



001271

REPORT NO. CCDC-08-18
CCDC-08-09

DATE ISSUED: May 21, 2008

ATTENTION: Honorable Chair and Members of the Redevelopment Agency
Council President and City Council
Docket of May 27, 2008

ORIGINATING DEPT.: Centre City Development Corporation

SUBJECT: Request to Bid for Installation of Cortez Streetlights – Phase I
(bounded by 5th to 10th avenues, and between A to Date streets) –
Cortez Redevelopment District of the Expansion Sub Area of the
Centre City Redevelopment Project

COUNCIL DISTRICT(S): 2

REFERENCE: None

STAFF CONTACT: Susan Diekman, Assistant Project Manager – Contracts and
Property Management (533-7142)

REQUESTED ACTION: That the Redevelopment Agency of the City of San Diego (“Agency”) and the City Council of the City of San Diego (“Council”) authorize the request to bid for the installation of the Cortez Streetlights – Phase I (“Project”) in the Cortez Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project (“Cortez District”).

STAFF RECOMMENDATION:

That the Agency:

- Authorize the Centre City Development Corporation (“Corporation”), on behalf of the Agency, to advertise and receive bids for the construction of the Project;
- Authorize the Executive Director of the Agency, or designee, to award the contract to the lowest responsible bidder, provided bids are within the established budget and all other requirements are met;
- Authorize the Corporation, on behalf of the Agency, to administer said contract; and

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Council President and City Council
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- Make certain findings that the proposed improvements benefit the Centre City Project Area ("Project Area") or the immediate neighborhood in which the Project is located; that no other reasonable means of financing the improvements are available to the community; that the payment for funds of such improvements will assist in the elimination of blighting conditions inside the project area; and that the proposed improvements are consistent with the Implementation Plans adopted for the Project Area pursuant to Health and Safety Code 33490 (Attachment B).

And, that the Council:

- Make certain findings that the proposed improvements benefit the Centre City Project Area or the immediate neighborhood in which the Project is located; that no other reasonable means of financing the improvements are available to the community; that the payment of funds for such improvements will assist in the elimination of blighting conditions inside the project area; and that the proposed improvements are consistent with the Implementation Plans adopted for the Project Area pursuant to Health and Safety Code 33490.

SUMMARY: The Project calls for the installation of 155 streetlights in the Cortez District. Out of the 155 streetlights, 125 are new streetlights and 30 streetlights will be replaced because they are older lights in poor condition and have existing high-voltage wiring that will be converted to safer low-voltage circuits. Additionally, 21 streetlights will be retrofitted with new lamps and connected to new circuits. Out of the 155 streetlights, 99 are type C Standard Fixtures and 39 are type A Gateway Fixtures, that will be installed mid-block, and 17 are type 15 Fixtures that will be installed at street corners. The installation of 138 mid-block streetlights has been identified as an improvement that can enhance an areas' aesthetics, security and safety. The installation of streetlights will correct adverse health and safety conditions.

FISCAL CONSIDERATIONS: Funds are available in the Fiscal Year 2008 Budget under "Cortez Streetlights Phase I & II" in the amount of \$1,603,300. The contract award amount will not exceed \$1,603,300.

CENTRE CITY DEVELOPMENT CORPORATION RECOMMENDATION:
On April 30, 2008, the Corporation voted in favor of the staff recommendation.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:
Cortez neighborhood has an informal residents group that has an extensive e-mail distribution list. Utilizing that e-mail distribution list, over 200 residents have been informed of the Project and staff has received positive feedback from the residents.

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KEY STAKEHOLDERS AND PROJECT IMPACTS:

The key stakeholders for the project are residents and businesses located in the Project Area along with visitors to downtown.

BACKGROUND

This proposed Project advances the Visions and Goals of the Downtown Community Plan and the Objectives of the Centre City Redevelopment Project by:

- eliminating environmental deficiencies including deteriorated public improvements;
- improving existing water and sewer lines, streets, sidewalks, parkways, and lighting in the public right-of-way;
- encouraging the rehabilitation and upgrading of properties; and
- strengthening the economic base of the Cortez District.

DESCRIPTION OF IMPROVEMENTS

The installation of mid-block streetlights has been identified as one of the improvements that can make an area attractive and safe to live, work and visit. The installation of mid-block streetlights in other neighborhoods, such as East Village, has demonstrated the benefits of an upgraded streetlighting system. The Corporation is building on the success of the East Village Streetlight Project.

