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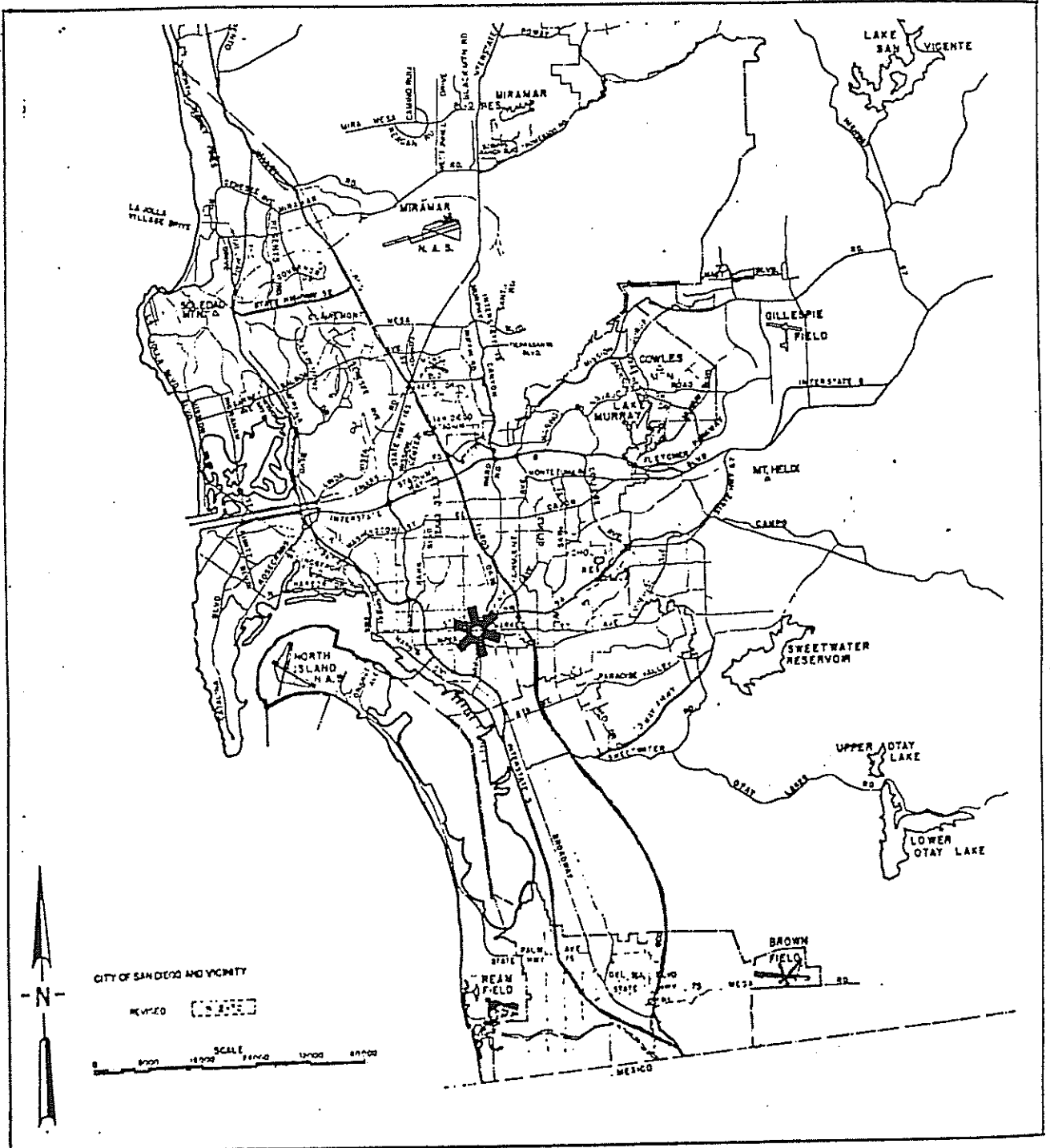
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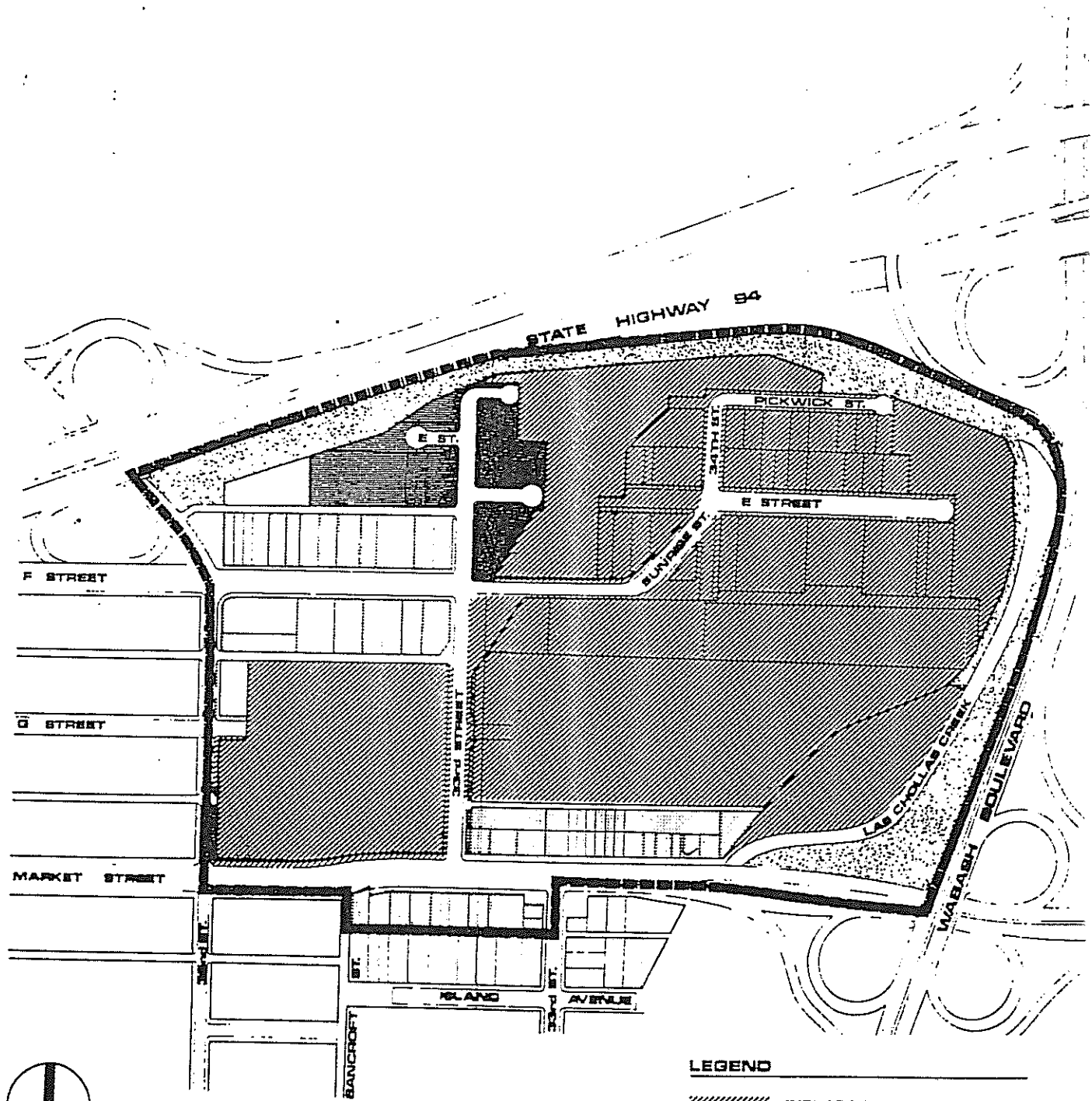
DELLS REDEVELOPMENT PROJECT



