during the next ten years.*

The EIR for the Project Area adoption assumes that 134 new residential units could be developed by private entities or with Agency assistance within the Project Area and these could be developed within the next ten years. The alternative projects considered in the EIR indicate that as many as 3,010 residential units could be developed within the Project Area under certain scenarios. The number of deed-restricted residential units that would need to be developed would be 15% of the number of total units (a range of 20 to 451 units).

The Agency does not anticipate engaging in residential rehabilitation activities within the Project Area because of the absence of existing residential units in the Project Area, therefore the requirement does not apply.

Newly constructed units that are given Agency assistance will be required to be price-restricted.

4. *An estimate of the number of units of very low, low- and moderate-income households required to be developed within the Project Area in order to meet the requirements of Section 33413(b)(2) of the CRL, both over the life of the Redevelopment Plan and during the next ten years.*

15% of any new or substantially rehabilitated units would need to be affordable to low and moderate income persons. Of these affordable units, at least 40% would need to be reserved for very low-income households, pursuant to Section 33413(b)(2) of the CRL.

The number of new residential units that could be constructed in the Project Area is within the range of 134 to 3,010 new units. CRL Section 33413(b)(2) requires that 15% or 20 to 451 units be developed for low and moderate income persons and of those 20 units, 40% or 8 to 180 units must be made available to very low income persons.

The Agency does not anticipate engaging in residential rehabilitation activities due to the absence of existing residential units in the Project Area, therefore the requirement pertaining to substantially rehabilitated units does not apply.

5. *The number of units of very low, low-, and moderate-income households which have been developed within the Project Area which meet the requirements of Section 33413(b)(2) of the CRL.*

Because the proposed Plan is in the process of being adopted and the Project Area has not yet officially been created, this requirement does not apply.

6. *An estimate of the number of Agency-developed residential units which will be developed during the next five years, if any, which will be governed by Section 33413(b)(1).*

Although the Agency may assist private owners in constructing new units, the Agency does not anticipate developing or substantially rehabilitating any residential units itself during the next five years.

7. *An estimate of the number of Agency-developed units for very low, low-, and moderate-income households which will be developed by the Agency during the next five years to meet the requirements of Section 33413(b)(1) of the CRL.*

The Agency does not anticipate developing any residential units during the next five years. Therefore, the requirements of this section do not apply at this time.

To ensure compliance with CRL Section 33334.4:

1. *The number of housing units needed for very low, low and moderate income persons as each of those needs have been identified in the most recent determination pursuant to Government Code Section 65584 (of the regional share of the statewide housing need), and the proposed amount of expenditures from the Housing Fund for each income group during each year of the Implementation Plan period.*

Pursuant to Section 33334.4(a) of the Law, Housing Fund expenditures must be expended in proportion to the City's fair share of the Regional Housing Need Assessment (RHNA). The current RHNA figures for the City of San Diego cover the time period of 2005 through 2010, and indicate a need for 27,926 moderate or above moderate-income units, 8,141 low-income units, and 9,546 very low-income units. Based on these figures, the Agency's must commit a minimum percentage of Housing Fund expenditures in the following categories: Low-Income 18%, and Very Low- Income 21%.

Income Level	Number of Housing Units	Percentage of Housing Units
Very-low Income	9,546	21%
Low-Income	8,141	18%
Moderate-Income	8,331	18%
Above Moderate - Income	19,595	43%
TOTAL	45,613	100%

- The total population of the City of San Diego and the population under age 65 as reported in the most recent census of the United States Census Bureau.*

City of San Diego total population according to Census 2000 – 1,223,400

City of San Diego population under 65 years of age according to Census 2000 –1,095,392

Seniors represent 10%

- A detailed schedule of actions the Agency is undertaking or intends to undertake to ensure expenditure of the Housing Fund in the proportions required by CRL Section 33334.4*

The Agency will expend Housing Funds in the proportions cited above to ensure compliance with Section 33334.4.

- For the previous Implementation Plan period, the amounts of Housing Fund moneys utilized to assist units affordable to and occupied by very low income households and low-income households; the number, location and level of affordability of units newly constructed with other locally controlled government assistance and without Agency assistance and that are required to be affordable to, and occupied by, persons of low or very low income for a least 55 years for rental housing or 45 years for ownership housing; and the amount of Housing Fund moneys utilized to assist housing units available to families with children, and the number, location, and level of affordability of those units.*

Because the proposed Plan is in the process of being adopted and the Project Area has not yet officially been created, this requirement does not apply.

The following discussion contains the required components pursuant to Section 33490(a)(3) of the CRL:

Pursuant to Section 33490(a)(3) of the CRL, if the Implementation Plan contains a project that will result in the destruction or removal of dwelling units that will have to be replaced pursuant to Section 33413(a) of the CRL, the Implementation Plan shall identify proposed locations suitable for those replacement dwelling units. Due to the absence of existing residential units in the Project Area the Agency does not anticipate engaging in any activities that could result in the destruction of residential units, therefore, the requirement does not apply. If legal residential units are identified and relocation and destruction of units are required, the Agency will provide suitable locations for replacement housing in compliance with the requirements of Section 33413(a) of the CRL.

Means to Accomplish Requirements

The Agency intends to use revenue in the Low and Moderate Income Housing Fund and any other appropriate funds available to the Agency under the Plan, including, but not limited to the City's citywide bond funding for affordable housing, the Department of Housing and Urban Development funds and Community Development Block Grants, and rental subsidies through the Section 8 program. Available, low-income housing tax credits and tax exempt financing mechanisms may also be used by the Agency. Policies and programs such as providing affordable housing incentives for developers, permitting manufactured housing, and inclusionary housing programs will be explored by the Agency.

An Explanation of Why the Elimination of Blight Cannot be Accomplished by Private Enterprise Acting Alone or Through Other Financing Alternatives Other Than Tax Increment Financing

Why Private Enterprise Alone Cannot Eliminate Blight

Physical Blighting Conditions

Section B of this Report presents substantial evidence that the Project Area is blighted; 90% of the surveyed parcels in the Project Area were found to have a least one physical blighting condition. Of the conditions recognized by CRL as constituting physical blight, there are four in particular that predominate in the Project Area. The compounding affect of these conditions makes them particularly difficult for private enterprise alone to address. These four conditions are discussed as follows:

Incompatible adjacent uses: CRL Section 33031(a)(3) describes incompatible adjacent uses that prevent the economic development of parcels as a blighting condition. This condition exists in 45 situations in the Project Area where commercial buildings are adjacent to industrial uses. Due to the haphazard mixture of uses in the Project Area it is difficult for commercial uses in particular to establish synergistic operations with neighboring properties. This condition also adversely impacts residential neighborhoods which are immediately adjacent to the eastside of the Mission Gorge commercial corridor and compete for limited on-street parking and traffic access to Interstate 8.

Factors that prevent or substantially hinder the economically viable use of buildings or lots: According to CRL Section 33031(a)(2) factors that prevent or substantially hinder the economically viable use or capacity of buildings or lots are a blighting condition. This condition can be caused by substandard design, buildings or lots of inadequate size given present standards and market conditions, lack of parking, or other similar factors. With only 34% of the commercial lots in the Project Area over one acre in size and 17% over two acres, significant development of new commercial buildings is unlikely to occur. 72% of the industrial properties in the Project Area are less than two acres in size, the minimum threshold for industrial development feasibility. Additionally 50% of commercial and 50% of industrial properties have inadequate parking, thereby

inhibiting the long-term viability of commercial and industrial rehabilitation without the assistance of redevelopment tools.

Physical deterioration: Pursuant to Section 33031(a)(1) blight includes physical deterioration including: serious code violations; dilapidation and deterioration, defective design or physical construction; faulty or inadequate utilities; and other similar factors. Code enforcement violations document the deteriorated conditions that exist throughout and adjacent to the Project Area. Table B-4b shows over 278 serious code violations over a 3-year period including the following: unpermitted construction, hazardous conditions; encroachments; and structure deterioration.

Lots of irregular form and shape: CRL Section 33031(a)(4) describes blight to include the presence of lots of irregular form and shape and inadequate size for proper usefulness and development that are in multiple ownership. As shown on Table B-5, 20% of the lots studied met these criteria. Such a high prevalence of irregular lots makes consolidation more difficult.

Economic Blighting Conditions

CRL Section 33031(b) describes the economic conditions that are indicators of the presence of blight. These include depreciated property values. Lower lease rate, when compared to other areas of similar land uses, are an indication of depreciated property values. According to real estate professionals who regularly work within the Project Area, the lease rates in the Area are lower than surrounding commercial and industrial areas. This causes a catch-22; lower lease rates do not generate adequate revenue to maintain or improve properties, resulting in even lower lease rates

The limited size of many parcels in the Project Area cannot provide for development of economically feasible space. The proformas presented in Section B of this Report demonstrate that the revenues produced from small lot development are not sufficient to justify private investment by developers. Lot consolidations to enable larger development are necessary for economic feasibility. The inability of smaller parcels to meet current development standards and draw regional rents weakens the Project Area's economic potential.

Perceived criminal activity, borne out by crime statistics, also inhibits the Project Area's ability to support itself economically. As shown on Table B-8, the census tracts that overlay the Project Area have a 37% higher rate of serious, Part I crimes, as standardized by the FBI crime index, than the per one thousand population crime rate in the County of San Diego as a whole. These include homicide, rape, robbery, aggravated assault, burglary, larceny theft, and motor vehicle theft. A high crime rate that constitutes a threat to public safety and welfare is considered an economic blighting condition, as defined by CRL Section 33031(b)(5).

Table B-3 shows the age of the commercial and industrial properties in the proposed Project Area. 62% of commercial and 79% of industrial buildings are

30 years old or older. The age of these units requires more maintenance and upgrades to meet modern standards than would be the case for newer buildings, but due to the dilapidated conditions of the Project Area, many of these buildings can not attract the rents necessary to either rebuild or make repairs.

Proposed Projects and Programs that will Alleviate Blighting Conditions

Section A delineates the types of improvements necessary to alleviate the blighting conditions in the Project Area. These projects are intended to implement the Navajo and Tierrasanta Communities Plans, as they exist or are amended in the future. A strong commercial corridor is needed to provide goods and services to surrounding residential uses. In addition, it is important to promote industrial uses that do not degrade the Project Area and surrounding community. Possible scenarios to strengthen the commercial and industrial areas include: (1) creating commercial nodes within the area and encouraging mixed use development; (2) establishing light industrial parks in underdeveloped areas to both promote business technology start-up and relocate manufacturing and auto related uses away from the Mission Gorge Road commercial corridor; and (3) taking advantage of the close proximity to the Grantville light rail station for the development of transit-oriented uses. Agency sponsored commercial rehabilitation programs and participation in new commercial and industrial development projects would also upgrade the existing commercial areas making them more desirable to nearby residents and patrons.

The Project Area has several areas of infrastructure deficiencies that area also noted in the community plans. These include traffic circulation, street improvements, hazardous materials clean up, drainage upgrades for flood control, sewer system upgrades and public facility and park improvements. Public investment in infrastructure is needed to stimulate private investment.

Obstacles to Private Industry Acting Alone to Accomplish Needed Projects/Programs

New Development

Because of the small lot sizes that predominate parts of the Project Area, lot consolidation is needed to facilitate renovation and new development in the Project Area. Private enterprise cannot assure that land can be assembled because all owners may not be interested participants, and a single hold-out owner could stop the process. This turns parcel assembly into an uncertain proposition. Since lot consolidation is expensive, this uncertainty deters private enterprise from even considering investment in the process because the outcome is uncertain. The risks associated with assembling only pieces of a site, and the carrying costs associated with such partial assemblage, scare private investment interests away. This causes circumstances that make it very difficult for private enterprise acting alone to achieve redevelopment.

Existing commercial zoning along the Mission Gorge commercial corridor allows floor area ratios of up to .75 and up to 29 residential units per acre as part of a mixed-use project. However, in order to accommodate higher densities, lot sizes need to be large enough to accommodate required setbacks, parking, open space, and adequate access. Currently over half of all properties do not have adequate on-site parking for existing uses, therefore these parcels would not be able to accommodate modern uses as the parcel size is not adequate to meet even current parking requirements. In these cases improved re-use of parcels can only be accommodated through lot consolidation.

Rehabilitation

Commercial

The commercial corridor in the Project Area is characterized by a few larger neighborhood shopping centers, surrounded by smaller, often deteriorated, buildings with limited parking and low lease rates. Many businesses have likely located in the standalone buildings because they command lower rents. If these buildings are rehabilitated, the costs of capital improvements would be borne by the lessees. However, since owners are not sure that they can secure higher rents, they do not invest in the property, and it becomes increasingly deteriorated. It plays out as a vicious cycle – there is inadequate revenue for improvements, buildings deteriorate and lease rates remain low, resulting in even less revenue for improvements.

Industrial

As established in Section B, most of the industrial structures in the Project Area are generally old and much of the stock displays conditions of deterioration (except for some industrial uses on the west side of Fairmont Avenue). Because of the condition of the industrial properties, however, it remains affordable for low revenue producing tenants in the vicinity. One of the challenges facing owners in the area is the fact that, if they invest funds in renovating their properties, they will need to increase rental fees. This would likely make the properties unaffordable for the current industrial users who would then relocate. On the other hand, if the owners do not invest money in their properties, the buildings continue to deteriorate and elicit even lower rental fees. As with the commercial properties, this often leaves owners in an unsolvable bind.

Public Improvements

Public improvements are typically best done by public entities because the scope of improvements involves numerous properties with numerous owners, and typically such large projects cannot be done piecemeal. These large-scale projects require substantial funding. Adjoining property owners and businesses typically cannot generate the level of funding needed to achieve large scale projects. One possible source of funding for public improvements is the establishment of assessment districts for parking, lighting, etc. Assessment districts require that a large number of property owners agree to pay taxes for the

needed infrastructure improvements. Unfortunately, assessment districts are typically not viable in older marginalized marketplaces, like the Project Area, because the property owners are already having difficulty affording upkeep of their own property, and are thus unlikely to support additional taxation.

Reasons Other Financing Alternatives Are Not Adequate

The current State budget shortfall is estimated to be \$10.7 billion in the coming year. The State's past practice of issuing bonds to pay for prior budget shortfalls, is likely no longer a feasible alternative. As with the State budget crisis in the early 1990's, the State opted to take away revenue sources from cities to close its budget gap over the last three years. It has had severe consequences for cities, including the City of San Diego.

Even without the impact from the current State budget crisis, the City is facing significant fiscal challenges. According to the City Manager's budget message, the single largest issue affecting the City is the economy. There are \$28 million (4.1%) in General Fund department decreases for Fiscal Year 2004. This caused some General Fund departments to eliminate vacant positions or delay equipment replacements as cost savings measures.

Long term challenges the City faces include the following:

- Increase of \$11 million for employee retirement contributions to reduce City's unfunded pension liability. (Budget, Pg 8) The total unfunded liability is estimated to be nearly \$1 billion.
- Transportation and Neighborhood services were both reduced by over \$5 million. (Budget, Pg 7)
- Defer filling 80 vacant staff positions due to budget constraints. (Budget, Pg 13)
- \$5.8 million dollar increase in worker's compensation costs (Budget, Pg 9)
- The City has unfunded needs in the areas of; Basic Operating Needs (to provide customer service at expected levels of the community), Deferred Maintenance, Public Safety Fleet, The Strategic Framework (the infrastructure needed to support the "City of Villages" concept), National Pollution Discharge Elimination System (NPDES) Permit (to fund efforts to meet permit requirements), Underground Storage Tanks, and Public Safety Overtime Needs. (Budget 15)

All of these under-funded areas impact the Project Area as well as the City as a whole, and demonstrate a pattern of financial need.

Programs Available in the Project Area from Other Funding Sources

The City has a number of targeted funding sources that could potentially provide limited funding in specific areas. Some of these funding sources add additional taxes to business owners in the form of assessment districts, BIDS, developer funds or developer impact fees, and are thus unlikely to be affordable for business owners with limited income. Other sources are stretched in order to serve the entire city. Potential sources in this category that could be used for revitalization projects include: CDBG, utility undergrounding, utility replacement, street maintenance funds, TOT funds, CIP funds, Transnet funds, MTDB, Library bonds, Housing bonds, and State funds. All of these funds are targeted to specific projects and programs and even with these sources, significant unmet needs remain not only in the Project Area but also citywide.

Community Development Block Grant funds can be used for a wide variety of programs that benefit very low, low and moderate income persons. Some of these programs include code enforcement, housing and commercial rehabilitation, technical assistance for businesses, and public services. The City of San Diego receives \$18 million city wide each year from the Department of Housing and Urban Development. The Seventh Council District receives 12% of this total or about \$1.25 million per year. There is currently a proposal at the Federal level to severely cut this funding source.

The City budgeted capital improvement project funds from the general fund and other targeted revenue sources in the amount of \$468 million for the 2004 fiscal year. Yet, the City continues to have unmet public infrastructure needs as documented in Section A of this Report and previously listed above. The capital improvement needs confirm that this budget category is under-funded, demonstrating another revenue shortfall. Tax increment revenue through redevelopment could be another source of funding for these capital improvements in the Project Area.

Thus, although the City strives to provide a high quality of life for its residents, revenue shortfalls can jeopardize all city services and facility funding. These factors support the City's need for additional revenue in order to provide adequate services and infrastructure.

Need for Tax Increment

The Agency cannot rely on private enterprise acting alone to eliminate blight because the private sector is constrained by numerous factors that inhibit investment. The improvements needed to improve the Mission Gorge/ US 8 interchange, combined with the Alvarado Creek improvements alone will cost millions of dollars. The arterial improvements needed in conjunction with the interchange improvements must also be accomplished if the Project Area conditions are to improve. This will cost millions of dollars and require re-planning and re-design of properties along these commercial corridors. The size and depth of lots along much of the commercial and industrial corridors of the Project Area do not allow for modern development. The Project Area is visually blighted

and does not offer convenient parking or enough business variety to satisfy most shoppers. The area has also lost much of its regional market because of changes in traffic flow and competition outside of the Project Area. About 5-minutes north of the Project Area, in Mission Valley, regional retail centers with national anchors offer consumers a “one-stop” shopping experience, leaving the Project Area with a primarily local marketplace.

Much of the commercial development existing in the Project Area does not meet shoppers’ preferences and most of the older industrial development does not meet current market requirements. These older substandard developments are occupied by marginal retail or service providers that do not generate substantial revenue. As a result of operating revenue shortfalls, no funds are generated by the businesses to fund capital expenditures. This has left the area deteriorated. Furthermore, as demonstrated in Section B of this Report, neighborhood shopping centers and industrial properties are attracting substandard rental rates as compared to surrounding similar uses and reduce funds necessary to maintain centers.

Due to the lack of available private and public resources for redevelopment, the Agency will primarily rely on tax increment revenue to finance Project Area improvements. As discussed in Section B of this Report, the property owners along the commercial and industrial corridors do not have the resources to revitalize their properties. The size and depth of lots do not allow for modern development without consolidation of parcels.

Due to the area’s obsolete and deteriorated character and the preponderance of undersized lots, property owners do not have a financial incentive for redeveloping their properties. Given the substandard condition of the area, there is no realistic expectation that property values can support the substantial reinvestment needed without infusion of additional capital from outside the area.

Finally, the City itself cannot underwrite the millions of dollars of economic development and infrastructure needs in the Project Area. Currently, the City does not have funding in its capital improvement program to meet the proposed infrastructure projects for the Project Area. Increasing resources within this area through a special assessment district for improvements would only further burden property owners and businesses with improvements that they currently are unable to afford. Consequently, tax increment revenue is an essential funding source for redevelopment activities and is needed to entice new private investment.

A Preliminary Assessment of the Proposed Method of Financing, Including an Assessment of the Economic Feasibility of the Project and the Reasons for the Provision of Tax Increment Revenue

Redevelopment of the Project Area is proposed to be financed with a combination of resources including:

- Financial assistance from the City, State of California, and/or Federal Government;
- Tax increment revenue;
- Bonded debt;
- Proceeds from the lease or sale of Agency-owned property;
- Loans from private financial institutions; and
- Any other legally available source.

The more typical sources of redevelopment financing that may be employed through Plan implementation are described below.

Financial Assistance from the City, State of California, and/or Federal Government

The Agency may obtain loans and advances from the City for planning, construction, and operating capital for project administration until such time that sufficient tax increment revenue is generated to repay loans and provide other means of operating capital. The City may also defer payments on Agency loans for capital projects to benefit the Agency's cash flow. Such assistance is anticipated to be employed to meet short-term cash flow needs. However, the City's General Fund cannot carry extensive levels of Agency debt at the risk of threatening the City's ability to fund its municipal obligations and services.

As available, other appropriate state and federal funds (such as Gas Tax Funds and Federal Community Development Block Grants) will be used to pay the costs of project implementation. The Agency and City will also pursue other available

grants and loans, and may issue bonds for the purpose of funding improvements, or provide in-kind assistance.

Tax Increment Revenue

The Agency may use property tax increment revenue as provided by CRL Section 33670, and is authorized in the Plan to employ tax increment revenue financing to underwrite project costs. Tax increment revenue may only be used to pay indebtedness incurred by the Agency. Indebtedness includes principal and interest on loans, monies advanced, or debt (whether funded, refunded, assumed, or otherwise) incurred by the Agency to finance or refinance, in whole or in part, redevelopment activities.

Tax increment revenues are distributed to address an array of obligations. As required by CRL Section 33334.2, 20% of project tax increment revenue is deposited into the Agency's Housing Fund for the purposes of increasing, improving, and preserving the community's supply of very low, low and moderate-income housing.

The remaining 80% of project tax increment revenue will be used to pay taxing entity obligations, debt service costs, and other program expenditures including infrastructure, capital facility, and economic development programs within the Project Area.

The Plan includes specific time limits on the collection of tax increment revenue as required by the CRL. As stated in the Plan, the Agency may collect tax increment revenue for a period of 45 years following adoption of the ordinance adopting the Plan. Assuming the Plan is adopted during fiscal year 2004-05, the Agency would receive Project Area tax increment revenue through fiscal year 2049-50.

Bonded Debt

As provided by the Plan, the Agency has the capacity to issue bonds and/or notes for any of its corporate purposes, payable in whole or in part from tax increment revenue. Many redevelopment agencies throughout the state employ bond financing as an integral component of their overall redevelopment financing program.

The Plan permits the Agency the ability to incur debt during the first 20 years of the Plan, and establishes a \$100 million limit on the amount of bonded debt principal which may be outstanding at any one time, adjusted by the consumer price index.

Lease or Sale of Agency-Owned Property

The Agency may sell, lease, or otherwise encumber its property holdings to pay the costs of Project implementation.

Participation in Development

If the Agency enters into agreements with property owners, tenants, and/or other developers that provide for revenues to be paid or repaid to the Agency, such revenues may be used to pay for project implementation costs.

Other Available Sources

Any other loans, grants, or financial assistance from the federal government, or any other public or private source will be utilized as available and appropriate. The Agency will also consider use of the powers provided by Chapter 8 of the CRL (Redevelopment Construction Loans) to provide construction funds for appropriate projects. Where feasible and appropriate, the Agency may use assessment district and/or Mello-Roos bond financing to pay for the costs of public infrastructure, facilities, and operations.

Projected Tax Increment Revenues

Tax increment revenue is anticipated as the primary source of project funding. Table E-1 presents a preliminary forecast of this revenue.

The projections are based upon the following assumptions:

1. Base Year Value: The San Diego County Auditor Controller indicates in its 2004-05 Base Year Report (dated November 22, 2004) a total 2004-05 base year value of \$339,494,220.
2. Annual Growth Trend: The projections assume an annual 3.5% growth rate to reflect both the inflationary increase (maximum of 2% annually) and potential growth due to resale of property that is subject to reassessment based on the market value reflected by the sales price.
3. New Development: Assumptions regarding potential value increases caused by new development are as follows:
 - *Housing:* The projections assume that 134 new residential units will be constructed over the next 30 years with an average per unit value of \$375,000.
 - *Commercial:* The projections assume that 500,000 square feet of commercial space will be rehabilitated over the next 30 years causing a \$55 per square foot increase in value. It is also assumed that 302,460 square feet of new commercial space will be constructed coming on the assessment rolls at an average \$150 per square foot.
 - *Industrial:* The projections assume that 500,000 square feet of industrial space will be rehabilitated over the next 30 years causing a \$30 per square foot increase in value. It is also assumed that over 6.0 million

square feet of new industrial space will be constructed coming on the assessment rolls at an average \$125 per square foot.

- *Inflation:* An annual 2% cost inflation rate has been assumed.

Over the 45-year period within which the Agency may collect tax increment revenue, the forecast estimates that the Project Area could generate approximately \$779 million of gross tax increment revenue. Of this amount, 20%, or \$155 million would be deposited into the Agency's Housing Fund. The remaining 80%, or \$623 million would be available to the Agency's Non-Housing Fund.

Statutory Payments

Pursuant to CRL Section 33607.5, the Agency is required to share a portion (projected to be approximately \$270 million) of its Non-Housing Fund revenues with affected taxing agencies ("Statutory Payments"). These Statutory Payments would start in the first fiscal year the Agency receives tax increment revenue from the Project Area (assumed to be fiscal year 2006-07).

According to CRL Section 33607.5, affected taxing agencies are paid three tiers of Statutory Payments. The first tier equals 25% of the Project Area's annual non-housing tax increment revenue and begins in the first year the Agency receives tax increment and continuing through the last fiscal year. The second tier begins in the eleventh year of payments and continues through the last fiscal year the Agency receives tax increment revenue. The second tier equals 21% of the Project Area's annual non-housing tax increment revenue exceeding amounts in the tenth year of payments. The third tier commences in the thirty-first year of payments and continues through the last fiscal year the Agency receives tax increment revenue. The third tier equals 14% of the Project Area's annual non-housing tax increment revenue exceeding amounts in the thirtieth year of payments. In total, the Agency will share approximately 43% of its Non-Housing Fund revenues with affected taxing agencies.

The actual amount of Statutory Payments will vary based on the amount of tax increment revenue annually collected by the Agency. A forecast of Statutory Payments is provided on Table E-1. Should actual tax increment revenues exceed or fall below these projections, actual Statutory Payments would be higher or lower.

Each affected taxing agency is entitled to their respective share of the Statutory Payment. All agencies receive their share of the Statutory Payments, except for the City. According to CRL Section 33607.5, the City is only entitled to its share of the first 25% of the Statutory Payments if it so elects. The following is a preliminary list of affected taxing agencies in the Project Area:

- County of San Diego
- San Diego Unified School District

- San Diego Community College District
- San Diego County Office of Education
- City of San Diego
- San Diego County Water Authority
- Educational Revenue Augmentation Fund

Bonding Capacity

A bonding capacity analysis is presented in Table E-2. The analysis assumes that the Agency leverages the non-housing funds that will be available (net of statutory pass through payments). Bond assumptions include: 6% interest rate; 2% cost of issuance; 10% reserve fund requirement; necessary debt service coverage factor of 1.15; and a 5% interest earnings on the reserve fund. This analysis is meant to be illustrative and actual bonds that can be issued will depend on market conditions at the time of issuance. The analysis indicates a bonding capacity of approximately \$69 million and total debt service of over \$149 million. It is anticipated that bonds will periodically be issued to assist with implementation activities.