The Project is the first phase of a two-phase effort to update and install streetlights in the Cortez District. The design of the second phase will begin in July 2008 with an estimated construction completion date of May 2010. At the completion of phase II, all 38 blocks of the Cortez District will then have streetlights on every corner and along each block face.

MAINTENANCE AND ENERGY COSTS FOR IMPROVEMENTS

The funding for the maintenance and energy costs of the 138 mid-block streetlights is the responsibility of the Maintenance Assessment District, which is funded by downtown property owners through their property tax bill. The maintenance and energy costs for the 17 corner streetlights are paid for by the City of San Diego's General Fund.

COST ESTIMATE FOR IMPROVEMENTS

The estimate for the Project is \$1,603,300 which includes a 15% contingency. Estimates for major items of work in the bid proposal are as follows:

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\$1,246,150 for purchase and installation of streetlights;
\$ 209,123 for a 15% contingency;
\$ 100,000 for mobilization and traffic control; and
\$ 48,000 for demolition
\$1,603,272

SCHEDULE

The following is a summary of the projected schedule for bidding and construction of the Project:

- | | |
|--|----------------|
| • Approval of Request to Bid by Agency | May 27, 2008 |
| • Advertise Project | June 2008 |
| • Bid Opening | August 2008 |
| • Begin Construction | September 2008 |
| • End of Construction | September 2009 |

FINDINGS

State Law requires that certain findings be made by the Council and Agency prior to the expenditure of Agency funds for public facilities/improvements. Attachment B recites the proposed findings with respect to the benefits of the proposed improvements to the Cortez Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project, the unavailability of other means to finance the proposed improvements, how the proposed improvements will assist in the elimination of blight conditions inside the Project Area, and that the proposed improvements are consistent with the Implementation Plans adopted for the Project pursuant to Health and Safety Code 33490.

EQUAL OPPORTUNITY

This project will utilize the City's Subcontracting Outreach Program ("SCOPE"). The purpose of SCOPE is to maximize opportunities for all qualified and available firms and to provide equal opportunity for all subcontractors. The program creates mandatory subcontracting outreach and utilization requirements for contractors. The mandatory subcontracting outreach percentage for this project will be determined by the City of San Diego's Engineering Department.

Bid solicitation/outreach efforts identifying subcontracting and vendor opportunities will be advertised in the *San Diego Transcript*, *Asian Journal*, *El Latino*, and *San Diego Voice and Viewpoint*. For additional outreach, the Corporation will use its extensive database of certified contractors, eBidboard, the Daily Transcript Online Plan Room, Blue Hornet, www.ccdc.com, the Green Sheet, Contractor News and Views, community/trade and ethnic organizations and the Public Agency Consortium.

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Environmental Impact - That the City Council of the City of San Diego does hereby determine that the Project is categorically exempt from review under the California Environmental Quality Act ("CEQA"), pursuant to state CEQA Guidelines §15301 (Existing Facilities – Class 1), §15302 (Replacement or Reconstruction – Class 2) and/or §15303 (New Construction or Conversion of Small Structures – Class 3).

CONCLUSION

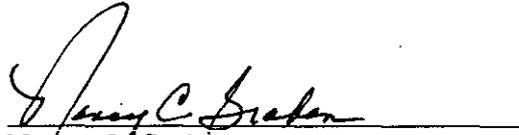
The proposed improvements will dramatically improve the health, safety, and welfare of the residents, businesses and property owners in the Cortez District and implement a number of goals from the Implementation Plans.

Respectfully submitted,

Concurred by:



