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03/10

DATE ISSUED: March 4, 2009 REPORT NO: CCDC-09-01
09-01
ATTENTION: Honorable Chair and Members of the Redevelopment Agency
Council President and City Council
Docket of March 10, 2009
ORIGINATING DEPT.: Centre City Development Corporation
SUBJECT: Date Street Storm Drain Improvements (India to California streets)
– Request to Bid -- Little Italy Redevelopment District of the
Expansion Sub Area of the Centre City Redevelopment Project
COUNCIL DISTRICT: Two
REFERENCE: None
STAFF CONTACT: Abbas Rastandeh, Associate Engineer, Public Works
(619) 533-7113

REQUESTED ACTION: That the Redevelopment Agency of the City of San Diego (“Agency”) and the City Council of the City of San Diego (“City Council”) approve all actions as necessary for the design and construction of the Date Street Storm Drain Improvements from India to California streets in the Little Italy Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project (Attachment A–Site Map).

STAFF RECOMMENDATION: That the Agency:

- Authorize the Centre City Development Corporation (“Corporation”), on behalf of the Agency, to advertise and receive bids for the design and construction of the proposed Date Street Storm Drain Improvements from India to California streets in the Little Italy Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project (“Project”);
- Authorize the Executive Director of the Agency, or his designee, to award the construction contract to the lowest responsible bidder, provided bids are within the established budget of \$370,845, that the construction contract shall not exceed \$370,845, and all other requirements are met;
- Authorize the Agency’s Executive Director or designee to execute the construction contract with the lowest responsible bidder;
- Authorize the Corporation, on behalf of the Agency, to administer said construction contract;

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- Make certain findings that the proposed Project benefits the Centre City Redevelopment Project (“Project Area”) or the immediate neighborhood in which the Project is located; that no other reasonable means of financing is available to the community; that the payment of funds will assist in eliminating blighting conditions by improving the existing outdated and substandard storm drain facilities to current City standards, and to insure adequate health & safety facilities for the public inside the Project Area, and that the proposed project is consistent with the Implementation Plan adopted for the Project Area pursuant to Health and Safety Code 33490 (Attachment B – Findings of Benefit);
- Finds and determines that this activity is categorically exempt from the California Environmental Quality Act [CEQA] pursuant to State CEQA Guidelines Section 15301, Existing Facilities, Class 1 (c); that this activity does not fall within any of the classes of projects for which a categorical exemption may not be applied (Pub. Resources Code Section 21084); that this activity triggers none of the exceptions to the application of a categorical exemption set forth in CEQA Guidelines Section 15300.2; and that the application of the categorical exemption set forth under CEQA Guidelines Section 15301, Existing Facilities, Class 1 (c), is appropriate for this activity; and
- Finds and determines that this activity is statutorily exempt from CEQA pursuant to State CEQA Guidelines Section 15282(k) as set forth in California Public Resources Code Section 21080.21.

And, that the City Council:

- Authorize the Agency, by and through the Corporation, to administer and manage the design and construction of the Project;
- Authorize the City of San Diego (“City”) to accept the improvements upon completion of the Project;
- Make certain findings that the proposed Project benefits the Project Area or the immediate neighborhood in which the Project is located; that no other reasonable means of financing is available to the community; that the payment of funds will assist in eliminating blighting conditions by improving the existing outdated and substandard storm drain facilities to current City standards, and to insure adequate health & safety facilities for the public inside the Project Area, and that the proposed project is consistent with the Implementation Plan adopted for the Project Area pursuant to Health and Safety Code 33490;
- Finds and determines that this activity is categorically exempt from the California Environmental Quality Act [CEQA] pursuant to State CEQA Guidelines Section 15301, Existing Facilities, Class 1 (c); that this activity does not fall within any of the classes of projects for which a categorical exemption may not be applied (Pub.

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Resources Code Section 21084); that this activity triggers none of the exceptions to the application of a categorical exemption set forth in CEQA Guidelines Section 15300.2; and that the application of the categorical exemption set forth under CEQA Guidelines Section 15301, Existing Facilities, Class 1 (c), is appropriate for this activity; and

- Finds and determines that this activity is statutorily exempt from CEQA pursuant to State CEQA Guidelines Section 15282(k) as set forth in California Public Resources Code Section 21080.21.

