

(R-91-1799)

RESOLUTION NUMBER R- 277879  
MAY 07 1991  
ADOPTED ON \_\_\_\_\_

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO ADOPTING WRITTEN FINDINGS IN RESPONSE TO EACH WRITTEN OBJECTION OF AN AFFECTED PROPERTY OWNER OR TAXING ENTITY TO THE PROPOSED REDEVELOPMENT PLAN FOR THE BARRIO LOGAN REDEVELOPMENT PROJECT.

WHEREAS, the Redevelopment Agency of The City of San Diego (the "Agency") has prepared and submitted to the Council of The City of San Diego, a proposed redevelopment plan for the Barrio Logan Redevelopment Project (the "Project"); and

WHEREAS, after due notice as provided by the California Community Redevelopment Law (Health and Safety Code section 33000 et seq.), a joint public hearing was held by the City Council and the Agency to consider the proposed redevelopment plan; and

WHEREAS, any and all persons and organizations having any objections to the proposed redevelopment plan or who deny the existence of blight in the Project area, or the regularity of the prior proceedings, were given an opportunity to submit written comments prior to the joint public hearing, and to give written or oral testimony at the joint public hearing, and show cause why the proposed redevelopment plan should not be adopted; and

WHEREAS, the City Council has considered and evaluated all evidence and testimony for and against the adoption of the redevelopment plan, including among other things the Report of the Redevelopment Agency to the City Council on the Barrio Logan

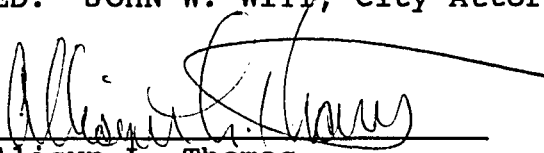
Redevelopment Plan and the report and recommendations of the Barrio Logan Project Area Committee; and

WHEREAS, the City Council has prepared written findings in response to each written objection of an affected property owner or taxing entity as provided for in Section 33363 of the Community Redevelopment Law; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, that the Council hereby adopts the written findings contained in Attachment A (attached hereto and incorporated herein by this reference) as its responses to the written objections delivered or presented in connection with its hearing on the proposed Redevelopment Plan for the Barrio Logan Redevelopment Project.

APPROVED: JOHN W. WITT, City Attorney

By

  
Allisyn L. Thomas  
Deputy City Attorney

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ATTACHMENT "A"

THE REDEVELOPMENT AGENCY  
OF THE CITY OF SAN DIEGO

PROPOSED REDEVELOPMENT PLAN  
FOR THE  
BARRIO LOGAN REDEVELOPMENT PROJECT

RESPONSES TO COMMENTS AND OBJECTIONS  
OF PROPERTY OWNERS AND AFFECTED TAXING ENTITIES

APRIL 30, 1991

Response and Findings Re: Letter of Christina L. Dyer, General Counsel for the San Diego Unified School District, Dated April 30, 1991

The letter from San Diego Unified School District ("Unified School District") reiterates in generalized form the position of the Unified School District as presented to the Agency during the deliberations of the Fiscal Review Committee and individual consultations with the Unified School District. The Environmental Impact Report for the proposed Project has been revised to recognize the expansions of facilities planned or under way at Lowell/Perkins Elementary School and San Diego High School, which will substantially accommodate any growth from the Project in the foreseeable future, especially since such growth is expected to be insignificant in generating students who would not otherwise be attending schools of the Unified School District.

With respect to the overall financial impact of the proposed Project on the Unified School District, the Agency has given an exhaustive response to the Final Report of the Fiscal Review Committee for the Barrio Logan Redevelopment Project, dated April 22, 1991, to analyze the possible financial impact of the Project on the Unified School District. The City Council has reviewed that Response, and based thereon, has concluded and hereby finds that the Project will cause no significant financial burden or detriment, or environmental effect, on the Unified School District, as described in the analysis contained in the Response. While there is not projected to be any significant financial burden or detriment on the Unified School District, the Agency has attempted to provide the Unified School District with certain tax increment payments which would be generated over time if the redevelopment Project is successful. An outline summarizing those proposed payments is shown in Section IV.B. Recommendations As to Specific Taxing Agencies of the Response. The payments proposed in the Agency's formula would, in a fair manner, balance the needs of the Project area in early years to retain tax increment funds to pay the cost of carrying out redevelopment, and the making of escalating payments for the life of the Project if the Project is successful to alleviate any detriment or burden, however insignificant, which may be experienced by the Unified School District. Thus, the Unified School District would receive payments based on current reasonable expectations of when detriment would actually be experienced giving the phasing of implementation of the Project. The City Council concludes and hereby finds that the Redevelopment Plan may be adopted notwithstanding that the Unified School District has not accepted the Agency's proposal, which cooperation by the Unified School District neither the City nor Agency has the power to compel, since any financial impact on the Unified School District will be insignificant in any event.

Response and Findings Re: Letter of Bowie, Arneson, Kadi & Dixon, Dated April 30, 1991 (As Elaborated in Letter Dated April 24, 1991)

With respect to the consideration of the San Diego County Office of Education ("COE") as a service provider in the Project area (second paragraph), COE has contended in the fiscal review process that it is a regional provider and it has declined to identify any specific facilities which provide services to the Barrio Logan area and therefore could be impacted by the Project. Of the five program areas identified by COE in the Report of the Fiscal Review Committee: HOPE Infant Program, Outdoor Education Program, Migrant Education Program, Regional Occupational Program ("ROP") and Staff Development, the Agency's economic consultants, Keyser Marston Associates, has found that the San Diego Unified School District ("Unified School District") does not utilize the Outdoor Education Program, and it provides nearly all of its own staff development services and therefore does not utilize COE in any significant manner. Given the urban nature of the Project area, there is no indication that additional space requirements for the Migrant Education Program would be generated by the types of activities proposed. The Environmental Impact Report ("EIR") recognizes that the HOPE Infant Program and ROP, if there is a chance for their use in the Project area, are typically housed in schools and community facilities owned and operated by other entities, and that the joint use of such facilities by COE, the planned expansion of Community College facilities and the development of a multi-use cultural center within the Project area should, with the cooperation of the COE, provide adequate space for any programs increased because of the Project. Therefore, the City Council finds that additional facilities needs and impacts on COE will not be significant.

