



002313

THE CITY OF SAN DIEGO

340
12/02

DATE ISSUED: November 27, 2008 REPORT NO.: RA-08-32
RTC-08-168

ATTENTION: Honorable Chair and Members of the Redevelopment Agency
Council President and Members of the City Council
Docket of December 2, 2008

SUBJECT: Second Implementation Agreement to the Disposition and
Development Agreement, City Heights Square Project –
Residential and Commercial

REFERENCE: Staff Report Nos. RA-04-26, RA-05-10, CMR-05-094, RA-07-31

REQUESTED REDEVELOPMENT AGENCY ACTIONS:

1. Should the Redevelopment Agency approve and authorize the Executive Director or designee to enter into a Second Implementation Agreement to the Disposition and Development Agreement (DDA) with City Heights Realty LLC (formerly Price Charities) for the City Heights Square Project?
2. Should the Redevelopment Agency approve the sale of land and make the appropriate findings?
3. Should the Redevelopment Agency certify the Subsequent Addendum to the Mitigated Negative Declaration (Project No. 146605)?
4. Should the Redevelopment Agency approve the revised concept plans and schematic drawings for the City Heights Square Project?
5. Should the Redevelopment Agency accept a Developer's Payment of \$47,500 for costs related to the Second Implementation Agreement and amend the FY 2009 Agency Budget for the City Heights Redevelopment Project Area?

REQUESTED CITY COUNCIL ACTIONS:

1. Should the City Council consent to the Redevelopment Agency entering into a Second Implementation Agreement to the DDA with City Heights Realty LLC (formerly Price Charities) for the City Heights Square Project?
2. Should the City Council approve the sale of land and make the appropriate findings?



Redevelopment Agency

1200 Third Avenue, Suite 1400, MS 56D • San Diego, CA 92101-4110
Tel (619) 236-6700 Fax (619) 533-3219

002314

3. Should the City Council certify the Subsequent Addendum to the Mitigated Negative Declaration (Project No. 146605)?

STAFF RECOMMENDATION TO THE REDEVELOPMENT AGENCY:

1. Approve and authorize the Executive Director or designee to enter into a Second Implementation Agreement to the Disposition and Development Agreement (DDA) with City Heights Realty LLC (formerly Price Charities) for the City Heights Square Project.
2. Approve the sale of land and make the appropriate findings.
3. Certify the Subsequent Addendum to the Mitigated Negative Declaration (Project No. 146605).
4. Approve the revised concept plans and schematic drawings for the City Heights Square Project.
5. Accept a Developer's Payment of \$47,500 for costs related to the Second Implementation Agreement and amend the FY 2009 Agency Budget for the City Heights Redevelopment Project Area.

STAFF RECOMMENDATION TO THE CITY COUNCIL:

1. Consent to the Redevelopment Agency entering into a Second Implementation Agreement to the DDA with City Heights Realty LLC (formerly Price Charities) for the City Heights Square Project.
2. Approve the sale of land and make the appropriate findings.
3. Certify the Subsequent Addendum to the Mitigated Negative Declaration (Project No. 146605).

SUMMARY:

Background

The Disposition and Development Agreement (DDA) with San Diego Revitalization Corporation (SDRC) for the City Heights Square office and retail project was approved by the Redevelopment Agency on May 3, 2005 (Attached to Attachment 1 First Implementation Agreement to the Disposition and Development Agreement, City Heights Square Office and Retail Project). The proposed project (consisting of a four story 90,000 square foot building with office space on the top three floors and retail space on the ground floor) is located on an approximate 1.4 acre site along University Avenue and bordered by 43rd Street to the west and Fairmount Avenue to the east. The project is part of a larger 2.7 acre mixed-use master planned project consisting of a recently completed affordable housing project, the proposed La Maestra Family medical clinic and an approximate 5,300 square foot park. On November 13, 2007 a First Implementation Agreement to the DDA (see Attachment 1) was approved by the Agency and executed on November 30, 2007. That approved agreement reflected the corporate name change of the developer (from SDRC to Price Charities), extended key deadlines within the Schedule of Performance, updated the status of the project and incorporate new language related to the Loan Agreement.

Project Implementation

The Second Implementation Agreement to the Disposition and Development Agreement (DDA) (see Attachment 2) is being proposed to amend the DDA and other associated documents to, among other things, change the development to a mixed-use residential/commercial project that will provide 92 residential apartment units (including a minimum of 14 affordable units), retail and office space, covered surface parking, two levels of subterranean parking, reallocate certain remediation responsibilities related to the Agency's Acquisition Parcel and to provide for a modification of the purchase price of the Acquisition Parcel.

The Developer has been attempting unsuccessfully for three years to lease the office space and has determined that office space demand within City Heights is not yet sufficient to warrant the construction of the approved office building. Much of the site has been vacant for several years, and is detrimental to the continuing efforts to revitalize the core of the City Heights community and Redevelopment Project Area.

The proposed project includes a five-story structure above two subterranean parking levels (see Attachment 3). The ground floor includes approximately 20,500 square feet of leasable retail space and the apartment lobby. The second floor would include approximately 3,000 square feet of leasable office space, 20 residential units and recreational areas. The third through fifth floors would contain the remaining 72 apartment units. The project proposes to provide up to approximately 287 parking spaces both on grade and within the two levels of below grade parking. The project is scheduled to begin construction in 2009 with completion in 2011.

Of the total 92 units, a minimum of the 14 units will be affordable. Specifically, 4 will be restricted to 50% of Area Median Income (AMI) and 10 units will be restricted at 65% AMI. All of the affordable units would be three bedroom units. With the Redevelopment Agency's involvement in the project through the proposed Second Implementation Agreement to the DDA, affordability restrictions will be placed on the property for not less than 55 years. These affordability restrictions satisfy California Community Redevelopment Law and the City Heights Redevelopment Project Area's current 5-Year Implementation Plan.