Economic Feasibility Analysis

Section A of this Report includes a preliminary list of potential economic development and infrastructure projects and programs proposed by the Agency. Table E-3 presents an illustrative cash flow based on the tax increment revenue projections presented on Table E-1, net bond proceeds based on the bond analysis presented on Table E-2, and the following assumptions related to project costs:

- ***Economic Development Programs:*** The analysis assumes that the Agency will assist with the rehabilitation of 1.0 million square feet of commercial and industrial space over the next 30 years by providing an average of \$12.50 per square foot of assistance. Agency assistance is envisioned to help facilitate private participation. To this end the analysis assumes that the Agency will provide private investors various forms of assistance to assemble approximately 78 acres of commercial and industrial property within the Project Area. Administrative costs associated with these programs are included based on a 10% overhead cost. Total costs for these programs over the next 45 years are estimated to be nearly \$285 million.
- ***Infrastructure Programs:*** The analysis assumes that in addition to the economic development program, which will involve some forms of public infrastructure enhancement, another \$21 million will be allocated specifically to other infrastructure improvements.
- ***Housing Programs:*** The analysis assumes that the Agency will use all housing set-aside funds to assist with the rehabilitation and new construction

of affordable housing both within the Project Area and outside of the Project Area. These funds could be used for qualified projects and programs to benefit the residential neighborhoods near the Project Area.

- **Cost Inflation:** A 2% annual cost inflation rate is assumed.

Although the Agency may not be able to fund every infrastructure improvement needed in the Project Area, nor help every property and business owner rehabilitate their property, formation of the Project Area is economically viable as evidenced in the analysis presented in Table E-3. Sufficient revenue is anticipated to enable the Agency to make substantial investment in eliminating the conditions of blight documented in Section B of this Report.

Table E-3 shows the potential for having \$2.1 million of the \$436 million of net tax increment and net bond proceeds left at the time the Agency can no longer collect tax increment. Because the Agency will lose its ability to incur debt in 20 years from Plan adoption, and because the Agency is only entitled to collect tax increment to the extent that debt exists, it is feasible that this \$2.1 million of tax increment generated in the last few year of the Plan may not be able to be preserved for project implementation activities. The analysis assumes that in the 20th year, the Agency maximizes its debt position in order to maximize the amount of tax increment that it will be eligible to receive over the remaining 25 years it is allowed to collect tax increment. Overall, the Agency should be able to expend over \$434 million on debt service and various programs.

Reasons for the Provisions of Tax Increment

The provision of tax increment revenue must be included in the Plan because other sources are not available or are insufficient to finance the costs of redeveloping the Project Area. Utilization of tax increment revenue financing will provide the resources to develop a consistent and directed approach to activities and programs needed to eliminate blight, provide for the improvement of infrastructure, and aid in the expansion of the Project Area's economic base. When adverse conditions are not addressed, the resulting physical and financial impacts imposed by these conditions will exacerbate existing blighting conditions. It will cause serious economic hardships and undue disruption of the lives and activities of people working in the Project Area and its surrounds.

The City does not currently have or expect to have the available financial resources to fund the magnitude of improvements necessary to reverse the adverse conditions present in the Project Area.

Financing programs available to the City, such as assessment districts, may not be workable for the type and amount of improvements required. Assessment districts impose a financial burden that area businesses and potential developers may be unable to bear. As indicated by the blighting conditions, which can be found throughout the Project Area, property owners do not have the resources to maintain their properties, much less rehabilitate them. In instances where reparcelization needs to occur, the Agency's powers and financing will be necessary. Therefore, it cannot be reasonably expected that private enterprise acting alone would have the means to accomplish redevelopment of the Project Area. Without the provision of tax increment revenue financing, sufficient revenue would not be available to fund the needed programs and improvements.

TABLE E-1
TAX INCREMENT PROJECTIONS
 GRANTVILLE REDEVELOPMENT PROJECT AREA

Plan Year	Incmt Year	ASSESSED VALUE				STATUTORY PAYMENTS								
		Year	Secured & Unsecured 3.5%	New Development	Total	Incremental	Gross Est. Increment 1%	Housing Set-Aside 20%	Gross Non-Housing Revenue	First Tier Payments 25%	Second Tier Payments 21%	Third Tier Payments 14%	Total Statutory Payments	Net Non-Housing Revenue
Base Year		2004-05	339,494,220		339,494,220									
1		2005-06	351,376,518		351,376,518									
2	1	2006-07	363,674,696	33,827,081	397,501,777	58,007,557	580,076	116,015	464,060	116,015		116,015	348,045	
3	2	2007-08	411,414,339	34,518,652	445,932,991	106,438,771	1,064,388	212,878	851,510	212,878		212,878	638,633	
4	3	2008-09	461,540,646	35,224,506	496,765,152	157,270,932	1,572,709	314,542	1,258,167	314,542		314,542	943,626	
5	4	2009-10	514,151,932	35,944,940	550,096,872	210,602,652	2,106,027	421,205	1,684,821	421,205		421,205	1,263,616	
6	5	2010-11	569,350,263	36,680,262	606,030,525	266,536,305	2,665,363	533,073	2,132,290	533,073		533,073	1,599,218	
7	6	2011-12	627,241,593	25,886,492	653,128,086	313,633,866	3,136,339	627,268	2,509,071	627,268		627,268	1,881,803	
8	7	2012-13	675,987,569	26,421,645	702,409,214	362,914,994	3,629,150	725,830	2,903,320	725,830		725,830	2,177,490	
9	8	2013-14	726,993,536	26,968,024	753,961,560	414,467,340	4,144,673	828,935	3,315,739	828,935		828,935	2,486,804	
10	9	2014-15	780,350,215	27,525,869	807,876,084	468,381,864	4,683,819	936,764	3,747,055	936,764		936,764	2,810,291	
11	10	2015-16	836,151,747	28,095,425	864,247,172	524,752,952	5,247,530	1,049,506	4,198,024	1,049,506		1,049,506	3,148,518	
12	11	2016-17	894,495,823	28,676,944	923,172,766	583,678,546	5,836,785	1,167,357	4,669,428	1,167,357	98,995	1,266,352	3,403,076	
13	12	2017-18	955,483,813	29,270,681	984,754,494	645,260,274	6,452,603	1,290,521	5,162,082	1,290,521	202,452	1,492,973	3,669,109	
14	13	2018-19	1,019,220,901	29,876,899	1,049,097,800	709,603,580	7,096,036	1,419,207	5,676,829	1,419,207	310,549	1,729,756	3,947,072	
15	14	2019-20	1,085,816,223	30,495,865	1,116,312,088	776,817,868	7,768,179	1,553,636	6,214,543	1,553,636	423,469	1,977,105	4,237,438	
16	15	2020-21	1,155,383,011	31,127,853	1,186,510,864	847,016,644	8,470,166	1,694,033	6,776,133	1,694,033	541,403	2,235,436	4,540,697	
17	16	2021-22	1,228,038,744	31,773,144	1,259,811,888	920,317,668	9,203,177	1,840,635	7,362,541	1,840,635	664,549	2,505,184	4,857,357	
18	17	2022-23	1,303,905,304	32,432,022	1,336,337,326	996,843,106	9,968,431	1,993,686	7,974,745	1,993,686	793,111	2,786,798	5,187,947	
19	18	2023-24	1,383,109,133	33,104,780	1,416,213,913	1,076,719,693	10,767,197	2,153,439	8,613,758	2,153,439	927,304	3,080,744	5,533,014	
20	19	2024-25	1,465,781,400	33,791,717	1,499,573,117	1,160,078,897	11,600,789	2,320,158	9,280,631	2,320,158	1,067,348	3,387,505	5,893,126	
21	20	2025-26	1,552,058,176	34,493,138	1,586,551,314	1,247,057,094	12,470,571	2,494,114	9,976,457	2,494,114	1,213,471	3,707,585	6,268,872	
22	21	2026-27	1,642,080,610	35,209,355	1,677,289,965	1,337,795,745	13,377,957	2,675,591	10,702,366	2,675,591	1,365,912	4,041,503	6,660,863	
23	22	2027-28	1,735,995,114	35,940,687	1,771,935,801	1,432,441,581	14,324,416	2,864,883	11,459,533	2,864,883	1,524,917	4,389,800	7,069,733	
24	23	2028-29	1,833,953,554	36,687,460	1,870,641,014	1,531,146,794	15,311,468	3,062,294	12,249,714	3,062,294	1,690,742	4,753,035	7,496,139	
25	24	2029-30	1,936,113,449	37,450,007	1,973,563,456	1,634,069,236	16,340,692	3,268,138	13,072,554	3,268,138	1,863,651	5,131,790	7,940,764	
26	25	2030-31	2,042,638,177	38,228,669	2,080,866,846	1,741,372,626	17,413,726	3,482,745	13,930,981	3,482,745	2,043,921	5,526,666	8,404,315	
27	26	2031-32	2,153,697,186	35,926,205	2,189,623,390	1,850,129,170	18,501,292	3,700,258	14,801,033	3,700,258	2,226,632	5,926,890	8,874,143	
28	27	2032-33	2,266,260,209	36,676,197	2,302,936,406	1,963,442,186	19,634,422	3,926,884	15,707,537	3,926,884	2,416,998	6,343,882	9,363,655	
29	28	2033-34	2,383,539,180	37,442,133	2,420,981,314	2,081,487,094	20,814,871	4,162,974	16,651,897	4,162,974	2,615,313	6,778,288	9,873,609	
30	29	2034-35	2,505,715,660	38,224,361	2,543,940,020	2,204,445,800	22,044,458	4,408,892	17,635,566	4,408,892	2,821,884	7,230,776	10,404,791	
31	30	2035-36	2,632,977,921	39,023,234	2,672,001,155	2,332,506,935	23,325,069	4,665,014	18,660,055	4,665,014	3,037,027	7,702,041	10,958,015	
32	31	2036-37	2,765,521,195	36,191,083	2,801,712,278	2,462,218,058	24,622,181	4,924,436	19,697,744	4,924,436	3,254,941	8,324,654	11,373,091	
33	32	2037-38	2,899,772,208	36,914,904	2,936,687,112	2,597,192,892	25,971,929	5,194,386	20,777,543	5,194,386	3,481,699	8,972,533	11,805,010	
34	33	2038-39	3,039,471,161	37,653,202	3,077,124,363	2,737,630,143	27,376,301	5,475,260	21,901,041	5,475,260	3,717,634	9,646,632	12,254,409	
35	34	2039-40	3,184,823,716	38,406,266	3,223,229,983	2,883,735,763	28,837,358	5,767,472	23,069,886	5,767,472	3,963,091	10,347,939	12,721,947	
36	35	2040-41	3,336,043,032	39,174,392	3,375,217,424	3,035,723,204	30,357,232	6,071,446	24,285,786	6,071,446	4,218,430	11,077,479	13,208,307	
37	36	2041-42	3,493,350,034	39,957,880	3,533,307,913	3,193,813,693	31,938,137	6,387,627	25,550,510	6,387,627	4,484,022	11,836,313	13,714,197	
38	37	2042-43	3,656,973,690	40,757,037	3,697,730,727	3,358,236,507	33,582,365	6,716,473	26,865,892	6,716,473	4,760,252	1,148,817	12,625,543	
39	38	2043-44	3,827,151,303	41,572,178	3,868,723,481	3,529,229,261	35,292,293	7,058,459	28,233,834	7,058,459	5,047,520	1,340,329	13,446,308	
40	39	2044-45	4,004,128,803	42,403,622	4,046,532,424	3,707,038,204	37,070,382	7,414,076	29,656,306	7,414,076	5,346,239	1,539,475	14,299,791	
41	40	2045-46	4,188,161,059	43,251,694	4,231,412,753	3,891,918,533	38,919,185	7,783,837	31,135,348	7,783,837	5,656,838	1,746,541	15,187,216	
42	41	2046-47	4,379,512,199	0	4,379,512,199	4,040,017,979	40,400,180	8,080,036	32,320,144	8,080,036	5,905,645	1,912,412	15,898,094	
43	42	2047-48	4,532,795,126	0	4,532,795,126	4,193,300,906	41,933,009	8,386,602	33,546,407	8,386,602	6,163,161	2,084,089	16,633,852	
44	43	2048-49	4,691,442,956	0	4,691,442,956	4,351,948,736	43,519,487	8,703,897	34,815,590	8,703,897	6,429,689	2,261,775	17,420,229	
45	44	2049-50	4,855,643,459	0	4,855,643,459	4,516,149,239	45,161,492	9,032,298	36,129,194	9,032,298	6,705,546	2,445,679	18,183,524	
		TOTALS			78,453,390,890		784,533,909	156,906,782	627,627,127	156,906,782	96,984,356	17,744,223	271,635,360	355,991,767

Source: Rosenow Spevacek Group, Inc.

Notes: * Base Year Value obtained from San Diego County base year report.

TABLE E-2
BONDING CAPACITY ANALYSIS NON-HOUSING FUNDS
 GRANTVILLE REDEVELOPMENT PROJECT

Year	Fiscal Year	Net Tax Increment	Debt Issued	Issuance Costs	Reserve Fund	Net Proceeds	Bond Debt Service	Total Bond Debt Service	Coverage Ratio	Interest on Reserves	Surplus Resources
			6%	2%	10%				1.15	5%	
BASE YEAR	2004-05										
1	2005-06	0	0	0	0	0	0	0	0.00	0	0
2	2006-07	348,045						0	0.00	0	348,045
3	2007-08	638,633	7,644,061	152,881	764,406	6,726,774	555,333	555,333	1.15	38,220	121,520
4	2008-09	943,626						555,333	1.70	38,220	426,513
5	2009-10	1,263,616	7,480,686	149,614	748,069	6,583,004	543,464	1,098,796	1.15	75,624	240,443
6	2010-11	1,599,218						1,098,796	1.46	75,624	576,045
7	2011-12	1,881,803	7,399,342	147,987	739,934	6,511,421	537,554	1,636,351	1.15	112,620	358,073
8	2012-13	2,177,490						1,636,351	1.33	112,620	653,760
9	2013-14	2,486,804	7,241,508	144,830	724,151	6,372,527	526,088	2,162,438	1.15	148,828	473,194
10	2014-15	2,810,291						2,162,438	1.30	236,221	884,074
11	2015-16	3,148,518	7,920,328	158,407	792,033	6,969,888	575,403	2,737,841	1.15	188,430	599,106
12	2016-17	3,403,076		0	0	0	0	2,737,841	1.24	188,430	853,664
13	2017-18	3,669,109		0	0	0	0	2,737,841	1.34	188,430	1,119,697
14	2018-19	3,947,072	9,558,235	191,165	955,824	8,411,247	694,395	3,432,237	1.15	236,221	751,056
15	2019-20	4,237,438						3,432,237	1.23	236,221	1,041,422
16	2020-21	4,540,697	0					3,432,237	1.32	236,221	1,344,681
17	2021-22	4,857,357	10,611,677	212,234	1,061,168	9,338,276	791,552	4,223,789	1.15	289,279	922,848
18	2022-23	5,187,947		0	0	0	0	4,223,789	1.23	289,279	1,253,437
19	2023-24	5,533,014		0	0	0	0	4,223,789	1.31	289,279	1,598,504
20 (20-Yr. Term)	2024-25	5,893,126	11,513,563	230,271	1,151,356	10,131,936	900,668	5,124,457	1.15	346,847	1,115,516
21	2025-26	6,268,872		0	0	0	0	5,124,457	1.22	346,847	1,491,261
22	2026-27	6,660,863		0	0	0	0	5,124,457	1.30	346,847	1,883,252
23	2027-28	7,069,733		0	0	0	0	5,124,457	1.38	346,847	2,292,122
24	2028-29	7,496,139		0	0	0	0	5,124,457	1.46	346,847	2,718,529
25	2029-30	7,940,764		0	0	0	0	5,124,457	1.55	346,847	3,163,154
26	2030-31	8,404,315		0	0	0	0	5,124,457	1.64	346,847	3,626,704
27	2031-32	8,874,143		0	0	0	0	5,124,457	1.73	346,847	4,096,533
28	2032-33	9,363,655		0	0	0	0	5,124,457	1.83	346,847	4,586,045
29	2033-34	9,873,609		0	0	0	0	5,124,457	1.93	346,847	5,095,999
30	2034-35	10,404,791						5,124,457	2.03	346,847	5,627,181
31	2035-36	10,958,015						5,124,457	2.14	346,847	6,180,405
32	2036-37	11,373,091						5,124,457	2.22	346,847	6,595,480
33	2037-38	11,805,010						4,569,124	2.58	346,847	7,582,732
34	2038-39	12,254,409						4,569,124	2.68	346,847	8,032,132
35	2039-40	12,721,947						4,025,661	3.16	346,847	9,043,133
36	2040-41	13,208,307						4,025,661	3.28	346,847	9,529,493
37	2041-42	13,714,197						3,488,107	3.93	346,847	10,572,937
38	2042-43	14,240,350						3,488,107	4.08	346,847	11,099,090
39	2043-44	14,787,526						2,962,019	4.99	346,847	12,172,354
40	2044-45	15,356,515						2,962,019	5.18	346,847	12,741,343
41	2045-46	15,948,132						2,386,616	6.68	346,847	13,908,363
42	2046-47	16,422,050						2,386,616	6.88	346,847	14,382,282
43	2047-48	16,912,556						2,386,616	7.09	346,847	14,872,787
44	2048-49	17,420,229						1,692,220	10.29	346,847	16,074,855
45	2049-50	17,945,670						1,692,220	10.60	346,847	16,600,297
TOTALS		355,991,767	69,369,401	1,387,388	6,936,940	61,045,073	5,124,457	149,339,491		11,997,789	218,650,064
										<u>NPV@6% =</u>	\$32,117,804

TOTAL BONDING CAPACITY:
 \$69 million

FUNDS REMAINING:
 \$219 million (\$32 mil NPV)
 (includes funds available after debt
 service and interest on reserve funds)

TABLE E-3
SUMMARY OF ANNUAL REVENUE AND COSTS - CASH FLOW
GRANTVILLE REDEVELOPMENT PROJECT AREA

Bs Yr	REVENUE				COSTS					Annual Revenue less Costs	Annual Cumulative Fund Balance
	Net Tax Inurement	Housing Set-Aside	Net Non-Housing Bond Proceeds	Total Revenue	Debt Svc	Economic Development Programs	Infrastructure Programs	Housing Programs	Project Costs		
2004-05	0		-	0	0	0	0		-	0	0
1 2005-06	0		-	0	0	0	204,000		204,000	-204,000	-204,000
2 2006-07	348,045	116,015	-	464,060	0	476,850	551,412	116,015	1,144,277	-680,217	-884,217
3 2007-08	121,520	212,878	6,726,774	7,061,172	555,333	486,387	562,440	212,878	1,261,705	5,244,134	4,359,917
4 2008-09	426,513	314,542	-	741,055	555,333	496,115	573,689	314,542	1,384,346	-1,198,623	3,161,294
5 2009-10	240,443	421,205	6,583,004	7,244,653	1,098,796	11,740,059	585,163	421,205	12,746,427	-6,600,571	-3,439,277
6 2010-11	576,045	533,073	-	1,109,118	1,098,796	516,158	596,866	533,073	1,646,096	-1,635,775	-5,075,052
7 2011-12	358,073	627,268	6,511,421	7,496,762	1,636,351	526,481	608,803	627,268	1,762,552	4,097,859	-977,193
8 2012-13	653,760	725,830	-	1,379,590	1,636,351	537,011	620,979	725,830	1,883,820	-2,140,581	-3,117,774
9 2013-14	473,194	828,935	6,372,527	7,674,656	2,162,438	12,707,818	633,399	828,935	14,170,151	-8,657,934	-11,775,708
10 2014-15	884,074	936,764	-	1,820,837	2,162,438	558,706	646,067	936,764	2,141,537	-2,483,137	-14,258,845
11 2015-16	599,106	1,049,506	6,969,888	8,618,500	2,737,841	569,880	658,988	1,049,506	2,278,374	3,602,285	-10,656,561
12 2016-17	853,664	1,167,357	-	2,021,022	2,737,841	581,277	672,168	1,167,357	2,420,803	-3,137,623	-13,794,184
13 2017-18	1,119,697	1,290,521	-	2,410,218	2,737,841	592,903	685,612	1,290,521	2,569,035	-2,896,659	-16,690,842
14 2018-19	751,056	1,419,207	8,411,247	10,581,511	3,432,237	14,030,458	699,324	1,419,207	16,148,988	-8,999,715	-25,690,557
15 2019-20	1,041,422	1,553,636	-	2,595,058	3,432,237	616,856	713,310	1,553,636	2,883,802	-3,720,981	-29,411,538
16 2020-21	1,344,681	1,694,033	-	3,038,714	3,432,237	629,193	727,576	1,694,033	3,050,803	-3,444,326	-32,855,864
17 2021-22	922,848	1,840,635	9,338,276	12,101,759	4,223,789	14,889,234	742,128	1,840,635	17,471,997	-9,594,027	-42,449,891
18 2022-23	1,253,437	1,993,686	-	3,247,124	4,223,789	654,613	756,971	1,993,686	3,405,270	-4,381,935	-46,831,826
19 2023-24	1,598,504	2,153,439	-	3,751,944	4,223,789	667,705	772,110	2,153,439	3,593,254	-4,065,100	-50,896,926
20 2024-25	1,115,516	2,320,158	10,131,936	13,567,609	5,124,457	19,968,656	787,552	2,320,158	23,076,366	-14,633,215	-65,530,141
21 2025-26	1,491,261	2,494,114	-	3,985,376	5,124,457	694,680	803,303	2,494,114	3,992,098	-5,131,179	-70,661,320
22 2026-27	1,883,252	2,675,591	-	4,558,844	5,124,457	708,574	819,369	2,675,591	4,203,535	-4,769,148	-75,430,468
23 2027-28	2,292,122	2,864,883	-	5,157,006	5,124,457	722,745	835,757	2,864,883	4,423,385	-4,390,837	-79,821,305
24 2028-29	2,718,529	3,062,294	-	5,780,824	5,124,457	737,200	852,472	3,062,294	4,651,966	-3,995,600	-83,816,905
25 2029-30	3,163,154	3,268,138	-	6,431,292	5,124,457	751,944	869,521	3,268,138	4,889,604	-3,582,769	-87,399,674
26 2030-31	3,626,704	3,482,745	-	7,109,450	5,124,457	766,983	886,912	3,482,745	5,136,640	-3,151,648	-90,551,322
27 2031-32	4,096,533	3,700,258	-	7,796,791	5,124,457	782,323	904,650	3,700,258	5,387,231	-2,714,897	-93,266,219
28 2032-33	4,586,045	3,926,884	-	8,512,929	5,124,457	797,969	922,743	3,926,884	5,647,597	-2,259,124	-95,525,344
29 2033-34	5,095,999	4,162,974	-	9,258,973	5,124,457	813,929	941,198	4,162,974	5,918,101	-1,783,585	-97,308,928
30 2034-35	5,627,181	4,408,892	-	10,036,072	5,124,457	830,207	960,022	4,408,892	6,199,121	-1,287,506	-98,596,434
31 2035-36	6,180,405	4,665,014	-	10,845,419	5,124,457	846,812	979,222	4,665,014	6,491,047	-770,086	-99,366,520
32 2036-37	6,595,480	4,924,436	-	11,519,916	5,124,457	0	998,807	4,924,436	5,923,243	472,217	-98,894,304
33 2037-38	7,582,732	5,194,386	-	12,777,118	4,569,124	0	1,018,783	5,194,386	6,213,168	1,994,825	-96,899,478
34 2038-39	8,032,132	5,475,260	-	13,507,392	4,569,124	0	1,039,158	5,475,260	6,514,419	2,423,849	-94,475,629
35 2039-40	9,043,133	5,767,472	-	14,810,605	4,025,661	0	1,059,941	5,767,472	6,827,413	3,957,531	-90,518,098
36 2040-41	9,529,493	6,071,446	-	15,600,940	4,025,661	0	1,081,140	6,071,446	7,152,587	4,422,692	-86,095,406
37 2041-42	10,572,937	6,387,627	-	16,960,564	3,488,107	0	1,102,763	6,387,627	7,490,390	5,982,067	-80,113,339
38 2042-43	11,099,090	6,716,473	-	17,815,563	3,488,107	0	1,124,818	6,716,473	7,841,291	6,486,165	-73,627,174
39 2043-44	12,172,354	7,058,459	-	19,230,813	2,962,019	0	1,147,315	7,058,459	8,205,773	8,063,021	-65,564,153
40 2044-45	12,741,343	7,414,076	-	20,155,419	2,962,019	0	1,170,261	7,414,076	8,584,337	8,609,063	-56,955,090
41 2045-46	13,908,363	7,783,837	-	21,692,200	2,386,616	0	1,193,666	7,783,837	8,977,503	10,328,081	-46,627,009
42 2046-47	14,382,282	8,080,036	-	22,462,318	2,386,616	0	1,217,540	8,080,036	9,297,576	10,778,126	-35,848,882
43 2047-48	14,872,787	8,386,602	-	23,259,389	2,386,616	0	1,241,890	8,386,602	9,628,492	11,244,281	-24,604,601
44 2048-49	16,074,855	8,703,897	-	24,778,753	1,692,220	0	1,266,728	8,703,897	9,970,626	13,115,907	-11,488,695
45 2049-50	16,600,297	9,032,298	-	25,632,595	1,692,220	0	1,292,063	9,032,298	10,324,361	13,616,014	2,127,319
	218,650,064		61,045,073	436,601,919	149,339,491	89,699,728	38,528,599	156,906,782	285,135,109	2,127,319	

Section
F

The Method of Relocation

See attached Method of Relocation following this page.

GRANTVILLE REDEVELOPMENT PROJECT

**DRAFT
PLAN AND METHOD FOR
RELOCATION**

October 18, 2004

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EXHIBITS

EXHIBIT A

RELOCATION ASSISTANCE TO TENANTS AND HOMEOWNERS
DISPLACED FROM THEIR HOMES

EXHIBIT B

RELOCATION ASSISTANCE TO DISPLACED BUSINESSES AND NON-
PROFIT ORGANIZATIONS

EXHIBIT C

GRIEVANCE PROCEDURES
[EXCERPT FROM AGENCY RULES AND REGULATIONS]

PLAN AND METHOD OF RELOCATION

I. INTRODUCTION

The Redevelopment Agency of the City of San Diego ("Agency") has prepared this plan and method of relocation ("Relocation Plan") for those site occupants who may be displaced by Agency action within the Grantville Redevelopment Project ("Redevelopment Project") area ("Project Area"). This Relocation Plan will be included as part of the Agency's Report to the City Council required by Section 33352(f) of the California Community Redevelopment Law in connection with the proposed amendment to the Redevelopment Plan ("Redevelopment Plan") for the Redevelopment Project.

A. Agency Displacement

The Agency anticipates that its program of redevelopment by assisting in needed property rehabilitation and upgrading and installing needed public improvements and facilities within the Project Area will provide an incentive for the private sector to develop or redevelop vacant, underutilized and blighted properties. As an additional aid to the private sector, the Agency may also selectively acquire and dispose of property: 1) to aid in the re-use of the land after the upgrade or installation of public improvements; 2) to eliminate non-conforming and other blighting uses; 3) to encourage the development of affordable housing; 4) in response to property-owner and developer initiated efforts where public assistance is necessary to assemble property needed for expansion of existing uses or to create developable sites for proposed new uses; and 5) as "opportunity" acquisitions in which an existing owner may desire to sell in order to pursue opportunities outside of the Project Area.

To the extent that the Agency acquires occupied property for land assembly or other purposes, or enters into agreements with developers or others under which occupants will be required to move, the Agency will cause or will be responsible for causing such displacement of occupants. The Agency is not responsible for any displacement which may occur as a result of private development activities not directly assisted by the Agency under a disposition and development, owner participation, or other such agreement.