SUMMARY: The new improvements will consist of:

- Modification of an existing storm drain underground box and removal of inadequate storm drain pipes;
- New concrete storm drain pipe, sized from 18" to 30" in diameter, the majority of the new pipe 24" in diameter, the new pipe length totaling approximately 466 feet;
- Construction of two new storm drain underground boxes;
- Modifying to prevent utility conflict with the new storm drain pipe;
Trench repair and asphalt street overlay the length of the storm drain work on Date Street (India Street to the west end of the Date Street cul de sac); and
- Construction of two new pedestrian ramps at the northwest and southwest corners of Date and Kettner streets.

FISCAL CONSIDERATIONS: Agency funds in the amount of \$370,845 are available in the Redevelopment Agency Fiscal Year 2009 ("FY 09") Little Italy District Budget.

CENTRE CITY DEVELOPMENT CORPORATION RECOMMENDATION: On November 19, 2008, the Corporation Board of Directors voted unanimously in favor of the proposed Project.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: On March 19, 2008, the proposed Project was unanimously approved by the Centre City Advisory Committee as part of the FY 08-09 Budget for Redevelopment Projects administered by the Corporation.

The Little Italy Association strongly supports this project to improve the existing substandard storm drain system on Date Street, India to California streets, to City of San Diego ("City") standards.

BACKGROUND

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

- Providing an effective storm drain system;
- Improving public safety and health conditions;

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- Improving the street storm drain system to the latest standards to maximize pedestrian and vehicular safety; and
- Increasing the quality of life for downtown residents, visitors, and businesses by improving the street storm drain system.

The existing substandard storm drain system on Date Street creates both health and safety issues which will be eliminated by the proposed new storm drain system.

EQUAL OPPORTUNITY

This Project will utilize the Subcontracting Outreach Program (SCOPE). The mandatory subcontracting outreach percentage for this Project will be determined by the City’s Engineering and Capital Improvement Projects Department.

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).

DISCUSSION

Project Description – The Project consists of the installation of a new storm drain system on Date Street, between India and California streets, connected to the existing system. The existing system is substandard, creating odor, drainage, and maintenance problems. The Little Italy Association, representing the residents, visitors, and property owners of Little Italy, has requested the drain system be improved to eliminate these problems. The new storm drain system will complete the existing drain system in this area and solve the existing problems.

Project Financing – The installation cost of the proposed storm drain system and associated work is anticipated to be as follows:

Work	Cost
Mobilization	\$10,000
Water Pollution Control Measures	\$5,000
Modification of existing storm drain system, new storm drain system, relocation of existing utilities out of conflict with new drain system, trench repair and asphalt street overlay, two new pedestrian ramps	\$244,700
Bonds	\$10,000
Field Orders	\$5,000
Subtotal	\$274,700
Contingency (25%)	\$68,675
Contractor OH&P (10%)	\$27,470
Total	\$370,845

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Participation by Agency – The Agency will fund the total cost of the Project in an amount not to exceed \$370,845.

Proposed Schedule of Performance – The following is a summary of the Project schedule:

Date	Action
March 2009	Agency/Council – Request to Bid
March 2009	Bid Advertisement
April 2009	Bid Opening
May 2009	Notice to Proceed
September 2009	Project Completion (90 working days)

Project Benefits – The Project will improve the Little Italy neighborhood by completing the existing substandard storm drain system on Date Street, eliminating health and safety issues consisting of odor, drainage, and maintenance problems.

Environmental Impact – This activity is categorically exempt from CEQA pursuant to State CEQA Guidelines Section 15301. Existing Facilities, Class 1 (c). The activity does not fall within any of the classes of projects for which a categorical exemption may not be applied. (Pub. Resources Code Section 21084.) Moreover, the activity triggers none of the exceptions to the application of a categorical exemption set forth in CEQA Guidelines Section 15300.2. Therefore, the application of the categorical exemption set forth under CEQA Guidelines Section 15301. Existing Facilities, Class 1 (c), is appropriate for this activity. This project is also statutorily exempt from CEQA pursuant to State CEQA Guidelines, Section 15282 (k) as set forth in Public Resources Code Section 21080.21.

Findings – State Law requires that certain findings be made by the City 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 Project to the Little Italy project area, the unavailability of other means to finance the proposed Project, how the proposed Project will assist in improving the existing outdated and substandard storm drain facilities to current City standards, and to insure adequate health & safety facilities for the public inside the Project Area, and that the proposed Project is consistent with the Implementation Plan adopted for the Project pursuant to Health and Safety Code 33490.