The proposed Second Implementation Agreement to the DDA also modifies certain remediation responsibilities related to the Agency Acquisition Parcel. Under the current agreement, the Agency is responsible for acquiring the Acquisition Parcel, relocating all tenants, demolishing the improvements and remediation any hazardous substances from the Acquisition Parcel. A portion of the site (approximately 12,500 square feet) is currently owned by the Redevelopment Agency and is being leased to Jack-in-the-Box for a restaurant. Jack-in-the-Box has received a building permit to build a new restaurant on University Avenue near Interstate 15, to replace this restaurant, and estimates the completion of the new restaurant and moving date to be February 2009. The Agency will be prepared to demolish the existing Jack-in-the-Box restaurant in early 2009. The

002316

proposed Second Implementation Agreement to the DDA, modifies the current agreement through the Agency selling the Acquisition Parcel to the Developer with potential hazardous substances on-site, and the Developer will be responsible for the remediation of any hazardous substances. Upon removal and delivery of any hazardous substances to the appropriate landfill by the Developer, the Agency will maintain liability of those hazardous substances.

Related to the remediation activities and to facilitate the project schedule, the Second Implementation Agreement to the DDA, allows the Developer through a Right Of Entry Agreement to begin excavation and remediation efforts on the Acquisition Parcel, after the Agency has completed the demolition and removal of the existing Jack-in-the-Box building, but prior to the Closing (conveyance of the Acquisition Parcel to the Developer).

Based upon the revised transaction, a new purchase price for the Acquisition Parcel has been determined based upon the proposed sale of the Acquisition Parcel at fair market value at highest and best use. Keyser Marston Associates, Inc. (KMA), the Agency's economic consultant, has analyzed the estimated costs and revenues of the proposed development and have prepared an Estimate of Re-Use Value (see Attachment 4) and the Summary Pertaining to the Proposed Sale of Certain Property within the City Heights Project Area report, pursuant to California Community Redevelopment Law Section 33433 (see Attachment 5). These reports conclude that with the Agency conveying the Acquisition Parcel to the Developer with the potential hazardous substances on-site, the fair market value (price) at highest and best use is \$586,000.

Additional attachments have been added to the Second Implementation Agreement to the DDA to reflect the introduction of residential units and affordability covenants. Also, prior to the Closing of the Acquisition Parcel, the Developer will enter into a Park Maintenance Agreement with the City and Agency, as appropriate, in order to maintain the proposed City Heights Square 5,300 square foot park that will be designed and constructed by the Agency or City, pursuant to the original DDA.

The land use entitlements for proposed residential/commercial project are concurrently being processed through the discretionary approval process, receiving Planning Commission approval on November 6, 2008 and scheduled for City Council consideration on December 2, 2008. Based upon a review of the current project, it was determined that there was no new significant environmental impacts not considered for the previous Mitigated Negative Declaration; no substantial changes have occurred with respect to the circumstances under which the project is undertaken; and there is no new information of substantial importance to the project. Therefore, a Subsequent Addendum to the Mitigated Negative Declaration (Project No. 146605) was prepared for this project in accordance with State of California Environmental Quality Act (CEQA) Guidelines (see Attachment 6). Therefore, in accordance with Section 15164 of the State CEQA guidelines, an Addendum is prepared. All mitigation measures included in the previous Mitigated Negative Declaration No. 40960 and in the No. 95232 Addendum have been incorporated into this Subsequent Addendum.

FISCAL CONSIDERATIONS:

The Developer has agreed to loan the Agency funds in an amount estimated to equal the costs and expenses associated with the acquisition, relocation and preparation of the Acquisition Parcel by the Agency, specifically \$3.5 million. The \$586,000 purchase price for the Acquisition Parcel will be credited against the outstanding principal balance of the \$3.5 million Developer loan at the time of Closing. Also, factored into the fair market price, is an amount equal to \$264,000 which represents the estimated cost to be incurred by the Developer, (as determined by the Agency's environmental consultant SCS Engineers) to remediate, remove and transport any hazardous substances on the Acquisition Parcel. If the actual contamination value of the Acquisition Parcel is less than \$264,000, the difference will be credited against the outstanding principal balance of the Developer loan. Similarly, if the actual contamination value of the Acquisition Parcel is more than \$264,000, the difference will be added to the outstanding principal balance of the Developer loan.

To date, the Agency has borrowed approximately \$2.28 million, of the total \$3.5 million Developer loan, for the purchase of the Acquisition Parcel, currently occupied by Jack-in-the-Box and the Agency's share of the cost for acquiring the 5,300 square foot park site. As noted earlier, the Agency is responsible for relocating Jack-in-the-Box and has been working proactively and cooperatively with them on their new proposed replacement restaurant site near Interstate 15 and University Avenue. Although the Agency continues to work with existing tenant to relocate them, there may be a threat of a claim by the existing tenant for loss of goodwill. A potential claim is not yet known, and if filed, the amount of the claim may not be known until 90 days prior to a trial date, which has not been scheduled. The Agency will fight any loss of goodwill claim that may be asserted by the existing tenant. Agency staff and special legal counsel believe that any such claim, if found valid and meritorious, will be rendered if at all in an amount that is significantly less than alleged by the tenant based on several factors, including the location of the proposed new site and other Agency relocation assistance efforts. Per the existing terms of the Loan Agreement, the Agency will not begin making interest payments, until construction begins on the residential/commercial project.

The total development cost of the project is approximately \$48 million. The Developer proposes to finance the project with an approximate \$15 million construction loan and the remaining \$33 million through Developer equity.

Based upon a total project cost of \$48 million, the project is estimated to generate over \$400,000 per year in new gross property tax increment, upon its completion in 2011. In addition to property tax increment, additional economic development benefits include the creation of approximately 400-500 temporary construction jobs, 60 permanent

retail/office jobs, 10 permanent jobs associated with the apartment operations and sales tax revenue generated through the new retail space.

PREVIOUS AGENCY and/or COUNCIL ACTIONS:

On May 3, 2005 the Redevelopment Agency approved the Disposition and Development Agreement (DDA) with San Diego Revitalization for the proposed City Heights Square Project. On November 13, 2007, the Redevelopment Agency approved the First Implementation Agreement to the DDA with Price Charities (formerly San Diego Revitalization Corporation).