B. Relocation in the Event of Agency Displacement

Some displacement of residents or businesses may occur in the implementation of the Redevelopment Plan. If and when displacement occurs, the Agency will provide those businesses and persons displaced by Agency activities with monetary and advisory relocation assistance consistent with the California Relocation Assistance and Real Property Acquisition Law (Government Code, Sections 7260, et seq.), the State Guidelines adopted and promulgated pursuant thereto, Relocation Rules and Regulations adopted by the Agency and the provisions of the Redevelopment Plan for the Project.

The Agency will pay all relocation payments required by law. This Relocation Plan outlines the general relocation rules and procedures which must be adhered to by the Agency in activities requiring the relocation of businesses and persons within the Project Area. It also identifies the Agency determinations and assurances which must

be made prior to undertaking relocation activities as well as describes the Agency's functions in providing relocation assistance and benefits.

C. Agency Rules and Regulations

The Agency has adopted Agency Rules and Regulations that: (1) implement the requirements of California Relocation Assistance and Real Property Acquisition Law (the "Act"); (2) are in accordance with the provisions of the California Department of Housing and Community Development's "Relocation Assistance and Real Property Acquisition Guidelines" (25 California Administrative Code, Sections 6000, et seq.)(the "State Guidelines"); (3) meet the requirements of the California Community Redevelopment Law (Health and Safety Code Sections 33000, et seq.) and the provisions of the Redevelopment Plan; and (4) are appropriate to the particular activities of the Agency and not inconsistent with the Act or the State Guidelines. To the extent that applicable provisions of the Act, the California Community Redevelopment Law or the State Guidelines are amended, such amendments shall be effective prospectively from the date they are adopted (or from an otherwise applicable effective date) and shall govern any conflicting provision in the Agency Rules and Regulations and this Relocation Plan. Additionally, the Agency Rules and Regulations and this Relocation Plan shall be promptly revised as necessary to conform to applicable amendments of the Act, the California Community Redevelopment Law or the State Guidelines.

D. Agency Determinations and Assurances

1. The Agency may not proceed with any approval of a project or other activity which will directly result in the displacement of any business or person until it makes the following determinations:
 - (a) Fair and reasonable relocation payments will be provided to eligible businesses and persons as required by the Act, the State Guidelines and Agency Rules and Regulations.
 - (b) A relocation assistance advisory program offering the services described in Article 2 of the State Guidelines will be established.
 - (c) Eligible businesses and persons will be adequately informed of the assistance, benefits, policies, practices and procedures, including grievance procedures, provided for in the State Guidelines and Agency Rules and Regulations.
 - (d) A Supplemental Relocation Plan meeting the requirements of Section 6038 of the State Guidelines and the Agency Rules and Regulations has been prepared.
 - (e) In the event that displacement involves housing, and based upon a recent survey and analysis of both the housing needs of persons who will be displaced and available replacement housing and considering competing demands for that housing, comparable replacement dwellings will be available, or provided, if necessary, within a reasonable period of time prior to

displacement sufficient in number, size and cost for the eligible persons who require them.

(f) In the event that displacement involves housing, adequate provisions have been made to provide orderly, timely and efficient relocation of eligible persons to comparable replacement housing available without regard to race, color, religion, sex, marital status, or national origin, and with a minimum of hardship to those affected.

2. No business or person shall be displaced until the Agency has fulfilled the obligations imposed by the Act, the California Community Redevelopment Law, the Redevelopment Plan, the State Guidelines and the Agency Rules and Regulations.
3. In the event that displacement involves housing, no persons or families of low- and moderate-income shall be displaced unless and until there is a suitable housing unit available and ready for occupancy by such displaced person or family at rents comparable to those at the time of their displacement. Such housing units shall be suitable to the needs of such displaced persons or families and must be decent, safe, sanitary and an otherwise standard dwelling.
4. Pursuant to the Community Redevelopment Law (Health and Safety Code Section 33411.3), if any portion of the Project Area is developed with low- or moderate-income housing units, the Agency shall require by contract or other appropriate means that such housing be made available for rent or purchase to the persons and families of low-and moderate-income displaced by the Redevelopment Project. Such persons and families shall be given priority in renting or buying such housing; provided, however, that failure to give such priority shall not affect the validity of title to real property.
5. Pursuant to the Community Redevelopment Law (Health and Safety Code Section 33411.4), in the event that displacement involves housing, and if insufficient suitable housing units are available in the community for low- and moderate-income persons and families to be displaced from the Project Area, the Agency shall assure that sufficient land is made available for suitable housing for rental or purchase by low- and moderate-income persons and families. If insufficient suitable housing units are available in the City for use such persons and families of low- and moderate-income displaced by the Redevelopment Project, the Agency may, to the extent of that deficiency, expend funds and take such other actions as necessary to provide, rehabilitate, or construct, or cause the provision, rehabilitation or construction of last resort housing through methods including but not limited to the following:

(a) Transfer of funds to state and local housing agencies as permitted by law;

(b) Contract with organizations experienced in the development of housing as permitted by law;

(c) Direct development, rehabilitation or construction by the Agency as permitted by law;

(d) Financing of development, rehabilitation or construction by the Agency as permitted by law; or

(e) Provide housing subsidies as permitted by law.

6. Pursuant to the Community Redevelopment Law (Health and Safety Code Section 33412), in the event that displacement involves housing, permanent housing facilities shall be made available within three years from the time any occupants thereof are displaced, and pending the development of such facilities there will be available to such displaced occupants adequate temporary housing facilities at rents comparable to those in the community at the time of their displacement.
7. Pursuant to the Community Redevelopment Law (Health and Safety Code Section 33413(a)), in the event that, and whenever dwelling units housing persons and families of low- or moderate-income are destroyed or removed from the low- and moderate-income housing market as part of the Redevelopment Project which is subject to a written agreement with the Agency or where financial assistance has been provided by the Agency, the Agency shall prepare a Housing Replacement Plan for Low and Moderate Income Units in accordance with subsection 6 hereinbelow and, within four years of such destruction or removal, rehabilitate, develop or construct, or cause to be rehabilitated, developed or constructed, for rental or sale to persons and families of low- or moderate-income an equal number of replacement dwelling units at affordable housing costs within the Project Area or other territorial jurisdiction of the Agency, as provided for in the Redevelopment Plan and as allowed by the City's General Plan.

E. Replacement Housing Plan for Last Resort Housing

In the event the Agency is unable to demonstrate that comparable replacement housing will be available as required under the Agency Rules and Regulations for a project, then the Agency shall determine whether to use Agency funds or the funds authorized for the project to provide such necessary replacement housing or to modify, suspend or terminate the project or undertaking. If the Agency determines to provide such necessary replacement housing, then the Agency shall develop or cause to be developed a Replacement Housing Plan for Last Resort Housing in accordance with Sections 6124, et seq. of the State Guidelines. The requirement for this Replacement Housing Plan for Last Resort Housing is separate and distinct from the requirement for the Replacement Housing Plan for Low and Moderate Income Units described herein below.

F. Replacement Housing Plan for Low and Moderate Income Units

Pursuant to the California Redevelopment Law (Health and Safety Code Section 33413.5), in the event that redevelopment activities result in the destruction or removal of low- and moderate-income housing units from the housing market, a Replacement Housing Plan for Low and Moderate Income Units shall be prepared as follows:

Not less than 30 days prior to the execution of an agreement for acquisition of real property, or the execution of an agreement for the disposition and development of property, or the execution of an owner participation agreement, which agreement would lead to the destruction or removal of dwelling units from the low- and moderate-income housing market, the Agency shall adopt by resolution a Replacement Housing Plan for Low and Moderate Income Units. For a reasonable time prior to adopting a Replacement Housing Plan for Low and Moderate Income Units, the Agency shall make available a draft of the proposed Replacement Housing Plan for Low and Moderate Income Units for review and comment by the residents and businesses in the affected area, other public agencies, and the general public.

The Replacement Housing Plan for Low and Moderate Income Units shall include those elements required by the Community Redevelopment Law (Health and Safety Code Section 33413.5). A dwelling unit housing persons of low- or moderate-income whose replacement is required by the Agency, but for which no Replacement Housing Plan for Low and Moderate Income Units has been prepared, shall not be destroyed or removed from the low- and moderate-income housing market until the Agency has by resolution adopted a Replacement Housing Plan for Low and Moderate Income Units.

Nothing, however, shall prevent the Agency from destroying or removing from the low- and moderate-income housing market a dwelling unit which the Agency owns and which is an immediate danger to health and safety. The Agency shall, as soon as practicable, adopt by resolution a Replacement Housing Plan for Low and Moderate Income Units with respect to such dwelling unit.

The requirement for this Replacement Housing Plan for Low and Moderate Income Units is separate and distinct from the requirement for the Replacement Housing Plan for Last Resort Housing described hereinabove.

II. RELOCATION ASSISTANCE ADVISORY PROGRAM AND ASSURANCE OF COMPARABLE REPLACEMENT HOUSING

The Agency shall implement a relocation assistance advisory program which satisfies the requirements of the Act, Article 2 of the State Guidelines, Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, the Unruh Rights Act, the Rumford Act, and applicable state and federal anti-discrimination laws. Such program shall be administered so as to provide advisory services which offer maximum assistance to minimize the hardship of displacement and to ensure that (a) all persons displaced from their places of business are assisted in reestablishing with a minimum of delay and loss of earnings (if reasonably possible), and (b) in the event that displacement involves housing, all persons and families displaced from their dwellings are relocated into housing meeting the criteria for comparable replacement housing contained in the State Guidelines and the Agency Rules and Regulations. No eligible person shall be required to move from his/her dwelling unless within a reasonable period of time prior to displacement a comparable replacement dwelling or, in the case of a temporary move, an adequate replacement dwelling is available to such person.

The following outlines the general functions of the Agency in providing relocation assistance advisory services. Nothing in this section is intended to permit the Agency to displace businesses or persons other than in a manner prescribed by law, the State Guidelines and the Agency Rules and Regulations.

A. Administrative Organization

1. Responsible Entity

The Agency is responsible for providing relocation payments and assistance to site occupants displaced by Agency activities. The Agency will meet its relocation responsibilities through the use of its staff, supplemented by assistance from consultants, local realtors, social service agencies and civic organizations.

2. Staff

The Agency has an established Acquisition and Relocation Department whose staff is responsible for developing and administering the Agency's programs for the relocation of all site occupants who are required to move by redevelopment activities.

Agency staff has extensive relocation expertise, with many years of experience. Staff has been, and will continue to be, selected by the Agency from the fields of social welfare, community organization, real estate, business administration, public health, education, public housing, and other related fields. Beyond their professional qualifications and standing, many staff members bring years of valuable experience and skill in carrying out relocation and community planning programs in this and other communities.

As discussed earlier, the Agency's record of relocation is highly successful and attests to its capacity and competency to effect an orderly and satisfactory relocation program. While all of Agency staff will be available, if necessary, it will primarily be the relocation specialists who will assure the

successful relocation of families, individuals, businesses and nonprofit organizations.

3. Functions

The Agency's staff and/or consultants will perform the following functions:

(1) Prepare a supplemental relocation plan ("Supplemental Relocation Plan") as soon as possible following the initiation of negotiations for acquisition of real property by the Agency and prior to proceeding with any phase of a public improvement or facility project or other implementation activity that will result in any displacement other than an insignificant amount of non-residential displacement. *The term "initiation of negotiations" is defined in the Agency Rules and Regulations.* Such Supplemental Relocation Plan shall conform to the requirements of Section 6038 of the State Guidelines and the Agency Rules and Regulations and shall be submitted to the Agency Board for approval. The Agency or its consultants shall interview all eligible affected persons, including businesses and non-profit organizations, to obtain information upon which to plan for housing, if necessary, and other accommodations, as well as to provide counseling and assistance needs.

(2) Provide such measures, facilities or services as needed in order to:

a. Fully inform persons and businesses eligible for relocation payments and assistance within 60 days following the initiation of negotiations, but no later than the close of escrow on the property, as to the availability of relocation benefits and assistance and the eligibility requirements therefore, as well as the procedures for obtaining such benefits and assistance, in accordance with the requirements of Section 6046 of the State Guidelines and the Agency Rules and Regulations.

b. Determine the extent of the need of each such eligible person or business for relocation assistance in accordance with the requirements of Section 6048 of the State Guidelines and the Agency Rules and Regulations.

c. Provide current and continuing information on the availability, prices and rentals of comparable commercial properties and locations, and of comparable sales and rental housing, if necessary, and as to security deposits, closing costs, typical down payments, interest rates, and terms for residential property in the area.

d. Assist each eligible person and business to complete applications for payments and benefits.

e. Assist each eligible person displaced from his/her business in obtaining and becoming established in a suitable replacement location.

f. Provide any services required to insure that the relocation process does not result in different or separate treatment on account of race, color, religion, national origin, sex, marital status, familial status, or any basis protected by state or federal anti-discriminatory laws, or any other arbitrary circumstances.

g. Supply to such eligible persons information concerning disaster loan and other programs administered by the Small Business Administration, federal and state housing programs, and other federal or state programs offering assistance to displaced persons and businesses.

h. Provide other advisory assistance to eligible persons in order to minimize their hardships. As needed, such assistance may include counseling and referrals with regard to housing, financing, employment, training, health and welfare, as well as other assistance.

i. Inform all persons who are expected to be displaced about the eviction policies to be pursued in carrying out the Redevelopment Project, which policies shall be in accordance with the provisions of Section 5058 of the State Guidelines and the Agency Rules and Regulations.

j. Notify in writing eligible persons to be displaced at least 90 days in advance prior to requiring the person to move from a dwelling or to move a business. In the event that acquisition is taking place within the context of eminent domain, this notice may be in the form of an Order for Prejudgment Possession.

k. In the event that displacement involves housing, assure eligible persons that within a reasonable period of time prior to displacement there will be available comparable replacement housing meeting the criteria described in Section 6008(c) of the State Guidelines and the Agency Rules and Regulations, sufficient in number and kind for and available to such eligible persons.

l. In the event that displacement involves housing, assist each eligible person to obtain and move to a comparable replacement dwelling.

B. Information Program

The Agency, through its staff and/or consultants, shall establish and maintain an information program that provides for the following:

1. Within 60 days following the initiation of negotiations and not less than 90 days in advance of displacement, except for those situations described in Section 6042(e) of the State Guidelines, the Agency shall prepare and distribute informational materials (in the language most easily understood by the recipients) to persons and businesses eligible for Agency relocation benefits and assistance ("Informational Statement"). The Informational Statement shall be in substantially the form attached hereto as Exhibits A and B.
2. Conducting personal interviews and maintaining personal contacts with occupants of the property to the maximum extent practicable.
3. Utilizing meetings, newsletters and other mechanisms, including local media available to all persons, for keeping occupants of the property informed on a continuing basis.
4. Providing each person and business written notification as soon as his/her eligibility status has been determined.
5. Explaining to persons interviewed the purpose of relocation needs survey, the nature of relocation payments and assistance to be made available, and encouraging them to visit the relocation office for information and assistance.

C. Relocation Record

The Agency shall prepare and maintain an accurate relocation record for each person and business to be displaced as required by Section 6048 of the State Guidelines and the Agency Rules and Regulations.

D. Relocation Payments

The Agency shall make relocation payments to or on behalf of eligible displaced persons and businesses in accordance with the State Guidelines and the Agency Rules and Regulations. The obligations for relocation payments are in addition to any acquisition payments made pursuant to the Agency's real property acquisition guidelines, which are set forth in the Agency Rules and Regulations and consistent with Article 6 of the State Guidelines.

E. Temporary Moves

Temporary moves are not encouraged. Agency staff and/or consultants shall make every effort to assist the site occupant in obtaining permanent relocation resources prior to initiation of a temporary move, and then only after it is determined that Project Area activities will be seriously impeded if such move is not performed. Temporary moves shall be in accordance with Section 6044 of the State Guidelines and the Agency Rules and Regulations.

F. Relocation Resources Survey

In the event that displacement involves housing, the Agency shall conduct a survey of available relocation resources in accordance with Section 6052 of the State Guidelines and the Agency Rules and Regulations.

G. Last Resort Housing

In the event that displacement involves housing, Agency shall follow Sections 6120-6139 of the State Guidelines and the Agency Rules and Regulations for assuring that if the Agency action results, or will result in displacement, and comparable replacement housing will not be available as needed, the Agency shall use its funds or fund authorized for the Project to provide such housing.

H. Grievance Procedures

The Agency Rules and Regulations contain grievance procedures which implement the provisions of the Act and the State Guidelines. The purpose of the grievance procedures is to provide Agency requirements for processing appeals from Agency determinations as to the eligibility for, and the amount of a relocation payment, and for processing appeals from persons aggrieved by the Agency's failure to refer them to comparable permanent or adequate temporary replacement housing. Potential displacees will be informed by the Agency of their right to appeal regarding relocation payment claims or other decisions made affecting their relocation. A copy of the Agency's Relocation Grievance Procedures is attached as Exhibit C.

I. Relocation Appeals Board

The Agency provides an approved forum for informal or formal review. The City of San Diego, at the request of the Agency, has established a Relocation Appeals Board to review cases requiring further action. The Relocation Appeals Board shall hear all complaints brought by potential displacees and residents of the Project Area relating to relocation and make determinations in accordance with the Agency Rules and Regulations. The Relocation Appeals Board shall, after a public hearing, transmit its findings and recommendations to the Agency in accordance with the Agency Rules and Regulations.

III. OBTAINING RELOCATION HOUSING

A. Private Housing

For several decades, now, the Agency has received excellent cooperation from property owners, operating managers, realtors, multiple listing bureaus, property management firms and others offering a variety of private standard housing for rent or for sale. Based on this relationship, an adequate supply of replacement housing for use in carrying out the Agency's relocation program has been available. This relationship has been continually strengthened through the years and is expected to continue. Agency access to such housing remains open to displacees when units are available.

The Agency shall give priority to those displaced by public action in the rental or purchase of subsidized and Section 8 housing, as well as in other properties acquired by

the Agency for rehabilitation, when available. The Agency will require sponsors of such programs to accord preference to displacees from the Project Area, and this will be particularly true where such housing is to be developed within the Project Area.

The Agency will obtain, and maintain current listings of standard rental and sale properties that are appropriate for relocation that are available on a nondiscriminatory basis. Information on the size, rental or sale price, financing terms and location of available units will be given to displacees seeking referrals, and, as necessary the relocation staff will provide transportation or otherwise assist the site resident in his or her search for housing.

B. Public Housing

The Housing Authority of the City of San Diego grants displacees priority in consideration for placement and has simplified referral procedures, as well as participated in the conversion of units to meet the special needs of large families, the physically disabled and the elderly. Special income limits are established by the Authority for admission of eligible displacees.

Families receiving Aid to Dependent Children and low-income families and individuals not receiving public assistance shall pay rent based on 30 percent of net income, regardless of the number of bedrooms required. All rents for these persons are now subsidized by the Federal Government under provisions of the Brooke Amendment.

Public housing can be a relocation resource. No displacee will be initially offered such housing, however, unless they are displaced from public housing or have requested such housing.

C. Special Rehousing Problems

Staff and/or consultants will interview the occupants to obtain information pertinent to special rehousing and social needs of the individual or family. Particular effort will be made to anticipate and aggressively seek solutions for problems of individuals or groups of displacees among the elderly, low-income, large families, racial minorities, physically disabled and unemployed. The Agency will work cooperatively with other groups and agencies, make appropriate referrals, and otherwise obtain for displacees the assistance essential to their successful rehousing.

D. Relationships with Site Occupants

1. Information Program

Agency staff will implement an informational program for site occupants and displacees to advise them on the Agency's plans and programs.

This will be done by personal interview and contacts, general mailings and distribution of informational material, group and public meetings to provide information and answer questions, regular staff attendance at meetings of various groups, etc. All these efforts will be continued throughout the project operations to insure that each site occupant is fully informed as to the time

schedules, relocation program, opportunities for relocation housing, relocation services and other available benefits.

2. Interviews with Site Occupants

As soon as practical after the initiation of negotiations, Agency staff and/or the relocation consultant will meet with site occupants. The interviewer will discuss and explain the contents of the Informational Statement, any rental agreement, and other applicable materials. As evidence that the displacee has been properly notified, the displacee will be requested to sign a receipt for the Informational Statement, which fully describes the rights under the redevelopment program, the services offered for relocation, the regulations and procedures for obtaining relocation payments, etc.

The relocation staff also will update any information obtained in prior interviews with the displacees, ascertain precise relocation needs and problems, from which the displacee will be assisted in formulating and carrying their approach to relocation. This is the beginning of personalized relocation assistance and, as necessary, the displacee will be referred to appropriate agencies or resources for special services.

Persons who occupy property after Agency acquisition are not eligible for assistance or benefits if they were informed prior to occupancy that the property was being acquired for a public use and occupancy is only available between acquisition of the property and its development. The Agency Board may consider occupants not so informed eligible for assistance and benefits, however.

3. Project Site Office

Whenever possible, the Agency shall establish a site office, where the assigned relocation staff and/or consultants will work closely with all displacees and appropriate agencies in carrying out the relocation program. Staffing, working days and hours will be arranged to provide services conveniently available to all occupants of the Project Area.

4. Housing Referral Services

The referral procedure will be essentially one of personal contact, liaison, and assistance by the relocation consultant and/or staff. The relocation consultant and/or staff will work closely with each displacee until he or she is permanently rehoused, offering comparable housing that meets their needs, and encouraging them to find replacement housing on their own initiative.

The Agency will maintain listings of private rental and sales housing that has previously been inspected and certified as meeting the Agency's relocation housing standards, which is available on an open-occupancy basis, which is not planned for clearance. Listings of vacancies will be provided to the displacee, arrangements will be made for the displacee to inspect the housing and, if necessary, he or she will be provided transportation and/or be accompanied on the inspection. The displacee will be provided further referrals if, for reasonable

cause, he or she is unable to accept an offered unit. The same procedure will be followed when a self-relocatee is found occupying sub-standard housing.

Displacees will be informed of the availability of VA and FHA acquired properties, and of any Section 8 housing that meets their needs. Listings of properties will be available so that they may be freely examined. The relocation consultant and/or staff will provide displaced residents with evidence of their eligibility for such housing, serve in a liaison capacity and otherwise assist displacees in securing such accommodations.

Those displacees appearing eligible for and interested in public housing (including Section 8 housing programs) will be referred to the Housing Authority and otherwise assisted in expediting their applications and placement. The Housing Authority will be requested to make available to the Agency the Authority's list of available housing, in order that such housing may be utilized for eligible displacees.

If interested and determined eligible for other subsidized housing, displacees will be referred to the appropriate sponsor or owner of such housing and assisted in making the application. In addition, they will also be referred to comparable replacement housing whose owners are willing to accept and participate in the Section 8 program and assistance will be provided in making such application.

5. Inspection of Relocation Housing

All housing offered to displacees will be internally and externally inspected by the relocation staff and/or consultant in advance. If, upon inspection, the housing occupied by a self-relocatee is found below standard, the occupant will be advised accordingly and offered standard housing. If the displacee refuses to accept further assistance, the obligation of the Agency to the relocatee will be considered fulfilled. In such instances, the matter may be referred to the Building Inspection Department with the objective of bringing the housing into conformity with local codes.

Housing occupied by relocatees moving outside the City of San Diego will be inspected, when possible, by the redevelopment agency of that City or by its building inspection department. When this is not possible, the claimant will be required to provide sufficient information to determine that the dwelling is standard pursuant to Agency requirements and such self-relocation will be considered as permanent.

6. Self-Relocatees

Displacees finding their own housing will be urged to notify the Agency in advance so that the selected housing may be inspected beforehand. However, should the displacee move without giving notice or leaving a forwarding address, every effort will be made to locate the displacee promptly to determine the quality of the relocation housing and to assure that the displacee understands the relocation assistance to which he or she is entitled. Efforts to trace displacees

will be not abandoned until appropriate contacts have been made without success.

7. Referrals to Social Service Agencies

The relocation services offered by the Agency will be supplemented by those qualified professionals who will be directly responsible -- in cooperation with the Agency, its staff and other consultants and agents -- for seeking and achieving solutions to the social and economic problems that may interfere with the successful relocation of a specific displacee or groups of site occupants.

The Agency has worked closely with many agencies and organizations that operate in the communities to interpret the redevelopment program and the anticipated needs of Project Area occupants. The Agency will continue to seek their assistance and cooperation during the relocation process. Following are some agencies that have provided assistance on an as-needed basis, and which are expected to continue to do so:

Harvest Ministries
Alcoholics Anonymous
Vincent De Paul, Joan Kroc Center
Salvation Army
Episcopal Community Services
Lutheran Social Services
Neighborhood House Endeavors
Vietnam Veterans Outreach Center
Travelers Aid
Catholic Community Services

This list is not intended to be all-inclusive. As the relocation staff and/or consultants determine the need, other organizations will be contacted.

E. Relocation Standards

It is the Agency's objective that all site occupants be rehoused with a minimum of hardship in accommodations which are decent, safe, sanitary, and suitable to their individual needs; located in areas not less desirable than the Project Area in regard to public utilities and public and commercial facilities; available without regard to race, color, sex, religion or national origin; reasonably accessible to their places of employment; and priced within their financial means. The standards set forth below have been established by the Agency to achieve these objectives.

The Agency shall make a good faith effort to relocate displacees within the Project Area unless they choose to relocate elsewhere.

Only housing which qualifies as standard under provisions of the Local Housing Code will be used as a relocation resource.

The following standards apply in measuring the quality and suitability of the housing to be offered by the relocation consultant and/or staff to a site occupant, or that which a self-relocatee has selected on his own initiative.

No persons or families of low- and moderate-income shall be displaced unless and until there is a suitable housing unit available and ready for occupancy by such displaced persons or families at rents comparable to those at the time of their displacement.

1. Physical Standards

(a) The roof, the exterior walls, windows and doors shall be weather proof and water tight, and in safe, sound condition and good repair.

(b) The foundation, the interior walls and doors, and the ceilings and floors shall be in safe, sound condition and good repair.

(c) Every stairway, exit door, fire escape and elevator shall be in safe, sound condition, in good repair and free from obstructions.

(d) Except in the case of concrete floor slab construction, the clearance between the ground and the floor joints shall be not less than 18" and such under-floor area shall be properly vented.

(e) All portions of a lot about or under a building shall be adequately drained, and together with the building and parts thereof, shall be clean, free of rubbish and of health, fire and safety hazards.

(f) Every building shall be connected to the public water supply and sewers or septic tank, and every plumbing fixture, water and waste pipe shall be installed in an approved manner, sanitary and in good working condition.

(g) Every dwelling unit shall have adequate heating facilities which are installed in an approved manner, are safe and in good working condition.

(h) Every dwelling unit shall be supplied with adequate electric wiring, convenience outlets and fixtures, which are installed in an approved manner, which are safe and in good working condition.

(i) Every dwelling shall contain electrically wired smoke detectors in every sleeping room and in each hallway, corridor or area adjacent to any such sleeping room.

(j) Every sleeping room shall contain at least one window opening directly to the outside.

(k) A cellar or unfinished attic shall not be used for living, sleeping, cooking or eating purposes. In any basement space used for living purposes, the walls and floors which are below ground level shall be waterproofed and dampproofed.

(l) Every room used for living purposes shall have not less than an 8' ceiling height and a window area of not less than 12 square feet or 1/8th of the superficial floor area, whichever is greater.

(m) Every dwelling unit shall comply with the Residential Lead-Based Paint Hazard Reduction Act of 1992.