PROJECT LOCATION MAP

EXHIBIT I

DELLS REDEVELOPMENT PROJECT



LEGEND

	INDUSTRIAL
	INDUSTRIAL / COMMERCIAL
	RESIDENTIAL / INDUSTRIAL
	PUBLIC

LAND USE MAP

EXHIBIT II

REDEVELOPMENT PLAN
FOR THE
DELLS REDEVELOPMENT PROJECT

ARTICLE I
INTRODUCTION

SEC. 100 Legal Foundation

100.1 This Redevelopment Plan for the Dells Redevelopment Project has been prepared by the Redevelopment Agency of the City of San Diego, California, pursuant to the Community Redevelopment Law of the State of California, the California Constitution, and all applicable local laws and ordinances.

100.2 The proposed redevelopment conforms to the Progress Guide and General Plan for the City of San Diego adopted by the City Council on July 20, 1967, and to the revised General Plan and Progress Guide adopted by the City Council on December 31, 1975, and the revised Southeast Community Plan adopted by the City Council on December 31, 1975.

100.3 In order that all or portions of this project may qualify for Federal financial assistance, the Redevelopment Plan also functions as an Urban Renewal Plan under Federal law.

100.4 This Redevelopment Plan is based on a Preliminary Redevelopment Plan approved by the Planning Commission on July 3, 1974.

SEC. 110 Project Objectives

110.1 The objectives of this Redevelopment Project are as follows:

- A. Improve and establish the Dells Project as one of several industrial areas within the Southeast Community where labor intensive types of industries can be located.
- B. Provide sites for new and relocated industries that will provide jobs for Southeast San Diego residents.
- C. Maximize the multiplier effect that economic growth, new jobs, and the improved environmental aspects of this project will have on the entire Southeast Community.
- D. Strengthen an existing industrial area by implementing performance standards that assure desired site design and environmental quality.
- E. Promote local entrepreneurship by providing incentives for industrial/commercial development by local residents.
- F. Elimination of blighting influences such as incompatible land uses, obsolete and substandard structures, and underutilized land.
- G. Provide for the orderly development of the Southeast Community in accordance with the Progress Guide and General Plan and more specifically with the Southeast Community Plan for the City of San Diego.

ARTICLE II
GENERAL DEFINITIONS

SEC. 200 Definitions

200.1 The following definitions are used in this Plan unless otherwise indicated by the text:

- A. "Agency" means the Redevelopment Agency of the City of San Diego, California.
- B. "Dells Redevelopment Project" is the Project Area bounded generally by Market Street on the south, Wabash Boulevard on the east, State Highway 94 on the north, and 32nd Street on the west.
- C. "City" means the City of San Diego, California.
- D. "City Council" means the City Council of the City of San Diego.
- E. "Planning Commission" means the Planning Commission of the City of San Diego, California.
- F. "Plan" means the Redevelopment Plan for the Dells Redevelopment Project.
- G. "Project Area" means the area included within the boundaries of the Dells Redevelopment Project.
- H. "Project" means the Dells Redevelopment Project.
- I. "Redevelopment Law" means the Community Redevelopment Law of the State of California (California Health and Safety Code, Section 33000 et seq.).
- J. "State" means the State of California.