COMMUNITY PARTICIPATION & PUBLIC OUTREACH EFFORTS:

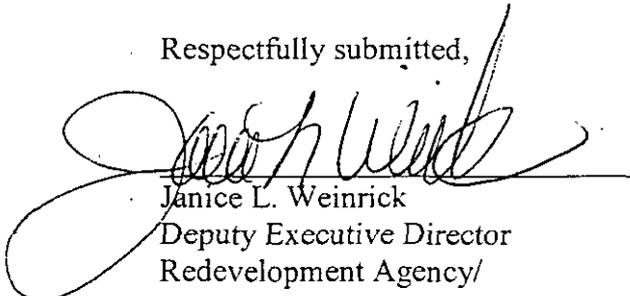
A notice of the time and place of the Redevelopment Agency and City Council joint public hearing has been published in a newspaper of general circulation for at least two successive weeks prior to the joint public hearing. Also, the documents related to this joint public hearing have been available for public review and copying at the Offices of the Redevelopment Agency and City Clerk at the time of the first publication of the notice of the joint public hearing.

On September 8, 2008, the City Heights Project Area Committee recommended approval of the proposed Second Implementation Agreement to the DDA by a vote of 10-0-2.

ALTERNATIVE:

Do not approve the proposed Second Implementation Agreement to the Disposition and Development Agreement.

Respectfully submitted,


Janice L. Weinrick
Deputy Executive Director
Redevelopment Agency/
Assistant Director City Planning
& Community Investment,
Redevelopment Division


Approved: William Anderson
Assistant Executive Director
Redevelopment Agency/
Deputy Chief Operating Officer
Executive Director of City Planning
and Development

Attachments:

- 1. First Implementation Agreement to the Disposition and Development Agreement, (City Heights Square Office and Retail Project) PLEASE NOTE: Due to the size of the document, it is being distributed on a limited basis, but is available upon request and available at the City Clerk's Office.
- 2. Second Implementation Agreement to the Disposition and Development Agreement

002319

3. Revised Concept Plans and Schematic Drawings
4. Keyser Marston Associates, Inc Memo City Heights Square Estimate of ReUse Value
5. Health and Safety Code Section 33433 Summary Report, Summary Pertaining to the Proposed Sale of Certain Property within the City Heights Project Area
6. Subsequent Addendum to Mitigated Negative Declaration

002321

City of San Diego
M E M O R A N D U M

DATE: November 26, 2008

TO: Honorable Chair and Members of the Redevelopment Agency

FROM: Jeannette I. Santos, Legislative Recorder, Redevelopment Agency

SUBJECT: Ownership Information

The following information is being provided regarding ownership of companies doing business with the City of San Diego in the form of contracts, leases, or agreements. This item is on the Redevelopment Agency and City Council Docket of December 2, 2008.

Item No.	Subject	Role/ Firm / Contact	Ownership Information
RA Council	Second Implementation Agreement to the Disposition and Development Agreement, City Heights Square Project- Residential and Commercial	Developer/Owner- City Heights Square, LLC./ Jack McGrory 858-551-2302	Price Charities, Non-profit, public benefit corporation, sole member
		Consultant/Project Manager/ LaBreche & Stock, LLC / Joe LaBreche 858-373-2068	Limited Liability Company
		Entitlement Coordinator/ Urban West Development Consultants/ Rich Juarez	Privately held real estate investment firm
		Entitlement Consultant/ BRG Consulting, Inc./ Trish Butler 619-298-7127 x105	Privately held corporation
		Green Consultant & Broker/ Adlor, Inc./ John Pedroarena 619-501-8654	DBA Certified Commercial Brokers
		Design Architect/ Lorimer Architecture/ David Lorimer 619-232-8386	Private Partnership

		Architect of Record/ Colbourn Currier Noll Architecture, Inc./ Bob Colbourn 858-695-1914 x103	Privately held
		Landscape Architect/ Gillespie Moody Patterson, Inc./ Marc Moody 858-558-8977	Privately held corporation
		Architect for Vehicle Ramp/ Richard Yen & Associates/ Diane Erickson 619-398- 8975	Privately held company
		Structural Engineer/ HTK Structural Engineers/ Helmand Kushkaki 858-679-8989	Privately held – Cofounders Richard Horowitz and Richard Taylor
		Building Envelope Inspection/ Christian Wheeler Engineering/ Michael Wheeler 858-496-9760	Privately formed by Charles (Chris) Christian, Michael Wheeler and Curtis Burdett
		HVAC Design/ LDI Mechanical, Inc./ Lois Garcia 951-340-9685	Formed by Lloyd Smith, President and CEO
		Electrical & Plumbing Design/ DGM & Associates/ Dale Madler 714-546-3251 x15	Corporation
		Shoring Design/ Earth Support Systems/ William Fischetti 760-929-2851 x11	Company founded by William Fischetti
		Civil Engineering/ Stevens Cresto Engineering, Inc./ Joe Cresto 858-694-5660 x103	Corporation; Principals, Mark E. Stevens and Joseph G. Cresto
		Dry Utilities Consultant/ PCG Utility Consultants LLC/ Bobby Johnson 619-660-1355	Limited Liability Corporation

002323

		Geotechnical Engineers/ Construction Testing & Engineering, Inc./ Greg Rzonca 760-746-4955	Corporation
		Reprographics/ Mayer Reprographic/ Henry Mayer 619-295-4112	Jack Mayer, President
		Sign Program & Design/ Motivational Systems Inc./ Bruce Heinzl 619-292- 7807	Corporation; Andrew Cabrera Vice President, Division Manager San Diego
		General Contractor for Vehicle Ramp Construction/ Consolidated Contracting Services Inc./ Jerry Jenkins 949-498-7500 x117	Minority owned Corporation
		Pre-construction Services/ Wermers Corporation/ Jeff Bunker 858-623-4953	Corporation; Tom Wermers CEO
		Shoring Contractor/ Elliott Drilling Service, Inc./ Mark Elliott 760-722-1400	Corporation; founded by Mark and Hugh Elliott
		Concrete Contractor/ Harris Concrete Inc./ Robert Hayley 619-464-0152	Corporation; Principals, Percy Harris and Robert Hayley
		Fire Service and Sprinkler Design/ Southland Fire Protection, Inc./ Mark Babicky 619-523-1400	Corporation

002625

ATTACHMENT 1

First Implementation Agreement to the Disposition and Development Agreement
(City Heights Square Office and Retail Project)

*This report is available for
review in the Office of the City
Clerk: _____ in the
Redevelopment Binder*

002329

ATTACHMENT 3

Revised Concept Plans and Schematic Drawings

*This report is available for
review in the Office of the City
Clerk in the
Redevelopment Binder*

