



Southeastern
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Memorandum

Date Issued: July 9, 2010 Item No. 6a – Report No. 10-009
Meeting of: July 14, 2010
To: Chair and Members of the Projects and Development Committee
From: Sherry A. Brooks, Project Manager

Subject: *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.

SUMMARY

Requested Action: That the Southeastern Economic Development Corporation (SEDC) Projects and Development Committee reviews and forwards to the SEDC Board of Directors the Relocation Plan for the Vista Grande Apartments Project, and that staff be directed to review the Relocation Plan for compliance with the Agency's Amended Rules and Regulations for Implementation of California Relocation Assistance Law, Dated August 28, 2002, and the California Health and Safety Codes.

Staff Recommendation: Approve the requested action for the Relocation Plan for the Vista Grande Apartments rehabilitation project located at 54th 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.

Fiscal Impact: No fiscal impact with this action. All relocation costs will be paid by Wakeland Housing.

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. 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. Through the Agency's OPA with Wakeland, 48 of the currently market rate rental units will be restricted for 55-year affordability 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.

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.

DISCUSSION

Implementation of the affordability covenants for the Vista Grande Apartments will temporarily and permanently displace some current tenants. 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. Wakeland submitted a Relocation Plan prepared in May 2009, that identified seven potential over-income tenants that could be displaced. Before any displacement may occur, an updated plan is needed to reflect current tenant conditions. Wakeland has contracted with CornerStone Right of Way LLC to prepare the Relocation Plan to meet the requirements of the California Health and Safety Code. The Relocation Plan will also need to comply with the Agency's Amended Rules and Regulations for Implementation of California Relocation Assistance Law, dated August 28, 2002.

The draft Relocation Plan will be distributed at the Committee meeting for the Committee's review and discussion, and will be available prior to the SEDC Board meeting scheduled for July 28, 2010. The final Draft Relocation Plan will be distributed for a 30-day public review period before an Agency meeting is held for its approval.

The Relocation Plan for the Vista Grande Apartments will provide the assessment of relocation needs, relocation resources available, the relocation program and benefits, and the relocation administrative provisions. The relocation needs are assessed with a survey of the residential tenants' family sizes, ages, income, rental costs, and length of tenancy. The Relocation Plan includes a plan for the temporary relocation of families during rehabilitation of the units, as well as plans for relocation of any over-income families permanently displaced. The Relocation Plan provides a survey of available replacement rental units, with sizes and costs. An estimate of relocation costs, projected dates of displacement, and tenants relocation rights, and grievance procedures are also provided in the Relocation Plan.

Proposed Schedule of Performance:

Action	Completion Date
Agency Approval of Relocation Plan	September 2010
Commence Rehabilitation Construction	October 2010
Complete Construction	No later than April 2012 (18 mo. from commencement)

Project Benefits: The Relocation Plan will be 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.

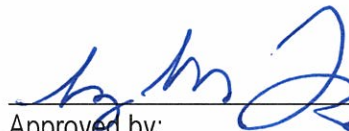
Environmental Impact: This activity is not a 'project' under the definition set forth in CEQA Guidelines Section 15378. Therefore, pursuant to CEQA Guidelines Section 15060(c)(3), this activity is not subject to CEQA.

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 temporary and permanent relocation during and after construction. 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:
Nancy Maddox Lytle, AICP
Vice President of Projects and Development