ARTICLE III
PROJECT AREA BOUNDARIES

SEC. 300 Boundaries

300.1 The Boundaries of the Project are set forth on the Land Use Map, Exhibit II. The legal description of the Project is as follows:

300.2 All that area, 60 acres more or less, within the following boundaries:

Beginning at the intersection of the westerly Right-of-Way line of 32nd Street and the southerly Right-of-Way line of State Highway 94; thence easterly along the southerly Right-of-Way line of State Highway 94 to the intersection of the westerly Right-of-Way line of Wabash Boulevard; thence southerly along the westerly Right-of-Way line of Wabash Boulevard to the intersection of the southerly Right-of-Way line of Market Street; thence westerly along the southerly Right-of-Way line of Market Street to the intersection of the easterly Right-of-Way line of 33rd Street; thence southerly along the easterly Right-of-Way line of 33rd Street to the intersection of the southerly Right-of-Way line of the unnamed alley immediately south of Market Street; thence westerly along the southerly Right-of-Way line of said unnamed alley to the intersection of the westerly Right-of-Way line of Bancroft Street; thence northerly along the westerly Right-of-Way line of Bancroft Street to the intersection of the southerly Right-of-Way line of Market Street; thence westerly along the southerly Right-of-Way line of Market

Street to the intersection of the westerly Right-of-Way line of 3
Street; thence northerly along the westerly Right-of-Way line of
Market-Street to the point of beginning, all as shown on the
Land Use Map, Exhibit II.

ARTICLE IV

PROPOSED REDEVELOPMENT ACTIVITIES

SEC. 400 General Redevelopment Actions

400.1 To obtain the objectives of the Plan as set forth in Sec. 110 of this document, the Agency proposes the following implementing actions:

- A. Acquisition of property;
- B. Removal of certain structures;
- C. Participation by owners and tenants;
- D. Demolition, clearance, public improvements; building and site preparation;
- E. Relocation assistance to displaced residential and non-residential occupants;
- F. Disposition of property for uses in accordance with this Plan;
- G. Other actions as appropriate.

SEC. 410 Acquisition of Property

410.1 Except as specifically exempted herein, the Agency may acquire, but is not required to acquire, all real property located in the Project by gift, devise, exchange, purchase, eminent domain, or any other lawful method.

410.2 It is in the public interest and is necessary, in order to eliminate the conditions requiring redevelopment and in order to execute the Plan, for the power of eminent domain to be employed by the Agency to acquire real property in the Project.

410.3 The Agency shall not acquire interests in oil, gas or other mineral substances within the Project, except to preclude drilling within the Project within 500 feet of the surface.

410.4 The Agency is not authorized by law to acquire real property owned by public bodies which do not consent to such acquisition.

410.5 The Agency shall not acquire real property to be retained by an owner pursuant to a participation agreement if the owner fully performs under the agreement.

410.6 The Agency is authorized to acquire structures without acquiring the land upon which those structures are located. The Agency is also authorized to acquire any other interest in real property less than a fee.

410.7 The Agency shall not acquire real property on which an existing building is to be continued on its present site and in its present form and use without the consent of the owner, unless (1) such building requires structural alteration, improvement, modernization, or rehabilitation, or (2) the site or lot on which the building is situated requires modification in size, shape, or use, or (3) it is necessary to impose upon such property any of the standards, restrictions and controls of the Plan and the owner fails or refuses to participate in the Plan by executing a participation agreement.

410.8 Generally, personal property shall not be acquired. However, where necessary in the execution of this Plan, the Agency is authorized to acquire personal property in the Project by any lawful means except eminent domain.

410.9 The time limit for commencing eminent domain proceedings for the Project is six years.

SEC. 420 Rehabilitation and Moving of Structures

420.1 The Agency is authorized to rehabilitate or to cause to be rehabilitated any building or structure in the Project. The Agency is also authorized and directed to advise, encourage, and assist in the rehabilitation of property in the Project not owned or acquired by the Agency.

420.2 As necessary in carrying out this Plan, the Agency is authorized to move or to cause to be moved, any standard structure or building to a location within or outside the Project.

SEC. 430 Participation by Owners and Tenants

430.1 The Agency shall extend preferences to persons who are engaged in business in the Project to re-enter in business within the redeveloped area if they otherwise meet the requirements prescribed by the Plan.

430.2 Persons who are owners of business and other types of real property in the Project shall be given the opportunity to participate in redevelopment by rehabilitation, by retention of improve-

ments, or by new development by retaining all or a portion of their properties, by acquiring adjacent or other properties in the Project, or by selling their properties to the Agency and purchasing other properties in the Project.

430.3 In the event an owner-participant fails or refuses to maintain, or rehabilitate, or develop his real property pursuant to this Plan and the Participation Agreement, the real property or any interest therein may be acquired by the Agency.