With respect to consideration of population and employment increases (third paragraph), the Redevelopment Plan provides that the objective of the Project is to improve housing conditions, particularly to people living in Barrio Logan and the immediate Southeast San Diego area. The Report to City Council by the Agency demonstrates the relatively high unemployment rates (as much as twice the City-wide rate), and low income levels (31% to 38% in poverty compared to 12% City-wide) of people within the Project area and the adjacent community. Keyser Marston Associates has concluded in the Agency's response to the Report of the Fiscal Review Committee ("Response"), that "the local serving nature of the planned commercial, retail and industrial space is not of the type to attract businesses which otherwise would not locate within the County." As such, the City Council finds that these developments will not create any significant new demand for additional housing.

With respect to the employment and the provision of business opportunities for local people as part of implementing the redevelopment Project (fourth paragraph), the Redevelopment Plan expressly provides as objectives, among other things:

(1) encouraging development of small and affordable commercial spaces; (2) encouraging small businesses throughout the Project area to remain and expand in the Project area; (3) provide small business entrepreneurs with the necessary support to succeed through a business incubator program; and (4) working with the Enterprise Zone Job Referral Service (or its successor) so that new jobs can be filled by community residents and businesses can claim Enterprise Zone tax credits. Section 4.6.11 of the Redevelopment Plan expressly provides that contractors and others engaged in construction rehabilitation activities in the Project area, as well as businesses located in new redeveloped or rehabilitated property in the Project area, shall work to the greatest extent possible to assure that new jobs shall be filled by community residents. The need of residents and business people in the area for increased employment and income opportunities is demonstrated by the unemployment and income statistics in the Report to City Council of the Agency, both as it applies to the Project area itself and the immediate Southeast San Diego community. It must be presumed that the Agency will comply with the dictates of the Redevelopment Plan if it is adopted by the City Council and will vigorously carry out its principal thrust to provide new opportunities for the people in the local community. Keyser Marston Associates has concluded in the Response that the type of uses proposed for the Project area "are not of a scope or type that is likely to significantly impact the overall County-wide supply or demand for such facilities." As reflected by the experience of the Agency in the Gateway Center East and Gateway Center West Redevelopment Projects in Southeast San Diego, the Agency can play a constructive role in assuring that employers and contractors make available employment and training opportunities to those who would otherwise be disadvantaged, and such is the intent of the Barrio Logan Redevelopment Plan. This includes providing opportunities for currently unemployed or underemployed people within the Project area. Therefore, the City Council finds that the regional growth factors which could affect the demand for COE services are insignificant.

With respect to the overall financial impact of the proposed Project on COE (fifth paragraph), the Agency has given an exhaustive response to the Final Report of the Fiscal Review Committee for the Barrio Logan Redevelopment Project, dated April 22, 1991, to analyze the possible financial impact of the Project on COE. The City Council has reviewed that Response, and based thereon, has concluded and hereby finds that the Project will cause no significant financial burden or detriment, or environmental effect, on COE, as described in the analysis contained in the Response. While there is not projected to be any significant financial burden or detriment on COE, the Agency has attempted to provide COE with certain tax increment payments

which would be generated over time if the redevelopment Project is successful. An outline summarizing those proposed payments is shown in Section IV.B. Recommendations As to Specific Taxing Agencies of the Response. The payments proposed in the Agency's formula would, in a fair manner, balance the needs of the Project area in early years to retain tax increment funds to pay the cost of carrying out redevelopment, and the making of escalating payments for the life of the Project if the Project is successful to alleviate any detriment or burden, however insignificant, which may be experienced by COE. Thus, COE would receive payments based on current reasonable expectations of when detriment would actually be experienced giving the phasing of implementation of the Project. The City Council concludes and hereby finds that the Redevelopment Plan may be adopted notwithstanding that COE has not accepted the Agency's proposal, which cooperation by COE neither the City nor Agency has the power to compel, since any financial impact on COE will be insignificant in any event.

In a series of analyses prepared by David Tausseg and Associates, Inc., on behalf of COE and submitted to the Agency staff by COE, service impact is defined as being "equal (to) 100 percent of foregone tax increment once basic aid status is attained." (City of San Diego Barrio Logan Redevelopment Project Draft Environmental Impact Report, evaluation by David Tausseg and Associates, Inc., - undated). Exhibit A of that document dated February 28, 1991, Table 4. Projected Operating Impacts identified zero operating impacts until the years 2002-03 at which time the impact is estimated by Tausseg to be \$29,310 in inflated dollars. The Environmental Impact Report states that "The COE analysis concludes that impact on services as contrasted with facilities is approximately \$4.7 million. However, there will be no impact for the first 13 years of the Plan." The document is clear, therefore, that the lack of impact for the first 13 years refers to services or operating funds and is in fact based on evidence supplied by COE.