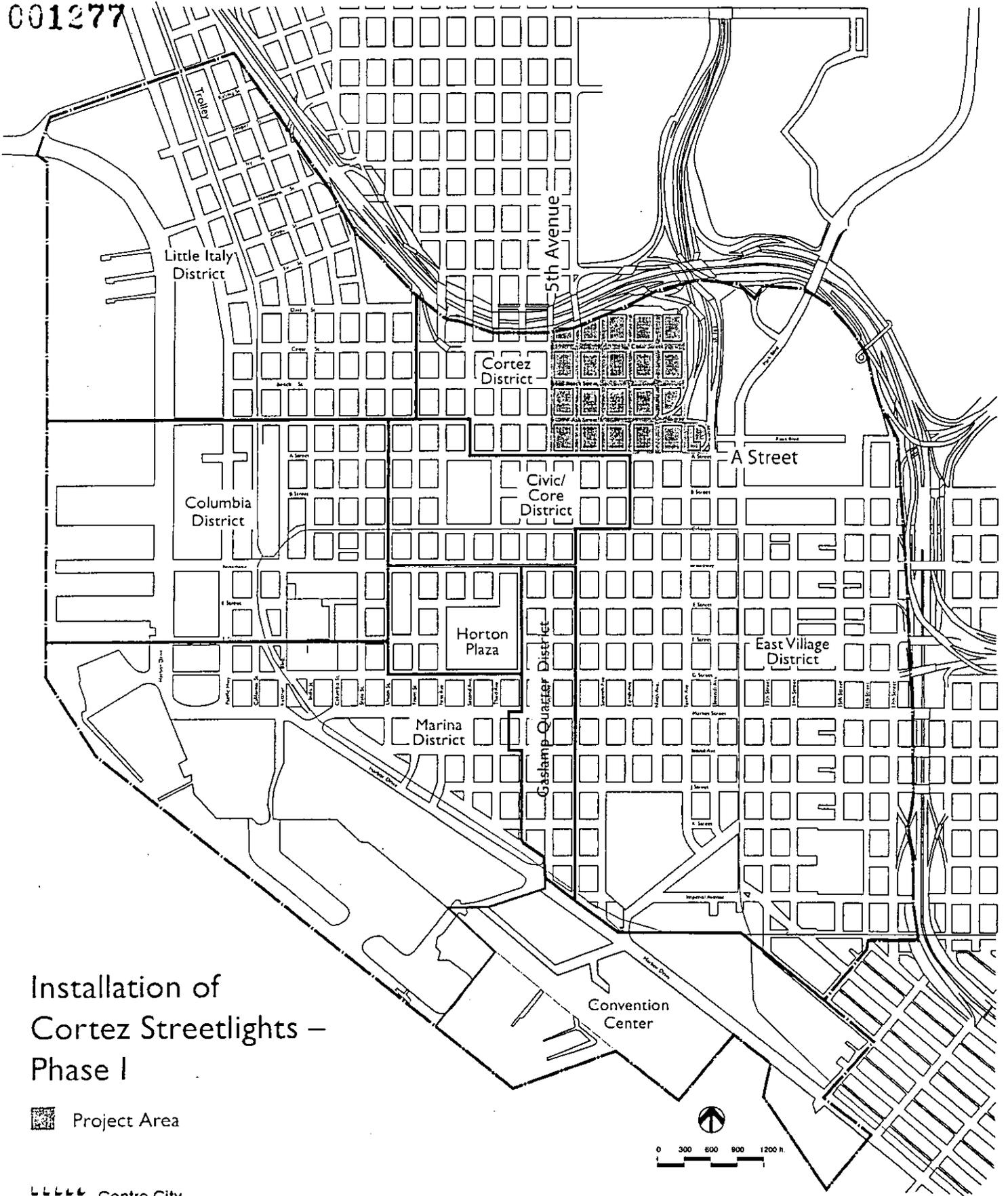
Susan C. Diekman
Assistant Project Manager



Nancy C. Graham
President

Attachments: A - Location map
B - Findings

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Installation of Cortez Streetlights – Phase I

 Project Area

 Centre City
 Development
 Corporation

ATTACHMENT NO. B

FINDINGS

SUBJECT IMPROVEMENTS:

REQUEST TO BID THE INSTALLATION OF CORTEZ STREETLIGHTS – PHASE I PROJECT (BOUNDED BY 5TH TO 10TH AVENUES, AND BETWEEN A TO DATE STREETS) – CORTEZ REDEVELOPMENT DISTRICT OF THE EXPANSION SUB AREA OF THE CENTRE CITY REDEVELOPMENT PROJECT

I. FINDINGS OF BENEFIT

The subject improvements for which the Redevelopment Agency of the City of San Diego (“Agency”) proposes to pay will benefit the Centre City Redevelopment Project or the immediate neighborhood in which the Project area is located in that:

- A. These improvements are within the Cortez Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project, adjacent to underdeveloped properties and/or properties that have been designated as historic and will not likely be redeveloped in the near future.
- B. The installation of 155 streetlights are planned for the area bounded by 5th and 10th Avenues, between A and Date Streets. The improvements will enhance portions of the above-mentioned redevelopment districts for the benefit of nearby users as well as residents.
- C. The installation of streetlights will correct any adverse health and safety conditions.
- D. The public improvements will act as a catalyst providing an incentive for private investment in the rehabilitation of the areas.
- E. The Project will create unique “sense of community” areas.
- F. The Project will encourage pedestrian use.
- G. Revitalizing the above-mentioned district by upgrading the public right-of-way with street furnishings including trees, streetlights, and other accessories.