430.4 If conflicts develop between the desires of participants for particular sites or land uses, the Agency is authorized to establish reasonable priorities and preferences among the owners and tenants.

430.5 In addition to opportunities for participation by individual persons and firms, participation to the extent it is feasible shall be available for two or more persons, firms or institutions, to join together in partnerships, corporations, or other joint entities.

430.6 The Agency shall promulgate and, as appropriate, amend rules for owner and tenant participation.

430.7 Participation opportunities are necessarily subject to and limited by factors such as the following:

- A. The elimination and/or modification of some land uses.
- B. The realignment and abandonment of some streets and public rights-of-way.
- C. The ability of participants to finance proposed improvements.

D. Change in orientation and character of the area.

430.8 Each participant shall enter into a binding agreement with the Agency by which the participant agrees to maintain, rehabilitate, develop, or use the property in conformance with the Plan and to be subject to the provisions hereof. In such agreements, participants who retain real property shall be required to join in the recordation of such documents as are necessary to make the provisions of this Plan applicable to their properties.

430.9 Whether or not a participant enters into a participation agreement with the Agency, the provisions of this Plan are applicable to all public and private property in the Project.

SEC. 440 Demolition, Clearance, Public Improvements, Building and Site Preparation

440.1 The Agency is authorized to demolish and clear buildings, structures, and other improvements from any real property in the Project as necessary to carry out the objectives of this Plan.

440.2 The Agency is authorized to install and construct the public improvements and public utilities (within or outside the Project) necessary to carry out the Plan. Such public improvements include, but are not limited to: over or underpasses, ramps, bridges, streets, curbs, gutters, sidewalks, street lights, sewers, storm drains, traffic signals, electrical distribution systems, parks, plazas, playgrounds, motor vehicle parking facilities, landscaped areas, street furnishings and transportation facilities.

440.3 The Agency is authorized to prepare or cause to be prepared as building sites any real property in the Project owned by the Agency.

SEC. 450 Relocation Assistance to Displaced Residential and Non-Residential Occupants

450.1 The Agency shall assist all displaced families, individuals, business concerns or other entities in finding other locations and facilities. In order to carry out the Project with a minimum of hardship to persons displaced from their homes, the Agency shall assist individuals and families in finding housing that is decent, safe, sanitary, within their financial means, in reasonably convenient locations, and otherwise suitable to their needs.

450.2 In accordance with applicable State and Federal law, the Agency shall provide relocation assistance and payments to displaced families, individuals, businesses, and other entities.

SEC. 460 Disposition and Redevelopment of Property for Uses in Accordance with this Plan

460.1 For the purposes of this Plan, the Agency is authorized to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust, or otherwise dispose of any interest in real property. Neither all nor any portion of any property shall be resold by the Agency to the person from whom such property was obtained at a price lower than that for which it was purchased by the Agency.

460.2 To the extent permitted by law, the Agency is authorized to dispose of real property by leases or sales by negotiation without public bidding.

460.3 All real property acquired by the Agency in the Project shall be sold or leased to public or private persons or entities for development for the uses permitted in the Plan. Real property may be conveyed by the Agency to the City or any other public body without charge. Property containing buildings or structures rehabilitated by the Agency shall be offered for resale within one year after completion of rehabilitation or an annual report concerning such property shall be published by the Agency as required by law.

460.4 The Agency shall reserve such powers and controls in the disposition and development documents as may be necessary to prevent transfer, retention or use of property for speculative purposes and to insure that developments are carried out pursuant to this Plan.

460.5 All purchasers or lessees of property shall be made obligated to use the property for the purpose designated in this Plan, to begin and complete development of the property within a period of time which the Agency fixes as reasonable, and to comply with other conditions which the Agency deems necessary to carry out the purposes of this Plan.

460.6 To provide adequate safeguards to ensure that the provisions of this Plan will be carried out and to prevent the recurrence of blight, all real property sold, leased, or conveyed by the Agency, as well as all property subject to participation agreements, shall be made subject to the provisions of this Plan by leases, deeds, contracts, agreements, declarations of restrictions, provisions of the zoning ordinance, conditional use permits, or other means. Where appropriate, as determined by the Agency, such documents or portions thereof shall be recorded in the Office of the Recorder of the County.

460.7 The leases, deeds, contracts, agreements, and declarations of restrictions may contain restrictions, covenants, covenants running with the land, rights of reverter, conditions subsequent, equitable servitudes, or any other provision necessary to carry out this Plan.

460.8 All property in the Project is hereby subject to the restriction that there shall be no discrimination or segregation based upon race, sex, color, religion, national origin, ancestry, or marital status, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of property in the Project. All property sold, leased, conveyed, or subject to a participation agreement shall be made expressly subject by appropriate documents to the restriction that all deeds, leases, or contracts for the sale, lease, sublease, or other transfer of land in the Project shall contain such non-discrimination and nonsegregation clauses as are required by law.

460.9 To the extent now or hereafter permitted by law, the Agency is authorized to pay for, develop, or construct any building, facility, structure, or other improvement either within or outside the Project for itself or for any public body or entity to the extent where such improvement would be of benefit to the Project.

460.10 During the period of development in the Project, the Agency shall insure that the provisions of this Plan and of other documents formulated pursuant to this Plan are being observed, and that development in the Project is proceeding in accordance with disposition and development documents and time schedules.