The Environmental Impact Report states: "Given the project area characteristics, there is no basis to conclude that the proposed residential and commercial program envisioned for Barrio Logan would impact service or space requirements for the Migrant Education Program." The COE publication, Facts, April 1990, describes the Migrant Education Program as follows: "Migrant Education is a federally funded program which provides supplementary instructional and support services to children of migrant agricultural workers and fishermen in Region IX (San Diego and Orange Counties)." The commercial and residential program of the Project has no impact on the numbers of such agricultural and fishing industry families either directly through increasing the numbers of such agricultural and fishing industry families within the Project or indirectly by increasing the demand for such services.

The Environmental Impact Report states: "According to SDCS staff development office, the district generally relies less upon COE than do smaller districts in the County." The analysis by COE of facilities impact uses an average cost and space needs methodology. That is, the demand for COE services and facilities is assumed by COE to be the same regardless of the district in which that student resides. Interviews by Keyser Marston Associates with Unified School District staff development personnel concluded that the Unified School District provides most of its own staff development program and relies little on the services offered by COE. There is no evidence to support COE assumption that students residing within the Unified School District will create the same level of COE service demand as students residing in smaller districts within the County who do not have the internal resources and programs of the Unified School District. Representatives of the Unified School District stated to Keyser Marston Associates that for such services, the Unified School District only "occasionally" utilize COE staff development programs.

With respect to the environmental assessments made in connection with approval of the redevelopment Project (sixth paragraph and letter dated April 25, 1991), the City Council has determined that the sequence of preparation of environmental documents as related to the approval of the redevelopment Project, and possible implementation activities (and more specifically, the approximately 12-acre Mercado del Barrio development) is lawful in all respects and best designed to consider the environmental impacts of the Project and its implementation. According to the California Community Redevelopment Law (Health and Safety Code section 33352), the Agency is required to prepare an Environmental Impact Report in connection with the consideration by the City Council of the adoption of a redevelopment project. The California Environmental Quality Act provides that such an Environmental Impact Report for a redevelopment project covers all public and private activities authorized in the plan to be carried out to implement the redevelopment project, unless additional more specific information becomes available later for particular developments or other implementation activities, in which case it may be necessary to prepare an addendum, a supplement or a subsequent EIR. Under California law, the redevelopment plan is principally an empowering document containing many provisions required by state law, including generalized land use designations. As such, the Environmental Impact Report for this Project is prepared at the level of detail which is required given the nature of the Barrio Logan Redevelopment Plan.

The Redevelopment Plan, and the implementation thereof, is in no way conditional or dependent upon any particular source of revenue for any particular development. In this respect, the feasibility of carrying out the Project overall is not conditional or dependent upon the Mercado del Barrio development or its financing. As a separate implementing activity, expected



to be only one of many, the Agency and City have begun negotiating with a developer to attempt to begin implementing the Project with the Mercado del Barrio development, if and when the overall Project is adopted. In accordance with normal Agency procedures, the Agency is beginning to discuss the possibility of a disposition and development agreement with a developer, and in the meantime is beginning to formulate a financial program which could include federal funding if the Agency is able to enter into such a disposition and development agreement and other conditions precedent are met. If an agreement to build the Mercado del Barrio development is consummated, then among the financial sources which the Agency may seek to meet its costs of implementation are a Section 108 loan with respect to Community Development Block Grant funds and/or a federal Urban Development Action Grant. Any such development must be in compliance with the Redevelopment Plan if it is adopted.

In connection with federal environmental review procedures, the City and/or Agency will be required to complete the necessary Environmental Impact Statement tailored to a specific known development and taking into account the possible developments around it. By approving the overall redevelopment Project, the Agency has not limited its consideration of development alternatives or financing possibilities with respect to a particular development within the Project area, including the Mercado del Barrio development, except that any such development, however funded, must be consistent with the overall generalized plan adopted for the Project area as provided for under state law. The Redevelopment Plan is not being adopted in a hurry but has been under consideration for over a year. There is no prohibition on the Agency beginning to consider specific developments or program implementation activities prior to Plan adoption recognizing that in the end they will have to be brought into conformance with the overall Plan if and when it is adopted and that their implementation would be conditional on such adoption.

If the Mercado del Barrio development cannot be implemented in the form in which it has been discussed in the community because of market conditions, community concerns, financial status, environmental impacts or any other factors, this would in no way limit the implementation of the redevelopment Project and the consideration of alternative development scenarios within the area otherwise being considered for the Mercado del Barrio. These procedures are in conformance with the practices of the Agency and redevelopment entities generally in California. The consideration of the Environmental Impact Report under state law in connection with the proposed adoption of the redevelopment Project at this time is consistent with law and an acceptable procedure. In addition, the City and Agency will comply in all respects, if and as federal funds are included as part of an implementation activity, to fully comply with federal environmental requirements and the preparation of an Environmental Impact Statement as appropriate. This procedure

was previously concurred in by Mr. Sefarino Ahuero of the federal Department of Housing and Urban Development in a meeting attended by Mr. Keith C. Scott, Redevelopment Coordinator, of the Agency staff and members of the City's environmental staff and was recently reconfirmed by Mr. Ahuero after receipt of the Bowie, Arneson, Kadi & Dixon letter of April 24, 1991. Therefore, the City Council has concluded and hereby finds that the environmental procedures being followed by the Agency and the City in connection with the approval of the redevelopment Project are appropriate, and the Project may be approved and adopted on the basis of the Environmental Impact Report before the City and Agency.