CONCLUSION

The existing substandard storm drain system on Date Street creates health and safety issues consisting of odor, drainage, and maintenance problems. Approval of the proposed storm drain system on Date Street, India to California streets, will improve the quality of life of Little Italy residents, visitors, and property owners by eliminating these problems.

Respectfully submitted,

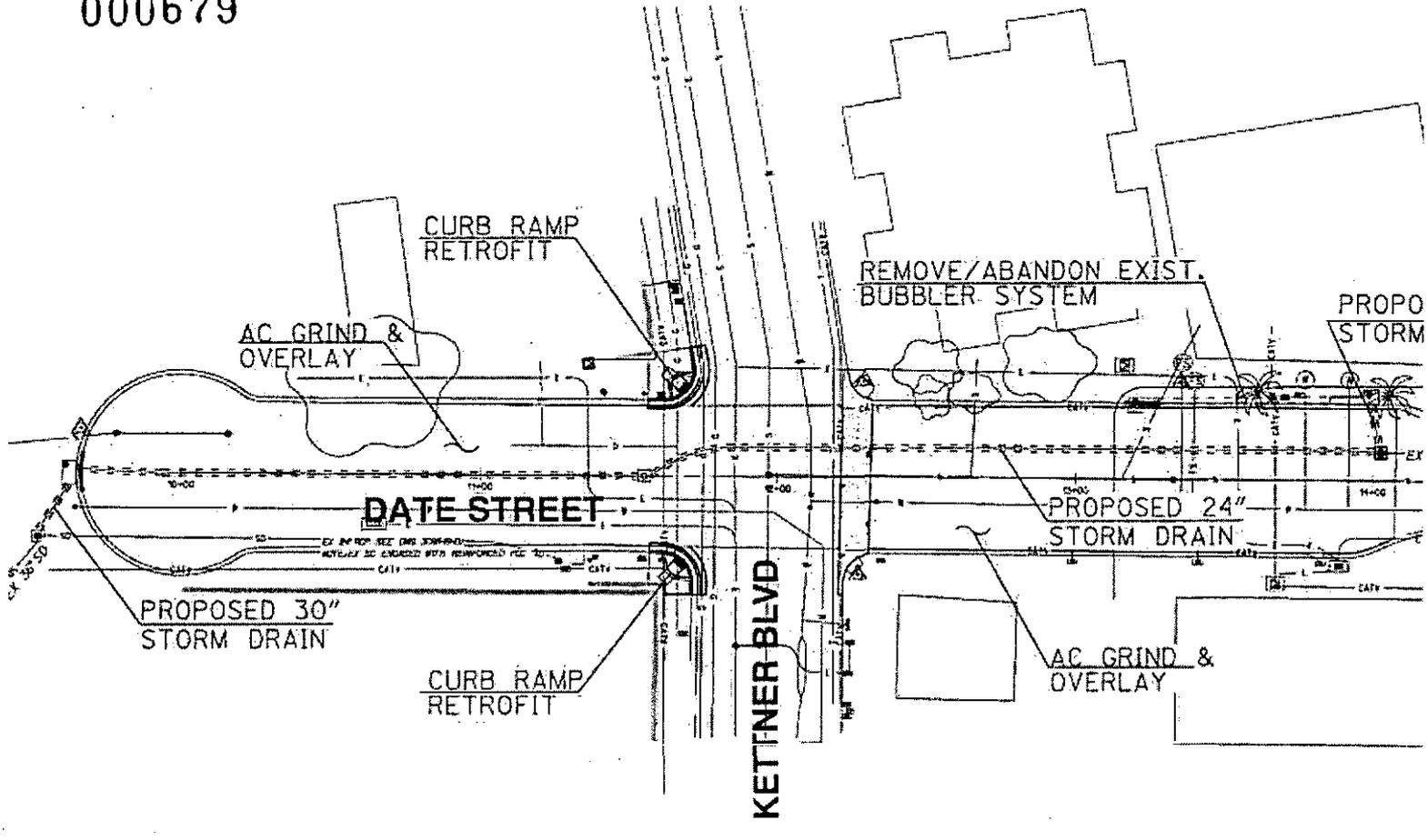
Concurred by:

Abbas Rastandeh
Associate Engineer, Public Works

Barbara A. Kaiser
Vice President - Real Estate Operations

Attachments: A – Site Map
B – Findings of Benefit

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GRAPHIC SCALE 1"= 60'