460.11 For the purposes of this Plan, the Agency is authorized to sell, lease, exchange, transfer, assign, pledge, encumber, or otherwise dispose of personal property.

SEC. 470 Other Actions As Appropriate

470.1 Certain public bodies are authorized by State law to aid and cooperate, with or without consideration, in the planning, undertaking, construction, or operation of this Project. The Agency shall seek the aid and cooperation of such public bodies and shall attempt to coordinate this Plan with the activities of such public bodies in order to accomplish the purposes of redevelopment and the highest public good.

470.2 The Agency, by law, is not authorized to acquire real property owned by public bodies without the consent of such public bodies. The Agency, however, will seek the cooperation of all public bodies which own or intend to acquire property in the Project. The Agency shall impose on all public bodies the planning and design controls contained in the Plan to insure that present uses and any future development by public bodies will conform to the requirements of this Plan. Any public body which owns or leases property in the Project will be afforded all the privileges of owner and tenant participation if such public body is willing to enter into a participation agreement with the Agency.

470.3 During such time as property, if any, in the Project is owned by the Agency, such property shall be under the management, maintenance, and control of the Agency. Such property may be rented or leased by the Agency pending its disposition for redevelopment.

470.4 The Agency is authorized, but not required, to make payments in lieu of property taxes to one or more taxing agencies.

470.5 The Agency is authorized to pay, with the consent of the City Council, all or part of the value of the land and for the cost of the installation and construction of any building, facility, structure, or other improvement which is publicly owned, either within or without the Project, provided the City Council determines that such building, structure or other improvement to be of benefit to the Project or the immediate neighborhood and that no other reasonable means of financing such building, facility, structure or other improvement are available to the community.

SEC. 480 Provision for Low- and Moderate-Income Housing

480.1 At least thirty percent (30%) of all new or rehabilitated dwelling units developed within the Project area by the Agency shall be for persons and families of low or moderate income; and of such thirty percent (30%), not less than fifty percent (50%) thereof shall be for very low income households. At least fifteen percent (15%) of all such new or rehabilitated dwelling units developed within the Project area by public or private entities or persons other than the Agency shall be for persons and families of low or moderate income; and of such fifteen percent (15%), not less than forty percent (40%) thereof shall be for very low income households. The percentage requirements set forth in this paragraph shall apply in the aggregate to housing in the Project area and not to each individual case of rehabilitation, development, or construction of dwelling units.

The Agency shall require that the aggregate number of dwelling units rehabilitated, developed, or constructed pursuant to this Section 480.1, shall remain for persons and families of low or moderate income and very low income households, respectively, for not less than the period set forth in Section 900 for the duration of this Redevelopment Plan.

480.2 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 a part of the redevelopment of the Project, the Agency shall, 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 rents or purchase prices within the Project area and/or the City.

The Agency shall require that the aggregate number of dwelling units rehabilitated, developed or constructed, or caused to be rehabilitated, developed, or constructed, pursuant to this Section 480.2, shall remain for persons and families of low or moderate income for not less than the period set forth in Section 900 for the duration of this Redevelopment Plan.

480.3 Whenever all or any portion of the Project is developed with low- or moderate-income dwelling units, the Agency shall require by contract or other appropriate means that such dwelling units shall be made available for rent or purchase to the persons

and families of low or moderate income displaced by the Project. Such persons and families shall be given priority in renting or purchasing such dwelling units; provided, however, failure to give such priority shall not affect the validity of title to the real property upon which such dwelling units have been developed.

480.4 Whenever used in Sections 480.1 through 480.3 of this Redevelopment Plan, the following terms shall have the following meanings:

A. The term "affordable rent" means rent not in excess of the percentage of the gross income of the occupant person or family established by regulation of the California Housing Finance Agency and not in excess of market rent established by the California Housing Finance Agency as competitive according to its own regulations or Federal regulations.

B. The term "persons and families of low or moderate income" means persons and families deemed by regulation and criteria established by the California Housing Finance Agency to be unable to pay the amount ~~at~~ which unassisted private enterprise is providing suitable, decent, safe, and sanitary housing. The term "persons and families of low or moderate income" includes very low income households (as defined in Section 480.4 below), but does not include those persons and families whose savings or assets, or whose annual income in combination with such savings and

assets, is sufficient to enable them to obtain and maintain decent, safe, and sanitary housing, without undue financial burden as determined by regulations of the California Housing Finance Agency. The term "persons and families of low or moderate income" also includes persons and families of low, moderate, or middle income, as specified in Section 802 of the United States Housing and Community Development Act of 1974 (P.L. 93-383; 42 U.S.C.S. Paragraph 1440).

- C. The term "replacement dwelling unit" means a dwelling unit rehabilitated, developed, or constructed, or caused to be rehabilitated, developed, or constructed, pursuant to Section 480.2 in replacement of a dwelling unit destroyed or removed from the low- and moderate-income housing market by the Agency, and which is decent, safe, and sanitary and which contains at least the same number of bedrooms and other living areas as the dwelling unit destroyed or removed by the Agency.
- D. The term "very low income households" means either:
- (1) persons and families whose incomes do not exceed the qualifying limits for very low income families established pursuant to Section 8 of the United States Housing Act of 1937 (42 U.S.C.A. Paragraph 1408); or
 - (2), in the event such federal standards become obsolete as determined by the California Housing Finance Agency persons and families whose incomes do not exceed fifty percent (50%) of the median income, as established by

the California Housing Finance Agency from time to time, for the Project area and/or the City.