Response and Findings Re: Letter from Brinley and Schott, Dated April 29, 1991

The letter from Brinley and Schott, by Leonard D. Brinley, Esq., on behalf of the San Diego Community College District ("SDCCD"), states its general opposition to the adoption of the Barrio Logan Redevelopment Project (the "Project") and the certification of the Final Environmental Impact Report ("EIR"). The City Council has reviewed the EIR and finds that it has been prepared and completed in compliance with the California Environmental Quality Act of 1970 ("CEQA") and that the Findings and Statement of Overriding Considerations adequately address the Project's impact, potential mitigation measures and reasonable alternatives. In addition, the Project's impact on SDCCD is further reviewed and addressed in the Response of the Redevelopment Agency of The City of San Diego to the Final Report of the Fiscal Review Committee for the Barrio Logan Redevelopment Project (see the Response to the Final Report in general and pages 15 specifically). As to Mr. Brinley's specific concerns, each will be addressed below:

Concern 1

The Project and the EIR do not identify the Project's impact on schools as significant.

Response

The Findings and Statement of Overriding Considerations states that there would be a significant impact on the schools. As indicated above, the Response to the Final Report gives a thorough analysis of the Project's impact on the schools, including SDCCD. The City Council has reviewed that Response, and the Findings and Statement of Overriding Considerations and based thereon, has concluded and thereby finds that the Project will cause no significant financial burden or detriment, or environmental effect on the schools.

Concern 2

The Project and the EIR do not adequately address the fact that economic growth is the primary cause of population growth both historically and today.

Response

The Project documents, including the EIR, are not required by law to address generalized concepts which are of no relevance to the Project. The Redevelopment Plan provides that the objective of the Project is to improve housing conditions of those people living in the Barrio Logan community, along with attempting to address the high unemployment rate in the area. Keyser Marston Associates has concluded in the Response to the

Final Report that "the local serving nature of the planned commercial, retail and industrial space is not of the type to attract businesses which otherwise would not locate in the County."

Concern 3

The EIR does not detail the extent to which state legislation measures will alleviate the environmental effect on the Project on schools.

Response

The EIR states that schools may charge development impact fees pursuant to AB 2926. The EIR is not required by law to further detail how those funds would be used. The provisions of AB 2926 speak for themselves.

Concern 4

The Project and the EIR do not identify the manner in which the College would be able to operate in general or meet its need for school facilities without the College receiving tax revenues generated by the Project.

Response

Exhibit 3 of the Redevelopment Plan, the Final Report of the Redevelopment Agency ("Final Report"), and the EIR all indicate that the expansion of the Harborview Center is a priority of the Project. As set out more fully in the Response to the Final Report in the section entitled Recommendations As to Specific Taxing Agencies, the Agency has offered a proposal to SDCCD in which it would receive tax increment monies in escalating percentages over the life of the Project. In addition, the Agency has indicated it would work with SDCCD in obtaining space for the expansion of the Harborview Center. The City Council has reviewed that Response and finds that it identifies how the Agency can assist SDCCD to meet its need for school facilities in the community. Beyond that, the Agency cannot address how SDCCD would operate in general.

Concern 5

The Project and EIR do not examine projections for increased student enrollment by the College due to the Project. The Project and EIR are therefore lacking in their consideration of all related environmental impacts including population growth, housing, transportation, noise, recreation, fire protection and other public services.

Response

Despite repeated invitations to the SDCCD on the part of the Agency, SDCCD did not provide the Agency with enrollment predictions. Nonetheless, the Project does adequately examine the list of projections noted in this concern and their environmental impact in the EIR, Mitigation and Monitoring Program and the Statement of Findings and Overriding Considerations.

Concern 6

The Project and EIR do not adequately discuss the timing for implementation of the Project. The consequential financial and environmental impacts cannot be properly anticipated or planned for.

Response

The Preliminary Report and Final report identify the timing of expected Agency sponsored development. The tax increment cash flow spreadsheet, Addendum 2 to the Preliminary Report and Exhibit 1 to the Final Report show the timing of projected development for the Project.

Concern 7

The Project and the EIR do not adequately address the impact of the Project's compliance with the low and moderate income housing requirements.

Response

The EIR and the Final Report identify the number of dwelling units to be developed over the life of the Project, inclusive of those units to be developed with the required low and moderate income housing funds and the impact of that development is examined. Without more specific information regarding SDCCD's concern, a more detailed response is impossible.

Concern 8

The Project and the EIR do not adequately consider the alternative of allowing private enterprise acting alone, to develop the Project area. The California Community Redevelopment Law ("CRL") and applicable law requires that alternative to be considered and not found feasible.

Response

The Final Report, pages 19 through 21, succinctly sets out why the elimination of blight and redevelopment of the area could not be accomplished by private enterprise acting alone. The EIR

identifies and analyzes two alternatives, including a "No Project" alternative, which is the equivalent of private enterprise acting alone.

Concern 9

The Project area is not blighted.

Response

The Preliminary Report, Final Report and EIR all identify significant elements of blight as defined by the CRL. Among the elements identified are: substandard lots, incompatible land uses, obsolete and dilapidated buildings, substandard and deteriorated public improvements, significant crime rate, high unemployment, a trend toward business disinvestment and hazardous waste problems. The City Council has reviewed this information and concludes that the Project area is blighted as defined by the CRL.

Concern 10

The Project and EIR do not adequately consider the migration into the area by the Project.

Response

As indicated previously, the Project is not designed to induce migration into the area, but to provide adequate housing and job opportunities for persons already residing in the Barrio Logan area, an area with vastly inadequate housing stock and high unemployment. In addition, as also stated in the Response to the Final Report, the commercial uses contemplated in the Redevelopment Plan, focus on basic amenities such as a supermarket as the area has not had one for decades.

Concern 11

The limitations on type, size, height, number, and proposed use of all buildings are not properly defined. The incorporation of Municipal Code provisions is insufficient and does not provide the specificity required by statute.