002331

ATTACHMENT 4

Keyser Marston Associates, Inc Memo City Heights Square Estimate of ReUse Value

*This report is available for
review in the Office of the City
Clerk in the
Redevelopment Binder*

002633

ATTACHMENT 5

Health and Safety Code Section 33433 Summary Report, Summary Pertaining to the
Proposed Sale of Certain Property within the City Heights Project Area

*This report is available for
review in the Office of the City
Clerk, _____ in the
Redevelopment Binder*

002335

ATTACHMENT 6

Subsequent Addendum to Mitigated Negative Declaration

*This report is available for
review in the Office of the City
Clerk _____ in the
Redevelopment Binder*

SUBJECT: Second Implementation Agreement to the Disposition and Development Agreement with City Heights Realty LLC for the City Heights Square Project – Residential and Commercial

Redevelopment Agency Action

GENERAL CONSULTANT INFORMATION

Recommended Consultant: City Heights Realty LLC.
Amount of this Action: \$ 47,500 (Accept payment from Developer)
Funding Source: City of San Diego
Goals: None

SUBCONSULTANT PARTICIPATION

There is no subconsultant activity associated with this action.

EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE

Equal Opportunity: Required

City Heights Realty LLC., submitted a Work Force Report for their San Diego employees dated, November 11, 2008 indicating 27 employees in their Administrative Work Force.

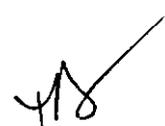
The Administrative Work Force indicates under representation in the following categories:

Female in Administrative Support

This agreement is subject to the City's Equal Opportunity Contracting (San Diego Ordinance No. 18173, Section 22.2701 through 22.2702) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517)

ADDITIONAL COMMENTS

This action requests authorization to approve the Executive Director to enter into a Second Implementation Agreement to the Disposition and Development Agreement (DDA) with City Heights Realty for the City Heights Square Project Residential and Commercial and accept developer payment.


RLL

File: Admin WOFO 2000

Date WOFO Submitted: 11/11/2008
 Input by: Lad

Goals reflect statistical labor force availability for the following: 2000 CLFA
 San Diego, CA

City of San Diego/Equal Opportunity Contracting
WORK FORCE ANALYSIS REPORT
 FOR

Company: City Heights Realty LLC and Price Charities its sole Members

I. TOTAL WORK FORCE:

CLFA Goals	Black		Hispanic		Asian		American Indian		Filipino		White		Other	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F
Mgmt & Financial	3.3%	1	1	11.9%	0	4	0.4%	0	0	0	0	0	0	0
Professional	4.0%	0	0	12.6%	0	0	6.5%	0	0	0	0	0	0	0
A&E, Science, Computer	2.8%	0	0	7.3%	0	0	16.2%	0	0	0.3%	0	0	0	0
Technical	6.6%	0	0	14.8%	0	0	17.2%	0	0	0.4%	0	0	1	0
Sales	3.9%	0	0	19.5%	0	0	6.8%	0	0	0.6%	0	0	0	0
Administrative Support	7.0%	3	1	20.6%	3	0	8.8%	0	0	0.6%	0	0	0	2
Services	5.5%	0	0	36.9%	0	0	9.7%	0	0	0.6%	0	0	0	0
Crafts	4.5%	0	0	25.8%	0	0	9.1%	0	0	0.7%	0	0	0	0
Operative Workers	4.3%	0	0	38.8%	0	0	20.8%	0	0	0.3%	0	0	0	0
Transportation	8.1%	0	0	32.1%	0	0	4.5%	0	0	0.5%	0	0	0	0
Laborers	4.4%	0	0	54.0%	0	0	4.1%	0	0	0.5%	0	0	0	0
TOTAL	4	2	3	4	0	1	0	0	1	1	3	8	0	0

HOW TO READ TOTAL WORK FORCE SECTION:

The information blocks in Section 1 (Total Work Force) identify the absolute number of the firm's employees. Each employee is listed in their respective ethnic/gender and employment category. The percentages listed under the heading of "CLFA Goals" are the County Labor Force Availability goals for each employment and ethnic/gender category.

Mgmt & Financial	Professional	A&E, Science, Computer	Technical	Sales	Administrative Support	Services	Crafts	Operative Workers	Transportation	Laborers
16	3	13	1	0	10	0	0	0	0	0

TOTAL EMPLOYEES		
ALL	M	F
16	3	13
0	0	0
0	0	0
1	1	0
0	0	0
10	7	3
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
TOTAL	27	18

Female Goals
39.8%
59.5%
22.3%
49.0%
49.4%
73.2%
62.3%
8.8%
36.7%
15.2%
11.1%

HOW TO READ EMPLOYMENT ANALYSIS SECTION:

The percentages listed in the goals column are calculated by multiplying the CLFA goals by the number of employees in that job category. The number in that column represents the percentage of each protected group that should be employed by the firm to meet the CLFA goal. A negative number will be shown in the discrepancy column for each underrepresented goal of at least 1.00 position.

II. EMPLOYMENT ANALYSIS

	Black			Hispanic			Asian			American Indian			Filipino			Female		
	Goals	Actual	Discrepancy	Goals	Actual	Discrepancy	Goals	Actual	Discrepancy	Goals	Actual	Discrepancy	Goals	Actual	Discrepancy	Goals	Actual	Discrepancy
Mgmt & Financial	0.53	2	1.47	1.90	4	2.10	0.99	1	N/A	0.06	0	N/A	0.99	1	N/A	8.37	13	6.63
Professional	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00
A&E, Science, Computer	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00
Technical	0.07	0	N/A	0.15	0	N/A	0.17	0	N/A	0.00	0	N/A	0.17	0	N/A	0.49	0	N/A
Sales	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00
Administrative Support	0.70	4	3.30	2.08	3	N/A	0.88	0	N/A	0.06	0	N/A	0.88	1	N/A	7.32	3	(4.32)
Services	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00
Crafts	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00
Operative Workers	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00
Transportation	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00
Laborers	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00

Goals are set by job categories for each protected group. An underrepresentation is indicated by a negative number, but if the DISCREPANCY is less than -1.00 position, a N/A will be displayed to show there is no underrepresentation.