ARTICLE V

USES PERMITTED AND PLANNING CONSIDERATIONS

SEC. 500 Land Use and Plan Development Considerations

500.1 The Land Use Map, Exhibit II, sets forth the proposed uses to be permitted in the Project.

500.2 All areas designated on Exhibit II shall be developed and/or maintained in accordance with applicable City standards and ordinances as they exist now, or are hereafter amended.

500.3 Certain public streets, rights-of-way and easements may be created in the Project as needed for development.

500.4 In any area of the Project, the Agency is authorized to permit the establishment or enlargement of public, semi-public, institutional, or non-profit uses, including park and recreational facilities, child care centers, libraries, educational, fraternal, employee, philanthropic and charitable institutions, and facilities of other similar associations or organizations.

SEC. 510 General Controls and Limitations

510.1 All real property in the Project is hereby made subject to the controls and requirements of this Plan. No real property shall be developed, rehabilitated, or otherwise changed after the date of the adoption of the Plan, except in conformance with the provisions of this Plan.

- 510.2 All new construction and/or rehabilitation of existing structures within the Project shall comply with all applicable State and local laws in effect from time to time including, without limitations, the building, electrical, heating and ventilating, housing and plumbing codes of the City and City Zoning Ordinances.
- 510.3 On any property made available by the Agency for industrial development, such property shall be improved and developed in accordance with the M - 1 B Zone and other applicable City regulations.
- 510.4 On any property made available by the Agency for commercial development, such property shall be improved and developed in accordance with the CN Zone and other applicable City regulations.
- 510.5 Any new construction and/or substantial rehabilitation of existing buildings on property not acquired by the Agency within the Project shall be undertaken in conformance with the existing Land Use Map, Exhibit II, and the existing zoning regulations.
- 510.6 All new and rehabilitated structures shall be so designed so as to minimize noise and smoke discharges. Vibration, heat, radiation, odor and toxic or noxious discharges shall be confined to the individual lot.
- 510.7 All signs shall conform to City ordinances as they now exist or are hereafter amended. Off-premise signs, freeway-oriented signs and billboards are prohibited.

510.8 The approximate amount of open space to be provided shall be 10% of the total Project or not less than five (5) acres.

510.9 The maximum number of buildings in the Project shall be two hundred (200). The approximate number of dwelling units shall be two hundred and fifty (250).

510.10 No building shall exceed fifty (50) feet in height.

510.11 The Agency shall require that all utilities be placed underground when physically and economically feasible, as determined by the Agency.

510.12 Within the Project, except with the approval of the Agency, there shall be no extraction of oil, gas, or other mineral substances, nor any opening or penetration for any purpose connected therewith within 500 feet of the surface.

510.13 After development of property pursuant to this Plan, no parcel in the Project, including any parcel retained by a conforming owner or participant, shall be resubdivided without the approval of the Agency, which shall not be unreasonably withheld.

510.14 The Agency is authorized to permit a variation from the limits, restrictions and controls established by the Plan. In order to permit such variation, the Agency must determine that:

A. The application of certain provisions of the Plan would result in practical difficulties or unnecessary hardships which would make development inconsistent with the general purpose and intent of the Plan; or

B. There are exceptional circumstances or conditions applicable to a particular property or to the intended development of a particular property which do not apply generally to other properties having the same standards, restrictions, and controls; or

C. Permitting a variation will not be materially detrimental to the public welfare or injurious to property or improvements in the Area and contrary to the objectives of the Plan.

510.15 No variation shall be granted which changes a basic land use or which permits other than a minor departure from the provisions of this Plan. In permitting any such variation, the Agency shall impose such conditions as are necessary to protect the public health, safety, or welfare, and to assure compliance with the purposes of the Plan. Any variation permitted by the Agency hereunder shall not supersede any other approval required under City codes and ordinances.

510.16 Land designated as Public as shown on Land Use Map, Exhibit II, shall be used only for public purposes.

510.17 Notwithstanding Sections 510.3 and 510.4 of this Plan, in all cases where a property owner retains a parcel of land and acquires from the Agency a contiguous parcel of land that is less than 50% the size of that owner's retained parcel, development of the acquired parcel may be in conformance with the zoning of the retained parcel.

510.18 There shall be no discrimination or segregation based upon race, sex, color, creed, religion, national origin, ancestry or marital status permitted in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of property in the Project.

510.19 Every attempt shall be made to employ the residents of the adjacent minority community in Southeast San Diego in fulfilling the objectives of this Plan.

SEC. 520 Submission of Schematic Plans

520.1 Every public and private developer of land within the Project

shall submit to the Agency complete schematic plans showing the proposed development. The plans shall include:

- A. A plot plan drawn to scale, illustrating the arrangement of buildings, driveways, pedestrian ways, off-street parking and off-street loading areas, landscaped areas, fences and walks. Any buildings which are proposed to be retained shall be so designated. The plan shall illustrate the location of entrances and exits, and the direction of traffic flow in off-street parking and loading areas. The plot plan shall indicate how utility services and drainage are to be provided.
- B. A landscape plan, drawn to scale, showing the locations of existing trees proposed to be removed and proposed to be retained, schematic drawings indicating the amount, type, and location of landscaped areas, planting beds and plant material with sufficient provisions for irrigations.
- C. Architectural drawings or models, renderings or sketches drawn to scale, illustrating all elevations of the proposed new buildings as well as the proposed renovation of the structures to be retained. All exterior surfacing materials and colors shall be specified, and shall promote a harmonious architectural motif.
- D. Scale drawings of all signs, exterior lighting and street furniture showing size, location, materials, colors and illumination.
- E. Any other drawings and models necessary to illustrate the proposed project.