(n) Evidence shall be provided that, where required by ordinance, valid certificates of occupancy and health permits have been obtained.

(o) Every dwelling unit shall have a private lavatory and bathtub or shower, with hot and cold running water, and a suitable bathroom or compartment. Rooms including these fixtures shall have adequate light and ventilation.***

(p) Every dwelling unit shall have a private kitchen containing a sink with hot and cold running water and adequate light and ventilation.***

*** Exception: The requirements of these items shall not apply to a light housekeeping room which conforms fully to all the requirements of City ordinances relating to such accommodations and, further, in which occupancy is limited to one person.

2. Occupancy Standards

An otherwise standard dwelling may not be considered as standard for a specific family, unless it provides adequate sleeping space for all the family members. Living rooms should not be considered for sleeping purposes, except in the case of an efficiency or studio apartment. In the evaluation of dwelling units considered for relocatees existing building codes or other suitable regulations will be used as occupancy standards.

3. Displacee's Ability to Pay

The Agency will give consideration to the particular financial situation of each family or individual. Every effort will be made to maintain the lowest possible housing cost-income ratio which, at the same time, provides the displacee adequate, decent, safe and sanitary housing. Agency staff will counsel displacees to relocate into housing which is affordable.

The amount of rental assistance a displacee is entitled to receive is based upon the following factors pursuant to the Agency Rules and Regulations.

An eligible person who rents a replacement dwelling is entitled to a payment not to exceed \$5,250.00 for rental assistance. Unless Federal Regulations apply, such payment shall be 42 times the amount obtained by subtracting the base monthly rental for the displacement dwelling from the lesser of:

(a) The monthly rent and estimated average monthly utilities for a comparable replacement dwelling; or

The monthly rent and estimated average monthly cost of utilities for the decent, safe and sanitary replacement dwelling actually occupied by the displaced person.

4. Base Monthly Rental for Displacement Dwelling

The base monthly rental for the displacement dwelling is the lesser of:

(a) The average monthly cost for rent and utilities at the displacement dwelling for a reasonable period prior to displacement (but not less than a 3-month period), as determined by the Agency. (For an owner-occupant, use the fair market rent for the displacement dwelling. For a tenant who paid little or no rent prior to displacement, use the fair market rent, unless its use would result in a hardship because of the person's income or other circumstances); or

(b) Thirty (30) percent of the person's average gross household income. This standard shall apply, unless covered by Federal Regulations. (If the person refuses to provide appropriate evidence of income or is a dependent, the base monthly rental shall be established solely on the displacement dwelling rental rate. A full time student or resident of an institution may be assumed to be a dependent, unless the person demonstrates otherwise.)

5. Standards for Temporary Moves into Housing

As noted above, temporary moves are not encouraged. Should a temporary move become necessary, the following standards shall be followed.

Housing not meeting the Agency's established standards for permanent relocation will not be used for emergency temporary housing.

In no event will the temporary housing offered be of a less desirable character than that from which the site resident is being moved, and such temporary housing shall be in a safe and habitable condition.

Temporary relocations made by the Agency will not diminish the Agency's obligation with respect to the displacee's permanent relocation. The necessary costs incurred in temporary moves made at the direction of the Agency will be paid in accordance with applicable regulations.

If a self-relocatee moves into sub-standard housing and declines, without satisfactory reason, to accept standard housing to which he or she is referred, it will be considered that the Agency's responsibility to the relocatee has been discharged.

6. Environmental Standards

It is the Agency's policy to refer displaced families, individuals, businesses and nonprofit organizations to replacement dwellings and/or suitable replacement sites located in areas not subject to unreasonable adverse environmental conditions. Relocation housing sites shall be not generally less desirable than the location of the displaced site with respect to public utilities and services, schools, churches, recreation, transportation and other public and commercial facilities, and within reasonable proximity to the displacee's present place of employment.

IV. RELOCATION PAYMENTS AND PLAN FOR DISBURSEMENT

Relocation payments, as provided by the Act, the State Guidelines and the Agency Rules and Regulations will be paid to those displaced by Redevelopment Project activities. These payments may include:

A. Actual and Reasonable Moving Expenses (as defined in Section 6090 of the State Guidelines and the Agency Rules and Regulations), or an Alternate Payment (as defined in Sections 6098 and 6100 of the State Guidelines and the Agency Rules and Regulations) in lieu of Actual and Reasonable Moving Expenses. The amount for an Alternate Payment for each residential household is established by a schedule authorized by Federal Regulations; the amount for an Alternate Payment for businesses ranges from not less than \$1,000 to not more than \$20,000, depending upon various factors.

B. If displacement involves housing, an allowance for residential tenants of up to \$5,250 to assist in the purchase of a replacement dwelling or in the rental of a comparable rental unit;

C. If displacement involves housing, an amount not to exceed \$22,500 toward the purchase of a replacement dwelling for an owner-occupant, provided the claimant occupies the replacement unit;

D. Actual Reasonable Expenses in Searching for a Replacement Business (as defined in Section 6094 of the State Guidelines and the Agency Rules and Regulations), not to exceed \$1,000;

The descriptions above are meant only as a brief summation of possible payments. Specific eligibility requirements and qualifications for each payment will be enumerated in the Informational Statements to be provided in substantially the same form as Exhibits A and B.

At the discretion of the Agency Board, an additional payment may be authorized. The additional payment would be for extraordinary circumstances.

The disbursement of all relocation benefits will be made in a timely and orderly manner. All claims for relocation benefits must be filed with the Agency within 18 months from (a) the date the claimant relocates from the property, or (b) the date on which final payment for the acquisition of the real property is made, whichever is later.

All required claim forms will be prepared by a member of the relocation staff and all parts of the claim will be fully explained to the claimant. Any relocation claim submitted must be supported by the required documentation (including but not limited to replacement site rental verification, moving bill, escrow closing statement, income tax return, etc.). This information and documentation will be verified by the relocation staff.

The claimant will be asked to sign prepared claim forms after it is established that the claimant understands all aspects of the claim. The claim forms will, along with a memorandum explaining the attached claim request, be forwarded to the Agency for review and recommendation. Approval of payment of any claims will be made by the Agency or its designee. Upon approval of the claim, payments will be initiated.

At times, there may be a need for advance relocation payments in the event of a hardship. Most often, such payments are needed to assist the displacee in securing a replacement site or other related commitments. The relocation staff will expedite consideration of such requests.

V. RELOCATION OFFICE PROCEDURES

Whenever possible, the Agency will establish a site office where the assigned relocation staff or consultants will work closely with all displacees and appropriate agencies in carrying out the relocation program. Staff, working hours and days will be arranged to provide services conveniently available to all occupants of the Project Area.

At such time as it is necessary to open and maintain a relocation site office, more specific procedures may be established. In general, in addition to such specific services as may be offered by any relocation consultant with which the Agency may contract, staff shall be available, on a regular basis, or by appointment at the displacee's convenience, to assist in relocation matters and to answer questions. In addition, staff and/or the relocation consultant will be available to go to the displacee's home or business site to assist in relocation matters on an "as-needed" basis.

VI. COMMUNITY PARTICIPATION

The Agency actively encourages the involvement of potential displacees in the hearing and planning stages of the redevelopment process. This Relocation Plan was previously made available to the Grantville Redevelopment Advisory Committee (GRAC) prior to inclusion in the Report to Council. As Supplemental Relocation Plans may be necessary or are prepared, the affected persons and businesses will be provided with an opportunity to review and comment upon such Supplemental Plans prior to their adoption.

VII. COORDINATION ACTIVITIES

At such time as the Agency may initiate negotiations for property occupied by a business or person, the Agency's relocation staff (including consultants) will commence relocation activities. Among the coordinated activities are the following:

- A. Personal on-site interviews will be conducted where the staff or consultant will provide each potential claimant with an Informational Statement detailing benefits and eligibility.
- B. After an analysis of needs, appropriate referrals will be made.
- C. Claims for relocation payments will be prepared by the relocation staff and/or consultant for the claimant's signature. Signed claims will then be delivered to the Agency for approval and processing.
- D. Relocation benefit checks will be hand-delivered or mailed, at the discretion of the relocation staff, to the claimant/recipients.
- E. If the displacement involves a residential displacee, any new housing chosen by the claimant will be inspected by the relocation staff for health and safety minimum standards. Any such claimant will be informed in writing of the inspection results.
- F. Relocation staff will also contact and work with appropriate governmental and social service agencies to provide applicable assistance, including, for example, small business loans and housing subsidies.

VIII. FORMAL GRIEVANCE PROCEDURE

As stated in Section II.H. herein, the Agency Rules and Regulations include formal grievance procedures to provide for adequate review of Agency relocation decisions. A copy of these Grievance Procedures is attached hereto as Exhibit C.

Exhibit A
[attach behind this page]

Exhibit B
[attach behind this page]

Exhibit C
[attach behind this page]

**EXHIBIT A
TO PLAN AND METHOD OF RELOCATION**

**RELOCATION ASSISTANCE TO TENANTS AND HOMEOWNERS
DISPLACED FROM THEIR HOMES**

INTRODUCTION

This booklet describes the relocation payments and other relocation assistance provided by the Community Redevelopment Agency of the City of San Diego, California (the “Agency”) to tenants and homeowners displaced from their homes as a result of Agency redevelopment activities, in accordance with the **California Relocation Assistance and Real Property Acquisition Guidelines**.

If you are notified that you will be displaced by such Agency redevelopment activities, it is important that you **do not move** before you learn what you must do to receive the relocation payments and other assistance to which you are entitled.

This booklet may not answer all of your questions. If you have more questions about your relocation, please check the back of this booklet for the name of the person to contact at the Agency. Ask your questions before you move. Afterwards, it may be too late.

[Per Attachment A of the State Guidelines, insert general description of activities that will be undertaken, including an identification of areas which may involve displacement. Also include diagrammatic sketch of Project Area.]

SUMMARY OF RELOCATION ASSISTANCE

As an eligible tenant or homeowner displaced from your home, you will be offered appropriate financial and advisory assistance to help you relocate, which can include:

- Payment for your moving expenses. You may receive either:
 - Payment for Actual Reasonable Moving & Related Expenses, or
 - Fixed Payment.
- Payment to help you rent (or buy, if you prefer) a comparable replacement home. You may receive either:
 - Rental Assistance Payment, or
 - Downpayment Assistance Payment, or
 - Replacement Housing Payment for a 180-day Homeowner
- Referrals to comparable replacement homes.
- Other help to minimize the impact of the move, including the inspection of replacement housing to ensure that it meets established standards and help in preparing claim forms for relocation payments.

If you disagree with the Agency's decision as to your right to a relocation payment or the amount of the payment, you may appeal that decision.

SOME GENERAL QUESTIONS

How Will I Know I am Eligible for Relocation Assistance?

You will receive a written "Notice of Displacement" within 60 days following the "initiations of negotiations" but not later than the close of escrow on the property explaining that you are eligible for relocation assistance. Ordinarily, eligibility begins on the date the owner of the property receives the Agency's initial written offer to purchase, or the Agency approves an agreement which will cause your displacement such as the rehabilitation of your dwelling. Therefore, you should not move before that date. If you do, you may not be eligible for relocation assistance.

How Will the Agency Know How Much Help I Need?

You will be contacted at an early date and personally interviewed by a representative of the Agency to determine your relocation needs and preferences for replacement housing and other services. The interviewer will ask certain questions about you and other members of your household.

It is to your advantage to provide the information so that the Agency can assist you in moving with a minimum of hardship. The information you give will be kept in confidence.

How Soon Will I Have to Move?

The Agency will work with you so that there will be ample time worked out. You will be given enough time to make plans for moving. Unless your continued occupancy would present a health or safety emergency, you will not be required to move without at least 90 days advance written notice. Most importantly, **you will not be required to move before a comparable replacement home is available to you.**

Under limited circumstances, the Agency's eviction policies may become applicable. A copy of the Agency's eviction policies is attached to this document.

Will the Agency Help Me Find a Replacement Home?

Yes. You will be offered referrals to comparable replacement housing that has been inspected to ensure that it meets established standards. If necessary, you may be referred to as many as three comparable replacement homes. Once the Agency representative has a clear understanding of your needs and preferences, he or she will work with you to assure that you are given the best possible choice of housing.

If you would like to move to a government-owned housing unit or obtain a government housing subsidy to occupy a privately-owned unit, let the Agency representative know of your interest. Generally, displaced persons receive preference for such housing. You will be given assistance in completing any required application forms.

What is a Comparable Replacement Home?

A comparable replacement home is:

- Decent, safe and sanitary.
- Functionally similar to your present home.
- Actually available to you.
- Within your financial means, according to legal standards.
- Reasonably accessible to your place of employment or potential place of employment.
- Generally as well located with respect to public and commercial facilities, such as schools and shopping, as to your present home.
- Not subject to unreasonable adverse environmental conditions.
- Available to all persons regardless of race, color, religion, sex, or national origin.

What is Decent, Safe and Sanitary Housing?

Decent, safe and sanitary housing is housing that:

- Meets applicable housing and occupancy requirements.
- Is structurally sound, weathertight and in good repair.
- Contains a safe, adequate electrical wiring system.
- Has adequate living space for the occupants.
- If food preparation is required, has a kitchen with a sink, hot and cold running water, and connections for a stove and refrigerator.
- Has a separate, complete bathroom with hot and cold running water.
- Has heating as required by climate conditions.
- If you are physically handicapped, is free of barriers which would preclude your reasonable use of the unit.
- Free of lead-base paint contaminants.
- A dwelling unit which is occupied by no more than the maximum number of people allowed under the State Building Code.

What if I Find My Own Replacement Housing?

You have every right to find your own replacement housing. However, before you rent or buy, the Agency representative must inspect the unit to make sure that it is decent, safe and sanitary. If the housing unit is not decent, safe and sanitary, you will not receive a replacement housing payment.

What if I Encounter a Problem in Obtaining Housing of My Choice?

If you encounter a problem in buying or renting housing of your choice, notify the Agency immediately. The Agency representative will look into the matter and try to resolve it. You will receive this help whether you were referred to the housing unit or found it yourself.

If you are unable to buy or rent a housing unit because of discriminatory practices on the part of a real estate broker, rental agent, lender, or a property owner, the Agency will help you file a formal housing discrimination complaint with the Department of Housing & Urban Development or the appropriate State or local fair housing agency.

What other Services Will I Receive?

In addition to help in obtaining a comparable replacement home, other assistance, as necessary, will be provided in order to minimize the impact of your move. This assistance may include referral to appropriate public and private agencies that provide housing financing, employment, welfare or legal assistance.

The range of services depends on the needs of the person being displaced. You should ask the Agency representative to tell you about the specific services that will be available to help you and your family.

Will I Have to Pay Rent to the Agency before I move?

You will be required to pay a fair rent to the Agency for the period between the acquisition of your property and the date that you move. The Agency will deduct from relocation payments any rent that is owed the Agency except in cases of extreme hardship.

PAYMENT FOR MOVING EXPENSES

Every displaced person is entitled to a relocation payment to cover the reasonable cost of his or her move. You may choose either:

- A Payment for Actual Reasonable Moving and Related Expenses, or
- A Fixed Payment.

Payment for Actual Reasonable Moving & Related Expenses.

If you choose a Payment for Actual Reasonable Moving and Related Expenses, you may include in your claim the costs of:

- Moving your household goods, including necessary insurance on the household goods while in transit.
- Disconnecting and reconnecting household appliances.
- Transportation for you and your family, up to a specified distance.
- Storage of household goods, as may be necessary, up to a specified period.
- Utility reinstallation

The Agency will explain all eligible moving costs, as well as those which are not eligible. You must be able to account for any costs that you incur; so keep all your receipts.

You may elect to pay your moving costs yourself and be reimbursed by the Agency, or if you prefer, you may have the Agency pay the mover. In either case, prior arrangements must be made with the Agency. Select your mover with care. The Agency can help you select a reliable and reputable mover.

Fixed Moving Expense Payment

If you choose a Fixed Moving Expense Payment, you will receive a moving expense and dislocation allowance determined in accordance with established Federal Highway Administration schedules maintained by the California Department of Transportation. The

schedules reflect the number of rooms in the displacement dwelling (which may include outbuildings) and whether the displaced person owns and must move the furniture. The Agency has a copy of the schedule for your examination.

For many people, this payment is the most advantageous. No special documentation is required to support your claim. You need only move your personal property and complete the appropriate claim form in order to receive your payment.

REPLACEMENT HOUSING PAYMENTS

Tenants:

An eligible displaced person will receive a Replacement Housing Payment to assist in renting or purchasing a comparable replacement home to which he or she moves. If you are an eligible displaced person who has occupied your home for a period of not less than 90 days prior to the "initiation of negotiations" on such dwelling, you may be eligible to receive either:

- A Rental Assistance Payment in an amount up to \$5,250; or
- A Downpayment Assistance Payment in an amount up to \$5,250.

Rental Assistance Payment

If you decide to rent a replacement home, you may be eligible to receive a Rental Assistance Payment to help you rent a comparable replacement home for a period of 42 months. The maximum payment is \$5,250 and may be paid to you in a lump sum, or monthly payments.

The amount of payment is determined by subtracting the base monthly rental at your present home (including utility costs) from the rent for a comparable replacement home (including utility costs). If there is a rental difference, that amount is multiplied by 42 and the total amount not to exceed \$5,250 will be the Rental Assistance Payment.

The **base monthly** rental at your present home is the average monthly rent for your home for a specified period, including utility costs, or 30 percent of your average monthly income, whichever is less.

To qualify for a Rental Assistance Payment, you must rent and occupy a decent, safe and sanitary home within one year after the date you move. However, the Agency may extend this period for good cause.

Downpayment Assistance Payment

A downpayment for which a Downpayment Assistance Payment may be made will not exceed the amount of a reasonable downpayment for the purchase of a comparable replacement dwelling where such is financed, plus expenses incident to the purchase of a replacement dwelling. The full amount of a downpayment shall be applied to the purchase of the replacement dwelling and shall be shown on the closing statement or other document acceptable to the Agency.

If you buy a replacement home, you may be eligible for a Downpayment Assistance Payment of up to \$5,250.

To qualify for a Downpayment Assistance Payment, you must purchase and occupy a decent, safe and sanitary home within one year after the date you move.

Homeowners:

Replacement Housing Payment for a 180-Day Homeowner

If you owned and occupied your home for 180 days before receiving the Agency's initial written offer to buy it, you may be eligible to receive Replacement Housing Payment up to \$22,500 for a 180-Day Homeowner.

You have every right to find your own replacement housing. However, before you purchase, the Agency representative must inspect the dwelling to make sure it meets decent, safe and sanitary requirements.

The Replacement Housing Payment for a 180-Day Homeowner is a payment not to exceed a combined total of \$22,500 for the following costs:

Differential Amount: This amount covers the increased cost that you must pay for comparable replacement housing.

Mortgage Buydown Payment and Other Debt Service Costs: This payment covers increased interest rates on the new home. Other debt service costs include reimbursement of purchase points and loan origination fees on the new loan or the actual new loan balance. Payment under this category only applies where there is a mortgage loan on the dwelling acquired by the Agency and that loan existed at least 180 days prior to the Agency's "initiation of negotiations".

Incidental Expenses: This amount covers costs typically paid when buying real property, such as legal costs and recording fees; the cost of title insurance; revenue stamps and transfer taxes (not to exceed the cost for comparable replacement housing); loan application fee, etc. However, it does not cover prepaid expenses, such as property taxes and insurance.

Filing a Claim for a Relocation Payment

You must file a claim for each relocation payment. The Agency will provide you with the required claim forms, assist you in completing them, and explain the type of documentation, if any, that you must submit in order to receive your relocation payments.

If you must pay any relocation expenses before you move (such as a security deposit when you sign a lease for your new home), discuss your financial needs with the Agency. You may be able to obtain an advance payment to meet these costs. An advance payment may be placed in "escrow" to ensure that the move will be completed on a timely basis.

All claims for a relocation payment must be filed with the Agency within 18 months after:

Attachments:

- Diagrammatic Sketch of Project Area
- Eviction Policies [excerpt from Agency Rules and Regulations]
- Grievance Procedures [excerpt from Agency Rules and Regulations]

**EXHIBIT B
TO PLAN AND METHOD OF RELOCATION**

**RELOCATION ASSISTANCE TO DISPLACED BUSINESSES
AND NONPROFIT ORGANIZATIONS**

INTRODUCTION

This booklet describes the relocation payments and other relocation assistance provided by The Redevelopment Agency of the City of San Diego, California (the "Agency") to businesses and nonprofit organizations displaced as a result of Agency redevelopment activities, in accordance with the **California Relocation Assistance and Real Property Acquisition Guidelines**.

If you are notified that you will be displaced by such Agency redevelopment activities, it is important that you **do not move** before you learn what you must do to receive the relocation payments and other assistance to which you are entitled.

This booklet may not answer all of your questions. If you have more questions about your relocation, please contact the Agency. (Check the back of this booklet for the name of the person to contact.) Ask your questions before you move. Afterwards, it may be too late.

[Per Attachment A of the State Guidelines, insert general description of activities that will be undertaken, including an identification of areas which may involve displacement. Also include diagrammatic sketch of Project Area.]

SUMMARY OF RELOCATION ASSISTANCE

As an eligible displaced business, you will be offered appropriate financial and advisory assistance to help you relocate, which can include:

- Payment for your moving expenses. You may receive either:
 - Payment for Actual Reasonable Moving & Related Expenses, or
 - Fixed Payment.
- Referrals to suitable replacement locations.
- Other help to re-establish your business and minimize the impact of the move, including help in preparing a claim form for relocation payment.

SOME GENERAL QUESTIONS

How Will I Know I am Eligible For Relocation Assistance?

You will receive a written notice explaining that you are eligible for relocation assistance. Ordinarily, eligibility begins on the date the owner of the property receives the Agency's initial written offer ("initiation of negotiations") to purchase or the Agency executes an agreement

which will cause your displacement. Therefore, you should not move before that date. If you do, you may not be eligible for relocation assistance.

How Will the Agency Know How Much Help I Need?

You will be contacted at an early date and personally interviewed by a representative of the Agency to determine your relocation needs and preferences for a suitable replacement location and other services. The interviewer will ask questions about such matters as your space requirements. It is to your advantage to provide the information so that the Agency can assist you in moving with a minimum of hardship. The information you give will be kept in confidence.

How Soon Will I Have to Move?

Every reasonable effort will be made to provide you with sufficient time to find a suitable replacement location and re-establish your business. If possible, a mutually agreeable date for the move will be worked out. Under normal circumstances, you will not be required to move without at least 90 days' advance written notice. It is important, however, that you keep in close contact with the Agency so that you are aware of the time schedule for carrying out the project and the approximate date by which you will have to move.

Under limited circumstances, the Agency's eviction policies may become applicable. A copy of the Agency's eviction policies are attached to this document.

I Own The Property. Will I Be Paid For It Before I have To Move?

If you reach a voluntary agreement to sell your property to the Agency, you will not be required to move before you receive the agreed purchase price. If the possession of the property is obtained through eminent domain proceedings, you will not be required to move before the estimated fair market value of the property has been deposited with the Court. Your attorney will answer your specific questions regarding acquisition of your property.

Will I have To Pay Rent to the Agency Before I Move?

You will be required to pay a fair rent to the Agency for the period between the acquisition of the property upon which your business is located and the date that you move.

How Will I Find A Replacement Location?

The Agency will provide you with current and continuing information on available suitable replacement locations that may meet your relocation needs and will assist you in finding the type of replacement location you need. However, you should take an active role in finding and relocating to a location of your choice. No one knows your needs better than you. You will want to assure that there are no zoning or other restrictions which will impact your operation at your replacement location.

The Agency representative will explain which kinds of moving costs are eligible for reimbursement and which are not eligible. This will enable you to carry out your move in the most advantageous manner.

What Other Assistance Will Be Available to Help Me?

In addition to help in finding a suitable replacement location, other assistance, as necessary, will be provided by the Agency. This includes information on Federal, State and local programs that may be of help in re-establishing a business. For example, the Small Business Administration (SBA) provides managerial and technical assistance to some businesses. There may also be a government grant or loan program which can help you re-establish your business. The Agency will assist you in applying for help available from government agencies.

The range of services depends on the needs of the business being displaced. You should ask the Agency representative to tell you about the specific services that will be available to help you.

I Have A Replacement Location And Want to Move. What Should I Do?

Before you make any arrangements to move, including signing lease agreements, paying deposits, etc., notify the Agency, in writing, of your intention to move. This should be done at least 30 days before the date you begin your move. The Agency will discuss the move with you and advise you of the relocation payment(s) for which you may be eligible, the requirements to be met, and how to obtain a payment.

I Plan To Discontinue My Business Rather Than Move. What Should I Do?

If you have decided to discontinue your business rather than re-establish, you may still be eligible to receive a payment. Contact the Agency representative and discuss your decision to discontinue your business. You will be informed of the payment, if any, for which you may be eligible, the requirements to be met, and how to obtain your payment.

PAYMENT FOR MOVING EXPENSES

Each displaced business or nonprofit organization is entitled to a relocation payment to cover the reasonable cost of moving. You may choose either:

- **Payment for Actual Reasonable Moving and Related Expenses, or**
- **Fixed Payment** (if you meet the eligibility requirements).

Payment for Actual Reasonable Moving And Related Expenses

If you choose a Payment for Actual Reasonable Moving And Related Expenses, you may include in your claim the costs of:

- Transportation of personal property from your present business location to the replacement location. (Generally, transportation costs are limited to a distance of 50 miles. If you plan to move beyond 50 miles, discuss your planned move with the Agency.)
- Packing, crating, uncrating, and unpacking personal property.
- Storage of personal property for a reasonable period not to exceed twelve months.
- Insurance of personal property while in storage or transit.

- The reasonable replacement value of property lost, stolen or damage (not through the fault or negligence of the displaced person, his agent or employee) in the process of moving, where insurance covering such loss, theft or damage is not reasonably available.
- Disconnecting, dismantling, removing, reassembling, reconnecting and reinstalling machinery, equipment or other personal property (including goods and inventory kept for sale) not acquired by the Agency, including connection charges imposed by public utilities for starting utility service.
- The cost, directly related to displacement of modifying the machinery, equipment or other personal property to adapt it to the replacement location or to utilities available at the replacement location or modifying the power supply.

Claims for payment under this section shall be subject to the following limitations:

- Reimbursable costs shall be reasonable in amount;
- The cost could not be avoided or substantially reduced at an alternative available and suitable site to which the business was referred.
- The cost of any license, permit or certification required by a displaced business to the extent such costs is necessary to the re-establishment of its operation at a new location.
- The reasonable cost of any professional services, (including but not limited to architects, attorneys, engineers and consultants) necessary for planning the move of the personal property, moving the personal property, or installation of relocated personal property at the replacement site.
- Actual direct loss of personal property. This payment provides compensation for property that is neither moved nor promptly replaced with a substitute item at the replacement location. Payment is limited to the lesser of: (1) the estimated cost of moving the property or (2) the fair market value of the property for its continued use at the old location, less any proceeds from its sale. To be eligible, you must make a good faith effort to sell the property, unless the Agency determines in advance that such effort is not necessary.
- Purchase and installation of substitute personal property. Payment will be limited to the lesser of: (1) the estimated cost to move the substituted item to the replacement location, or (2) the actual cost of the substitute item delivered and installed at the replacement location, less any proceeds from the sale or the trade-in value of the substituted item. It is important that you discuss your plans with the Agency before you proceed.
- Personal Property of Low Value and High Bulk – When in the judgment of the Agency, the cost of moving an item of personal property of low value and high bulk which is used in connection with the business operation would be disproportionate in relation to its value, the allowable reimbursement for the expense of moving such property shall not exceed the difference between the

cost of replacing the same with a comparable item available on the market and the amount which should have been received for such property on liquidation. This situation may in appropriate situations be applied to claims involving the moving of junkyards, stockpiles, sand, gravel, minerals, metals and similar property.