II. NO OTHER REASONABLE MEANS OF FINANCING

There are no other reasonable means available to the community for financing the subject improvements for which the Agency proposes to pay in that:

City of San Diego

- A. The Fiscal Year 2008 Budget for the City of San Diego ("City") increased approximately 12.9% from \$2.556 billion to \$2.886 billion. Over the last several years, as the City's Capital Improvement Program ("CIP") has grown and revenues have leveled off, the City has developed phase funding to use available cash and minimize the issuance of bond proceeds. This is a means whereby large projects may be budgeted and contracted for in an efficient manner that maximizes the City's use of available funds. The Fiscal Year 2008 Budget reflects General Fund revenues and expenditures of \$1.1 billion, representing an increase of \$828 million or an 8.1% increase over the Fiscal Year 2007 Budget. The General Fund Budget also includes 7,053 positions, a decrease of 465 positions over the Fiscal Year 2007 Budget.
- B. The City's capital improvement budget is funded primarily with water and sewer fees, developer impact fees, grant funds, enterprise fund revenues, Facility Benefit Assessment funds, Gas Tax and Transnet funds. The Fiscal Year 2008 CIP Budget totals \$454.6 million, an increase of \$160.9 million from Fiscal Year 2007. The Fiscal Year 2008 CIP Budget provides for the sewer upgrade of the City's Metropolitan and Municipal Wastewater System, water projects, Parks and Recreation projects, library projects, transportation projects and special projects. Despite the increase in the City's CIP Budget, it is estimated that the City's deferred maintenance and capital needs, excluding Water and Sewer, may be at least \$800 to \$900 million.
- C. The Agency's Fiscal Year 2008 Program Budget was adopted on May 15, 2007. The CIP and the Agency's Budget were developed in accordance with City and Council Policy, and each project activity was evaluated and incorporated in the respective budgets. Projects are funded based on need and the availability of appropriate funding sources. The City's CIP Budget lacks funding to provide for certain public improvement projects in the downtown redevelopment areas.

III. ELIMINATION OF BLIGHTING CONDITIONS

The payment of funds toward the cost of the construction of the subject improvements will assist in the elimination of one or more blighting conditions inside the Cortez Redevelopment Districts of the Expansion Sub Area of the Centre City Redevelopment Project, and the proposed improvements are consistent with the Implementation Plan adopted for the Project pursuant to Health and Safety Code 33490, in that:

- A. The improvements will enhance the neighborhood and replace inadequate public improvements. The proposed improvements will remove and replace these adverse conditions, upgrading to match the improvements on nearby streets.
- B. The improvements will act as a catalyst providing an incentive for private investment, thereby contributing to the removal of economic blight.
- C. The location of streetlights standards will be adjusted and added so as to increase the level of lighting along the public sidewalks and streets.
- D. "Improvements to existing water and sewer lines, streets, sidewalks, parkways, and lighting in the public right-of-way" as a means to contribute to blight removal is included on page 4 of the work program of the Implementation Plan adopted June 15, 2004 pursuant to Health and Safety Code 33490.

REQUEST FOR COUNCIL ACTION CITY OF SAN DIEGO		1. CERTIFICATE NUMBER (for auditor's use only) 340 <i>N/A</i>
001283 TO: CITY ATTORNEY	2. FROM: (ORIGINATING DEPARTMENT) CENTRE CITY DEVELOPMENT CORPORATION	3. DATE May 5, 2008

4. SUBJECT: Request to Bid for Installation of Cortez Streetlights – Phase I – Cortez Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project
 (Companion to Redevelopment Agency)

5. Primary Contact: (Name, Phone & Mail Sta.) Susan Diekman, 533.7142, MS51D	6. Secondary Contact (Name, Phone & Mail Sta.)	7. Check BOX if REPORT TO COUNCIL IS ATTACHED <input checked="" type="checkbox"/>
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8. COMPLETE FOR ACCOUNTING PURPOSES					9. ADDITIONAL INFORMATION/ESTIMATED COST: Fiscal Impact:
FUND					
DEPT.					
ORGANIZATION					
OBJECT ACCOUNT					
JOB ORDER					
C.I.P. NUMBER					
AMOUNT					