City of San Diego
EQUAL OPPORTUNITY CONTRACTING (EOC)
 1200 Third Avenue • Suite 200 • San Diego, CA 92101
 Phone: (619) 236-6000 • Fax: (619) 235-5209

002641

WORK FORCE REPORT
LOCAL WORK FORCE

The objective of the *Equal Employment Opportunity Outreach Program*, San Diego Municipal Code Sections 22.3501 through 22.3517, is to ensure that contractors doing business with the City, or receiving funds from the City, do not engage in unlawful discriminatory employment practices prohibited by State and Federal law. Such employment practices include, but are not limited to unlawful discrimination in the following: employment, promotion or upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, and selection for training, including apprenticeship. Contractors are required to provide a completed *Work Force Report*.

CONTRACTOR IDENTIFICATION

Type of Contractor: Construction Vendor/Supplier Financial Institution Lessee/Lessor
 Consultant Grant Recipient Insurance Company Other

Name of Company: City Heights Realty LLC and Price Charities its sole Member
 AKA/DBA: _____
 Address (Corporate Headquarters, where applicable): 1919 Ivanhoe Ave #520
 City La Jolla County San Diego State CA Zip 92037
 Telephone Number: (858) 551.2321 FAX Number: (858) 551.2340
 Name of Company CEO: Robert Price
 Address(es), phone and fax number(s) of company facilities located in San Diego County (if different from above):
 Address: _____
 City _____ County _____ State _____ Zip _____
 Telephone Number: () _____ FAX Number: () _____
 Type of Business: _____ Type of License: _____
 The Company has appointed: Gail Lingey
 as its Equal Employment Opportunity Officer (EEOO). The EEOO has been given authority to establish, disseminate, and enforce equal employment and affirmative action policies of this company. The EEOO may be contacted at:
 Address: see above
 Telephone Number: (858) 551.2315 FAX Number: (858) 551.2340

For Firm's: San Diego Work Force and/or Managing Office Work Force

I, the undersigned representative of Price Charities (Firm Name)
San Diego, CA hereby certify that information provided
 (County) (State)
 herein is true and correct. This document was executed on this 11 day of November, 2008.
[Signature] Gail Lingey
 (Authorized Signature) (Print Authorized Signature Name)

002642

WORK FORCE REPORT - Page 2

NAME OF FIRM: City Heights Realty LLC and Price Charities its sole Member DATE: 11/11/08

INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

- (1) African-American, Black
- (2) Latino, Hispanic, Mexican-American, Puerto Rican
- (3) Asian, Pacific Islander
- (4) American Indian, Eskimo
- (5) Filipino
- (6) Caucasian
- (7) Other ethnicity; not falling into other groups

OCCUPATIONAL CATEGORY	(1) African-American		(2) Latino		(3) Asian		(4) American Indian		(5) Filipino		(6) Caucasian		(7) Other Ethnicities	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
	Executive, Administrative, Managerial	1	1		4		1				1	2	6	
Professional Specialty														
Engineers/Architects														
Technicians and Related Support											1			
Sales														
Administrative Support/Clerical	3	1	3						1			2		
Services														
Precision Production, Craft and Repair														
Machine Operators, Assemblers, Inspectors														
Transportation and Material Moving														
Handlers, Equipment Cleaners, Helpers and Non-construction Laborers*														

*Construction laborers and other field employees are not to be included on this page

TOTALS EACH COLUMN	4	2	3	4	0	1	0	0	1	1	3	8	0	0
--------------------	---	---	---	---	---	---	---	---	---	---	---	---	---	---

GRAND TOTAL ALL EMPLOYEES 27

INDICATE BY GENDER AND ETHNICITY THE NUMBER OF ABOVE EMPLOYEES WHO ARE DISABLED

DISABLED														
----------	--	--	--	--	--	--	--	--	--	--	--	--	--	--

NON-PROFIT ORGANIZATIONS ONLY:

BOARD OF DIRECTORS											5	2		
VOLUNTEERS														
ARTISTS														

Note: City Heights Realty has no employees. All employees listed above are Price Charities employees

002343
 NAME OF FIRM: City Heights Realty LLC and
Rice Charities its sole Member

DATE: 11/11/08

INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

- (1) African-American, Black
- (2) Latino, Hispanic, Mexican-American, Puerto Rican
- (3) Asian, Pacific Islander
- (4) American Indian, Eskimo
- (5) Filipino
- (6) Caucasian
- (7) Other ethnicity; not falling into other groups

OCCUPATIONAL CATEGORY	(1) African-American		(2) Latino		(3) Asian		(4) American Indian		(5) Filipino		(6) Caucasian		(7) Other Ethnicities	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
	Carpenter													
Drywall Installer														
Electrician														
Elevator Installers														
Finishers, Concrete or Terrazzo														
Glaziers														
Helpers, Construction Trade														
Ironworkers, Structural Metal Workers														
Laborers														
Millwrights														
Masons, Bricklayers														
Tile setters														
Operators														
Painters														
Pipe fitter, Plumbers														
Plasterers														
Roofers														
Security, Protective Services														
Sheet Metal, Duct Installers														
Welders, Cutters														
TOTALS EACH COLUMN														

GRAND TOTAL ALL EMPLOYEES

INDICATE BY GENDER AND ETHNICITY THE NUMBER OF ABOVE EMPLOYEES WHO ARE DISABLED:

DISABLED	<u>None</u>													
----------	-------------	--	--	--	--	--	--	--	--	--	--	--	--	--

002345

REQUEST FOR COUNCIL ACTION
CITY OF SAN DIEGO

1. CERTIFICATE NUMBER
(for auditor's use only) 340
12/02

TO:
CITY ATTORNEY

2. FROM: (ORIGINATING DEPARTMENT)
CITY PLANNING AND COMMUNITY
INVESTMENT/REDEVELOPMENT DIVISION

3. DATE
November 12, 2008

4. SUBJECT:
Second Implementation Agreement to the Disposition and Development Agreement with City Heights Realty LLC for the City Heights Square Project - Residential and Commercial (Companion to Redevelopment Agency Item)

5. Primary Contact (Name, Phone & Mail Sta.) James Davies, 236-6540, MS 56D
6. Secondary Contact (Name, Phone & Mail Sta.) Kristine Toft, 236-6534, MS 56D
7. Check BOX if REPORT TO REDEVELOPMENT IS ATTACHED

8. COMPLETE FOR ACCOUNTING PURPOSES

FUND				
DEPT.				
ORGANIZATION				
OBJECT ACCOUNT				
JOB ORDER				
C.I.P. NUMBER				
AMOUNT				

9. ADDITIONAL INFORMATION/ESTIMATED COST:
Fiscal Impact:
\$48 million mixed-use project. Developer payment of \$47,500 for costs related to 2nd Implementation Agreement. Developer has loaned Agency up to \$3.5 million to help pay for Agency's responsibilities under DDA..