SEC. 530 Building Permits

530.1 No permits shall be issued for the construction of any new building or any addition to an existing building in the Project area from the date of adoption of this Plan until the application for such permit has been processed in the manner provided. Any permit that is issued hereunder must be in conformance with the provisions and intent of this Plan.

530.2 Upon receipt of such an application, the City shall request the Agency to review the application to determine what effect, if any, the issuance thereof would have upon the Plan for said Project area. Within 45 days thereafter, the Agency shall file with the City a written report setting forth its findings of fact, including, but not limited to, the following:

A. Whether the applicant has entered into an agreement with the Agency for the development of said improvements and has previously submitted architectural, landscape and site plans to the Agency; and

B. Whether the proposed improvements would be compatible with the standards and other requirements set forth in the Plan; and

C. Whether the modifications, if any, in the proposed improvements would be necessary in order to meet the requirements of the Plan

530.3 After receipt of said report or after said 45-day period, whichever occurs first, the City may allow the issuance of the permit with conditions, or shall withhold the issuance of the permit if it finds that the proposed improvements do not meet the requirements of the Plan. Within 5 days after allowing or withholding issuance of the permit, the City shall notify by certified mail the applicant and the Agency of its decision.

530.4 No new improvement shall be constructed and no existing improvement shall be substantially modified, altered, repaired, or rehabilitated except in accordance with architectural, landscape and site plans submitted to and approved in writing by the Agency.

SEC. 540 Neighborhood Impact Statement

540.1 Relocation. Implementation of the Plan will require the relocation of 48 residential tenants, 17 home-owners and 10 businesses. Relocation assistance and payments will be provided in accordance with adopted general relocation policies and regulations of the City of San Diego and state and federal law.

540.2 Traffic Circulation. The Plan when implemented will improve existing internal streets and increase the amount of off-street parking. This would be accomplished through street closings and resurfacing. The development of property made available by the Agency, which shall be in accordance with the M-1B or CN zone, will result in an increase in the amount of off-street parking.

540.3 Environmental Quality. An Environmental Negative Declaration has been prepared and concludes that the proposed redevelopment project is not an action that will significantly affect the environment. This conclusion is based on the following:

- a. The site has been previously developed with a wide variety of uses.
- b. A preliminary soils and geologic investigation indicated that there are no slide areas, active

faults or other land use limitations that would significantly affect the area.

- c. Proposed industrial development would be compatible with existing noise environment.
- d. Implementation of the Plan would not result in significant pollutant discharges from the area.

540.4 Availability of Community Facilities and Services. The project area, because of its central location, has numerous facilities within a radius of 2.5 miles. These facilities include shopping, recreation, transportation, medical and social services.

540.5 Effect on School Population and Quality of Education. The total number of jobs generated by the implementation of the Plan would not substantially impact the school-age population or the quality of education.

540.6 Effect on Property Assessments and Taxes. Due to proposed improvements, implementation of the Plan would result in a general increase in property assessments and taxes.

540.7 Other Factors Affecting the Physical and Social Quality of the Neighborhood. The increased number of jobs that would be generated would result in a positive effect on the project area. Physical improvements in the project area will enhance the overall environment.

ARTICLE VI
METHODS FOR FINANCING THE PROJECT

SEC. 600 General Description of the Proposed
Financing Methods

600.1 The Agency is authorized to finance this Project with financial assistance from the City, State, Federal Government of the United States of America, property tax increments, special assessment districts, donations, interest income, Agency bonds, loans from private financial institutions, the lease of agency-owned property, sale of agency-owned property, and/or any other available source.

600.2 The financing of this Project may be assisted by funds from the following sources:

- 1) U. S. Department of Housing and Urban Development
- 2) U. S. Department of Labor
- 3) U. S. Department of Transportation
- 4) State of California
- 5) Tax Increments
- 6) Other sources as appropriate

SEC. 610 Tax Increment

610.1 The Project assessed valuation base will be established in accordance with State law as described herein. Any tax increments will be used to defray Project expenses to the

extent allowable from the increment itself or from the sale of tax allocation bonds.

610.2 All taxes levied upon taxable property within the Project each year by or for the benefit of the State, County, City, any district, or other public corporation (hereinafter sometimes called "taxing agencies") after the effective date of the ordinance approving this Redevelopment Plan shall be divided as follows:

A. That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of said taxing agencies upon the total sum of the assessed value of the taxable property in the Redevelopment Project as shown upon the assessment roll used in connection with the taxation of such property by such taxing agency, last equalized prior to the effective date of such ordinance, shall be allocated to and when collected shall be paid into the funds of the respective taxing agencies. Such payment shall occur as taxes by or for said taxing agencies on all other property are paid. For the purpose of allocating taxes levied by or for any taxing agency or agencies which did not include the territory of the Project on the effective date of such ordinance, but to which such territory is annexed or otherwise included after such effective date, the assessment roll last equalized on the effective date of said ordinance shall be used in determining the assessed valuation of the taxable property in the Project on said effective date.