Response

Section 4.6 of the Redevelopment Plan states the general controls and limitations of physical development for the Project area. Greater specificity is not required in Article 4 of the CRL. The limitations are further set out in the Barrio Logan/Harbor 101 Community Plan, as amended, which amendment is being brought forward for adoption at the same time as the Redevelopment Plan. Finally, the limitations spoken of by Mr. Brinley shall be refined further in the amendment to the

Barrio Logan Planned District Ordinance which is currently scheduled to be brought to the City Council for adoption this summer.

Concern 12

The Project and EIR do not adequately address safety and noise considerations.

Response

Safety and noise considerations are addressed in great detail in both the body of the EIR and in the Statement of Findings and Overriding Considerations. In particular, Section 3.4 of the EIR discusses the "acoustic environment," what affect the Project shall have and mitigation measures. Section 3.8 discusses the issue of police and fire protection. It is projected that over the life of the Redevelopment Plan, approximately five additional police officers will be needed and that no additional fire fighters will be needed than are currently scheduled for the Project area.

Concern 13

The Project does not adequately identify and evaluate the measures stated in Health and Safety Code section 33353.3 which would:

- (a) Modify the total amount of tax increment to be received by the Redevelopment Agency;
- (b) Modify the duration of the Redevelopment Plan;
- (c) Modify the size of the Project area;
- (d) Modify a kind or number of specific projects proposed to be undertaken by the Agency;
- (e) Include specific actions for projects to be undertaken by the Agency which would reduce or eliminate the detrimental fiscal effects on the College; and
- (f) Involve payments by the Agency to the College.

Response

The Agency, as it is required to do under Health and Safety Code section 33353.3, prepared and disseminated to the taxing entities, a Response of the Redevelopment Agency of The City of San Diego to the Final Report of the Fiscal Review Committee for the Barrio Logan Redevelopment Project. As required by Health and Safety Code section 33353.7, that Response addressed the issues raised by the Fiscal Review Committee in its final Report of the Fiscal Review Committee and included its reasons for not

adopting the Fiscal Review Committee's recommendations. Specifically, the Agency found that the projections of detriment submitted by the schools were vastly overstated and did not take into account the nature and goals of the Project, which are essentially to alleviate blighting conditions in the community and address problems for persons residing in the Project area, not to encourage new population growth. The Response to the Final Report did include specific actions which would assist the SDCCD, mainly a proposal to work together in the expansion of the SDCCD's Harborview Center, along with a payment plan, which would provide SDCCD with additional revenue in the later years of the Project. The City Council has reviewed the Response to the Final Report and finds that it adequately addresses the concerns of the Fiscal Review Committee. In addition, the City Council finds that the proposal to the SDCCD would alleviate any detriment to SDCCD, and that the Redevelopment Plan may be adopted notwithstanding that the SDCCD has not accepted the Agency's proposal, which cooperation by the SDCCD neither the City nor Agency has the power to compel, since any financial impact on the SDCCD will be insignificant in any event.

#### Concern 14

The Fiscal Review process has not been complied with. The determinations and recommendations of the Fiscal Review Committee has been ignored.

#### Response

The response to this concern was addressed fully in the previous question. However, it should be noted that under Health and Safety Code section 33353.7 the Agency is not required to agree with the conclusions of the Fiscal Review Committee, only that those conclusions be addressed.

#### Concern 15

The College does not have significant information from which to determine that all notices required by CRL and CEQA have been given and on that basis alleges that they have not been given in a manner required by law.

#### Response

As the SDCCD was on all mailing lists, it must be presumed that the SDCCD does have the information it needs. Nonetheless, all appropriate notices required by CRL and CEQA have been complied with. Records are and have been available to the SDCCD for examination at the office of the Secretary of the Redevelopment Agency.



Concern 16

The Project does not contain the provisions of Health and Safety Code section 33401 for the purpose of authorizing the Agency to alleviate any financial burden or detriment to any taxing entity.

Response

Section 3.6 of the Redevelopment Plan gives the Agency authority to make payments to taxing entities for in lieu taxes and to alleviate financial burden.

Concern 17

The College is not guaranteed reimbursement by the State for local property tax revenues diverted to the Agency.

Response

The Agency acknowledges the provisions of current state funding programs.

Concern 18

The diversion of State revenues to offset the local property tax revenues claimed by the Agency is an additional burden on the State which impacts the College.

Response

The Agency notes this comment. While the "diversion" of State revenue may be a burden, nonetheless that is how the State of California has chosen to balance the fiscal needs of redevelopment agencies and schools.

Concern 19

Agencies in over ten different counties are sharing significant tax increment revenues with schools in order to alleviate the impact of redevelopment projects without harming the projects. Your schools deserve the same kind of consideration.

Response

The Agency cannot comment on what arrangements may have been made between different counties and schools, as that statement alone offers no information regarding the type and quality of the redevelopment projects involved. Furthermore, those arrangements, made for whatever reason, have no bearing on this Project. The Barrio Logan Redevelopment is a small project in a very depressed area in the City of San Diego. The amount of tax increment generated in the area, assuming the Project is

successful, is a small amount over 40 years. Diversion of "significant" tax increment revenues would most definitely affect the Project's viability.

Concern 20

The proposed Project is uncertain and the College is therefore hampered in its efforts to accurately quantify the significant impacts expected.

Response

The number of dwelling units, square footage of industrial and commercial developments, as well as proposed public facilities have been identified in the Preliminary Report, Redevelopment Plan and Final Report, and have been identified with enough specificity to allow the SDCCD to quantify what impacts, if any, the Project would have on it. Furthermore, the SDCCD, as a member of the Fiscal Review Committee, received a copy of all clarifications and refinements on the Project provided to the Fiscal Review Committee by the Agency. These are compiled and made part of the record contained in the Final Report of the Fiscal Review Committee.

Concern 21

The legislature has provided for alleviation of Project impacts and for a fiscal review process in spite of the potential State reimbursement to schools. The Legislature obviously wants each Agency to take care of impacts and not shift that burden to the State.

Response

Without being above to comment on what the Legislature "wants," it does appear the Legislature has given agencies and schools different options to work with depending on the specific circumstances of each redevelopment project.

Concern 22

The College does not even receive developer fees in partial mitigation of impacts on it.

Response

The State Legislature has chosen at this time to not allow community colleges to collect developer fees. However, community colleges are allowed to charge enrollment fees and raise revenues in ways primary and secondary schools cannot.

Concern 23

The Agency must budget conservatively in order to sell bonds. The College may already claim certain revenues pursuant to Health and Safety Code section 33676. The Agency has the additional flexibility necessary to appropriately alleviate the impact of the Project on the College.

Response

Given the nature of the Project and the limited amount of tax increment funds available over its 40 year span, the Agency has given SDCCD a proposal which assists SDCCD in its facility needs, along with the tax increment revenues in the later years of the Project.

Response and Findings Re: Oral Testimony of Richard Russell on  
April 30, 1991

Mr. Russell testified at the Joint Hearing of the City Council and the Redevelopment Agency of The City of San Diego (the "Agency") on April 30, 1991. At that time, he expressed concern over the adoption of the Barrio Logan Redevelopment Plan and felt the item should be continued for further study and comment. In addition, Mr. Russell, a property owner in the area, stated he was not given adequate notice.

The City Council finds that Agency staff followed all required noticing procedures. The planning process for adoption of the Redevelopment Plan began over 18 months ago when pursuant to the law, staff to the City of San Diego's Planning Commission sent notices to all property owners in the area, that the Planning Commission would be conducting a hearing on the Barrio Logan Preliminary Redevelopment Plan and proposed Project area boundaries. In the fall of 1989, letters were sent to every property owner on the County Assessor's roll and every occupant, setting out a series of dates for public hearings concerning the election of the Barrio Logan Project Area Committee ("PAC"). The 12 member PAC was elected at a meeting on December 6, 1989, at Lowell (now Perkins) Elementary School. Over 70 people attended that meeting and participated in the election. The PAC has met on a regular basis ever since that time to discuss all aspects of the proposed Redevelopment Plan. All those meetings were noticed pursuant to the Brown Act, and open to the public. In addition to the PAC members, approximately 20 to 25 people attended each of those meetings. Through the use of attendance sheets passed out at each meeting and requests to be placed on the mailing lists, the mailing list for future meetings was developed. Thorough meeting minutes were then sent out to all persons on the mailing list, so they could be appraised of the entire planning process.

Mr. Russell indicated he received his first notice in January, 1991. Since that time Mr. Russell has had adequate time to discuss the Redevelopment Plan with City staff and in fact has done so. The City Council finds the Redevelopment Plan has been presented to the community in a thorough and conscientious manner and that persons in the area have had more than adequate time to learn about the Redevelopment Plan. Accordingly, the City Council finds that to delay adoption on the basis of inadequate notice and public participation is not justified.

Response and Findings Re: Letter of Marcia Whispell

With respect to Ms. Whispell's opposition to the San Diego Mercado project. The actions currently before the City Council and the Redevelopment Agency of The City of San Diego (the "Agency") concern adoption of the Barrio Logan Redevelopment Plan (the "Redevelopment Plan"), certification of the Final Environmental Impact Report ("EIR"), approval of the Barrio Logan Community Plan amendment, approval of the Local Coastal Program amendment, and extension of the Interim Development Ordinance. The San Diego Mercado project, while recognized as a potential project and catalyst for the Redevelopment Plan, is not before the City Council or the Agency at this time.

Assuming the Redevelopment Plan is adopted, City staff will begin negotiations with the Mercado del Barrio project developer on terms for a disposition and development agreement ("DDA"). The DDA shall go through a public review process prior to the City Council and Agency action on the document. Specifically: it is currently anticipated that the DDA for the Mercado del Barrio Project will be noticed for discussion and recommendation by the Barrio Logan Project Area Committee (the "PAC") this summer. Following that meeting, the DDA shall be calendared for consideration by the City Council and Agency in the fall. Ms. Whispell's name shall be added to the mailing list for the PAC and she will receive all future notices of the PAC meetings, and copies of the agendas. Ms. Whispell will have an opportunity to discuss her concerns about the Mercado del Barrio Project at the PAC meeting. Ms. Whispell shall also receive notice of the date, time, and place the DDA will be under consideration by the City Council and Agency.

With respect to Ms. Whispell's concerns that the Mercado del Barrio Project will displace residents of the Barrio Logan area. The City Council hereby finds that there shall not be residential displacement unless such displacement is necessary in order for the Redevelopment Plan to meet its goals. In fact, the goals of the Redevelopment Plan include rehabilitation of existing structures and construction of new units on parcels of land which are currently nonresidential (Section 1.2). The City Council finds that the past practices of the Agency show that less than 3 percent of the total property acquired by the Agency has been acquired through eminent domain. In any property acquisition, including property acquired through eminent domain, the Agency is required to strictly follow the provisions of the law including providing proper notice and open public hearings. Should relocation be necessary, the Agency shall provide relocation benefits to those persons and businesses to be displaced, as required by law. (Section 3.5 of the Redevelopment Plan.)