10. ROUTING AND APPROVALS							
ROUTE (#)	APPROVING AUTHORITY	APPROVING SIGNATURE	DATE SIGNED	ROUTE (#)	APPROVING AUTHORITY	APPROVING SIGNATURE	DATE SIGNED
1	CCDC President	Nancy Graham <i>[Signature]</i>	5/2/08	9	EOC	Barry B. Rufford <i>[Signature]</i>	5/9/08
2	CCDC Vice President/CFO	Frank Alphon <i>[Signature]</i>	5/6/08	10	EAS	Allison Sherwood <i>[Signature]</i>	5/12/08
3	Environmental Review	Jean Coker <i>[Signature]</i>	5/05/08	11	City Attorney	Alex Sachs <i>[Signature]</i>	5/13/08
4	Asst. Dir., CPCI, Redevelopment	Janice L. Weinrick <i>[Signature]</i>	5/5/08	12	Originating Department	Project Manager, Susan Diekman <i>[Signature]</i>	5/5/08
5	Deputy Chief Operating Officer, Executive Director of City Planning and Development	William Anderson <i>[Signature]</i>	5/6/08	13	Vice President Real Estate Operations	Barbara A. Kaiser <i>[Signature]</i>	5/5/08
6				14			
7	Chief Operating Officer	Jay Goldstone <i>[Signature]</i>	5/14/08	15	Docket Coord. _____ Council Liaison	<i>[Signature]</i>	5/14/08
8	Auditor	Rolando Charvel <i>[Signature]</i>	5/8/08		COUNCIL PRESIDENT <i>[Signature]</i>	<input type="checkbox"/> Spob <input type="checkbox"/> CONSENT <input checked="" type="checkbox"/> ADOPTION <input type="checkbox"/> REFER TO _____ COUNCIL DATE: 5/27/08	

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

DOCKET OF: May 27, 2008

11a. STAFF RECOMMENDATIONS:

That the City Council of the City of San Diego make certain findings that the proposed improvements benefit the Centre City Project Area (Project Area) or the immediate neighborhood in which the Project is located; that no other reasonable means of financing the improvements are available to the community; that the payment of funds for such improvements will assist in the elimination of blighting conditions inside the Project Area; and that the proposed improvements are consistent with the Implementation Plans adopted for the Project Area pursuant to Health and Safety Code 33490.

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

COUNCIL DISTRICT(S): 2

Community Planning Area(s): N/A

Environmental Impact: That the City Council of the City of San Diego does hereby determine that the Project is categorically exempt from review under the California Environmental Quality Act ("CEQA"), pursuant to state CEQA Guidelines §15301 (Existing Facilities – Class 1), §15302 (Replacement or Reconstruction – Class 2) and/or §15303 (New Construction or Conversion of Small Structures – Class 3).

HOUSING IMPACT: N/A

Other Issues: N/A

City Clerk Instruction: Please send copies of the resolution(s) to Lori Young, MS 51D and Project Manager, MS 51D

RA-1472 (REV. 1/06)

001284

APPROVED
DATE: 11/11/09
BY: [Signature]

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EXECUTIVE SUMMARY SHEET

REPORT NO. CCDC-08-18
CCDC-08-09

DATE ISSUED: May 21, 2008
ATTENTION: Honorable Chair and Members of the Redevelopment Agency
Council President and City Council
Docket of May 27, 2008
ORIGINATING DEPT.: Centre City Development Corporation
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(bounded by 5th to 10th avenues, and between A to Date streets) –
Cortez Redevelopment District of the Expansion Sub Area of the
Centre City Redevelopment Project
COUNCIL DISTRICT: 2
STAFF CONTACT: Susan Diekman, Assistant Project Manager – Contracts and
Property Management 619-533-7142

REQUESTED ACTION: That the Redevelopment Agency of the City of San Diego (“Agency”) and the City Council of the City of San Diego (“Council”) authorize the request to bid for the installation of the Cortez Streetlights – Phase I (“Project”) in the Cortez Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project (“Cortez District”).

STAFF RECOMMENDATION:

That the Agency:

- Authorize the Centre City Development Corporation (“Corporation”), on behalf of the Agency, to advertise and receive bids for the construction of the Project;
- Authorize the Executive Director of the Agency, or designee, to award the contract to the lowest responsible bidder, provided bids are within the established budget and all other requirements are met;
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- Make certain findings that the proposed improvements benefit the Centre City Project Area (“Project Area”) or the immediate neighborhood in which the Project is located; that no other reasonable means of financing the improvements are available to the community; that the payment for funds of such improvements will assist in the elimination of blighting conditions inside the project area; and that the proposed improvements are consistent with the Implementation Plans adopted for the Project Area pursuant to Health and Safety Code 33490 (Attachment B).