10. ROUTING AND APPROVALS

ROUTE (#)	APPROVING AUTHORITY	APPROVING SIGNATURE	DATE SIGNED	ROUTE (#)	APPROVING AUTHORITY	APPROVING SIGNATURE	DATE SIGNED
1	Redevelopment Finance	Scott Mercer	11/13/08	8	Auditor	Rolando Charvel	11/19
2	Assistant Director City Planning/Community Investment	Jenice Weinick	11/14/08		City Attorney	Kendall Berkey	11/21/08
3	Deputy COO	William Anderson	11/14/08		Originating Department	James Davies	11/21/08
4	Financial Management	Julio Canizal	11/19/08		Liaison Office	Ed Plank	
5	Debt Management	Lakshmi Kommi	11/20/08				
6	EOCP	Beryl Rayford	11/21/08				
7	EAS	Terry Bumgardner	11/20/08		Redevelopment Agency Secretary	Jeannette I. Santos	

11. PREPARATION OF: RESOLUTION(S) ORDINANCE(S) AGREEMENT(S) DEED(S)

- Consent to the Redevelopment Agency entering into a Second Implementation Agreement to the Disposition and Development Agreement (DDA) with City Heights Realty for the City Heights Square Project Residential and Commercial.
- Approve the sale of land and make appropriate findings.
- Certify the Subsequent Addendum to the Mitigated Negative Declaration.

DOCKET OF: December 2, 2008

11a. STAFF RECOMMENDATIONS: Approve resolutions.

12. SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION.)

COUNCIL DISTRICT(S): 3
COMMUNITY AREA(S): Mid-City, City Heights
ENVIRONMENTAL IMPACT: Certifying that the information contained in Project No. 146605 has been completed in compliance with California Environmental Quality Act and State CEQA Guidelines and that said Subsequent Addendum to MND No. 146605 reflects the independent judgment of the City of San Diego as Lead Agency.
HOUSING IMPACT: Of the 92 rental units, 14 units will be affordable.
OTHER ISSUES: None with this action.

EXECUTIVE SUMMARY SHEET

DATE ISSUED: November 27, 2008 REPORT NO. RA-08-32 & RTC-08-168
 ATTENTION: Honorable Chair and Members of the Redevelopment Agency,
 Council President and Members of the City Council,
 Docket of December 2, 2008
 ORIGINATING DEPT: City Planning & Community Investment, Redevelopment Division,
 City Heights Redevelopment Project Area
 SUBJECT: Second Implementation Agreement to Disposition and
 Development Agreement City Heights Square Project
 COUNCIL DISTRICT: Three
 STAFF CONTACT: James Davies (619) 236-6540, JDavies@sanidiego.gov
 Kristine Toft (619) 236-6534, Ktoft@sanidiego.gov

REQUESTED ACTIONS:

1. Should the Redevelopment Agency approve and authorize the Executive Director or designee to enter into a Second Implementation Agreement to the Disposition and Development Agreement (DDA) with City Heights Realty LLC (formerly Price Charities) for the City Heights Square Project?
2. Should the Redevelopment Agency approve the sale of land and make the appropriate findings?
3. Should the Redevelopment Agency certify the Subsequent Addendum to the Mitigated Negative Declaration (Project No. 146605)?
4. Should the Redevelopment Agency approve the revised concept plans and schematic drawings for the City Heights Square Project?
5. Should the Redevelopment Agency accept a Developer's Payment of \$47,500 for costs related to the Second Implementation Agreement and amend the FY 2009 Agency Budget for the City Heights Redevelopment Project Area?
6. Should the City Council consent to the Redevelopment Agency entering into a Second Implementation Agreement to the DDA with City Heights Realty LLC (formerly Price Charities) for the City Heights Square Project?
7. Should the City Council approve the sale of land and make the appropriate findings?
8. Should the City Council certify the Subsequent Addendum to the Mitigated Negative Declaration (Project No. 146605)?

STAFF RECOMMENDATION:

That the City Council and Redevelopment Agency approve the requested actions.

EXECUTIVE SUMMARY:

The Second Implementation Agreement to the Disposition and Development Agreement (DDA) is being proposed to amend the DDA and other associated documents to, among other things, change the development to a mixed-use residential/commercial project that will provide 92 residential apartment units (including a minimum of 14 affordable units), retail and office space, covered surface parking, two levels of subterranean parking, reallocate certain remediation responsibilities related to the Agency's Acquisition Parcel and to provide for a modification of

the purchase price of the Acquisition Parcel. The proposed project includes a five-story structure above two subterranean parking levels. The ground floor includes approximately 20,500 square feet of leasable retail space and the apartment lobby. The second floor would include approximately 3,000 square feet of leasable office space, 20 residential units and recreational areas. The third through fifth floors would contain the remaining 72 apartment units. The project proposes to provide up to approximately 287 parking spaces.

FISCAL CONSIDERATIONS:

Per the original DDA, the Developer has agreed to loan the Agency funds in an amount estimated to equal the costs and expenses associated with the acquisition, relocation and preparation of the Acquisition Parcel by the Agency, specifically \$3.5 million. Per the proposed agreement, the \$586,000 purchase price for the Acquisition (Agency) Parcel will be credited against the outstanding principal balance of the \$3.5 million Developer loan at the time of Closing. Also, factored into the fair market price, is an amount equal to \$264,000 which represents the estimated cost to be incurred by the Developer, to remediate, remove and transport any hazardous substances on the Acquisition Parcel. If the actual contamination value of the Acquisition Parcel is less than \$264,000, the difference will be credited against the outstanding principal balance of the Developer loan. Similarly, if the actual contamination value of the Acquisition Parcel is more than \$264,000, the difference will be added to the outstanding principal balance of the Developer loan.