-27-2008
RICK
 ENGINEERING COMPANY

5620 FRIARS ROAD
 SAN DIEGO, CA 92110
 619.291.0707
 (FAX)619.291.4165

**DATE STREET
 STORM DRAIN IMPROVEMENTS**

FINDINGS

(California Health & Safety Code Section 33445)

SUBJECT IMPROVEMENTS: DATE STREET STORM DRAIN IMPROVEMENTS
 (FROM INDIA TO CALIFORNIA STREETS) – LITTLE
 ITALY REDEVELOPMENT DISTRICT OF THE
 EXPANSION SUB AREA OF THE CENTRE CITY
 REDEVELOPMENT PROJECT

The following findings are for the design and construction of the proposed new storm drain system to be installed on Date Street, between India and California Streets, and to be connected to the existing system within the Little Italy Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project Area. The project is referred to herein as the "Date Street Storm Drain Improvements." The proposed improvements shall consist of modification of an existing storm drain underground box and removal of inadequate storm drain pipes; a new concrete storm drain pipe; construction of two (2) new storm drain underground boxes; modification of existing utilities in conflict with the new storm drain pipe; trench repair and asphalt street overlay (from India Street to the west end of the Date Street cul de sac); and construction of two (2) new pedestrian ramps at the northwest and southwest corners of Date and Kettner Streets ("Improvements").

I. FINDINGS OF BENEFIT

The Improvements for which the Redevelopment Agency of the City of San Diego ("Agency") proposes to pay will benefit the Little Italy Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project ("Project Area") and the immediate neighborhood in which the Project Area is located in that:

- A. The Improvements are within the Little Italy Redevelopment District of the Expansion Sub Area of the Project Area.
- B. The Improvements are planned for Date Street, between India to California streets. The Improvements will enhance portions of the above-mentioned Project Area for the benefit of nearby users as well as residents, businesses, and visitors of downtown San Diego within the Project Area.
- C. The Improvements will assist in improving the outdated and substandard storm drain facilities to current City standards.
- D. The installation of the Improvements will ensure adequate health and safety facilities for the public within the Project Area.

- E. The Improvements will complete the existing substandard storm drain system on Date Street, thereby eliminating health and safety issues consisting of odor, drainage, and maintenance problems.

II. NO OTHER REASONABLE MEANS OF FINANCING

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

City of San Diego

- A. The Fiscal Year 2009 Budget for the City of San Diego ("City") increased approximately 6.8% from \$2.916 billion to \$3.127 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 2009 Budget reflects General Fund Revenues and expenditures of \$1.19 billion, representing an increase of \$86.3 million or a 7.8% increase over the Fiscal Year 2008 Budget. The General Fund Budget also includes 7,545 positions, an increase of 287 positions over the Fiscal Year 2008 Budget. The net increase is due to the restructuring of the Engineering and Capital Projects Department from the Enterprise and Internal Service Funds to the General Fund.
- B. The City's CIP 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 2009 CIP Budget totals \$587 million, an increase of \$95.3 million from Fiscal Year 2008. The increase is primarily due to an increase in funding for capital projects addressing deferred maintenance needs. Despite the increase in the City's CIP Budget, it is estimated that the City's deferred maintenance and capital needs from Fiscal Year 2008, is \$800 million to \$900 million. The Fiscal Year 2009 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.

The Agency's Fiscal Year 2009 Program Budget was adopted on May 20, 2008. 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.

On June 9, 2008, during the Fiscal Year 2009 City Budget deliberations, the City Council voted to increase the receipt of Agency repayments to the City to facilitate funding certain City budget recommendations made by the Independent Budget Analyst (Report #08-57, May 30, 2008).

III. ELIMINATION OF BLIGHTING CONDITIONS

The payment of Agency funds toward the cost of the of the Improvements will assist in the elimination of one or more blighting conditions within the Little Italy Redevelopment District of the Expansion Sub Area of the Project Area, in that:

- A. The Improvements will improve the existing outdated and substandard storm drain facilities to current City standards, thereby enhancing the neighborhood.
- B. The Improvements will act as a catalyst providing an incentive for private investment, thereby contributing to the removal of economic blight.
- C. The Improvements will correct and upgrade substandard storm drain facilities, thereby removing public safety hazards.