- Searching for a replacement location. This payment may not exceed \$1,000 and may cover costs for:
 - Transportation;
 - Meals and lodging away from home;
 - Time spent searching, based on the hourly wage rate or the salary or earnings of the displaced person or his representative.
 - Fees paid to real estate agent or broker to locate a replacement location.

In addition to moving expense payments, a nonprofit organization or small business of not more than 500 employees, is eligible to actual and reasonable Re-establishment Expenses not to exceed \$10,000. Re-establishment expenses shall be only those expenses that are reasonable and necessary and include, but are not limited to, the following:

- Repairs or improvements to the replacement real property as required by Federal, State or local law, code or ordinance.
- Modifications to the replacement property to accommodate the business operation or make replacement structures suitable for conducting the business.
- Construction and installation costs for exterior signing to advertise the business.
- Provision of utilities from right-of-way to improvements on the replacement site.
- Redecoration or replacement of soiled or worn surfaces at the replacement site, such as paint, paneling or carpeting.
- Licenses, fees and permits when not paid as part of moving expenses.
- Feasibility surveys, soil testing and marketing studies.
- Advertisement of replacement location.
- Professional services in connection with the purchase or lease of a replacement site.
- Estimated increased costs of operation during the first 2 years at the replacement site, for such items as:
 - Lease or rental charges,
 - Personal or real property taxes,

- Insurance premiums, and
- Utility charges, excluding impact fees.
- Impact fees or one-time assessments for anticipated heavy utility usage.
- Other items that the Agency considers essential to the re-establishment of the business.

The Agency will explain all eligible moving costs, as well as those which are not eligible. You must be able to account for any costs that you incur; so keep all your receipts. The Agency will inform you of the documentation needed to support your claim.

You may minimize the amount of documentation needed to support your claim, if you elect to "self-move" your personal property. Payment for a self-move is based on the amount of an acceptable low bid or estimate obtained by the Agency. If you self-move, you may move your personal property using your own employees and equipment or a commercial mover. If you and the Agency cannot agree on an acceptable amount to cover the cost of the "self-move," you will have to submit full documentation in support of your claim.

You may elect to pay your moving costs yourself and be reimbursed by the Agency, or the Agency can pay the mover directly. In either case, you must have prior Agency approval. The Agency can help you select a reliable and reputable mover.

When a claim for "actual direct loss of personal property" or "substitute personal property" is made for an item, the estimated cost of moving the item will be based on the lowest acceptable bid or estimate obtained by the Agency. If not sold or traded-in, the item must remain at the old location and ownership of the item must be transferred to the Agency before you may receive the payment.

Fixed Payment

You may choose a Fixed Payment in Lieu of a Payment For Actual Reasonable Moving And Related Expenses, which is based on the average annual net earnings of the business or gross revenues of a nonprofit organization. This payment may not be less than \$1,000, nor more than \$20,000.

The displaced business is entitled to receive a Fixed Payment if the Agency determines the following.

Requirements – Businesses: In the case of a business operation, no payment shall be made under this section unless the Agency determines that:

- The business is not operated solely for rental purposes and cannot be relocated without a substantial loss of its existing patronage, based on a consideration of all pertinent circumstances including such factors as the type of business conducted, the nature of the clientele, the relative importance to the displaced business of its present and proposed location, and the availability of a suitable relocation site;
- The business is not part of a commercial enterprise having no more than three (3) other establishments which are not being acquired for a project and which is

engaged in the same or similar business. Whenever the sole remaining facility of a business which has been displaced from its principal location:

- Has been in operation for less than two years;
- Has had average annual gross receipts of less than \$2,000 during the two taxable years prior to displacement of the major component of the business; or
- Has had average annual net earnings of less than \$1,000 during the two taxable years prior to the displacement of the major component of the business, the remaining facility will not be considered another “establishment” for purposes of this payment; and

The displaced business:

- Had average annual gross receipts of at least \$5,000 during the two taxable years prior to displacement; or
- The displaced business had average annual net earnings of at least \$1,000 during the two taxable years prior to displacement; or
- The displaced business contributed at least 33-1/3 percent of the total gross income of the owner(s) during each of the two taxable years prior to displacement. If in any case the Agency determines that the two-year period prior to displacement is not representative of average receipts, earnings or income, it may make use of a more representative period.

If application of the above criteria creates an inequity or hardship, the Agency may waive this criteria.

Determination of Number of Businesses. In determining whether one or more legal entities, all of which have been acquired, constitute a single business, the following factors among others shall be considered:

- The extent to which the same premises and equipment are shared.
- The extent to which substantially identical or intimately interrelated business functions are pursued and business and financial affairs are commingled.
- The extent to which such entities are held out to the public, and to those customarily dealing with such entities as one business.
- The extent to which the same person or closely related persons own, control or manage the affairs of the entities.

Requirements – Nonprofit Organizations: In the case of a nonprofit organization, no payment shall be made under this section unless the Agency determines that:

- The nonprofit organization cannot be relocated without a substantial loss of its existing patronage (the term “existing patronage” as used in connection with a nonprofit organization includes the membership, persons, community or clientele served or affected by the activities of the nonprofit organization); and
- The nonprofit organization is not a part of an enterprise having more than three (3) other establishments not being acquired which is engaged in the same or similar activity.

Net earnings. The term “average annual net earnings” as used in this section means one-half of any net earnings of the business operations, before federal and state income taxes, during the two (2) taxable years immediately proceeding the taxable year in which the business operation moves from the real property acquired for such project, or during such other period as the Agency determines to be more equitable for establishing such earnings, and include any compensation paid by the business operation to the owner, his or her spouse or dependents during such period.

The term “owner” as used in this section includes the sole proprietorship, the principal partners in a partnership, and the principal stockholders of a corporation, as determined by the Agency. For purposes of determining a principal stockholder, stock held by a husband, his wife and their dependent children shall be treated as one unit.

Proof of earnings may be established by income tax returns, financial statements and accounting records or similar evidence acceptable to the Agency.

Loss of Goodwill. When payment under this section will precede settlement of a claim for compensation for loss of goodwill under the Eminent Domain Law, the Agency before tendering payment shall state in writing what portion of the payment, if any, is considered to be compensation for loss of goodwill and shall explain in writing that any payment made pursuant to Code of Civil Procedure, Sections 1263.510 *et seq.* (the Eminent Domain Law, Chapter 9, Article 6 – “Compensation for Loss of Goodwill) will be reduced in the same amount.

The portion considered to be compensation for loss of goodwill shall not exceed the difference between the payment made under this section and an amount which reasonably approximates the payments for which the displaced person otherwise would be eligible under Actual Reasonable Moving Expenses, Actual Direct Losses of Tangible Personal Property, Actual Reasonable Expenses in Searching for a Replacement Business, and Moving Expenses – Outdoor Advertising (Businesses).

The Agency will inform you as to your eligibility for a Fixed Payment and documentation you must submit to support your claim.

Remember, when you elect to take this payment you are not entitled to reimbursement for any other moving expenses.

I Own An Outdoor Advertising Display. What Relocation Payment Will I Receive?

A displaced person who conducts a lawful activity primarily for assisting in the purchase, sale, resale, manufacture, processing, or marketing of products, commodities, personal property or services by the erection and maintenance of outdoor advertising displays is entitled to payment for the reasonable cost of moving such displays or their in-place value, whichever is lesser.

Filing a Claim for a Relocation Payment

All claims for a relocation payment must be filed with the Agency within 18 months after:

- For tenants, the date of displacement (last day of actual move);

- For property owners, the date of displacement or the date of the final payment for acquisition of the real property, whichever is later.

The Agency will provide you with the required claim forms, assist you in completing them, and explain the type of documentation that you must submit in order to receive the payment.

If you must pay any relocation expenses before you move (such as advance rents and security deposit if you lease your new location), discuss your financial needs with the Agency. You may be able to obtain an advance payment. The Agency may extend this period for good cause.

You will be paid promptly after you file an acceptable claim. If the Agency disapproves all or part of a payment claimed or refuses to consider the claim on its merits because of untimely filing or other grounds, you will be promptly notified in writing of its determination, the basis for its determination and the procedures for appealing that determination.

Do I Have to Pay Federal or State Income Taxes on My Relocation Payments?

No. Relocation assistance payments are not considered as "income" for income tax purposes. For more information on this you should check with the State or Federal income tax office in your area or with your personal tax advisor.

Appeals

If you disagree with the Agency's decision as to your right to a relocation payment or the amount of a payment, you may "grieve" or appeal the decision to the Agency. A copy of Agency's Grievance Procedures is attached.

The Agency will inform you of its appeal procedures. At a minimum, you will have 60 days to file your appeal with the Agency. Your appeal must be in writing. However, if you need help, the Agency will assist you in preparing your appeal.

If you are not satisfied with the final decision on your appeal, you may seek review of the matter by the courts.

ADDITIONAL INFORMATION

If you have further questions after reading the booklet, contact the Agency and discuss your concerns with the Agency representative.

Agency: The Redevelopment Agency of the
City of San Diego, California

Address: 600 B Street
San Diego, CA 92101-4506
(619) 533-4233

Office Hours: _____ am to _____ pm Monday through Friday

Your Relocation Specialist: _____

Telephone Number: (619) ____ - ____

Attachments:

- Diagrammatic Sketch of Project Area
- Eviction Policies [excerpt from Agency Rules and Regulations]
- Grievance Procedures [excerpt from Agency Rules and Regulations]

**EXHIBIT C
TO PLAN AND METHOD OF RELOCATION**

GRIEVANCE PROCEDURES

A. Right of Review

Any person who believes himself aggrieved by a determination as to eligibility, the amount of payment, the failure of the Agency to provide comparable permanent or adequate temporary replacement housing or the Agency's property management practices may, at his election, have his claim reviewed and reconsidered by the Agency or an authorized designee (other than the person who made the determination in questions).

B. Notification of Decision

If the Agency denies or refuses to consider a claim, the Agency's notification to the claimant of its determination shall inform the claimant of its reasons and the applicable procedures for obtaining review of the decision. If necessary to provide the information in the language most easily understood by the recipient, such notification shall be printed in a language other than English.

C. Stages of Review

1. Request for Further Written Information

A complainant may request the Agency to provide him with a full written explanation of its determination and the basis therefore, if he feels that the explanation accompanying the payment of the claim or notice of the Agency's determination was incorrect or inadequate.

The Agency shall provide such an explanation to the complainant within three (3) weeks of its receipt of his request.

2. Informal Oral Presentation

A complainant may request an informal oral presentation before seeking formal review and reconsideration. The right to formal review and reconsideration shall not be conditioned upon requesting an informal oral presentation.

Within fifteen (15) days of the request the Agency shall afford the complainant the opportunity to make such presentation.

The complainant may be represented by an attorney or other person of his choosing. This oral presentation shall enable the complainant to discuss the claim with the Administrator of the Agency or a designee (other than the person who made the initial determination) having authority to revise the initial determination on the claim. The Agency shall make a summary of the matters discussed in the oral presentation to be included as part of its file.

3. Formal Review and Reconsideration

a. Request for Review

At any time within the period described in [Section D herein], a complainant may file a written request for formal review and reconsideration by the Relocation Appeals Board. The complainant may include in the request for review any statement of fact within the complainant's knowledge or belief or other material which may have a bearing on the appeal. If the complainant requests more time to gather and prepare additional material for consideration or review and demonstrates a reasonable basis therefore, the complainant may be granted additional time.

The Relocation Appeals Board shall consider every aggrieved person's complaint regardless of form, and shall, if necessary, provide assistance in preparing the written request for review.

b. Notice of Procedures

When a complainant seeks review, the Relocation Appeals Board shall inform him that he has the right to be represented by an attorney, to present his case by oral or documentary evidence, to submit rebuttal evidence, to conduct such cross-examination as may be required for a full and true disclosure of facts, and to seek judicial review once he has exhausted administrative appeal.

c. Review by Relocation Appeals Board

The Relocation Appeals Board shall promptly hear all complaints brought by aggrieved persons of a redevelopment project area relating to relocation and shall determine if the Agency has complied with the provisions of Chapter 4 of the California Community Redevelopment Law pertaining to relocation, the Relocation Assistance Law and Guidelines, these Rules and Regulations and where applicable, with federal law and regulations.

The Relocation Appeals Board shall, after public hearing, transmit its findings and recommendations to the Agency Board, including any recommendations for modification of the Agency's initial determination.

d. Scope of Review

The Relocation Appeals Board shall review and consider the initial determination of the Agency in the complainant's case in light of:

- (1) All material upon which the Agency based its original determination, including all applicable rules and regulations, except that no evidence shall be relied upon where a complainant has been improperly denied an opportunity to controvert the evidence [or] cross-examine the witness;

- (2) The reasons given by the complainant for requesting review and reconsideration of the claim;
- (3) Any additional written or relevant documentary material submitted by the complainant;
- (4) Any further information which the Relocation Appeals Board in its discretion, obtains by request, investigation, or research, to ensure fair and full review of the claim.

e. Findings and Recommendations by Relocation Appeals Board

The findings and recommendations on review by the Relocation Appeals Board shall include:

- (1) The determination of the Relocation Appeals Board whether the Agency has complied with State law and where applicable with federal law, pertaining to the relocation;
- (2) The recommendations of the Relocation Appeals Board, including any recommendations for modification of the Agency's initial determination;
- (3) The factual and legal basis upon which the findings and recommendations rest, including any pertinent explanation or rationale;
- (4) A statement to the complainant that the findings and recommendations of the Relocation Appeals Board will be transmitted to the Agency Board for final administrative decision with respect to the claim.

The findings and recommendations of the Relocation Appeals Board shall be in writing and copies thereof shall be provided to the complainant and transmitted to the Agency Board.

The Relocation Appeals Board shall issue findings and recommendations as soon as possible, but no later than three (3) weeks from receipt of the last material submitted for consideration by the complainant or the date of the hearing, whichever is later. In the case of complaints recommended for dismissal for untimeliness or for any other reason not based on the merits of the claim, the time limit for issuing the findings and recommendations shall be reduced to ten (10) days.

f. Final Determination by Agency Board

(1) Scope of Review

After receipt of the written findings and recommendations of the Relocation Appeals Board, the Agency Board shall review and reconsider the initial determination of the Agency on the claim.

The Agency Board may, but is not required to, conduct a hearing de novo with respect to the claim, as it deems necessary. The complainant shall be given at least ten (10) days written notice prior to the matter being heard.

The Agency Board shall base its final decision on the claim upon the record compiled in connection with the proceedings of the Relocation Appeals Board, and upon the record of the hearing (if any) held by the Agency Board.

(2) Final Determination

The final determination on review by the Agency Board shall include, but is not limited to:

- (a) The Agency Board's decision on reconsideration of the claim;
- (b) The factual and legal basis upon which the decision rests, including any pertinent explanation or rationale;
- (c) A Statement to the complainant that administrative remedies have been exhausted, if such be the case, and that judicial review may be sought.

The final determination of the Agency Board shall be in writing and a copy thereof shall be provided to the complainant.

The Agency Board shall issue its determination as soon as possible, but no later than three (3) weeks from receipt by the Agency Board of the written findings and recommendations of the Relocation Appeals Board. In the case of complaints dismissed for untimeliness or for any reason not based on the merits of the claim, the time limit for issuing such determination shall be reduced to ten (10) days.

D. Time Limit for Requesting Review

Any request for [Informal Oral Presentation or Formal Review and Consideration] shall be filed in writing with the specified reviewing authority within thirty (30) days following the date the complainant receives notice of the decision being appealed. Such time limit may be extended for good cause by the Agency.

E. Stay of Displacement Pending Final Determination

If a complainant seeks to prevent displacement, the Agency shall not require the complainant to move until at least twenty (20) days after the Agency has made its final determination. In all cases the Agency shall notify the complainant in writing at least twenty (20) days prior to the proposed new date of displacement.

Any complaint seeking to prevent displacement must be brought within thirty (30) days of service by the Agency of the notice to vacate. Such notice to vacate must include notice that any complaint seeking to prevent displacement must be filed within thirty (30) days.

F. Joint Complainants

Where more than one person is aggrieved by the failure of the Agency to refer them to comparable permanent or adequate temporary replacement housing the complainants may join in filing a single written request for review. A determination shall be made as herein provided for each of the complainants.

G. Right to Counsel

Any aggrieved party has a right to representation by legal or other counsel at his expense at any and all stages of the proceedings.

H. Review of Files by Claimant

Except to the extent that confidentiality of material is protected by law or its disclosure is prohibited by law, the Agency shall permit the claimant to inspect all files and records bearing upon his claim or the prosecution of the claimant's grievance. The Agency may impose reasonable conditions on such right to inspect. If a claimant is improperly denied access to any relevant material bearing on the claim, such material may not be relied upon in reviewing the initial determination.

I. Recommendations by Third Party

Upon agreement between the claimant and the Agency, a mutually acceptable third party or parties may review the claim and make advisory recommendations thereon to the Agency for its final determination. In reviewing the claim and making recommendations to the Agency, the third party or parties shall be guided by the Agency's Rules and Regulations.

J. Effect of Determination on Other Persons

The principles established in all determinations by the Agency shall be considered as precedent for all eligible persons in similar situations regardless of whether or not a person has filed a written request for review. All written determinations shall be kept on file and available for public review.

K. Judicial Review

Nothing in these Rules and Regulations shall in any way preclude or limit a claimant from seeking judicial review of the claim upon exhaustion of such administrative remedies.

An Analysis of the Preliminary Plan

The Preliminary Plan for the Project Area (“Preliminary Plan”) was approved by the San Diego Planning Commission (“Planning Commission”) on August 5, 2004. The Preliminary Plan described the boundaries of the Project Area and included general statements of the proposed land uses, layout of principal streets, population densities, building intensities, and building standards. It also addressed how the Plan would attain the purposes of the CRL. It discussed the conformance with the General Plan and discussed the impact of the Project upon residents and the surrounding neighborhood.

The Plan conforms to the standards and provisions of the Preliminary Plan, as detailed below:

- **Project Area Location and Description:** This section of the Preliminary Plan describes the boundaries of the Project Area. The proposed boundaries are identical to those described in the Preliminary Plan.
- **General Statement of Proposed Planning Elements:** This section of the Preliminary Plan states that Project Area land uses, proposed layouts of principal streets, proposed population densities, proposed building intensities, and proposed building standards shall be subject to and controlled by the General Plan, Zoning Ordinance, and other local codes, as amended from time to time. These planning elements have been incorporated into the Plan. Additionally, the does not propose any changes to population or development densities or land use designations.
- **Attainment of the Purposes of the CRL:** This section of the Preliminary Plan generally sets forth the objectives of the Project Area. To this end, the Plan contains a detailed list of redevelopment goals that permit the Agency to complete its redevelopment program to eliminate persisting blighting conditions in the Project Area in accordance with the CRL.
- **Conformance to the General Plan:** Both the Preliminary Plan and Plan conform to the standards, policies and provisions of the General Plan and appropriate Community Plans, as they exist or are hereafter amended.

- General Impact of the Proposed Project Upon the Residents of the Project Area and Surrounding Neighborhoods: As there are no residents in the Project Area, this section of the Preliminary Plan focuses on the benefits residents surrounding the Project Area would realize such as; improved traffic circulation, public facilities and services, employment opportunity and economic development activity effectuated by implementation of the Plan. Other impacts associated with the implementation of the Plan have been assessed and analyzed in the Environmental Impact Report on the Plan, included in Section K of this Report, and the Neighborhood Impact Report, incorporated in Section M of this Report. The Plan provides the Agency with the redevelopment tools and policies necessary to achieve positive impacts and mitigate negative impacts.



The Report and Recommendations of the Planning Commission

In accordance with CRL Section 33346, the Planning Commission adopted its report on the draft Plan on April 7, 2005, a copy of which follows this page. The Planning Commission resolution included a recommendation that the City Council adopt the Plan.

Note: As the Planning Commission has not taken the above expected action as of this date, the final Planning Commission Resolution will be included in the final Report to the City Council prepared for the April 19, 2005 joint public hearing.

Report and Recommendation of the Project Area Committee

Pursuant to Section 33385 of the CRL, a Redevelopment Agency shall call upon the residents and existing community organizations in a redevelopment project area, to form a project area committee ("PAC") if: 1) a substantial number of low- and moderate-income persons reside within a project area and the redevelopment plan, as adopted, contains the authority of eminent domain for the acquisition of residential property; or 2) the redevelopment plan, as adopted, contains one or more public projects that will displace a substantial number of low- and moderate-income persons.

It was not necessary for the Agency to form a PAC pursuant to Section 33385.3 because 1) a substantial number of low- and moderate-income persons do not reside within a project area and the redevelopment plan; 2) there are no residentially occupied properties that are subject to acquisition by the eminent domain for the acquisition; and 3) no projects or programs have been identified that will displace a substantial number of low- and moderate-income persons.

While a PAC is not required for the adoption of the Grantville Project, the Agency established the Grantville Redevelopment Advisory Committee (GRAC) which is comprised of business/property owners and community members to act as the survey areas advisory group. Beginning with an appointment and informational meeting on February 19, 2004 the GRAC held monthly meetings, all of which were open to the public. At its May 24, 2004 meeting the GRAC adopted a draft Mission/Principles statement to guide its evaluation of the redevelopment documents.

Meetings associated with the Plan adoption effort thus far, include: (a) a GRAC appointment and informational meeting; (b) thirteen GRAC meetings; (c) two Planning Commission meetings; and (d) three City Council/Agency meetings. GRAC meeting minutes are attached following this page.

GRANTVILLE REDEVELOPMENT ADVISORY COMMITTEE
FINAL - MEETING MINUTES OF THURSDAY, February 19, 2004

The members of the Grantville Advisory Committee (RAC) held their meeting at Allied Gardens/Benjamin Branch Library, at 5188 Zion Street from 6:05 p.m. to 8:00 p.m.

The following members were present at Roll Call: Bill Brenza, Brian Caster, Mike Neal, John Peterson, John Pilch, Marilyn Reed, Dan Smith, Diane Strum, and Arnie Veldkamp [9].

The following members were not present: **Don Teemsma Jr. [1]**.

Agency Staff and Consultants in attendance: Maricela Leon, Tracy Reed, and Kathy Rosenow of RSG Consulting.

CALL TO ORDER: Called to order at approximately 6:05 p.m. by Jim Madaffer.

1. **ROLL CALL:** A quorum was established when ~~10~~ **9** of the 10 RAC members were present at roll call.
2. **APPROVAL OF AGENDA:** for February 19, 2004.
No formal motion was made to approve the agenda. Agenda was approved by consensus.
3. **APPROVAL OF MINUTES:** No minutes were taken for the December 4, 2003 meeting since it was a formation meeting.
4. **COMMENT ON NON-AGENDA ITEMS:**
 - **Committee Member:** None
 - **Public:** None
5. **OLD BUSINESS:** (*synopsis*)
 - **Action:** Meeting Schedule, Tracy Reed, RA
The Grantville RAC will meet the third Wednesday of each month. Distributed a meeting schedule for 2004.
 - **Information:** City Council Hearing, Tracy Reed, RA
We are tentatively scheduled to go to the City Council/Agency regarding the initiation of the survey/study on March 9, 2004.
6. **NEW BUSINESS:** (*synopsis*)
 - **Information:** The Community Guide to Redevelopment, Tracy Reed, RA
Gave a report of why the redevelopment study began and what the future holds for the redevelopment area. The Redevelopment Plan will support the industrial and commercial areas of Grantville. The Agency is currently compiling a mailing list and anyone that signs up at this meeting or other meetings will be notified of future meetings or actions.

J Madaffer - use for Redevelopment area and land use of the area. The fact that there is change of usage in the area for business and industrial/commercial it is fiscal reality. At the present time 17 cents comes back to the city and the community--within a redevelopment area about 60 to 80 percent comes back to the area and that money needs to be spent within the redevelopment area. We have storm drains that overflow and are in need of cleaning up, streets that need repair and medians that need enhancement. And there are other infrastructure projects that need attention but how do we plan on paying for the improvements that need to be made? We can use the tax increment from the Grantville Redevelopment area.

T Reed & J Madaffer - One goal for the next meeting will be to have the advisory committee decide on a priority list for what the redevelopment money will be used for once we begin generating tax increment.

T Reed - Discussed the community guide to Redevelopment guide.

Audience - Eminent Domain issue was discussed

T Reed – provide an example of how eminent domain was addressed with the Crossroads Redevelopment Plan.

- **Presentation:** Grantville Redevelopment Feasibility Study; Kathy Rosenow, RSG
What is the feasibility of this process being successful? Study includes a Preliminary Financial analysis. Provided a explanation and example of “tax increment.” 20 percent of the tax increment is meant for affordable housing. Discussed what secured and unsecured values are (on the table in the Study....page 15.) The North Bay Redevelopment project area is very similar to this project area. But residential is not a part of this study area.

J Madaffer - Establish a “needs” list or Capital Improvement Projects (CIP) list and that should be on the next agenda. What would everyone like to see improved in the area? What about a new Recreation Center, a bigger and newer Library, a Senior Center, traffic improvements. Improvements in the Mission Gorge interchange before the I-8 on ramp and Alvarado Canyon Rd. Cost is about 5.6 -6.0 million dollars with CALTRANS and MTDB help. Alvarado Creek drainage ditch improvements. What about a possible joint use library with SD City Schools?

B Brenza - Brought up the point is will attract better companies and what type of use should be allowed in the area. We need to attract new businesses which will create more money for the area.

D Smith – we need to develop and plan the area. What about the Navajo Community plan amendment issue?

J Madaffer - Industrial zones may be turned into residential areas. The Redevelopment Plan may drive the necessary community plan amendments.

M Neal - natural appreciation will occur but we do not have the funding unless the Redevelopment plan is in place.

D Smith – what can we use the 20 percent or set it aside for?

T Reed – we went to Planning commission as an informational item today to let them know we were initiating this redevelopment study. Eminent domain does not allow the Agency to take another governmental agency's property. There is a notification process if someone is interested in doing something with a piece of property that they don't control.

Audience - Prop 13 issues and concerns were discussed. What could make a business or property owner lose his status? That is a question for the County Tax assessor.

P Teyssier – My father owns the property with the Vet admin clinic and Discount Tire. Discussed the fact that as a property owner there would be a constant threat of the Agency using “eminent domain.” “We need a guarantee for these property owners. For example "words to state that we are not going to use eminent domain in the area." We do not like governmental agencies taking our property. Does not believe that this area constitutes a blighted area! Under the statutory codes he states that it is not a blighted area. Local officials need to fight Sacramento for the money. www.gpboa.com

J Madaffer - We can look at exempting certain areas.

R Behlman - spoke about the trolley stop in Allied Gardens and the Mission Stop and the baseball games at the stadium.

Dan Ollenboch -Trolley issues and the flood control channel. Do we need to develop around the trolley? Owns property located at 5831-45 Mission Gorge Rd. which is next to the Flood Channel and MTDB decided to build a dam which diverted the water along side his property which just behind the Alpine Glass building.

B Torre - brought up thinking of the residents of Allied Gardens first and let's not let the others decide what happens in the area. Jim Madaffer should take care of the residents first.