**C O R R E C T I O N**

**THE FOREGOING**

**DOCUMENT IS**

**REPHOTOGRAPHED**

**TO INSURE**

**LEGIBILITY**



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SAN DIEGO  
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San Diego, CA 92101-3860**



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Response and Findings Re: Letter from Mary V. Sanchez, Received by the City Clerk of The City of San Diego on April 25, 1991

The letter from Mrs. Sanchez indicates general support for the Barrio Logan Redevelopment Plan but expresses concern over the (1) San Diego Mercado Project (the "Mercado Project"), (2) a marina at the foot of Crosby Street and (3) composition of the Barrio Logan Project Area Committee ("PAC").

Approval of the Redevelopment Plan does not automatically translate into approval of the Mercado Project. The Redevelopment Plan serves as a master plan for the neighborhood. All discreet development projects, such as the Mercado Project, must still go through the public review process, which includes going before the PAC for its recommendation, a hearing before The City of San Diego Planning Commission and final approval by the Redevelopment Agency of The City of San Diego (the "Agency").

The Mercado Project has not yet gone through that process. Currently, it is contemplated that the Mercado Project will go before the PAC this summer. Following that, it will probably come before the Planning Commission and Agency sometime in the fall. At all of those meetings, the public will have an opportunity to ask questions, and express concern or support.

As to the concern that the Mercado Project will displace residents from the area, the City Council finds that there shall not be residential displacement unless it is necessary in order for the goals of the Redevelopment Plan to be met. In fact, the goals of the Redevelopment Plan include rehabilitation of existing structures and construction of new units on parcels of land which are currently nonresidential (see Section 1.2). The City Council finds that the past practices of the Agency show that less than 3 percent of the total property acquired by the Agency has been acquired by eminent domain. Should eminent domain be utilized to acquire property, the Agency shall strictly follow the requirements of the law providing for adequate notice and open public hearings. Should relocation be necessary, the Agency shall provide relocation benefits to those persons and businesses to be displaced, as required by law and set out in the Redevelopment Plan (Section 3.5).

The second project named by Mrs. Sanchez is a marina at the foot of Crosby Street. That particular project is under the jurisdiction of the Port of San Diego and is outside the scope and purview of the Barrio Logan Redevelopment Project. The developers of the marina asked the PAC for an endorsement because they wanted to show evidence of community support to the Port Commissioners.



As to the last concern expressed by Mrs. Sanchez, members of the PAC were elected by members of the community at a public meeting on December 6, 1989. They represent specific groups in the community as required by the California Community Redevelopment Law. Those groups are residential owners, resident tenants, business owners and representatives of community organizations. It was the choice of the electors at the December 6 meeting to elect a married couple to represent them. Finally, all PAC members are required to fill out Statements of Economic Interests pursuant to the Fair Political Practices Act and disqualify themselves from participating in any decision in which it is reasonably foreseeable that the decision will have a material financial effect on an economic interest.

As there are now two vacancies on the PAC for residential tenants, Mrs. Sanchez is encouraged to provide the names of qualified persons in the area to the PAC for their consideration.

Response and Findings Re: Letter from Panfilio Sanchez

The letter from Mr. Sanchez indicates general support for the Barrio Logan Redevelopment Plan but expresses concern with (1) the San Diego Mercado Project (the "Mercado Project") and possible relocation of residents and merchants from the area and (2) the widening of Crosby Street.

What is currently before the City Council is the adoption of the Barrio Logan Redevelopment Plan and related actions. Discreet projects, such as the Mercado, go through a separate public review process. It is anticipated that the Mercado Project will come before the Barrio Logan Project Area Committee ("PAC"), of which Mr. Sanchez is a member, this summer at one of its regularly scheduled meetings. At that time, Mr. Sanchez, along with other members of the PAC and the community, will have the opportunity to ask questions and express any concerns they have. As to the concern that the Mercado Project will displace residents and merchants from the area, the City Council finds that there shall not be displacement unless it is necessary in order for the goals of the Redevelopment Plan to be met. In fact, the goals of the Redevelopment Plan include rehabilitation of existing structures and construction of new residential units. (See Section 1.2.) The City Council finds that the past practices of the Redevelopment Agency of The City of San Diego show that less than 3 percent of the total property acquired by the Agency has been acquired by eminent domain. Should eminent domain be utilized to acquire property, the Agency shall strictly follow the requirements of the law providing for adequate notice and open public hearings. Should relocation be necessary, the Agency shall provide relocation benefits to those persons and merchants displaced as required by law and set out in the Redevelopment Plan. (Section 3.5.)

With respect to the widening of Crosby Street, the City Council finds that all of the major streets in the Barrio Logan Redevelopment Project area no longer meet City of San Diego standards. If there existed sufficient revenue in the City's Capital Improvement Budget, the City's Engineering and Development Department would request that every major street in the area be widened. However, as a compromise and because it is consistent with the goals of the Redevelopment Plan, Crosby Street has been designated as the major street in need of redesign to accommodate existing traffic and the truck traffic due to the proximity of Port of San Diego operations and other industrial properties in the area. Widening of Crosby Street would occur, probably even if the City had no plans for redevelopment of the area.

Response and Findings Re: Letter from Julius Partman, Advanced Metal Forming, Inc., Dated April 24, 1991

The letter from Julius Partman of Advanced Metal Forming, Inc. to the City of San Diego Planning Commission expresses his general opposition to the adoption of the Barrio Logan Redevelopment Plan, and associated items, on the basis that their passage would have a negative impact on his businesses in the area. While Mr. Partman names two properties, one located at 2075 National Avenue and the second located at 2618 National Avenue, only the first is within the Redevelopment Plan boundaries.

The property located at 2075 National Avenue and the immediate area is primarily developed as residential. The Redevelopment Plan designates the block for primarily residential uses which are supportive of the neighborhood image envisioned for the area. See Exhibit 2 of the Final Report of the Redevelopment Agency of San Diego, California. A major objective of the Redevelopment Plan is to encourage mixed but compatible land use patterns, unlike the side by side coexistence of industrial and residential uses presently found. To this end, new light industrial and heavy commercial uses are proposed to be concentrated in the southwest periphery of the Project Area.