IV. CONSISTENCY WITH THE IMPLEMENTATION PLAN

The payment of Agency funds toward the cost of the of the Improvements is consistent with the Third 5-Year Implementation Plan adopted on June 15, 2004 for the Project Area pursuant to California Health and Safety Code Section 33490, in that:

- A. The Improvements address the specific goals and objectives of the Third 5-Year Implementation Plan, as identified on Page 4 of the work program which states in pertinent part as follows: "Improvements to existing water and sewer lines, streets, sidewalks, parkways, and lighting in the public right-of-way; continued participation in the enhancement of the public transit system." A copy of the Third 5-Year Implementation Plan is on file with the Agency as Document No. D-3771-c.
- B. By furthering the specific goals and objectives of the Third 5-Year Implementation Plan, the Improvements and the Agency's payment thereof are a means to eliminate blight within the Project Area and to facilitate the objectives of the Third 5-Year Implementation Plan.

SUBJECT: Date Street Storm Drain Improvements (India to California streets) – Request to Bid – Little Italy
Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Corporation

GENERAL CONTRACTOR INFORMATION

Recommended Contractor: Unidentified at this time

Amount of this Action: \$370,845.00

Funding Source: City

Goals: This Project will utilize the Subcontracting Outreach Program (SCOPE). The mandatory subcontracting outreach percentage for this Project will be determined by the City's Engineering and Capital Improvement Projects Department.

SUBCONTRACTOR PARTICIPATION

There are no subcontractors identified at this time.

EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE

Equal Opportunity: Required

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 will authorize the Centre City Development Corporation to advertise, receive bids and award the construction contract to the lowest responsible bidder for the Date Street Storm Drain Improvements from India to California streets.

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REQUEST FOR REDEVELOPMENT AGENCY ACTION CITY OF SAN DIEGO				CERTIFICATE NUMBER (FOR AUDITOR'S USE ONLY) Pending		
TO: REDEVELOPMENT AGENCY/CITY COUNCIL		FROM (ORIGINATING DEPARTMENT): Centre City Development Corp		DATE: 12/12/2008		
SUBJECT: Date Street Storm Drain Improvements (India to California streets)-- Request to Bid -- Little Italy Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project						
PRIMARY CONTACT (NAME, PHONE): Abbas Rastandeh,619-533-7113				SECONDARY CONTACT (NAME, PHONE):		
COMPLETE FOR ACCOUNTING PURPOSES						
FUND	98820					
DEPT.	974584					
ORGANIZATION	2009					
OBJECT ACCOUNT	6030					
JOB ORDER	991201					
C.I.P. NUMBER						
AMOUNT	\$370,845.00	0.00	0.00	0.00	0.00	0.00
FUND						
DEPT.						
ORGANIZATION						
OBJECT ACCOUNT						
JOB ORDER						
C.I.P. NUMBER						
AMOUNT	0.00	0.00	0.00	0.00	0.00	0.00
COST SUMMARY (IF APPLICABLE):						
ROUTING AND APPROVALS						
CONTRIBUTORS/REVIEWERS:		APPROVING AUTHORITY		APPROVAL SIGNATURE		DATE SIGNED
Financial Management		ORIG DEPT.		Kaiser, Barbara		12/19/2008
Liaison Office		CFO				
Comptroller		DEPUTY CHIEF		Anderson, William		2/9/2009
Equal Opportunity Contracting		COO				
Environmental Analysis		CITY ATTORNEY		Berkey, Kendall		2/2/2009
		COUNCIL PRESIDENTS OFFICE		Halsey, Keely		2/25/2009
PREPARATION OF:	<input checked="" type="checkbox"/> RESOLUTIONS	<input type="checkbox"/> ORDINANCE(S)	<input type="checkbox"/> AGREEMENT(S)	<input type="checkbox"/> DEED(S)		
<ul style="list-style-type: none"> Authorize the Centre City Development Corporation ("Corporation"), on behalf of the Agency, to advertise and receive bids for the design and construction of the proposed Date Street Storm Drain Improvements from India to California streets in the Little Italy Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project ("Project"); 						