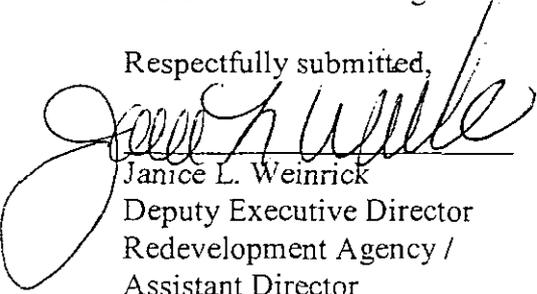
COMMUNITY PARTICIPATION and PUBLIC OUTREACH EFFORTS:

A notice of the time and place of the Redevelopment Agency and City Council joint public hearing has been published. On September 8, 2008, the City Heights Project Area Committee recommended approval of the proposed Second Implementation Agreement to the DDA by a vote of 10-0-2.

KEY STAKEHOLDERS and PROJECT IMPACTS:

City Heights residents and businesses. The project is estimated to generate over \$400,000 per year in new gross property tax increment, upon its completion in 2011. Additional economic development benefits include the creation of approximately 400-500 temporary construction jobs, 60 permanent retail/office jobs, 10 permanent jobs associated with the apartment operations and sales tax revenue generated through the new retail space.

Respectfully submitted,



Janice L. Weinrick
Deputy Executive Director
Redevelopment Agency /
Assistant Director
City Planning & Community Investment



Approved: William Anderson
Assistant Executive Director
Redevelopment Agency /
Deputy Chief Operating Officer
Executive Director of City Planning and
Development

RESOLUTION NUMBER R-_____

DATE OF FINAL PASSAGE _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO (i) APPROVING THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO ENTERING INTO A SECOND IMPLEMENTATION AGREEMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT [DDA] BY AND BETWEEN THE REDEVELOPMENT AGENCY AND CITY HEIGHTS REALTY, LLC (AS ASSIGNEE OF THE DDA) FOR THE PROPOSED CITY HEIGHTS SQUARE MIXED-USE COMMERCIAL/RESIDENTIAL PROJECT [PROJECT] LOCATED WITHIN THE CITY HEIGHTS REDEVELOPMENT PROJECT AREA; AND (ii) APPROVING THE SALE OF CERTAIN REAL PROPERTY TO CITY HEIGHTS REALTY, LLC SUBJECT TO AND ONLY UPON THE SATISFACTION OF ALL CONDITIONS PRECEDENT SET FORTH IN THE SECOND IMPLEMENTATION AGREEMENT AND MAKING CERTAIN FINDINGS WITH RESPECT THERETO IN ACCORDANCE WITH CALIFORNIA HEALTH AND SAFETY CODE SECTION 33433.

WHEREAS, the Redevelopment Agency of the City of San Diego [Agency] is engaged in activities necessary to carry out and implement the Redevelopment Plan [Redevelopment Plan] for the City Heights Redevelopment Project Area [Project Area]; and

WHEREAS, in order to carry out and implement the objectives of the Redevelopment Plan for the Project Area, the Agency entered into, and the Council of the City of San Diego [Council] approved, a Disposition and Development Agreement [DDA] with San Diego Revitalization Corporation, a California non-profit public benefit corporation, on or about May 3, 2005, for the development of an office and retail project; a copy of the DDA is on file in the office of the City Clerk as Document No. RR-300383; and

WHEREAS, San Diego Revitalization Corporation subsequently changed its name to Price Charities and the Agency thereafter entered into a First Implementation Agreement to the

002350

DDA with Price Charities, a California non-profit public benefit corporation, on or about December 3, 2007, to primarily extend certain performance deadlines and make other necessary changes to the DDA; a copy of the First Implementation Agreement to the DDA is on file in the office of the secretary of the Agency as Document No. D-04225 / R-04225; and

WHEREAS, Price Charities assigned all of its rights and obligations under the DDA, as amended, the DDA Attachments, and other documents executed pursuant to the DDA including, without limitation, the Loan Agreement dated May 10, 2005, the Promissory Note dated May 10, 2005, and the Pledge Agreement dated May 10, 2005, to City Heights Realty, LLC, a California limited liability company [Developer], which accepted the assignment and assumed all rights and obligations thereunder pursuant to an Assignment and Assumption Agreement dated November 20, 2008; and

WHEREAS, pursuant to and in accordance with the terms and conditions of the DDA, as amended, the Agency acquired the Acquisition Parcel [as defined in the DDA], and has agreed to relocate the existing business located thereon, to demolish the existing improvements located thereon, and to thereafter sell the Acquisition Parcel to the Developer subject to and upon the satisfaction of certain conditions precedent; and

WHEREAS, due to changes in market conditions, the Developer proposes to revise the description of the project from office and retail to a mixed-use residential/commercial project that will provide ninety-two (92) residential apartments, of which 14 apartments will be designated by the Developer for not less than fifty-five (55) years as affordable to very low and low income households earning 50% to 65% of the Area Median Income, with retail and office space, and two (2) levels of subterranean parking [Project]; and

002351

WHEREAS, in light of the above, the Agency and the Developer desire to further amend the DDA, as amended, and associated documents, through the Second Implementation Agreement to the DDA, to re-allocate certain remediation responsibilities related to the Acquisition Parcel, to modify the purchase price of the Acquisition Parcel, and to change the development of the Site to the revised Project as described above; and

WHEREAS, pursuant to the California Community Redevelopment Law (California Health and Safety Code Section 33000 *et seq.*) the Agency and the Council held a joint public hearing on the Second Implementation Agreement to the DDA and the proposed sale of the Acquisition Parcel, having duly published notice of such public hearing and having made copies of the DDA, as amended, the proposed Second Implementation Agreement to the DDA and other reports and documents (including the Summary Report prepared in accordance with California Health and Safety Code Section 33433 [33433 Report]) available for public inspection and copying; and

WHEREAS, the Council has duly considered all of the terms and conditions of the proposed transaction and believes that the transaction is in the best interests of the City of San Diego, the Project Area and the health, safety, morals and welfare of City residents, and in accord with the public purposes and provisions of applicable state and local law and requirements; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, as follows:

1. That the Council hereby finds and determines that all recitals set forth in this Resolution are true and correct and incorporated herein by this reference.
2. That the Council has reviewed and approves the Summary Report prepared in accordance with California Health and Safety Code Section 33433 [33433 Report].

3. That the Council finds and determines, based on information received and reviewed including without limitation the information contained in the 33433 Report, that the consideration to be received by the Agency for the sale of the Acquisition Parcel pursuant to the DDA, as amended by the Second Implementation Agreement, is not less than the fair market value at its highest and best use in accordance with the Redevelopment Plan for the City Heights Redevelopment Project adopted by the Council and the Agency on April 28, 1992, as amended by that certain First Amendment to the Redevelopment Plan adopted by the Council and the Agency on November 28, 1994, by that certain Second Amendment to the Redevelopment Plan adopted by the Council and the Agency on March 5, 1996, and by that certain Third Amendment to the Redevelopment Plan adopted by the Council and Agency on November 14, 2000, and in accordance with the Third 5-Year Implementation Plan for the City Heights Redevelopment Project adopted by the Agency on June 15, 2004.

4. That the Council finds and determines that, based on information received including without limitation the information contained in the 33433 Report, the sale of the Acquisition Parcel to the Developer pursuant to the DDA, as amended by the Second Implementation Agreement, will assist in the elimination of blight in the City Heights Redevelopment Project Area and will provide housing for low income persons.

5. That the Council finds and determines that, based on information received including without limitation the information contained in the 33433 Report, the sale of the Acquisition Parcel to the Developer pursuant to the DDA, as amended by the Second Implementation Agreement, is consistent with the Third 5-Year Implementation Plan for the City Heights Redevelopment Project adopted by the Agency on June 15, 2004, pursuant to California Health and Safety Code Section 33490.

002353

6. That the Council has reviewed and approves the sale of the Acquisition Parcel to the Developer as set forth in the DDA, as amended by the Second Implementation Agreement, subject to and only upon the satisfaction of all conditions precedent set forth in the Second Implementation Agreement to the DDA.

7. That the Council hereby approves and consents to the Redevelopment Agency of the City of San Diego entering into the Second Implementation Agreement to the DDA with the Developer for the proposed City Heights Square mixed-use residential/commercial project; a copy of the Second Implementation Agreement to the DDA, when executed by the Agency, shall be placed on file in the office of the City Clerk as Document No. D-_____.

8. That the Council finds and determines that the City of San Diego has certified and approved for this Project the information contained in that Subsequent Addendum to Mitigated Negative Declaration [MND] LDR No. 146605, that the City of San Diego previously certified for the original project that MND No. 40960 and Addendum to MND No. 40960 (Project No. 95232), that this Project is adequately addressed in said MND and Subsequent Addendum to the MND, and that there is no substantial change in circumstance, additional information or project changes to warrant additional environmental review.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By 
Kendall D. Berkey
Deputy City Attorney

002354

(R-2009-698)

KDB:nda
11/20/08
Or.Dept:Redev.Agency
R-2009-698
MMS#7098
Comp. R-2009-704
RA-2009-50
RA-2009-51
RA-2009-52

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of _____.

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

RESOLUTION NUMBER R- _____

DATE OF FINAL PASSAGE _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF
 SAN DIEGO CERTIFYING ENVIRONMENTAL REVIEW
 FOR THE CITY HEIGHTS SQUARE MIXED-USE
 RESIDENTIAL/COMMERCIAL PROJECT LOCATED IN
 THE CITY HEIGHTS REDEVELOPMENT PROJECT AREA.

WHEREAS, the Council of the City of San Diego [Council] is considering a proposed Second Implementation Agreement [Second Implementation Agreement] to the Disposition and Development Agreement [DDA] by and between the Redevelopment Agency of the City of San Diego [Agency] and City Heights Realty, LLC (as assignee of the DDA) for the development of the City Heights Square mixed-use residential/commercial project [Project] located in the City Heights Redevelopment Project Area [Project Area]; and

WHEREAS, the City of San Diego previously certified for the original project described in the DDA a Mitigated Negative Declaration [MND], referenced by MND No. 40960, and an Addendum to MND No. 40960 (Project No. 95232); and

WHEREAS, based upon a review of the current Project, the Addendum and Initial Study Checklist, it was determined that a Subsequent Addendum to the Mitigated Negative Declaration was appropriate pursuant to California Environmental Quality Act [CEQA] Guidelines Sections 15162 and 15164; and

WHEREAS, a Subsequent Addendum to the MND, referenced by LDR No. 146605, has been prepared for the proposed Project; and

WHEREAS, a Mitigation, Monitoring and Reporting Program was prepared pursuant to the MND and previously adopted by the Agency and the City Council, and all mitigation

measures included in the previous MND No. 40960 and in the previous Addendum No. 95232 have been incorporated into the Subsequent Addendum; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego as follows:

1. That the Council hereby certifies that the information contained in the Subsequent Addendum to the Mitigated Negative Declaration [MND], referenced by LDR No. 146605, on file in the office of the City Clerk, has been completed in compliance with the California Environmental Quality Act of 1970 [CEQA] (California Public Resources Code Section 21000 et seq.), as amended, and the State CEQA Guidelines (California Code of Regulations Section 15000 et seq.), that the report reflects the independent judgment of the City of San Diego as Lead Agency, and that the information contained in the report, together with any comments received during the public review process, has been reviewed and considered by the Council in connection with the approval of the Project and the Second Implementation Agreement to the Disposition and Development Agreement for the City Heights Square mixed-use residential/commercial Project.

2. That the Council finds and determines that there are no new significant environmental impacts not considered in the previous Mitigated Negative Declaration, referenced by MND No. 40960, and Addendum to MND No. 40960 (Project No. 95232) and that there is no substantial change in circumstance under which the Project is undertaken or additional information of substantial importance to the Project.

002357

3. That the City Clerk is directed to file a Notice of Determination [NOD] with the Clerk of the Board of Supervisors for the County of San Diego regarding the above Project.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By 
Kendall D. Berkey
Deputy City Attorney

KDB:nda
11/20/08
Or.Dept:Redev.Agency
R-2009-704
MMS#7104
Comp. R-2009-698
RA-2009-50
RA-2009-51
RA-2009-52