Kaiser Rep - (with Diane Strum) discussed the State Bill SB- 1953 which mandates upgrades to the hospital. Will the hospital be impacted by the redevelopment and that bill?

Audience - Eminent Domain can be used now by government for specific property for a public good but the redevelopment plan property ownership could go from private owner to private owner.

B Caster - asked if this plan can exclude Caster property from **eminent domain**? Agrees that the Mission Gorge interchange needs to be improved and redesigned but does not want to spend any money on improvements to the San Diego River. The economics **needs to make sense as it related to project and match up with general plan amendment**. CPIOZ down zoned the property and should be removed and community plan. There is an issue with FAR (Floor Area Ratio).

J Madaffer – let's discuss the appointment of a chair for this group after the March meeting. As well identifying who else needs to be involved with this group?

D Smith - discussed the building which used to be Alpine Glass and is now a blighted area. Is concerned with used car dealerships are going in everywhere along the Mission Gorge Rd area.

7. NEXT MEETING DATES AND PRELIMINARY AGENDA ITEMS:

- Wednesday, March 17, 2004:
Priority list for what the redevelopment money will be used for once we begin generating tax increment.
- Wednesday, April 21, 2004:
- Wednesday, May 19, 2004:

8. ADJOURNMENT:

No formal motion was made to adjourn. Adjournment was approved by consensus.

Prepared: 02/25/04 (twr)

Revised: 03/17/04 (twr)

Draft (Final) Approved: 03/17/04
Motion was by: Pilch/Smith

Revisions are in Bold
RAC vote was: 9-0-0

GRANTVILLE REDEVELOPMENT ADVISORY COMMITTEE (FINAL) MEETING MINUTES OF THURSDAY, March 17, 2004

The members of the Grantville Advisory Committee (RAC) held their meeting at Allied Gardens/Benjamin Branch Library, at 5188 Zion Street from 6:05 p.m. to 8:00 p.m.

The following members were present at Roll Call: Bill Brenza, Brian Caster, Mike Neal, John Pilch, Marilyn Reed, Dan Smith, and Diane Strum [7].

Following members were not present: John Peterson, Don Teemsma Jr., Arnie Veldkamp [3].
Agency Staff in attendance: Hank Cunningham, Todd Hooks and Tracy Reed.

CALL TO ORDER: Called to order at approximately 6:05 p.m. by Jim Madaffer.

1. **ROLL CALL:** A quorum was established when 7 of the 10 members were present at Roll Call.
2. **APPROVAL OF AGENDA:** for March 17, 2004.
No formal motion was made to approve the agenda, approved by consensus.
3. **APPROVAL OF MINUTES:** for February 19, 2004
Motion - Pilch/Smith to approve the draft minutes of February 19, 2004 with revisions (7-0).
4. **COMMENT ON NON-AGENDA ITEMS:** (synopsis)
 - Art Sloane: Question re: How were members appointed?
 - Philip Teyyssier: Comment re: We haven't been getting information from the City.
 - Ray Behlman: Comment re: Trolley
 - Dan Smith: Comment re: Let's start to develop implementation of the plan.
 - John Pilch: Comment re: 72-hour notice.
 - Brian Caster: Comment re: Would like to discuss redevelopment and put people's minds at ease.
5. **OLD BUSINESS:** (synopsis)
 - **Information:** City Council Hearing
Tracy: Council/Agency will be asked to initiate the Grantville Redevelopment Survey Area on March 30, 2004. Copies of the Planning Commission Report were provided.
6. **NEW BUSINESS:** (synopsis)
 - **Action:** Appointment of Chair and Vice-Chair. Mike Neal was appointed Chair. The appointment of the Vice-Chair was tabled until next meeting.
 - **Information:** Selection of Alternate Committee Members. Item was tabled.
 - **Discussion:** Community Facility Needs.

Tracy: Distributed; the “A” list from the Navajo Community Plan

- **Presentation**: Elements of a Redevelopment Plan

Tracy: Distributed; Table of Contents from a Draft Redevelopment Plan (example)

7. NEXT MEETING DATES & PRELIMINARY AGENDA ITEMS:

- Wednesday, May 19, 2004
- Wednesday, June 16, 2004
- Wednesday, July 21, 2004

8. ADJOURNMENT: 8:03 p.m.

No formal motion was made to adjourn, approved by consensus.

Prepared: 04/15/04 (twr)

Revised:

Draft (Final) Approved: 5/24/04

Motion was by: Minutes were approved by consensus.

Revisions are in ***Bold & Italic***

RAC vote was:

GRANTVILLE REDEVELOPMENT ADVISORY COMMITTEE
(FINAL) MEETING MINUTES OF Wednesday, April 21, 2004

The Grantville Redevelopment Advisory Committee (GRAC) meeting was move from the Allied Gardens/Benjamin Branch Library, at 5188 Zion Street, to the Lewis Middle School Auditorium at 5170 Greenbrier Avenue in order to accommodate an expected larger audience. The change in meeting location was posted at the Library and the meeting did not start until 6:30 p.m. in order to accommodate the change in location. The GRAC meeting was from 6:33 p.m. to 8:00 p.m.

The following members were present at Roll Call: Bill Brenza, Mike Neal, John Pilch, Marilyn Reed, Dan Smith, Diane Strum and Don Teemsma Jr [7].

Following members were not present: Brian Caster (advised)), John Peterson (advised) and Arnie Veldkamp (advised) [3].

Staff in attendance: Hank Cunningham, Maureen Ostrye, Maricela Leon, Gary DeBusschere, and Tracy Reed.

CALL TO ORDER: Called to order at approximately 6:33 p.m. by Mike Neal.

1. **ROLL CALL:** A quorum was established when 7 of the 10 members were present at Roll Call.
2. **APPROVAL OF MINUTES:** for March 17, 2004.
No formal motion was made to approve the draft minutes, therefore the item will be trailed to next meeting.
3. **OLD BUSINESS:** (synopsis)
 - **Action:** Select Vice-Chair and Secretary
Mike: Brain Caster has informed me that he is interested in being Vice-Chair.
Motion: Brain Caster for Vice-Chair; Dan/Don, (7-0)
Mike: Is anyone interested in being secretary? You would responsible for recording the motions and organizing the speaker slips.
John: I would be.
Motion: John Pilch for Secretary; Bill/Dan, (7-0)
 - **Discussion/Action:** Committee Composition
Mike: What about expanding the committee, small business owners and nearby residents?
Bill: What a about a maximum of 15 members?
Mike: With the appointment of a representative of the Tierrasanta Community Council the committee is now eleven (11) members.
Motion: Expand GRAC to 15 members, add small business owners and nearby residents; Marilyn/John (6-1)
Mike: Those interested please fill out a form and indicate that you are interested in being on the committee.

4. New BUSINESS: (synopsis)

- **Discussion/Action:** Mission of Committee
- **Discussion/Action:** Guiding Principles for Committee
Mike: The Committees Mission and Guiding Principles will be on the survey's web site.
Hank Cunningham will give a brief presentation on Redevelopment.

5. COMMENT ON NON-AGENDA ITEMS: (synopsis)

- Why is Allied Gardens included in Grantville Survey?
- Why do we need a library next to a school?
- When will legal notices be mailed to business owners, property owners and residents?
- What kind of building will be going on in the area?
- Maintain the shopping area as a business area.
- What uses are permitted on the Allied Gardens commercial area?
- Wants to see the shopping area stay commercial and not become housing.
- If we don't improve the shopping center it will become blighted.
- Will the city support the committees' recommendation?

6. NEXT MEETING DATES:

Mike/Committee: Change meeting time and place to facilitate Tierrasanta Community Council representative and accommodate larger public participation.

Motion: Meeting will be fourth Monday of each month, location will be Mission Valley Church of the Nazarene (4750 Mission Gorge Court); John/Diane, (7-0)

- Monday, May 24; June 28; July 26, 2004

Committee: Let's invite someone from the City to attend our next meeting to explain what the zoning and permitted uses are for the Allied Gardens commercial area.

7. ADJOURNMENT: 8:03 p.m.

No formal motion was made to adjourn, approved by consensus.

Prepared: 04/28/04 (twr)
Revised:

Draft (Final) Approved: 5/24/04
Motion was by: Minutes were approved by consensus.

Revisions are in ***Bold & Italic***
RAC vote was:

GRANTVILLE REDEVELOPMENT ADVISORY COMMITTEE

MEETING MINUTES OF Monday, May 24, 2004

The members of the Grantville Advisory Committee (RAC) held their meeting at Mission Valley Church of the Nazarene, at 4675 Mission Gorge Place from 6:04 p.m. to 8:00 p.m.

The following members were present at Roll Call: Bill Brenza, Brian Caster, Eric Germain, Mike Neal, John Pilch, Marilyn Reed, Dan Smith, Diane Strum, Don Teemsma Jr., and Arnie Veldkamp [10].

Following members were not present: John Peterson [1]

Staff in attendance: Maureen Ostrye, Maricela Leon, and Gary DeBusschere.

CALL TO ORDER: Called to order at approximately 6:04 p.m. by Mike Neal.

1. **ROLL CALL:** A quorum was established when 10 of the 11 members were present at Roll Call.

2. **APPROVAL OF MINUTES:** for May 17, 2004 and April 21, 2004.
Minutes were approved by consensus.

3. **OLD BUSINESS:** (synopsis)

- **Action:** Committee Appointments

Mike- Staff was asked to receive applications for business owners and residents. Requested that the list of qualified applicants be presented.

Maricela- Announced the qualified applicants in the owner/occupant and business owner categories. Other applications were received that did not fall under these categories and their names were announced as well.

Mike- Each applicant that was present was given an opportunity to speak. They are as follows: Cindy Martin-Allied Gardens; Lee Campbell-Tierrasanta; Rick McCarter-Business Owner (Sub Area: A); and Daniel Dallenbach-Business Owner (Sub Area: A).

Board members asked the applicants questions.

Motion: To close applicant introduction session and accept the four applicants: Cindy Martin, Lee Campbell, Rick McCarter, Daniel Dallenbach; Smith/Brenza, (8-1).

The new members were seated.

- **Discussion/Action:** Committee Mission and Principles

Mike: The ideas received were posted on the City's website.

Don: Suggested that Principle #5 may need to be modified to reflect the feel of the community.

Dan: Provided new language for Principle #5, "Guide redevelopment to improve the area while keeping the character of the area similar to what it is today."

Mike: Explained that he understands that the goal of the GRAC is to create a forum for staff to provide updates on how redevelopment plan can be put together and for members to provide input based on the community's input. Mission needs to be reflective of that role.

Maureen: Suggested that agenda item #4 be taken out of order and have Kathy Rosenow, from RSG, speak about Redevelopment to give the members more information about Redevelopment to assist them with this decision.

Kathy: Provided information regarding the Redevelopment Plan process. Mentioned that some of the documents will be reviewed in detail by the Board and they are: Redevelopment Plan, Owner Participation Rules, Relocation Guidelines.

Redevelopment Plan is a guiding instrument and it implements the City's General Plan. The purpose of each document was explained. The next meeting will be a scoping meeting for the Environmental Impact Report (EIR) to give all participants an opportunity to talk about what they feel needs to be addressed in the Report.

Mike: Suggested that staff send out guidelines to help the members and public prepare for the EIR scoping meeting.

Motion: Table item to next meeting; Pilch/Germain (13-0-1c)

Mike: Provide staff with any comments so they can be posted on the web.

Information/Discussion: Ron Buckley, City of San Diego Senior Planner, explained zoning and what can be developed on the shopping center site (Sub Area: C). He mentioned that most of the commercial zoning in City does allow residential development as part of a mixed-use project. Also mentioned that staff spoke with property owner and he has not intention of developing the site, basically wants to improve it.

Maureen: Mentioned that the property owner is interested in coming to the next meeting to speak to the group and explain his intentions for his shopping center site.

Kathy: Emphasized that land use is controlled by the City's process and not Redevelopment Agency. Redevelopment can help implement it and if property owner wanted assistance from Agency then the only way Agency would be involved was if it met the City's General Plan and zoning requirements.

4. **New BUSINESS:** (synopsis)

- **Information**: Survey Area Update, RA & Consultants
Item heard during Agenda Item #3- Information/Discussion. Presentation by Kathy Rosenow.

5. **COMMENT ON NON-AGENDA ITEMS:** (synopsis)

Committee:

Dan: Requested that the area Planner, Lesley ??, be invited to attend meetings. Pilch will pass on the information to Lesley Henegar, Planning Department.

Marilyn: Can Sub-area C be removed?

Public:

- Concerned with low income housing being developed in the area. Were you planning to have low income apartments on top of strip malls?
- Consider having Councilmember write a letter stating that he will support the committee's decisions. Mentioned SB 975. Suggested that property owners in affected area should have an opportunity to vote if they want to be in a Redevelopment area.

- Feels been excluded from participating on the board because he is against Redevelopment. States he is a shareholder of a corporation.
- Concerned about losing him home.
- Need to get traffic engineer to explain what might be done to improve the traffic problems.
- Does not understand why Sub Area: C is included in the Redevelopment area. When is the Navajo Community Plan going to be updated?
- Community likes the way Allied Gardens it is.
- Have Allied Gardens' residents vote whether or not they would like to be included.
- Does the 20% set aside for low-income housing need to be used in the area? Crime rate for Allied Gardens is lower than that listed for Grantville.

Mike: Requested that notebooks be prepared and provided to new members before next meeting.

Maureen: For next month's EIR scoping meeting, be prepared to present your comments, in writing, to the EIR consultant because he will respond to them.

6. NEXT MEETING DATES:

Mike: Monday, June 28, 2004 at the Mission Valley Church of the Nazarene (4750 Mission Gorge Court)

7. ADJOURNMENT: 8:00 p.m.

No formal motion was made to adjourn, approved by consensus.

Prepared: 06/02/04 (ml)

Revised: 07/25/04 (tr)

Draft (Final) Approved: 06/28/04
 Motion was by: Diane/?

Revisions are in *Italic & Double Underlined*
 Vote was: 12-0-1c

GRANTVILLE REDEVELOPMENT ADVISORY COMMITTEE MEETING MINUTES OF Monday, June 28, 2004

The members of the Grantville Advisory Committee (RAC) held their meeting at Mission Valley Church of the Nazarene, at 4675 Mission Gorge Place from 6:05 p.m. to 7:55 p.m.

The following members were present at Roll Call: Bill Brenza, Brian Caster, Daniel Dallenbach, Eric Germain, Rick McCarter, Cindy Martin, Mike Neal, John Peterson, John Pilch, Marilyn Reed, Diane Strum and Arnie Veldkamp [12].

Following members were not present: Lee Campbell (excused), Dan Smith and Don Teemsma Jr, [3]

Staff and consultants in attendance: Tim Gnibus (BRG), David Parsons (RSG) and Tracy Reed (RA).

CALL TO ORDER: Called to order at approximately 6:05 p.m. by Mike Neal.

1. ROLL CALL: A quorum was established when 12 of the 15 members were present at Roll Call.

2. APPROVAL OF MINUTES: for May 24, 2004.

MOTION: Diane/Martin; Approve minutes with revisions, passes (12-0-1c).

3. SURVEY UPDATE: (synopsis)

- **Information** – Adoption Schedule, RA & RSG

Tracy: The Draft Grantville preliminary plan is scheduled to go before Planning Commission on Thursday, August 5th, and to Redevelopment Agency on Tuesday, August 10th.

4. NEW BUSINESS: (synopsis)

- **Discussion Action:** Draft Grantville Preliminary Plan & Map (boundaries) RA & RSG.

Tracy: The draft plan was mailed to committee members with the agenda and copies of the draft plan & map were distributed to audience.

David: Made a PowerPoint presentation regarding the draft Preliminary Plan. The presentation covered; background, project area boundaries, initial redevelopment goals, purpose of preliminary plan and next steps.

Tracy: Reviewed the preliminary plan and described what areas had been removed. Most of Admiral Baker has been removed except two southeastern portions near and east of the river, a portion that is privately owned has remains and several large parcels Mission Trails Park in the northeastern portion of survey area.

Committee – Asked some general questions about preliminary plan and map.

Public –

Art Sloan: Locations of blighted areas and property included in the plan areas. [slip]

Evey Soloman: Blighted areas and eminent domain. [slip]

Charles Little: Blighted areas and eminent domain. [slip]

Ray Behlman: [slip]

Dick Root: VFW 3787[slip]

MOTION: Brain/Brenza; Approve draft preliminary plan as presented, passes (10-1[mr]-1c).

- **Information/Discussion:** Environmental Impact Report (EIR) & Scoping Meeting, BRG & RA.
Tim: Explained the environmental impact report process and the scoping meeting. Distributed an outline of the EIR process and an input form for the scoping meeting.
Tracy: Described the noticing for the scoping meeting.
Committee – Asked some general questions about form and meeting format.
Public –
Charles Little: Improve traffic circulation. [slip]
Art Sloan: Scope of EIR study and of proposal. [slip]

5. Old BUSINESS: (synopsis)

- **Discussion/Action:** Committee Mission & Principles.
Mike: Table this for another meeting.
Committee – Approved without discussion, by consensus.

6. COMMENT ON NON-AGENDA ITEMS: (synopsis)

- **Committee** –

Eric: Development of western area.

Marilyn: Voted the way I did regarding the preliminary plan because Mr. Kelton had not discussed the Allied Gardens commercial center.

- **Public** –

Mark Kelton: Not interested in low-income housing on Albertsons center or site.

Albertson's is very happy at the Allied Gardens location. My firm has been involved with redevelopment before and initially did not want to participate. When his firm did get involved in redevelopment it was a win for his firm and the community. [slip]

Art Sloan: Opposes this redevelopment, eminent domain will be used and is unfair and chair has a conflict of interest. [slip]

Charles Little: This process is unfair and extremely biased against the community and residents. [slip]

Dick Root: Availability of handout material. [slip]

7. NEXT MEETING DATES:

Mike: Monday, July 26, 2004 EIR scoping meeting.

8. ADJOURNMENT: 7:55 p.m.

No formal motion was made to adjourn, approved by consensus.

Prepared: 07/25/04 (tr)

Revised: 07/27/04 (tr)

Draft (Final) Approved: 07/26/04
 Motion was by: Peterson/Dallenbach

Revisions are in *Italic & Double Underlined*
 Vote was: 10-0-1(ds)

GRANTVILLE REDEVELOPMENT ADVISORY COMMITTEE

MEETING MINUTES OF Monday, July 26, 2004

The members of the Grantville Advisory Committee (RAC) held their meeting at Mission Valley Church of the Nazarene, at 4675 Mission Gorge Place from 6:05 p.m. to 7:45 p.m.

The following members were present at Roll Call: Daniel Dallenbach, Eric Germain, Cindy Martin, Mike Neal, John Peterson, John Pilch, Marilyn Reed, Dan Smith, Diane Strum (6:08 p.m.) and Don Teemsma Jr, and Arnie Veldkamp [11].

Following members were not present: Bill Brenza (excused), Brian Caster (excused), Lee Campbell, and Rick McCarter [4]

Staff and consultants in attendance: Tim Gnibus (BRG), David Parsons (RSG), Maureen Ostrye (RA), and Tracy Reed (RA).

CALL TO ORDER: Called to order at approximately 6:05 p.m. by Mike Neal.

1. ROLL CALL: A quorum was established when 10 of the 15 members were present at Roll Call.

2. APPROVAL OF MINUTES: for June 28, 2004.

MOTION: Peterson/Dallenbach; Approve minutes with revisions, passes (10-0-1[ds]).

3. SURVEY UPDATE: (synopsis)

- **Information** – Adoption Schedule, RA &

Tracy: Preliminary Plan goes to Planning Commission on Thursday, August 5th, and to Redevelopment Agency on Tuesday, August 10th.

We have refined the preliminary map. Deleting one residential parcel at the northeast corner of Jackson and Mission Gorge, northeast corner of Conestoga and Mission Gorge and three parcels north of Twain and west of Decena. The existing land use map indicates that there is a residential use west of Mission Gorge on the second parcel north of Vandever, it is a vacant lot which is zoned commercial.

4. NEW BUSINESS

- **Presentation: Public Scoping Meeting:** [Separate Public Notice]

- Environmental Impact Report (EIR); Tim Gnibus with BRG

- EIR scoping forms were distributed to the audience. After the presentation, public testimony was taken and recorded. Public testimony and comments regarding the EIR scoping meeting will be transcribed and included in the Draft and Final EIR.

- Committee:

Dan, John, Marilyn, Diana, Eric and Mike

- Public: (speaker slips on file)

Art Sloane, Charles Little, Betty Torre, Joe Beyerle and Anne Lee.

5. OLD BUSINESS

- None

6. COMMENT ON NON-AGENDA ITEMS: (synopsis)

▪ **Committee –**

Dan: What about the draft Grantville preliminary plan going before the Planning Commission on August 5th and input?

Committee: Discussion regarding hearing and preliminary plan.

MOTION: Smith/Germain: The committee to speak to the Planning Commission and ask them to update the Tierrasanta and Navajo Community Plans provided that this request does not effect the timing of the Redevelopment Project (10-1[mr]).

▪ **Public –** (speaker slips on file)

Ray Behlman: Is concerned that the public had not been informed properly of the scope of the redevelopment project also concerned about density.

Art Sloane: Wants more accuracy in the reporting process of public comment, feels meetings should be taped.

Charles Little: Passed on this opportunity to speak. Topic was covered during EIR scoping presentation.

7. NEXT MEETING DATES:

Mike: PC August 5th, Agency August 10th and GRAC August 23rd.

8. ADJOURNMENT: 7:45 p.m.

MOTION: Diana/John; Adjourn, passed (11-0).

This information will be made available in alternative formats upon request.

Prepared: 07/27/04 & 08/26/04 (tr)

Revised: n/a

Draft (Final) Approved: Sep 27, 2004

Motion was by: Bill/Cindy

Revisions are in *Italic & Double Underlined*

Vote was: 8-0-1c/2

GRANTVILLE REDEVELOPMENT ADVISORY COMMITTEE

MEETING MINUTES OF Monday, August 23, 2004

The members of the Grantville Advisory Committee (RAC) held their meeting at Mission Valley Church of the Nazarene, at 4675 Mission Gorge Place from 6:05 p.m. to 8:15 p.m.

The following members were present at Roll Call: Bill Brenza, Brian Caster, Lee Campbell, Rick McCarter, Cindy Martin, Mike Neal, John Pilch, Marilyn Reed, Dan Smith, Diane Strum and Don Teesma Jr. [11].

Following members were not present: Daniel Dallenbach, Eric Germain (excused), John Peterson, Arnie Veldkamp [4]

Staff and consultants in attendance: Kathy Rosenow (RSG), David Parsons (RSG), Maureen Ostrye (RA), Tracy Reed (RA), and Maricela Leon (RA).

CALL TO ORDER: Called to order at approximately 6:05 p.m. by Mike Neal.

1. **ROLL CALL:** A quorum was established when 11 of the 15 members were present at Roll Call.
2. **APPROVAL OF MINUTES:** trailed to September meeting
3. **UPDATE:** (synopsis)
 - **Information** – Adoption Schedule, RA
 - Tracy: Preliminary Plan and map was approved by Planning Commission on Thursday, August 5th, and by the Redevelopment Agency on Tuesday, August 10th. Planning Commission requested staff to consider a Community Plan amendment. Staff working with a consultant to prepare the legal map and description to submit to the County and State. Staff recommended changing the date of the December GRAC meeting to December 13th due to the holidays. Newsletter has been completed in-house and will be mailed to the community soon (sample was provided). Written comments have been received for the EIR preparation and the deadline is August 30th.
4. **NEW BUSINESS**
 - **Review/Discuss:** Draft – Project Objectives, RSG
 - Kathy Rosenow: Distributed a copy of the objectives for input and discussion. After review of each item, Board member and public comments were noted and changes will be made to the objectives and provide the revision for review.
 - Committee: Dan, John, Marilyn, Diana, Eric and Mike, Brian, and Don
 - Public: (speaker slips on file)
 - Art Sloane - Would like to have something added to protect and support for small businesses. Concern about the word blight, obsolete buildings and eminent domain.
 - Charles Little - Improve the flow of traffic is the most important objective.
 - Betty Torre - Historic sites need preservation, traffic congestion, traffic near schools, the possibility of mixed-uses are a concern.

5. OLD BUSINESS

- **Discussion/Action:** Draft – Committee Mission and Principles, RA
Trailed to September meeting.

6. COMMENT ON NON-AGENDA ITEMS: (synopsis)

▪ **Committee –**

Marilyn: Asked when the notices regarding the preliminary plan were going to be sent to the business owners because someone showed up to a Church in the community requesting information for the EIR. Church staff had no idea about the redevelopment process.

Lee: Commented on the condo complex that is being built on Waring. Raised some concerns about it.

▪ **Public – (speaker slips on file)**

Art Sloane: Would like information on the revenue projections from other redevelopment projects.

Ray Behlman: Has a question about the redevelopment program in general.

Charles Little: Feels many topics deal with special assessments and have some concerns about the survey budget.

7. NEXT MEETING DATES:

Mike: GRAC September 27th.

8. ADJOURNMENT: 8:15 p.m.

Adjourned by consensus.

Prepared: 08/31/04 (ml/tr)

Revised:

Draft (Final) Approved: Sep 27, 2004

Underlined

Motion was by: Bill/Cindy

Revisions are in Italic & Double

Vote was: 8-0-1c/2

GRANTVILLE REDEVELOPMENT ADVISORY COMMITTEE

(FINAL) MEETING MINUTES OF Monday, September 27, 2004

The members of the Grantville Advisory Committee (RAC) held their meeting at Mission Valley Church of the Nazarene, at 4675 Mission Gorge Place from 6:05 p.m. to 7:40 p.m.

The following members were present at Roll Call: Bill Brenza, Lee Campbell, Daniel Dallenbach, Eric Germain, Cindy Martin, Mike Neal, John Peterson, John Pilch, Marilyn Reed, Dan Smith, and Diane Strum [11].

Arrived after Roll Call: Rick McCarter (6:30 p.m.) [12].

Following members were not present: Brian Caster (excused), Don Teemsma Jr, and Arnie Veldkamp (excused) [3].

Consultants and Staff in attendance: David Parsons (RSG), Kathy Rosenow, (RSG), and Tracy Reed (RA).

CALL TO ORDER: Called to order at approximately 6:05 p.m. by Mike Neal.

1. **ROLL CALL:** A quorum was established when 11 of the 15 members were present at Roll Call.

2. **APPROVAL OF MINUTES:** for July 26, 2004.

MOTION: Concurrence: Approved minutes as drafted, passes (11-0).

APPROVAL OF MINUTES: for August 23, 2004.

MOTION: Bill/Cindy; Approve minutes as drafted, passes (11-0).

3. **UPDATE:** (synopsis)

▪ **Information – Status of Survey**

Tracy: The legal description and engineering maps for the Survey's Preliminary Plan Area have been filed with the State Board of Equalization, County of San Diego, and all potentially affected taxing agencies. Copies the legal description is available on the back table.

Tracy: Address Ranges for the proposed project area is available on the back table and on the projects internet site.

4. **NEW BUSINESS**

▪ **Review/Discuss:** Draft – Rules Governing Participation by Property Owners and Preferences for Business Occupants to Re-Enter Project Area (OP-Rules)

Kathy/Tracy: Part one of the OP Rules addresses property owners and part two address business occupants. Reviewed the following sections and terms: definitions, limitations on participation, conflicting proposals, notice and statement of interest, minimum 60-day notice, RFP, conforming properties, planning principles, eminent domain, redevelopment plan, design guidelines, certificate of conformance, enforcement, attachment A (interest in participation), attachment B (interest in re-enter).

