



Southeastern  
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## Memorandum

Date Issued: July 23, 2010 Item No. 9a – Report No. 10-027  
Meeting of: July 28, 2010  
To: Chair and Members of the SEDC Board of Directors  
From: Sherry A. Brooks, Project Manager

**Subject:** *Review, Discuss and Recommend Approval of the Relocation Plan for the Vista Grande Apartments*

**Reference:** On March 9, 2010, the Redevelopment Agency of the City of San Diego (Agency) approved the Owner Participation Agreement with Wakeland Housing and Development Corporation for the Rehabilitation of the Vista Grande Apartments.

On January 27, 2010, the SEDC Board of Directors recommended Agency approval of the Owner Participation Agreement with Wakeland Housing and Development Corporation for the project.

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### SUMMARY

Requested Action: That the Southeastern Economic Development Corporation (SEDC) Board of Directors recommend the Redevelopment Agency of the City of San Diego approve the Relocation Plan for the Vista Grande Apartments.

Staff Recommendation: Approve the requested action.

Project and Development Committee Recommendations: On July 14, 2010, the Committee received and discussed the draft plan, and directed staff to review the plan for compliance with regulations and make a recommendation to the Board.

Fiscal Impact: No fiscal impact with this action. All relocation costs are included in the project costs and will be administered by Wakeland Housing in accordance with the Relocation Plan from the project budget.

### BACKGROUND

On March 9, 2010, the Redevelopment Agency of the City of San Diego (Agency) approved the Owner Participation Agreement (OPA) with Wakeland Housing and Development Corporation for the rehabilitation of the Vista Grande Apartments (Project) located at 54<sup>th</sup> and Santa Margarita Streets, within the Valencia Park Neighborhood and the SEDC Area of Influence. The project is located within one block of Imperial Avenue and the Central Imperial Redevelopment Project Area. The Project provides for the renovation of the existing 49 multi-family units, a newly constructed community center and revitalized open space and playground area.

In June 2010, Wakeland Housing received notification of award of tax credits for the Project from the California Tax Credit Allocation Committee. Wakeland is now proceeding to close on the construction financing and commence rehabilitation of the units, scheduled for the last quarter of 2010.

Through the Agency's OPA with Wakeland, 48 of the currently market rate rental units will be restricted for 55-year Agency affordable rental rates to low-income (60% of Area Median Income), very-low-income (50% AMI) and extremely-low-income families (30% AMI), and one market rate unit reserved for the on-site manager. It should be noted that redevelopment rental restriction categories and TCAC rental restrictions are calculated differently, and the most restrictive TCAC categories of 50%, 45% and 30% will apply to the development. These rents and tenant income levels are reviewed and monitored annually as required by the OPA and the Agency's Reporting and Monitoring Agreement with the Housing Commission.

### DISCUSSION

Pursuant to California Health and Safety Code (Health and Safety Code) section 33411, whenever a project causes the displacement of residential tenants, a Relocation Plan must be prepared and approved prior to displacement of any residential tenants. The purpose of a Relocation Plan is to inform tenants and provide an assessment of relocation needs, relocation resources available, the relocation program and benefits, and the relocation administrative provisions. The relocation needs are assessed by surveying the residential tenants' family sizes, income, rental costs, and length of tenancy.

Wakeland submitted a Relocation Plan prepared by CornerStone Right of Way LLC in July 2010. The Relocation Plan is certified by Cornerstone to comply with the Health and Safety Code and the Agency's Amended Rules and Regulations for Implementation of California Relocation Assistance Law, dated August 28, 2002. The Relocation Plan is subject to a 30-day public review period before Agency consideration of its approval.

### The Relocation Plan

Staff has reviewed the Relocation Plan and finds that it meets the requirements in that the Relocation Plan provides a survey of current tenants relocation needs, and a survey of available replacement rental units, with sizes and costs. It also provides an estimate of relocation costs, projected dates of displacement, tenants relocation rights, and grievance procedures. Staff has requested additional information regarding any temporary relocation plans, citizen participation plans, as well as regulating document citations for each plan section.

The Relocation Plan requirements under the Health and Safety Code will be met as follows:

- Preliminary Needs Assessment of Tenants - There were 43 households occupying the Project at the time of the survey in July 2010. Of these households, there were potentially nine households that earn incomes over the affordable income restriction limits that may be permanently relocated. Rents paid by tenants currently range from \$93 to \$1,200.
- An assessment of available rental units conducted in July 2010 showed more than adequate comparable replacement housing resources in the area (over 40 units) within the financial means of displaced persons, which could meet the potential need for nine units.

- The Residents Information Brochure provides the tenants' rights, a description of relocation payments and other relocation assistance to be provided to tenants displaced from their homes.
- Included is a Relocation Program offering advisory services to inform the tenants of the relocation program, description of relocation payments and moving expense payments, procedures for relocating and referrals to available housing, provision of transportation to inspect replacement sites, special assistance to any elderly or disabled residents, referrals to other service providers, and grievance procedures
- The cost estimate for carrying out the Relocation Plan is \$375,800, including a 20% contingency. This cost is included in the project budget.
- The projected date of commencement of rehabilitation construction in November 2010 and completion in August 2011.

**Project Benefits:** The Relocation Plan is prepared to satisfy the requirements under the Health and Safety Code to prepare a plan to relocate families and persons displaced by the Project and to ensure that they are relocated to decent, safe and satisfactory housing within their financial means. Adoption of the Relocation Plan by the Agency will allow the Project to proceed with renovation and provision of the 48 affordable, renovated multi-family homes.

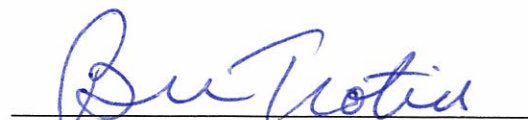
ENVIRONMENTAL IMPACT: This activity is not a 'project' under the definition set forth in CEQA Guidelines Section 15378. Therefore, pursuant to CEQA Guidelines Section 15060(c)(3), this activity is not subject to CEQA.

#### CONCLUSION

The Relocation Plan will provide the current tenants with the relocation rights and benefits available for any displaced tenants, and the plan and schedule for permanent relocation. Approval of the Relocation Plan will allow the Project to proceed with the needed rehabilitation of the 49 rental homes at the Vista Grande Apartments, provide for preservation of existing multi-family housing stock and provide for long-term affordability of the units.



Submitted by:  
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Approved by:  
Brian L. Trotier  
Acting President/CEO