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- Authorize the Executive Director of the Agency, or his designee, to award the construction contract to the lowest responsible bidder, provided bids are within the established budget of \$370,845, that the construction contract shall not exceed \$370,845, and all other requirements are met;
- Authorize the Agency's Executive Director or designee to execute the construction contract with the lowest responsible bidder;
- Authorize the Corporation, on behalf of the Agency, to administer said construction contract;
- Make certain findings that the proposed Project benefits the Centre City Redevelopment Project ("Project Area") or the immediate neighborhood in which the Project is located; that no other reasonable means of financing is available to the community; that the payment of funds will assist in eliminating blighting conditions by improving the existing outdated and substandard storm drain facilities to current City standards, and to insure adequate health & safety facilities for the public inside the Project Area, and that the proposed project is consistent with the Implementation Plan adopted for the Project Area pursuant to Health and Safety Code 33490 (Attachment B – Findings of Benefit);
- Finds and determines that this activity is categorically exempt from the California Environmental Quality Act [CEQA] pursuant to State CEQA Guidelines Section 15301, Existing Facilities, Class 1 (c); that this activity does not fall within any of the classes of projects for which a categorical exemption may not be applied (Pub. Resources Code Section 21084); that this activity triggers none of the exceptions to the application of a categorical exemption set forth in CEQA Guidelines Section 15300.2; and that the application of the categorical exemption set forth under CEQA Guidelines Section 15301, Existing Facilities, Class 1 (c), is appropriate for this activity; and
- Finds and determines that this activity is statutorily exempt from CEQA pursuant to State CEQA Guidelines Section 15282(k) as set forth in California Public Resources Code Section 21080.21.

And, that the City Council:

- Authorize the Agency, by and through the Corporation, to administer and manage the design and construction of the Project;
- Authorize the City of San Diego ("City") to accept the improvements upon completion of the Project;
- Make certain findings that the proposed Project benefits the Project Area or the immediate neighborhood in which the Project is located; that no other reasonable means of financing is available to the community; that the payment of funds will assist in eliminating blighting conditions by improving the existing outdated and substandard storm drain facilities to current City standards, and to insure adequate health & safety facilities for the public inside the Project Area, and that the proposed project is consistent with the Implementation Plan adopted for the Project Area pursuant to Health and Safety Code 33490;
- Finds and determines that this activity is categorically exempt from the California Environmental Quality Act [CEQA] pursuant to State CEQA Guidelines Section 15301, Existing Facilities, Class 1 (c); that this activity does not fall within any of the classes of projects for which a categorical exemption may not be applied (Pub. Resources Code Section 21084); that this activity triggers none of the exceptions to the application of a categorical exemption set forth in CEQA Guidelines Section 15300.2; and that the application of the categorical exemption

set forth under CEQA Guidelines Section 15301, Existing Facilities, Class 1 (c), is appropriate for this activity; and

- Finds and determines that this activity is statutorily exempt from CEQA pursuant to State CEQA Guidelines Section 15282(k) as set forth in California Public Resources Code Section 21080.21.

STAFF RECOMMENDATIONS:

That the Agency authorize the Centre City Development Corporation (“Corporation”), on behalf of the Agency, to advertise and receive bids for the design and construction of the proposed Project; authorize the Executive Director of the Agency, or his designee, to award the construction contract to the lowest responsible bidder, provided bids are within the established budget of \$370,845, that the construction contract shall not exceed \$370,845, and all other requirements are met; authorize the Agency’s Executive Director or designee to execute the construction contract with the lowest responsible bidder; and authorize the Corporation, on behalf of the Agency, to administer said construction contract.

That the City Council authorize the Agency, by and through the Corporation, to administer and manage the design and construction of the Project; and authorize the City of San Diego to accept the improvements upon completion of the Project.

That the Agency and City Council make certain findings that the proposed Project benefits the Project Area or the immediate neighborhood in which the Project is located; that no other reasonable means of financing is available to the community; that the payment of funds will assist in eliminating blighting conditions by improving the existing outdated and substandard storm drain facilities to current City standards, and to insure adequate health & safety facilities for the public inside the Project Area, and that the proposed project is consistent with the Implementation Plan adopted for the Project Area pursuant to Health and Safety Code 33490; find and determine that this activity is categorically exempt from the California Environmental Quality Act [CEQA] pursuant to State CEQA Guidelines Section 15301, Existing Facilities, Class 1 (c); that this activity does not fall within any of the classes of projects for which a categorical exemption may not be applied (Pub. Resources Code Section 21084); that this activity triggers none of the exceptions to the application of a categorical exemption set forth in CEQA Guidelines Section 15300.2; and that the application of the categorical exemption set forth under CEQA Guidelines Section 15301, Existing Facilities, Class 1 (c), is appropriate for this activity; and find and determine that this activity is statutorily exempt from CEQA pursuant to State CEQA Guidelines Section 15282(k) as set forth in California Public Resources Code Section 21080.21.