Lee: Could you define what “extended reasonable opportunities”?

Art Sloane: Would like to have some language regarding preference to current owners of property to protect small business owners. Asked Kathy a hypothetical question regarding use of property versus other owners.

5. OLD BUSINESS

- **Discuss/Action:** Revised Draft – Project Objectives, RSG & RA

Kathy/David: We will return with revised draft project objectives which address your input and comments from the previous meeting.

- **Discuss/Action:** Draft – Committee Mission & Principles, GRAC & RA

Mike: Does anyone GRAC member have any revisions, comments or input regarding the draft committee mission and principles? Since know GRAC member has any revisions to the draft mission/principles they will be final.

6. COMMENT ON NON-AGENDA ITEMS: (synopsis)

- **Committee** – none

- **Public** – (speaker slips on file)

Art Sloane: Feels the committee should be aware of the interests of the little person, the resident small business owner rather than their own personal agendas.

7. NEXT MEETING DATES:

Mike: GRAC October 25th.

8. ADJOURNMENT: 7:40 p.m.

MOTION: Concurrence: Adjourn, passed (12-0).

This information will be made available in alternative formats upon request.

Prepared: 10/11/04 & 11/08/04 (tr)

Revised: 11/22/04 (tr)

Draft (Final) Approved: 11/22/04
Motion was by: Cindy/Dan

Revisions are in *Italic & Double Underlined*
Vote was: 12-0

GRANTVILLE REDEVELOPMENT ADVISORY COMMITTEE
(FINAL) MEETING MINUTES OF Monday, October 25, 2004

The members of the Grantville Advisory Committee (RAC) held their meeting at Mission Valley Church of the Nazarene, at 4675 Mission Gorge Place from 6:05 p.m. to 7:40 p.m.

The following members were present at Roll Call: Lee Campbell, Brian Caster, Daniel Dallenbach, Eric Germain, Rick McCarter, Cindy Martin, Mike Neal, John Pilch, Marilyn Reed, and Diane Strum, Don Teemsma Jr., and Arnie Veldkamp [12].

Arrived after Roll Call: None.

Following members were not present: Bill Brenza, John Peterson and Dan Smith [3].

Staff in attendance: Lane MacKenzie (READ), David Parsons (RSG), Kathy Rosenow, (RSG), Tracy Reed (RA), and Michele St. Bernard (RA).

CALL TO ORDER: Called to order at approximately 6:03 p.m. by Mike Neal.

1. **ROLL CALL:** A quorum was established when 12 of the 15 members were present at Roll Call.

2. **APPROVAL OF MINUTES:** for September 27, 2004.

Tracy: The distributed minutes are not complete.

Mike: We will table these draft minutes until next meeting.

3. **UPDATE:** (synopsis)

▪ **Information** – Status of Survey

Tracy: The EIR consultant has documented existing development conditions. There is approximately 5 million sq ft of development (commercial, industrial, institutional and visitor commercial) within the survey area. The existing floor area ratio (FAR) is approximately .18 to .21. Existing zoning and land use in the community plan would allow approximately 10 to 20 million additional sq ft of development. The industrial zoning allows an FAR of 1.0 to 2.0. The industrial portions of Kearny Mesa are built to an FAR of .40 to .50 and the community plan limits the FAR to 1.0.

4. **NEW BUSINESS:** (synopsis)

▪ **Information** – City Property Acquisition Process

Lane MacKenzie: The acquisition process begins after a project (development) has obtained approval of a development permit. To obtain this permit can take at least a year. Once there is an approved project, there is a Notice of Appraisal sent to the property owner. We have 45-90 days to complete the appraisal and the property owner can accompany the appraiser. Value of the property is established and approved. An offer is made to the property owner and the tenant is contacted. It takes about one year to acquire property that is occupied: title reports, appraisals, offer & negotiation, escrow, City Council/Agency authority to expend, approval to expend and authority to use eminent domain, when necessary. Objections to the property acquisition will be based upon the assessed value or the authority to use eminent domain. Value, acquisition, relocation, appraisals, businesses, FFE, goodwill, owner occupied

businesses, owner/tenant businesses; deal with property owner, fair market value, formal offer, interview tenants. We do not relocate we assist with relocation (permits, moving). Must occupy property for 1-year. Acquisitions go to agency and council to request authority to expend funds necessary to acquire.

Committee

Members: Business equipment, how are appraisers chosen, will equipment be part of the negotiations/relocation, where is the list of appraisers.

Public (speaker slips on file)

Charles Little: Proposed procedures lead to believe no taking/acquisition.

Phil Teyssier: Fair market value for property being acquired? What about just compensation?

Charles Little: What about the appraisal process, timelines and value? Concerned about eminent domain. When will we start seeing an evaluation of traffic impacts/concerns?

Betty Jarosin: Who is the redeveloper and how did they become involved?

Betty Torre: How are businesses which are to be relocated are identified?

Larry Soloman: How are properties to be acquired identified? Could a developer acquire my property? Project influence?

Evay Soloman: What projects have been identified and or approved to date? Forms for owner participation?

- **Review** – Adopted: Rules and Regulations for Implementation of the California Relocation Assistance Law.
Kathy/Tracy: These rules and regulations apply to every redevelopment project area within the City of San Diego. They must and do comply with the law. They can not be modified for a specific area.
- **Review/Discuss** – Draft: Grantville, Plan and Method for Relocation
Kathy: This document is specific to the project area. It must comply with the law and that is why a majority of it address the relocation of residents and not business.

Committee

Members: Why do we have both relocation plans, do we have to have both, can plan be modified address the relocation of businesses and tenants, could we see an example of a plan with an emphasis of relocating businesses, could we have the agencies special council attend our next meeting?

5. OLD BUSINESS

- **Discuss/Action:** Draft – Rules Governing Participation by Property Owners and Preferences for Business Occupants to Re-Enter Project Area.
Kathy: Do we have any follow-up comments or questions?

6. COMMENT ON NON-AGENDA ITEMS: (synopsis)

- **Committee** –
None
- **Public** – (speaker slips on file)
None

7. NEXT MEETING DATES:

Mike: GRAC November 22nd.

8. ADJOURNMENT: 7:45 p.m.

MOTION: Concurrence: Adjourn, passed (12-0).

This information will be made available in alternative formats upon request.

Prepared: 11/08/04 (tr/ms)

Revised: 11/23/04 (tr)

Draft (Final) Approved: 11/22/04
Motion was by: Daniel/Rick

Revisions are in *Italic & Double Underlined*
Vote was: 12-0

GRANTVILLE REDEVELOPMENT ADVISORY COMMITTEE

(FINAL) MEETING MINUTES OF Monday, November 22, 2004

The members of the Grantville Advisory Committee (RAC) held their meeting at Mission Valley Church of the Nazarene, at 4675 Mission Gorge Place from 6:00 p.m. to 7:45 p.m.

The following members were present at Roll Call: Bill Brenza, Lee Campbell, Daniel Dallenbach, Eric Germain, Rick McCarter, Cindy Martin, Mike Neal, John Pilch, Marilyn Reed, Rick McCarter, Dan Smith, Don Teemsma Jr., and Arnie Veldkamp [12].

Arrived after Roll Call: Diane Strum [1].

Following members were not present: Brian Caster and John Peterson and [2].

Staff in attendance: Kathy Rosenow, (RSG), Tracy Reed (RA), and Michele St. Bernard (RA).

CALL TO ORDER: Called to order at approximately 6:00 p.m. by Mike Neal.

1. **ROLL CALL:** A quorum was established when 12 of the 15 members were present at Roll Call.

2. **APPROVAL OF MINUTES:**

- September 27, 2004 (2nd Draft)

MOTION: Cindy/Dan; Approve as drafted, passed (12-0).

- October 25, 2004 (Draft)

MOTION: Daniel/Rick; Approve with revisions, passed (12-0).

3. **UPDATE:** (synopsis)

- **Information** – Status of Survey

Tracy: The special counsel to the agency was not able to attend this meeting but he will attend next month's meeting to discuss and answer questions regarding relocation issues. If you can provide us with your comments or issues regarding draft documents, it would be helpful. The draft EIR should be ready for distribution and circulation at next month's meeting. The draft EIR will be an agenda item in January. The City Council will hold a hearing to solicit public comments/inputs sometime in January. We need to reschedule the January meeting to the fifth Monday of the month because of a meeting room conflict.

4. **OLD BUSINESS:** (synopsis)

- **Review/Discuss** – 2nd Draft – Rules Governing Participation by Property Owners and Preferences for Business Occupants to Re-Enter Project Area (OP-Rules)

Distributed: City Decision Process (MC Sec. 112.0501), owner participation and RFP process (timeline), and redevelopment site assembly process (timeline)

Kathy: Outlined the OP process and gave a detailed summary of the OP rules and requirements.

Committee

Various questions and comments from the Committee; including:

- How the agency evaluates competing projects
- Time frame for providing an alternative proposal
- How often eminent domain is used
- Feedback or second chance if a proposal is chosen over mine

Mike: Recap of committee issues and concerns.

Public (speaker slips on file)

Phil Teyssier: Ultimately, a property owner can lose his/her property if it falls within the designated Redevelopment Area. This group can vote whether or not it wishes to support having eminent domain in the Grantville Redevelopment project. I'll offer to pay for an attorney to speak to the group regarding the use of eminent domain.

Charles Little: What makes us think this community needs redevelopment? We don't know what the goals of redevelopment are. It is unfair to ask me to determine what I want to do with the future of my property in 60 days. Traffic issues have still not been addressed.

MOTION: Eric/Dan, Committee's comments regarding the OP rules are - extend the RFP time to 120-days (Sec. 601), the property owner should be contacted prior to circulating an OP notice, property should have a last chance regarding development (best & final), use the committee's objectives regarding the use of the term reasonable (Sec. 100), utilities and facilities should be separate items and don't use removal regarding facilities (Sec. 501), define or describe urgency (Sec. 601). Passed: 13-0.

5. NEW BUSINESS

- **Presentation**: Draft – Grantville Redevelopment Plan
- **Distributed**: Draft – Grantville Redevelopment Plan
Kathy: Gave brief outline of sections of the redevelopment plan. The plan will be reviewed and discussed at other meetings.

6. COMMENT ON NON-AGENDA ITEMS: (synopsis)

- **Committee** –
Marilyn – Announced the next town hall meeting for the Navajo/Allied Gardens communities
Cindy – Will not be at the December meeting
Eric – Would like to address the mechanisms in place to ensure the projects are at the request of the public and meet public desires.
Bill – Announced a Traffic Meeting for Navajo on 12/6 at 4-5 pm, this location

John – In response to emails/phone calls – 1) The Boulevard project is not a new project, 2) it is in Del Cerro and not in Allied Gardens, 3) 80 unit condo project in Church of Nazarene is not approved, Navajo CP amendment must be initiated, 4) Last Monday, Leslie Henegar announced a 500-unit complex called “Centrepoin” – inappropriate because there is no paperwork on this.

Lee – asked by business owner if Golfview Center is going to have a turn lane installed. Can we look at this in the redevelopment plan?

Eric – Will not be at the December meeting.

- **Public** – (speaker slips on file)
None

7. NEXT MEETING DATES:

Mike: GRAC December 13th.

8. ADJOURNMENT: 7:45 p.m.

MOTION: Eric/Dan; Adjourn, passed (13-0).

This information will be made available in alternative formats upon request.

Prepared: 11/23/04 (tr/ms)

Revised: n/a

Draft (Final) Approved: 12/13/04
Motion was by: Daniel/Lee

Revisions are in *Italic & Double Underlined*
Vote was: 8-0

GRANTVILLE REDEVELOPMENT ADVISORY COMMITTEE

(FINAL) MEETING MINUTES OF Monday, December 13, 2004

The members of the Grantville Advisory Committee (RAC) held their meeting at Mission Valley Church of the Nazarene, at 4675 Mission Gorge Place from 6:00 p.m. to 7:45 p.m.

The following members were present at Roll Call: Lee Campbell, Brian Caster, Daniel Dallenbach, Rick McCarter, Mike Neal, John Peterson, John Pilch, and Marilyn Reed. [8]
Arrived after Roll Call: Dan Smith, and Don Teemsma Jr. [2]

Following members were not present: Bill Brenza (excused), Arnie Veldkamp (excused), Eric Germain (excused), Cindy Martin (excused), and Diane Strum. [5]

Staff in attendance: Kathy Rosenow, (RSG), Murray Kane (KBB), Hank Cunningham (RA), Michele St. Bernard (RA), and Tracy Reed (RA).

CALL TO ORDER: Called to order at approximately 6:00 p.m. by Mike Neal.

1. **ROLL CALL:** A quorum was established when 8 of the 15 members were present at Roll Call.

2. **APPROVAL OF MINUTES:**

- November 22, 2004 (Draft)

MOTION – Daniel/Lee; Approve with revisions, passed (8-0).

3. **UPDATE:** (synopsis)

- **Information** – Status of Survey

Tracy: The draft EIR will evaluate two alternatives; the opportunities map from the general plan and the transportation oriented development (TOD) guidelines. The EIR will be released tonight. GRAC members in attendance will receive a copy and absent members will be mailed a copy. The Agency will hold a noticed public meeting to solicit comments on the draft EIR. The tentative date is January 25th. The EIR will be available for review at the areas local libraries, the Navajo Service Center and online.

4. **OLD BUSINESS:** (synopsis)

- **Action:** Reschedule – January 24, 2005 meeting to January 31, 2005.

Tracy: There is a conflict with scheduled January meeting. The meeting should be rescheduled to Monday, January 31, 2005. Also, distributed a tentative meeting schedule for the calendar year 2005.

MOTION – John/Daniel; Approve rescheduling meeting from 1/24/05 to 1/31/05; passed (8-0).

(Dan Smith arrives)

- **Review/Discuss: with Special Counsel to Agency**

- Draft – Grantville Plan & Method for Relocation
- Adopted – Rules & Regulations; Implementation of Calif. Relocation Assistance Law.

Murray Kane: Introduced, explained and reviewed both documents.

Committee: Initial concerns with the documents were (1) redundancy and (2) the focus on residential issues when this is primarily a business oriented redevelopment plan.

(Dan Teemsa, Jr. arrives)

Other committee comments included:

Tailor things for specific purposes.

Provide illustrations of participation and opportunities to join with others.

Define reasonable and in good faith work to develop.

We need to get investment in the area.

Include guiding principles and procedures in redevelopment plan.

Explain feasible to participate. Provide a list or tests that have been met - alternatives.

How does our group make changes in the draft and/or object to elements or the adoption? The Redevelopment Advisory Committee will have a section in the report to city council. Adoption requires three hearings. How do you respond to objections to adoption? City must respond in writing.

Should community groups come to us to incorporate their comments in our report?

Yes.

Eminent domain is an issue. Can we recommend that it be removed from the plan?

Can we achieve our objective if we don't have the power of eminent domain? Why does the agency need these tools? Is there a plan without this tool? We should come up with guiding principals for how we may want to limit/define eminent domain.

Could we get a copy of best practices samples of plans for business oriented project areas?

What about categories for eminent domain like infrastructure/public improvements and business improvements? Could you provide examples of categories?

Would the Agency special counsel provide us with a summary of his comments here tonight?

Charles Little: Does it have to be a group presentation to the agency or can an individual comment on the EIR? (speaker slip) [Response from Murray Kane: An individual may comment.]

Al Venton: I am not in favor of the use of eminent domain in the Grantville Redevelopment Project Area. (speaker slip)

- **Review/Discuss:** Draft – Grantville Redevelopment Plan
Committee: Reviewed the plan article by article. Comments included:

Article 4; leasee and owner, agency involvement, personal property, equipment. Proposal must be in conformance with general plan, community plan and redevelopment plan. Define public bodies. Procedures for amending owner participation rules, noticing requirements.

Article 5; semi-public, must be in conformance with general plan, community plan and redevelopment plan.

Article 7; How does the agency work? Provide agency flow chart and how it works. What is the amendment process? Provide more detail in this section.

Article 10; Procedures are called out in this article. Request more detail of minimum requirements. Plan should have an updated or appropriate improvement list.

5. NEW BUSINESS

- **Distributed:** Draft – Environmental Impact Report

Tracy: Distributed the draft Grantville program environmental report to committee members. The draft Grantville program environmental impact report will be discussed at the January meeting. The environmental consultant will attend the meeting. Comments must be received in writing on or before January 31, 2005.

6. COMMENT ON NON-AGENDA ITEMS: (synopsis)

- **Committee –**

John: Announced items coming before Navajo Planners and San Carlos Council in January.

Public – (synopsis)

- Charles Little: Not happy with the method for running meetings. Ask how he should go about making a formal complaint. (speaker slip) [Response from Murray Kane – you may file a complaint with your City Council representative, the City Redevelopment Department or the City Manager.]

7. NEXT MEETING DATES:

Mike: GRAC January 31, 2005.

8. ADJOURNMENT: 7:55 p.m.

MOTION: Eric/Dan; Adjourn, passed (10-0).

This information will be made available in alternative formats upon request.

Prepared: 12/20/04 (tr)
Revised: n/a

Draft (Final) Approved: January 31, 2005
Motion was by: Dan S/John

Revisions are in *Italic & Double Underlined*
Vote was: 8-1-3

GRANTVILLE REDEVELOPMENT ADVISORY COMMITTEE
(FINAL) MEETING MINUTES OF Monday, January 31, 2005

The members of the Grantville Advisory Committee (RAC) held their meeting at Mission Valley Church of the Nazarene, at 4675 Mission Gorge Place from 6:03 p.m. to 7:50 p.m.

The following members were present at Roll Call:, Bill Brenza, Lee Campbell, Daniel Dallenbach, Eric Germain, Rick McCarter, Cindy Martin, Mike Neal, John Peterson, John Pilch, Dan Smith, Marilyn Reed and Don Teemsma Jr. [12]

Arrived after Roll Call: Diane Strum and Arnie Veldkamp [2] ?

Following members were not present: Brian Caster (excused) [1]

Staff in attendance: Kathy Rosenow, (RSG), Tim Ginbus (BRG), Maureen Ostrye (RA), and Tracy Reed (RA).

CALL TO ORDER: Called to order at approximately 6:03 p.m. by Mike Neal.

1. **ROLL CALL:** A quorum was established when 12 of the 15 members were present at Roll Call.

2. **APPROVAL OF MINUTES:**

- Draft – December 13, 2004

MOTION – Dan S/John Pe; Approve, passed (8-1-3).

3. **UPDATE:** (synopsis)

- **Information** – Status of Survey

Tracy: The Draft EIR went to the agency for public comment on January 25, 2005 spoke. The comment period has been extended to Monday February 14, 2005.

4. **OLD BUSINESS:** (synopsis)

- **Review:** Draft – Grantville Program Environmental Report.

Tim: The document is out for the 45-day public review period. The review period has been extended. All comments must be in writing. Responses to the comments will be included in the final PEIR. Our schedule is to distribute and make the final PEIR available on March 17, 2005. CEQA requires the PEIR to identify impacts on the area per the land uses in the adopted community plans and estimate potential build out. Mitigation measures will be prepared and included in the final PEIR.

Public –

Charles L.: Report needs more specifics on E-4 regarding traffic.

Holly S.: Question regarding EIR overriding considerations and why project by project basis used in some instances.

Betty T.: I have read most of the EIR and feel cumulative impacts are greater than stated.

Bill W.: The history section does not indicate that an aqueduct flume exists with the project area (Landmark #52).

Don S.: No pleased with the bus and trolley service currently and the changes planned by MTDB/MTS.

Committee –

Marilyn R.: Problems with the discussion of traffic in table 4.2-1. The intersection of Friars Rd. and I-15 is supposed to be one of the most impacted intersections in the City.

Lee C.: Concerned about the increase in traffic is unavoidable. The Draft does not address the breezes in the evening or flooding. The TOD alternative is in an area prone to recent flooding.

Arnie V.: I have a report regarding the flume.

Dan S.: Hydrology and circulations. What about a reference to bus service at trolley station and MTDB's projections. *I am not pleased with the transit service.*

- **Review/Actions:** 3rd Draft – Grantville Owner Participation Rules (OP Rules)
Mike: The 3rd Draft of the OP Rules that we have been provided with has been revised to address the concerns and comments of the committee and public. I think we should form a subcommittee to review the recommended revisions. The subcommittee will make a recommendation regarding the OP Rules at our next meeting. I would suggest the subcommittee be Cindy, Brian, Rick and Marilyn.

5. NEW BUSINESS (synopsis)

- **Distribute:** Draft – Grantville Preliminary Report
Tracy: The purpose of preparing the Grantville Preliminary Report is to distribute it to all affected taxing entities. However, the Agency's procedures are to distribute to the public also. The preliminary report can answer many of the questions that have been asked regarding what is blight. It is also available on the Internet. We will review the preliminary report briefly at the next meeting.

6. COMMENT ON NON-AGENDA ITEMS: (synopsis)

Committee –

John Pi: Update on the next Navajo Planners - it will be on Tuesday February 22nd. The main agenda item is the SDSU master plan.

Public –

Charles L.: Cost of project, table E-4.

Ray B.: Happy with ADA improvements to Grantville Park.

Al V.: I am in favor for a better Grantville but not eminent domain authority - should be eliminated from the redevelopment plan. I am a business owner in Grantville.

Don S.: Concerned about bus and trolley service. What about MTDB (Bus) traffic impacts?

Dick R.: VFW manager. We are concerned about traffic and flooding along Fairmount and Vandever.

7. NEXT MEETING DATES:

Mike: GRAC February 28, 2005.

8. ADJOURNMENT: 7:50 p.m.

This information will be made available in alternative formats upon request.

Prepared: 2/16/05 (tr)
Revised: 2/28/05 (tr)

Draft (Final) Approved: 2/28/05 (with revisions)
Motion was by: Dan S/Eric G

Revisions are in *Italic & Double Underlined*
Vote was: 14/0/1

Section
J

A Statement of Conformance to the General Plan

On April 7, 2005, the Planning Commission adopted a Resolution determining that the draft Plan and implementation activities described therein are in conformity with the General Plan of the City, pursuant to Government Code Section 65402. A copy of the Planning Commission resolution is included in Section H of this Report.

The Environmental Impact Report

A program environmental impact report (“EIR”) for the Plan was prepared by BRG Consulting, Inc. The EIR (State Clearinghouse Number: 2004071122) reviewed all potential environmental impacts associated with the implementation of the Plan.

Topics addressed in the EIR included: Land Use, Traffic/Circulation, Air Quality, Noise, Cultural Resources, Biological Resources, Geology-Soils, Hazards-Hazardous Materials, Paleontological Resource, Aesthetics, Water Quality/Hydrology, Population/Housing, Public Services, and Mineral Resources. Additionally, the EIR addressed all other sections as required by the California Environmental Quality Act (CEQA).

The EIR identified significant unavoidable impacts in the areas of Traffic/Circulation and Air Quality. If the Redevelopment Agency of the City of San Diego chooses to approve the Project and revitalization activities, it must adopt a “Statement of Overriding Consideration” pursuant to Sections 15093 and 15126(b) of the CEQA Guidelines.

The EIR identified significant but mitigable impacts to a level less than significant with regard to: Noise, Cultural Resources, Biological Resources, Geology-Soils, Hazards-Hazardous Materials, Paleontological Resources, Water Quality/Hydrology, and Public Services. The EIR identified no significant impacts for: Aesthetics, Population/Housing and Mineral Resources. Additionally, the EIR addressed all other sections as required by the California Environmental Quality Act (CEQA).

A copy of the EIR is included under separate cover and incorporated herein by reference.

Report of the County Fiscal Officer

A November 2004 report of the County fiscal officer was prepared in accordance with Section 33328 of the CRL, using the 2004-05 equalized roll as the “base year” assessment roll for the purposes of calculating tax increment. In addition, the State Board of Equalization prepared a similar report for state-assessed nonunitary assessed values in the Project Area for 2004-05. Together, the County and State Board of Equalization report that the total Project Area secured, unsecured, and state-assessed value in 2004-05 is \$339,494,220.

Copies of the 2004-05 base year values reported by the County Auditor-Controller and State Board of Equalization follow this page.

SAN DIEGO REDEVELOPMENT AGENCY
GRANTVILLE REDEVELOPMENT PROJECT
BASE YEAR ASSESSMENT ROLL REPORT
PER HEALTH AND SAFETY CODE 33328



**SAN DIEGO REDEVELOPMENT AGENCY
GRANTVILLE REDEVELOPMENT PROJECT
BASE YEAR ASSESSMENT ROLL REPORT
PER HEALTH AND SAFETY CODE 33328**

NOVEMBER 2004

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GRANTVILLE REDEVELOPMENT PROJECT BASE YEAR ASSESSMENT ROLL REPORT PER HEALTH AND SAFETY CODE 33328

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* Revenue determined using most recent data available.

TABLE I

GRANTVILLE REDEVELOPMENT PROJECT 2004-2005 BASE ASSESSED VALUE

SECURED	\$293,806,178
STATE	<u>\$0</u>
TOTAL SECURED	<u>\$293,806,178</u>
UNSECURED	\$45,688,042 *
GRAND TOTAL	<u>\$339,494,220</u>

HEALTH & SAFETY CODE SECTION 33328, (a).

(*) ESTIMATE PER COUNTY ASSESSOR

TABLE II

**GRANTVILLE REDEVELOPMENT PROJECT
SECURED & UNSECURED
1% TAX REVENUE**

TAXING AGENCY	PROJECT AREA BASE YEAR REVENUE		ESTIMATED AGENCY TAX REVENUE
	ESTIMATED SECURED TAX REVENUE	ESTIMATED UNSECURED TAX REVENUE	
COUNTY GENERAL	\$ 448,383	\$ 67,007	\$ 368,543,362
UNIFIED SAN DIEGO	1,349,728	216,619	394,209,308
SAN DIEGO COMMUNITY COLLEGE	195,191	31,328	56,851,236
COUNTY SCHOOLS	47,701	7,658	40,188,263
EDUC REV AUGMENTATION FUND	408,103	61,034	356,554,442
SAN DIEGO CITY TAX	485,121	72,738	199,791,010
CWA CITY OF SAN DIEGO	3,835	496	1,680,626
TOTAL 1% FUNDS	\$ 2,938,062	\$ 456,880	\$ 1,417,818,247

HEALTH & SAFETY CODE SECTION 33328, (b), (c), (d).

TABLE III

**GRANTVILLE REDEVELOPMENT PROJECT
SECURED
DEBT SERVICE TAX REVENUE**

TAXING AGENCY	PROJECT AREA BASE YEAR REVENUE	ESTIMATED AGENCY TAX REVENUE	
		ASSESSED VALUE BASE	TOTAL REVENUES
SAN DIEGO ZOOLOGICAL EXHIBITS	\$ 14,690	111,477,671,061	\$ 5,573,884
METROPOLITAN WATER DISTRICT	17,041	234,915,780,596	13,915,054
COUNTY WATER AUTHORITY	0	234,875,996,988	0
TOTAL DEBT SERVICE FUNDS	\$ 31,731		\$ 19,488,938

HEALTH & SAFETY CODE SECTION 33328, (b), (c), (d).

TABLE IV

**GRANTVILLE REDEVELOPMENT PROJECT
UNSECURED
DEBT SERVICE TAX REVENUE**

TAXING AGENCY	PROJECT AREA BASE YEAR REVENUE	ESTIMATED AGENCY TAX REVENUE	
		ASSESSED VALUE BASE	TOTAL REVENUES
SAN DIEGO ZOOLOGICAL EXHIBITS	\$ 2,284	6,245,451,917	\$ 312,273
METROPOLITAN WATER DISTRICT	2,787	9,068,999,960	554,232
COUNTY WATER AUTHORITY	306	9,066,901,269	60,748
TOTAL DEBT SERVICE FUNDS	\$ 5,377		\$ 927,253

HEALTH & SAFETY CODE SECTION 33328, (b), (c), (d).

TABLE V

GRANTVILLE REDEVELOPMENT PROJECT

DEBT SERVICE TAX REVENUE

TAXING AGENCY	PROJECT AREA BASE YEAR REVENUE		ESTIMATED AGENCY TAX REVENUE
	ESTIMATED SECURED TAX REVENUE	ESTIMATED UNSECURED TAX REVENUE	
SAN DIEGO ZOOLOGICAL EXHIBITS	\$ 14,690	\$ 2,284	\$ 5,886,157
METROPOLITAN WATER DISTRICT	17,041	2,787	14,469,286
COUNTY WATER AUTHORITY	0	306	60,748
TOTAL DEBT SERVICE FUNDS	\$ 31,731	\$ 5,377	\$ 20,416,191

HEALTH & SAFETY CODE SECTION 33328, (b),(c),(d).

TABLE VI

**GRANTVILLE REDEVELOPMENT PROJECT
1% FUNDS
ESTIMATED TAX INCREMENT IMPACT
GROWTH ASSUMPTION
2.0%**

TAXING AGENCY	SECURED REVENUE	UNSECURED REVENUE	TOTAL REVENUE	IMPACT YEAR 1	ACCUM. 5 YEARS	ACCUM. 10 YEARS	ACCUM. 15 YEARS	ACCUM. 20 YEARS	ACCUM. 25 YEARS
COUNTY GENERAL	448,383	67,007	515,390	17,149	264,193	1,002,096	2,263,012	4,101,377	6,577,293
UNIFIED SAN DIEGO	1,349,728	216,619	1,566,347	31,327	482,624	1,830,614	4,134,037	7,492,336	12,015,302
SAN DIEGO COMMUNITY COLLEGE	195,191	31,328	226,519	4,530	69,795	264,736	597,848	1,083,512	1,737,606
COUNTY SCHOOLS	47,701	7,658	55,359	1,107	17,057	64,699	146,108	264,799	424,653
EDUC REV AUGMENTATION FUND *	408,103	61,034	469,137	0	0	0	0	0	0
SAN DIEGO CITY TAX	485,121	72,738	557,859	13,690	210,905	799,971	1,806,557	3,274,120	5,250,638
CWA CITY OF SAN DIEGO	3,835	496	4,331	96	1,478	5,605	12,657	22,939	36,787
TOTAL 1% FUNDS	2,938,062	456,880	3,394,942	67,899	1,046,052	3,967,721	8,960,219	16,239,083	26,042,279

HEALTH & SAFETY CODE SECTION 33328, (e).

* PER R&T CODE SECTION 97.4(b)(2) EDUCATIONAL REVENUE AUGMENTATION FUND (ERAF) DOES NOT SHARE IN INCREMENTAL GROWTH.

TABLE VI

**GRANTVILLE REDEVELOPMENT PROJECT
1% FUNDS
ESTIMATED TAX INCREMENT IMPACT
GROWTH ASSUMPTION
5.0%**

TAXING AGENCY	SECURED REVENUE	UNSECURED REVENUE	TOTAL REVENUE	IMPACT YEAR 1	ACCUM. 5 YEARS	ACCUM. 10 YEARS	ACCUM. 15 YEARS	ACCUM. 20 YEARS	ACCUM. 25 YEARS
COUNTY GENERAL	448,383	67,007	515,390	42,872	687,587	2,749,608	6,565,793	12,620,785	21,533,125
UNIFIED SAN DIEGO	1,349,728	216,619	1,566,347	78,317	1,256,074	5,022,942	11,994,291	23,055,460	39,336,390
SAN DIEGO COMMUNITY COLLEGE	195,191	31,328	226,519	11,326	181,649	726,399	1,734,569	3,334,193	5,688,679
COUNTY SCHOOLS	47,701	7,658	55,359	2,768	44,393	177,524	423,910	814,841	1,390,253
EDUC REV AUGMENTATION FUND *	408,103	61,034	469,137	0	0	0	0	0	0
SAN DIEGO CITY TAX	485,121	72,738	557,859	34,224	548,899	2,195,005	5,241,456	10,075,141	17,189,840
CWA CITY OF SAN DIEGO	3,835	496	4,331	240	3,846	15,379	36,723	70,589	120,436
TOTAL 1% FUNDS	2,938,062	456,880	3,394,942	169,747	2,722,448	10,886,857	25,996,742	49,971,009	85,258,723

HEALTH & SAFETY CODE SECTION 33328, (e).

* PER R&T CODE SECTION 97.4(b)(2) EDUCATIONAL REVENUE AUGMENTATION FUND (ERAF) DOES NOT SHARE IN INCREMENTAL GROWTH.

TABLE VI

**GRANTVILLE REDEVELOPMENT PROJECT
1% FUNDS
ESTIMATED TAX INCREMENT IMPACT
GROWTH ASSUMPTION
7.0%**

TAXING AGENCY	SECURED REVENUE	UNSECURED REVENUE	TOTAL REVENUE	IMPACT YEAR 1	ACCUM. 5 YEARS	ACCUM. 10 YEARS	ACCUM. 15 YEARS	ACCUM. 20 YEARS	ACCUM. 25 YEARS
COUNTY GENERAL	448,383	67,007	515,390	60,020	988,870	4,101,619	10,193,218	20,462,808	36,592,247
UNIFIED SAN DIEGO	1,349,728	216,619	1,566,347	109,644	1,806,454	7,492,778	18,620,821	37,381,155	66,846,174
SAN DIEGO COMMUNITY COLLEGE	195,191	31,328	226,519	15,856	261,243	1,083,578	2,692,873	5,405,921	9,667,040
COUNTY SCHOOLS	47,701	7,658	55,359	3,875	63,845	264,815	658,110	1,321,151	2,362,524
EDUC REV AUGMENTATION FUND *	408,103	61,034	469,137	0	0	0	0	0	0
SAN DIEGO CITY TAX	485,121	72,738	557,859	47,914	789,413	3,274,313	8,137,222	16,335,411	29,211,503
CWA CITY OF SAN DIEGO	3,835	496	4,331	336	5,531	22,941	57,012	114,451	204,664
TOTAL 1% FUNDS	2,938,062	456,880	3,394,942	237,645	3,915,356	16,240,044	40,359,256	81,020,897	144,884,152

HEALTH & SAFETY CODE SECTION 33328, (e).

* PER R&T CODE SECTION 97.4(b)(2) EDUCATIONAL REVENUE AUGMENTATION FUND (ERAF) DOES NOT SHARE IN INCREMENTAL GROWTH.

TABLE VII

**GRANTVILLE REDEVELOPMENT PROJECT
DEBT SERVICE FUNDS
ESTIMATED TAX INCREMENT IMPACT
GROWTH ASSUMPTION**

2.0%

TAXING AGENCY	SECURED REVENUE	UNSECURED REVENUE	TOTAL REVENUE	IMPACT YEAR 1	ACCUM. 5 YEARS	ACCUM. 10 YEARS	ACCUM. 15 YEARS	ACCUM. 20 YEARS	ACCUM. 25 YEARS
SAN DIEGO CITY ZOOLOGICAL EXHIBITS - D/S	14,690	2,284	16,974	339	5,230	19,838	44,799	81,192	130,206
MWD D/S REMAINDER OF SDCWA	17,041	2,787	19,828	397	6,109	23,173	52,331	94,843	152,098
CWA CITY OF SAN DIEGO - D/S	0	306	306	6	94	357	807	1,463	2,347
TOTAL DEBT SERVICE FUNDS	31,731	5,377	37,108	742	11,433	43,368	97,937	177,498	284,651

HEALTH & SAFETY CODE SECTION 33328, (e).

TABLE VII

**GRANTVILLE REDEVELOPMENT PROJECT
DEBT SERVICE FUNDS
ESTIMATED TAX INCREMENT IMPACT
GROWTH ASSUMPTION**

5.0%

TAXING AGENCY	SECURED REVENUE	UNSECURED REVENUE	TOTAL REVENUE	IMPACT YEAR 1	ACCUM. 5 YEARS	ACCUM. 10 YEARS	ACCUM. 15 YEARS	ACCUM. 20 YEARS	ACCUM. 25 YEARS
SAN DIEGO CITY ZOOLOGICAL EXHIBITS - D/S	14,690	2,284	16,974	849	13,612	54,432	129,978	249,844	426,275
MWD D/S REMAINDER OF SDCWA	17,041	2,787	19,828	991	15,900	63,584	151,833	291,854	497,950
CWA CITY OF SAN DIEGO - D/S	0	306	306	15	245	981	2,343	4,504	7,685
TOTAL DEBT SERVICE FUNDS	31,731	5,377	37,108	1,855	29,757	118,997	284,154	546,202	931,910

HEALTH & SAFETY CODE SECTION 33328, (e).

TABLE VII

**GRANTVILLE REDEVELOPMENT PROJECT
DEBT SERVICE FUNDS
ESTIMATED TAX INCREMENT IMPACT
GROWTH ASSUMPTION**

7.0%

TAXING AGENCY	SECURED REVENUE	UNSECURED REVENUE	TOTAL REVENUE	IMPACT YEAR 1	ACCUM. 5 YEARS	ACCUM. 10 YEARS	ACCUM. 15 YEARS	ACCUM. 20 YEARS	ACCUM. 25 YEARS
SAN DIEGO CITY ZOOLOGICAL EXHIBITS - D/S	14,690	2,284	16,974	1,188	19,576	81,197	201,788	405,088	724,391
MWD D/S REMAINDER OF SDCWA	17,041	2,787	19,828	1,388	22,867	94,849	235,716	473,198	846,188
CWA CITY OF SAN DIEGO - D/S	0	306	306	21	353	1,464	3,638	7,303	13,059
TOTAL DEBT SERVICE FUNDS	31,731	5,377	37,108	2,597	42,796	177,510	441,142	885,589	1,583,638

HEALTH & SAFETY CODE SECTION 33328, (e).

Neighborhood Impact Report

CRL requires that a Neighborhood Impact Report (“NIR”) discuss the impact the Plan will have on low and moderate income persons or families in the following areas: relocation, traffic circulation, environmental quality, availability of community facilities and services, effect on school population and quality of education, property assessments and taxes, and other matters affecting the physical and social quality of the neighborhood.

Additional issues that the NIR must address include: the number of dwelling units to be removed or destroyed; the number of low or moderate income persons or families expected to be displaced; the general location of housing to be rehabilitated or constructed; the number of dwelling units planned for construction or rehabilitation to house persons and families of low or moderate income; the projected means of financing the aforementioned dwelling units; and the projected timetable for meeting the Plan’s relocation, rehabilitation, and replacement housing objectives.

Implementation of the Project will have a beneficial impact on the Project Area and adjoining neighborhoods.

Relocation

At this time, the Agency does not have any plans to relocate residents or businesses in the Project Area. In that the Project Area includes no known residential uses, it is unlikely that residential relocation will ever occur. If relocation activities are undertaken, the Agency will handle those activities on a case-by-case basis, in accordance with its *Plan and Method of Relocation*, as contained in Section F of this Report. As a public agency formed under the provisions of state law, the Agency is required to adhere to the State Relocation Law (Government Code Sections 7260 through 7277) and follow the California Relocation Assistance and Real Property Acquisition Guidelines (“State Guidelines”) as established in the California Code of Regulations, Title 25, Chapter 6.

Although dislocation of residential uses is unlikely because there are no known residential uses in the Project Area, prior to commencement of any acquisition activity that may cause substantial displacement of residents, the Agency will adopt a specific relocation plan in conformance with the State Guidelines. To the extent appropriate, the Agency may supplement those provisions provided in the State Guidelines to meet particular relocation needs of a specific project. Such supplemental policies, if adopted in the Agency’s sole discretion, will not involve

reduction, but instead enhancement of the relocation benefits required by State Law.

Traffic Circulation

Transportation and circulation impacts resulting from the adoption and implementation of the Plan are discussed in Section 4.2 of the EIR.

The Plan does not provide for the direct development of any private or public development projects that would generate traffic and impact existing levels of service of any roadways in the Project Area. However, the development of projects would indirectly generate traffic both during and after project construction, impacting existing levels of service on road segments and intersections that serve the Project both within and outside its boundaries.

The City's General Plan and pertinent Community Plans will control the land use designations and intensities of the Plan; its implementation will not create locally or cumulatively significant impacts beyond what is anticipated under the Community Plans. It will also not alter or intensify the Community Plans' land uses, traffic generation, levels of service, or intersection capacities.

Significant unavoidable traffic or circulation impacts were forecast in the EIR. The Agency, via the Plan, will adhere to policies in the circulation element of the Community Plans in lessening traffic and circulation impacts.

The Plan permits the Agency to construct improvements to improve traffic circulation. In the absence of the Plan, such improvements may be delayed indefinitely because of the City's lack of financial resources in funding the improvements. Several projects related to circulation and traffic improvements are listed in the Plan and are enumerated in Section A of this Report. These improvements include, but are not limited to modifications to roadway configurations and widths, resurfacing streets, street lights, traffic signals, and streetscape improvements. These projects proposed by the Agency will improve circulation, mitigate traffic deficiencies, and provide general benefits to the Project Area consistent with the circulation element of the Community Plans.

Environmental Quality

The EIR reviewed the impacts of the Plan, including the potential new development and public improvements that could be facilitated by the Agency. The EIR analyzed the following fourteen areas:

- Land Use
- Traffic/Circulation
- Air Quality
- Noise
- Cultural Resources
- Biological Resources

- Geology/Soils
- Hazards and Hazardous Materials
- Paleontological Resources
- Aesthetics
- Water Quality/ Hydrology
- Population and Housing
- Public Services
- Mineral Resources

Air Quality is noted in the EIR as having significant unavoidable impacts. Because the Plan does not propose uses or intensities beyond the Community Plans, adherence to adopted Community Plans policies will ensure that implementation of the Plan will lessen or avoid potential impacts. Where applicable, the EIR outlines mitigation measures, which will be required of future development. This will assure that the quality of the environment is maintained.

During implementation of the Plan, specific redevelopment proposals may warrant further specific environmental analysis as required by the California Environmental Quality Act, Public Resources Code Sections 21000, et seq. ("CEQA").

Availability of Community Facilities and Services

The EIR determined that the Plan would not have a significant impact on public services and utilities including fire protection, police, natural gas, electricity, water, wastewater, storm drain, and solid waste services.

The Plan provides that any redevelopment activity is to be subject to, and consistent with, the policies set forth in the City's pertinent Community Plans, Zoning Ordinance, and local codes and ordinances, as they now exist or are hereafter amended; the General Plan incorporates policies to mitigate impacts on public services and facilities. As outlined in Section A of this Report, implementation of the Plan and its proposed projects are expected to significantly improve the City's existing community facilities and services. The Plan will allow the Agency to utilize tax increment revenues to provide for the upgrading of existing, and construction of new, community facilities, which will be of benefit to the Project Area.

Effect on School Population and Quality of Education

The Project Area is served by the San Diego Unified School District. Section 4.13.1 of the EIR describes the direct and cumulative impacts of the Plan's implementation on area schools.

The EIR indicates that development activity within the Project Area will not significantly affect existing schools. The EIR estimates that 134 dwelling units could be added to the Project Area. According to the student generation

estimates provided in the EIR, approximately 65 students could theoretically be generated by the existing and future development within the Project Area.

Plan implementation will not result in development beyond what is allowed by the City's pertinent Community Plans. Therefore, the adoption of the Plan will not cause the Project Area to generate more students than could occur in connection with development allowed in the General Plan. The City has adopted policies in the General Plan to mitigate impacts of General Plan buildout on schools; implementation of the Plan will adhere to the General Plan policies to mitigate impacts on schools. Furthermore, the school districts will receive a portion of the statutory pass-through payments of tax increment generated from the Project Area. The school district will also receive any mandated school fees resulting from new development.

Property Taxes and Assessments

The Plan calls for various methods of financing its implementation. Because redevelopment agencies do not have the constitutional authority to impose taxes, implementation of the Plan will not cause an increase in property tax rates. Rather, the principal method of financing redevelopment will be the utilization of tax increment revenues generated by the Project Area. Tax increment financing reallocates property tax revenues generated by increases in the assessed value of property in the Project Area. Although redevelopment of the Project Area will increase the assessed valuation, Project Area property owners will not experience increases in property taxes beyond those normally allowed by state law and state constitutional provisions.

Low and Moderate Income Housing Program

A. Number of Dwelling Units Housing Low and Moderate Income Households Expected to be Destroyed or Removed by the Project

There are no known legal residential uses in the Project Area, therefore, there are no known low and moderate income households. Should implementation activities impact future residential units in the Project Area, the Agency will comply with all provisions of the CRL and the Redevelopment Plan regarding the construction of replacement units and relocation of existing residents.

B. Number of Persons and Families of Low and Moderate Income Expected to be Displaced by the Project

As discussed above, due to the lack of existing residential units in the Project Area it is estimated that no units occupied by low and moderate income persons would be destroyed by implementation of land uses allowed in the Community Plans. Should future specific implementation activities result in the need to displace persons and families, a specific relocation plan will be prepared prior to any acquisition or displacement.

C. General Location of Replacement Low and Moderate Income Housing to be Rehabilitated, Developed and Constructed

The Agency does not anticipate the need for replacement housing units due to the current lack of residential units in the Project Area. If implementation activities result in displacement, the project-specific relocation plan will identify locations for replacement housing. Zoning in the Project Area allows for a limited number (134) of additional new housing units in the Project Area.

D. Number of Dwelling Units Housing Persons of Low and Moderate Income Planned for Construction or Rehabilitation Other than Replacement Housing

As discussed in Section E of this Report, the Project Area is projected to generate \$157 million in housing fund revenues. The Agency will invest its housing fund resources into a variety of housing programs described in Section A of this Report. If 134 new residential units are constructed in the Project Area over the next thirty years, 15% or 20 units must be made available for low and moderate income households. At this time, the Agency does not have any specific plans for construction or rehabilitation of any low and moderate-income units in the Project Area. As new development proposals are made, the Agency will take steps to assure that required affordability is achieved.

E. Projected Means of Financing Rehabilitation and New Construction of Housing for Low and Moderate Income Households

The Agency intends to utilize not less than 20% of its tax increment revenues to finance the rehabilitation, construction, purchase, and mortgage assistance of housing for low and moderate income households, in accordance with the provisions of the CRL as it now exists or may hereafter be amended. The Agency will also cooperate with the City to pool funds and resources beyond the tax increment set aside funds if it is determined to be necessary by both bodies in order to improve the City's affordable housing stock.

F. Projected Timetable for Meeting the Plan's Relocation, Rehabilitation and Replacement Housing Objectives

As discussed earlier there are no existing residential uses in the Project Area, therefore the Agency has not developed timelines to relocate or remove or rehabilitate housing. Rehabilitation activities particularly outside of the Project Area will gradually be phased over the 30-year duration of the Plan.



Prior Planning Documents

The following planning documents will be available through the City upon request:

- Navajo Community Plan
- Tierrasanta Communities Plan

CRL Section 33030 and 33031

The CRL sets forth specific parameters that define blight. According to CRL Section 33030, a blighted area contains both of the following:

1. An area that is predominantly urbanized and is an area in which the combination of physical and economic blighting conditions is so prevalent and substantial that it causes “a reduction of, or lack of, proper utilization of the area to such an extent that it constitutes a serious physical and economic burden on the community, which cannot reasonably be expected to be reversed or alleviated by private enterprise or governmental action, or both, without redevelopment” (CRL Section 33030(b)(1)).
2. An area that is characterized by either physical blight and economic blight or the “existence of subdivided lots of irregular form and shape and inadequate size for proper usefulness and development that are in multiple ownership” (CRL Sections 33030(b)(2) and 33031(a)(4)).

Provided that other conditions of physical and economic blight are present, a blighted area may also be one that is characterized by the existence of inadequate public improvements, parking facilities, and utilities.

The characteristics of both physical and economic blight, as defined above, are present throughout the Project Area. The characteristics of physical blight include deteriorated and dilapidated structures, lots/buildings suffering from defective design, substandard design, and lots of inadequate size, and incompatible uses. The characteristics of economic blight include low lease rates, depreciated property values, impaired investments, low per capita retail sales tax, and crime, all of which are indicative of declining market conditions. These blighting conditions are detrimental to surrounding uses and the community.

CRL Section 33031(a) describes the following physical conditions that constitute blight:

1. Lots/buildings in which it is unsafe or unhealthy for persons to live or work; examples of these conditions include:
 - a. Dilapidated and deteriorated buildings.
 - b. Lots/buildings suffering from defective design or physical construction.
 - c. Lots/buildings suffering from faulty or inadequate utilities.
 - d. Serious building code violations.

2. Factors that prevent or substantially hinder the economically viable use or capacity of buildings or lots; examples of these conditions include:
 - a. Lots/buildings suffering from substandard design.
 - b. Lots/buildings of inadequate size, given present standards and market conditions.
 - c. Lack of available parking.
3. Adjacent or nearby uses that are incompatible with each other and which prevent the economic development of those parcels or other portions of the project area.
4. The existence of subdivided lots of irregular form and shape, inadequate size for proper usefulness and development, and that are in multiple ownership.

ECONOMIC BLIGHT

CRL Section 33031(b) describes the following economic conditions that constitute blight:

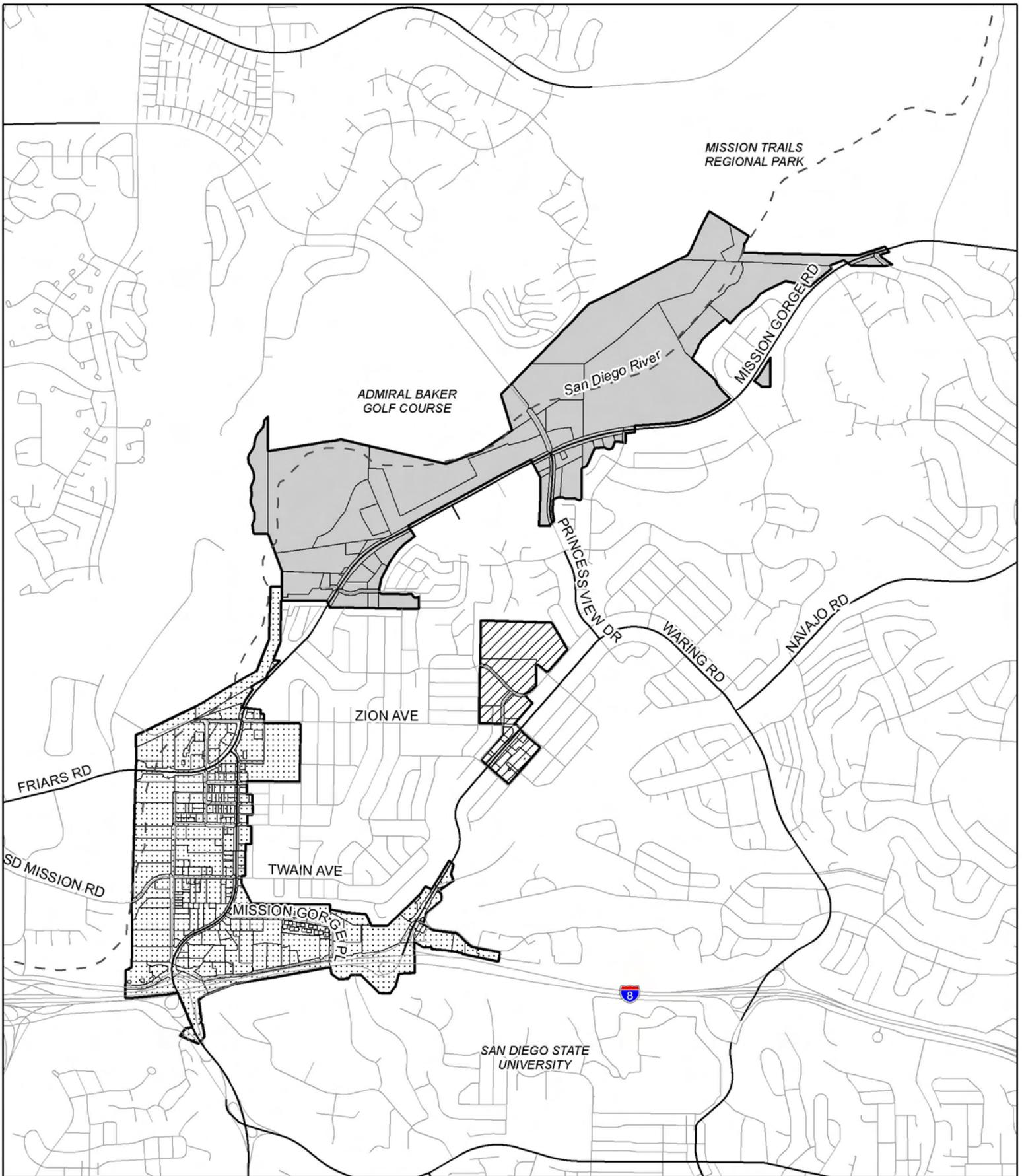
1. Depreciated or stagnant property values or impaired investments. This condition includes the presence of hazardous waste.
2. Stagnant or declining market conditions; examples of this include:
 - a. Abnormally high business vacancies.
 - b. Abnormally low lease rates.
 - c. High turnover rates.
 - d. Abandoned buildings.
 - e. Excessive vacant lots within an area developed for urban uses and served by utilities.
3. A lack of necessary commercial facilities such as those normally found in neighborhoods including grocery stores, drug stores, and banks and other lending institutions.
4. Residential overcrowding or an excess of bars, liquor stores, or other businesses that cater exclusively to adults that has led to problems of public safety and welfare.
5. A high crime rate that constitutes a serious threat to the public safety and welfare.

Provided that other conditions of physical and economic blight are present, a blighted area may also be one that is characterized by the existence of inadequate public improvements, parking facilities, and utilities.

Data Source List

1. Land use survey performed by Rosenow Spevacek Group, Inc. (October and November 2004).
2. Parcel maps and assessed value data provided by the San Diego Assessors Office (2002-03 ,2003-04, 2004-05).
3. Draft Program Environmental Impact Report, BRG Consulting, Inc. (December 13, 2004).
4. California Health and Safety Code including Sections 17920.3, 33030 and 33031.
5. Crime in the San Diego Region Annual Report 2003, San Diego Association of Governments (SANDAG)
6. Navajo Community Plan, City of San Diego Planning Department (1989).
7. Tierrasanta Community Plan, City of San Diego Planning Department (1982).
8. Data from the City of San Diego
 - a. Code enforcement violations
 - b. Infrastructure deficiencies
 - c. Crime statistics
 - d. 2004 City Manager's Budget Message
 - e. Chapters 13 (Zoning) and 14 (Parking) of the Municipal Code
9. How Buildings Learn, What Happens After They're Built. Stewart Brand, Penguin Books, (1994).
10. Local realtors and shopping center managers provided information, vacancy rates and lease rates (2003 and 2004).
11. Alcohol Beverage Control Board, on and off-site alcohol sales permits (February, 2005).
12. Environmental Protection Agency web site article, Lead in Paint, Dust and Soil.
13. Progress Guide and General Plan. City of San Diego (1989).

Project Area Map (Large)



Grantville Redevelopment Project Area



Sources: SanGIS, 2004 and BRG Consulting, Inc., 2005