B. That portion of said levied taxes each year in excess of such amount shall be allocated to and when collected shall be paid into a special fund of the Agency to pay the principal of and interest on bonds, loans, monies advanced to, or indebtedness (whether funded, refunding, assumed, or otherwise) incurred by the Agency to finance or refinance, in whole or in part, this Project. Unless and until the total assessed value of the taxable property in the Project exceeds the total assessed value of the taxable property in the Project as shown by the last equalized assessment roll referred to in paragraph (A) hereof, all of the taxes levied and collected upon the taxable property in the Project shall be paid into the funds of the respective taxing agencies. When said bonds, loans, advances and indebtedness, if any, and interest thereon, have been paid, all monies thereafter received from taxes upon the taxable property in the Project shall be paid into the funds of the respective taxing agencies as taxes on all other property are paid.

610.3 The portion of taxes mentioned in paragraph (B) above are hereby irrevocably pledged for the payment of the principal of and interest on the advance of monies, or making of loans, or the incurring of any indebtedness (whether funded, refunded, assumed, or otherwise) by the Agency to finance or refinance the Project in whole or in part.

610.4 The Agency is authorized to make such pledges as to specific advances, loans and indebtedness as appropriate in carrying out the Project.

SEC. 620 Bonds, Advances, and Indebtedness

620.1 The Agency is authorized to issue bonds if appropriate and feasible in an amount sufficient to finance all or any part of the Project.

620.2 The Agency is authorized to obtain advances, borrow funds and create indebtedness in carrying out this Plan. The principal and interest on such advances, funds, and indebtedness may be paid from tax increments or any other funds available to the Agency.

620.3 Neither the members of the Agency nor any persons executing the bonds are liable personally on the bonds by reason of their issuance.

620.4 The bonds and other obligations of the Agency are not a debt of the City, the State, nor shall any of its political subdivisions be liable for them, nor in any event shall the bonds or obligations be payable out of any funds or properties other than those of the Agency; and such bonds and other obligations shall so state on their face. The bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

SEC. 630 Total Project Funding

630.1 It is now estimated that total costs to implement the Project shall not exceed \$ 4.0 million. It is estimated that

there will be revenue from, but not limited to, proceeds from the sale or lease of Project land, Federal grants, tax increments and other credits and contributions in the amount of \$4. million.

630.2 For operating capital to finance the Project, it is contemplated that the City of San Diego will advance funds to the Agency. Such funds are expected to be allocated to the City from the U.S. Department of Housing and Community Development.

630.3 The limitation on the number of dollars of taxes which may be divided and allocated to the Agency for the Project is \$6,000,000.

630.4 The time limit on establishing loans, advances, and indebtedness to finance the Project shall be forty years.

630.5 The maximum amount of indebtedness at any one time which must be repaid with tax increments is \$6,000,000.

ARTICLE VII
ACTIONS BY THE CITY

SEC. 700 Actions by the City

700.1 The City shall aid and cooperate with the Agency in carrying out this Plan and shall take all actions necessary to ensure the continued fulfillment of the purposes of this Plan and to prevent the recurrence or spread in the area of conditions causing blight. Action by the City shall include, but not be limited to, the following:

A. Institution and completion of proceedings for opening , closing, vacating, widening, or changing the grades of streets, alleys, and other public rights-of-way, and for other necessary modifications of the streets, the street layout, and other public rights-of-way in the Project. Such action by the City shall include causing the abandonment and relocation by public utility companies of their operations in the public rights-of-way as appropriate to carry out this Plan and as required by law.

B. Institution and completion of proceedings necessary for changes and improvements in private and public-owned public utilities within or affecting the Project.

C. Provide the necessary controls to ensure the orderly development for industrial and/or commercial use within the Project in accordance with this Plan.

D. Provision for administrative enforcement of this Plan by the City after development. The City shall provide for enforcement of continued property maintenance by owners of all real property, both public and private, within the Project.

E. Performance of the above, and of all other functions and services relating to public health, safety, and physical development which will permit the redevelopment of the Project to be commenced and carried to completion without unnecessary delays.

F. The undertaking and completing of any other proceedings necessary to carry out the Project.

ARTICLE VIII

ADMINISTRATION AND ENFORCEMENT OF THE PLAN

SEC. 800 Administration and Enforcement of the Plan

800.1 The administration and enforcement of this Plan, including the preparation and execution of any documents implementing this Plan, shall be performed by the Agency and/or the City.

800.2 The provisions of this Plan or other documents entered into pursuant to this Plan may also be enforced by court litigation instituted by either the Agency or the City. Such remedies may include, but are not limited to, specific performance, damages, reentry, injunctions, or any other remedies appropriate to the purposes of this Plan. In addition, any recorded provisions which are expressly for the benefit of owners of property in the Project may be enforced by such owners.

ARTICLE IX

DURATION OF THIS PLAN

SEC. 900 Duration of this Plan

900.1 Except for the nondiscrimination and nonsegregation provisions which shall run in perpetuity, the provisions of this Plan shall be effective and the provisions of other documents formulated pursuant to this Plan may be made effective for 55 years from the date of adoption of this Plan by the City Council.