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

COUNCIL DISTRICT(S):	2
COMMUNITY AREA(S):	N/A
ENVIRONMENTAL IMPACT:	This activity is categorically exempt from CEQA pursuant to State CEQA Guidelines Section 15301. Existing Facilities, Class 1 (c). The activity does not fall within any of the classes of projects for which a categorical exemption may not be applied. (Pub. Resources Code Section 21084.) Moreover, the activity triggers none of the exceptions to the application of a categorical exemption set forth in CEQA Guidelines Section 15300.2. Therefore, the application of the categorical exemption set forth under CEQA Guidelines Section 15301. Existing Facilities, Class 1 (c), is appropriate for this activity. This project is also statutorily exempt from CEQA pursuant to State CEQA

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	Guidelines, Section 15282 (k) as set forth in Public Resources Code Section 21080.21.
CITY CLERK INSTRUCTIONS:	N/A

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**REDEVELOPMENT AGENCY ACTION
EXECUTIVE SUMMARY SHEET
CITY OF SAN DIEGO**

DATE: 12/12/2008

ORIGINATING DEPARTMENT: Centre City Development Corp

SUBJECT: Date Street Storm Drain Improvements (India to California streets)– Request to Bid -
- Little Italy Redevelopment District of the Expansion Sub Area of the Centre City
Redevelopment Project

COUNCIL DISTRICT(S): 2

CONTACT/PHONE NUMBER: Abbas Rastandeh/619-533-7113

REQUESTED ACTION:

That the Redevelopment Agency of the City of San Diego (“Agency”) and the City Council of the City of San Diego (“City Council”) approve all actions as necessary for the design and construction of the Date Street Storm Drain Improvements from India to California streets in the Little Italy Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project (“Project”).

STAFF RECOMMENDATION:

That the Agency authorize the Centre City Development Corporation (“Corporation”), on behalf of the Agency, to advertise and receive bids for the design and construction of the proposed Project; authorize the Executive Director of the Agency, or his designee, to award the construction contract to the lowest responsible bidder, provided bids are within the established budget of \$370,845, that the construction contract shall not exceed \$370,845, and all other requirements are met; authorize the Agency’s Executive Director or designee to execute the construction contract with the lowest responsible bidder; and authorize the Corporation, on behalf of the Agency, to administer said construction contract.

That the City Council authorize the Agency, by and through the Corporation, to administer and manage the design and construction of the Project; and authorize the City of San Diego to accept the improvements upon completion of the Project.

That the Agency and City Council make certain findings that the proposed Project benefits the Project Area or the immediate neighborhood in which the Project is located; that no other reasonable means of financing is available to the community; that the payment of funds will assist in eliminating blighting conditions by improving the existing outdated and substandard storm drain facilities to current City standards, and to insure adequate health & safety facilities for the public inside the Project Area, and that the proposed project is consistent with the Implementation Plan adopted for the Project Area pursuant to Health and Safety Code 33490; find and determine that this activity is categorically exempt from the California Environmental Quality Act [CEQA] pursuant to State CEQA Guidelines Section 15301, Existing Facilities, Class 1 (c); that this activity does not fall within any of the classes of projects for which a categorical exemption may not be applied (Pub. Resources Code Section 21084); that this activity triggers none of the exceptions to the application of a categorical exemption set forth in CEQA Guidelines Section 15300.2; and that the application of the categorical exemption set forth under CEQA Guidelines Section 15301, Existing Facilities, Class 1 (c), is appropriate for

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this activity; and find and determine that this activity is statutorily exempt from CEQA pursuant to State CEQA Guidelines Section 15282(k) as set forth in California Public Resources Code Section 21080.21.

EXECUTIVE SUMMARY OF ITEM BACKGROUND:

The new improvements will consist of modification of an existing storm drain underground box and removal of inadequate storm drain pipes; new concrete storm drain pipe, sized from 18" to 30" in diameter, the majority of the new pipe 24" in diameter, the new pipe length totaling approximately 466 feet; construction of two new storm drain underground boxes; modifying to prevent utility conflict with the new storm drain pipe; trench repair and asphalt street overlay the length of the storm drain work on Date Street (India Street to the west end of the Date Street cul de sac); and construction of two new pedestrian ramps at the northwest and southwest corners of Date and Kettner streets.