Generally speaking, under the law, existing, "non-conforming uses" may continue when there is a change in land use designation. Certainly for the time being, Mr. Partman's property at 2075 National Avenue may continue its present use upon adoption of the Redevelopment Plan. Should he wish to expand, redevelop or change the existing use, the new construction or use would have to meet the requirements of the Redevelopment Plan and the Barrio Logan/ Harbor 101 Planned District Ordinance ("PDO") as amended from time to time. However, should any redevelopment activities be contemplated in the future which would affect Mr. Partman's property, he would be given adequate notice and an opportunity to respond as required by law.

Response and Findings Re: Oral Testimony of Mr. John Stockholm,  
on April 25 and April 30, 1991

At the Planning Commission hearing on April 25, 1991 and at the Joint Hearing of the City Council and Redevelopment Agency of the City of San Diego (the "Agency"), Mr. Stockholm expressed opposition to the adoption of the Barrio Logan Redevelopment Plan. Mr. Stockholm owns property in the Project Area (specifically in the Mercado District). The primary basis of his opposition seems to relate to a proposed change in the property's land use designation from industrial to commercial. He feels that this change would reduce the value of his property and have a negative financial impact on his business.

The Mercado District designation refers to a mixed use area that is intended to become the focal point of the Redevelopment Project (see Chapter II of the Final Report of the Redevelopment Agency, "Reasons for Section of the Project Area," page 11). The actual land uses and development standards set out in Section 4.0 of the Redevelopment Plan for the Barrio Logan Redevelopment Project will be further refined in the amendment to the Barrio Logan Planned District Ordinance ("PDO"). The PDO will be the subject of separate public hearings in the near future. The Barrio Logan Project Area Committee ("PAC") will review the proposed amendment to the PDO at a regularly scheduled meeting this summer.

With respect to Mr. Stockholm's concerns regarding loss of property values, the City Council finds that its experience with other redevelopment projects in the City of San Diego is that the infusion of public funds and the City's commitment to redevelopment has resulted in long-term enhancement of property values and environmental quality in those areas. The City Council believes the same will be the case in the Barrio Logan Project Area.

Response and Findings Re: Letter of Scott Harvey and Associates,  
Dated April 23, 1991

The letter from Scott Harvey and Associates to the City of San Diego Planning Commission was written on behalf of the Atchison, Topeka and Santa Fe Railway Company ("ATSF") and referenced property owned by the ATSF and located south of Harbor Drive between Switzer and Crosby Streets. This property sits within the proposed Barrio Logan Redevelopment Project area and proposed Centre City Redevelopment Project. While not objecting to the adoption of either redevelopment project, the ATSF is concerned that sitting within the two projects, it will have to deal with inconsistent regulations and two separate permit processes should it wish to further develop its property. Therefore, the ATSF requested that it be placed solely in one project or the other.

As a realigning of the boundaries of either redevelopment project would necessitate starting over in their respective adoptions, the City Council does not find such action in the best interests of either project or the ATSF. It does find, however, consistent with the recommendation of the Planning Commission at its April 25, 1991 meeting, that the ATSF property in question shall be not subject to inconsistent development standards. As an amendment to the Barrio Logan/Harbor 101 Planned District Ordinance, refining and further implementing the Barrio Logan Redevelopment Plan and adoption of the Centre City Planned District Ordinance will be coming to the City Council in the near future, coordination and consistency of development standards between the two planned district ordinances can be achieved. Ultimately, only a single permit relating to redevelopment will be required as both redevelopment areas fall within the jurisdiction of the Redevelopment Agency of the City of San Diego.

Response and Findings Re: Letter of Mugglebee and Mugglebee,  
Dated April 22, 1991

The letter from Steven Mugglebee, Esq., on behalf of his clients Mr. and Mrs. Henry C. Fraser and Fraser's Boiler Service, to the City of San Diego Planning Commission, gives notice of his clients' objections to the Barrio Logan Redevelopment Plan. While not giving any specifics as to the nature of their objections, the Frasers and Fraser's Boiler Service object to Sections 3.0 and 4.0 of the Redevelopment Plan as being violative of their constitutional rights. Section 3.0 states the Proposed Redevelopment Activities and Section 4.0 states the Land Uses, Development and Urban Design Requirements of the Redevelopment Plan.

California Community Redevelopment Law (codified as California Health and Safety Code Section 33000 et seq.) has long been upheld as an effective and legal tool in the elimination of blight. As it does not know the specific objections Mr. Mugglebee raises on behalf of his clients, the City Council finds that the Redevelopment Plan complies with the provisions of the California Constitution and the law, specifically, that it has been prepared in accordance with the Health and Safety Code and the proposed redevelopment activities, land uses, development and urban design requirements are consistent therewith.

701A

MAY 07 1991

Passed and adopted by the Council of The City of San Diego on.....  
by the following vote:

Council Members	Yeas	Nays	Not Present	Ineligible
Abbe Wolfsheimer	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Ron Roberts	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
John Hartley	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
H. Wes Pratt	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tom Behr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
J. Bruce Henderson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Judy McCarty	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bob Filner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Maureen O'Connor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

MAUREEN O'CONNOR  
Mayor of The City of San Diego, California.

(Seal)

CHARLES G. ABDELNOUR  
City Clerk of The City of San Diego, California.

By *Branda R. Barnes*, Deputy.

Office of the City Clerk, San Diego, California

Resolution Number *R277879* Adopted *MAY 07 1991*