And, that the Council:

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EXECUTIVE SUMMARY: The Project calls for the installation of 155 streetlights in the Cortez District. Out of the 155 streetlights, 125 are new streetlights and 30 streetlights will be replaced because they are older lights in poor condition and have existing high-voltage wiring that will be converted to safer low-voltage circuits. Additionally, 21 streetlights will be retrofitted with new lamps and connected to new circuits. Out of the 155 streetlights, 99 are type C Standard Fixtures and 39 are type A Gateway Fixtures, that will be installed mid-block, and 17 are type 15 Fixtures that will be installed at street corners. The installation of 138 mid-block streetlights has been identified as an improvement that can enhance an areas' aesthetics, security and safety. The installation of streetlights will correct adverse health and safety conditions.

FISCAL CONSIDERATIONS: Funds are available in the Fiscal Year 2008 Budget under "Cortez Streetlights Phase I & II" in the amount of \$1,603,300. The contract award amount will not exceed \$1,603,300.

CENTRE CITY DEVELOPMENT CORPORATION RECOMMENDATION: On April 30, 2008, the Corporation voted in favor of the staff recommendation.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: Cortez neighborhood has an informal residents group that has an extensive e-mail distribution list. Utilizing that e-mail distribution list, over 200 residents have been informed of the Project and staff has received positive feedback from the residents.

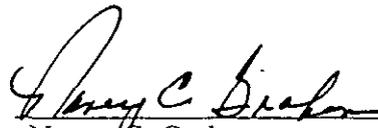
KEY STAKEHOLDERS AND PROJECT IMPACTS: The key stakeholders for the project are residents and businesses located in the Project Area along with visitors to downtown.

Respectfully submitted,

Concurred by:



Susan Diekman
Assistant Project Manager – Contracts and
Property Management



Nancy C. Graham
President

RESOLUTION NUMBER R-_____

DATE OF FINAL PASSAGE _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN DIEGO MAKING CERTAIN FINDINGS WITH
RESPECT TO THE INSTALLATION OF CORTEZ HILL
STREETLIGHTS – PHASE I.

WHEREAS, the Redevelopment Agency of the City of San Diego [Agency] is engaged in activities necessary to carry out and implement the Redevelopment Plan for the Cortez Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project [“Project Area”]; and

WHEREAS, the Centre City Development Corporation [CCDC] is responsible for implementing redevelopment projects in the Project Area; and

WHEREAS, in order to carry out and implement the Redevelopment Plan, the Implementation Plans for the period of July 2004 - June 2009 for the Centre City and Horton Plaza Redevelopment Projects have previously been approved; and

WHEREAS, the Implementation Plan identifies the need to improve public safety and deter crime by installation of streetlights; and

WHEREAS, the City Council has duly considered all conditions of the proposed payment for the construction of the Installation of Cortez Streetlights – Phase I [Project] and believes that the payment by the Agency of all of the cost of the construction is in the best interests of the City and health, safety, morals, and welfare of its residents, and in accord with the public purpose and provisions of applicable state and local law requirements; NOW, THEREFORE,

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

1. That the City Council finds and determines that the construction of the Project for which the Agency proposes to pay is of benefit to the Project Area; and
2. That the City Council finds and determines that no other reasonable means for financing the Project are available to the community and that the Project will assist in eliminating one or more blighting conditions inside the Project Area, and that the Project is consistent with the Centre City and Horton Implementation Plans for July 2004 - 2009, on file in the office of the Secretary to the Agency pursuant to California Health and Safety Code Section 33490, all as described in Attachment B.
3. That the City Council does hereby determine that the Project is categorically exempt from review under the California Environmental Quality Act (CEQA), pursuant to state CEQA Guidelines §15301 (Existing Facilities – Class 1), §15302 (Replacement or Reconstruction – Class 2) and/or §15303 (New Construction or Conversion of Small Structures – Class 3).

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By 
Alex W. Sachs
Deputy City Attorney

AWS:mm
05/12/08
Or Dept:CCDC
R-2008-1057
MMS#6271
Companion: Agency RA-2008-135

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

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor