



# REPORT

**DATE:** For the Agenda of April 12, 2002 Item 102

**REPORT NO.** HCR 02-025

**SUBJECT:** Cooperative Agreement Between the Redevelopment Agency of the City of San Diego and the San Diego Housing Commission (Citywide)

## SUMMARY

**Issue:** Should the Housing Commission enter into a Cooperative Agreement with the Redevelopment Agency of the City of San Diego which would establish the terms under which the Housing Commission would administer certain low and moderate income housing funds for the Redevelopment Agency?

**Recommendation:** That the Housing Commission approve a Cooperative Agreement between the Redevelopment Agency and the Housing Commission of the City of San Diego in essentially the form and format of the draft included in this Report.

**Fiscal Impact:** This action has no fiscal impact. If the Redevelopment Agency desires assistance from the Housing Commission for a particular Redevelopment Project Area project, a Sub-Agreement will be entered into by the Redevelopment Agency and the Housing Commission. The sub-agreement will address, among other things, the allocation of funding to the Housing Commission.

**Future Related Action:** The Redevelopment Agency will also approve this proposed Agreement. Sub-Agreements addressing particular Redevelopment Project Area projects will be brought forward for approval as needed.



## **BACKGROUND**

The Redevelopment Agency of the City of San Diego has adopted 15 redevelopment project areas. Nine of these project areas are administered by the Redevelopment Division of the City of San Diego's Community and Economic Development Department and are the subject of this agreement. The nine project areas are: Barrio Logan, City Heights, College Community, College Grove, Linda Vista, North Bay, North Park, Naval Training Center (NTC), and San Ysidro.

The remaining six project areas are administered by either the Southeastern Economic Development Corporation (SEDC) or by the Centre City Development Corporation (CCDC). A Master Agreement between SEDC and the Housing Commission was approved by the Housing Commission on September 21, 2001 and adopted by the Housing Authority on November 27, 2001.

## **DISCUSSION**

State law requires that a minimum of 20 percent of the tax increment funds accrued from redevelopment project areas ("Housing Set-Aside Funds") be used for the purpose of increasing, improving, and preserving the community's supply of low- and moderate-income housing. Through previous agreements between the Agency and Housing Commission, the Housing Commission has successfully administered programs that provide for housing development and rehabilitation, as well as home-ownership opportunities to low- and moderate-income households using Housing Set-Aside Funds. The purpose of the attached draft agreement is to establish the general terms under which the Housing Commission and the Redevelopment Agency will cooperate for the purposes of administering housing programs in the subject Redevelopment Project Areas.

This Cooperation Agreement constitutes a relatively broad statement of the nature of the working relationship between the two agencies. When the Redevelopment Agency desires to have the Housing Commission carry out affordable housing programs in a particular redevelopment project, the Agency and the Housing Commission will enter into a Sub-Agreement that details the specifics of the working relationship for the project.

**ALTERNATIVE**

Do not enter into the proposed Cooperative Agreement between the Redevelopment Agency and the Housing Commission. This is not recommended as the proposed agreement will allow the Housing Commission to provide a valuable service to the Redevelopment Agency and will help provide affordable housing opportunities in a number of areas around the City.

Respectfully submitted,

Approved by,

**Signature on File with Original Document**

Jack D. Farris  
Manager, Housing Finance &  
Development

Elizabeth C. Morris  
Chief Executive Officer

Attachment: Draft Cooperative Agreement

F:CoopAgrmntRedevelopment02.doc