FISCAL CONSIDERATIONS:

Agency funds in the amount of \$370,845 are available in the Redevelopment Agency Fiscal Year 2009 Little Italy District Budget.

EQUAL OPPORTUNITY CONTRACTING INFORMATION (IF APPLICABLE):

This Project will utilize the Subcontracting Outreach Program (SCOPE). The mandatory subcontracting outreach percentage for this Project will be determined by the City's Engineering and Capital Improvement Projects Department.

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).

PREVIOUS ACTION: None.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

On March 19, 2008, the proposed Project was unanimously approved by the Centre City Advisory Committee as part of the FY 08-09 Budget for Redevelopment Projects administered by the Corporation.

The Little Italy Association strongly supports this project to improve the existing substandard storm drain system on Date Street, India to California streets, to City of San Diego ("City") standards.

KEY STAKEHOLDERS AND PROJECTED IMPACTS: N/A

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Kaiser, Barbara
Originating Department

Anderson, William
Deputy Chief/Chief Operating Officer

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The City of San Diego
CERTIFICATE OF CITY AUDITOR AND COMPTROLLER

Noted 11/13/09

CERTIFICATE OF UNALLOTTED BALANCE

AC 2900480

ORIGINATING

DEPT. NO.:

9960

I HEREBY CERTIFY that the money required for the allotment of funds for the purpose set forth in the foregoing resolution is available in the Treasury, or is anticipated to come into the Treasury, and is otherwise unallotted.

Amount: \$370,485.00 Fund: _____

Purpose: Date Street Storm Drain Improvements. Authorizes CCDC to soliciate and accept a bid to perform improvements to the Date Street Storm Drains in Centre City Expansion Area (Little Italy area).

Date: January 12, 2009

By: Francisco J. Lopez
AUDITOR AND COMPTROLLER'S DEPARTMENT

ACCOUNTING DATA											
ACCTG. LINE	CY PY	FUND	DEPT	ORG.	ACCOUNT	JOB ORDER	OPERATION ACCOUNT	BENF/	EQUIP	FACILITY	AMOUNT
01	0	98820	974584	2009	6030	991201					\$370,845.00
TOTAL AMOUNT											\$370,845.00

FUND OVERRIDE

CERTIFICATION OF UNENCUMBERED BALANCE

I HEREBY CERTIFY that the indebtedness and obligation to be incurred by the contract or agreement authorized by the hereto attached resolution, can be incurred without the violation of any of the provisions of the Charter of the City of San Diego; and I do hereby further certify, in conformity with the requirements of the Charter of the City of San Diego, that sufficient moneys have been appropriated for the purpose of said contract, that sufficient moneys to meet the obligations of said contract are actually in the Treasury, or are anticipated to come into the Treasury, to the credit of the appropriation from which the same are to be drawn, and that the said money now actually in the Treasury, together with the moneys anticipated to come into the Treasury, to the credit of said appropriation, are otherwise unencumbered.

Not to Exceed: _____

Vendor: _____

Purpose: _____

Date: _____

By: Francisco J Lopez
AUDITOR AND COMPTROLLER'S DEPARTMENT

ACCOUNTING DATA											
ACCTG. LINE	CY PY	FUND	DEPT	ORG.	ACCOUNT	JOB ORDER	OPERATION ACCOUNT	BENF/	EQUIP	FACILITY	AMOUNT
TOTAL AMOUNT											

FUND OVERRIDE

000697

RESOLUTION NUMBER R-_____

DATE OF FINAL PASSAGE _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN DIEGO (i) AUTHORIZING THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO, BY AND THROUGH THE CENTRE CITY DEVELOPMENT CORPORATION, TO ADVERTISE AND RECEIVE BIDS AND TO AWARD AND ADMINISTER A CONTRACT FOR THE DATE STREET STORM DRAIN IMPROVEMENTS [IMPROVEMENTS] FROM INDIA TO CALIFORNIA STREETS IN THE LITTLE ITALY REDEVELOPMENT DISTRICT OF THE EXPANSION SUB AREA OF THE CENTRE CITY REDEVELOPMENT PROJECT; (ii) MAKING CERTAIN FINDINGS WITH RESPECT TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO'S PAYMENT FOR THE DESIGN AND CONSTRUCTION OF THE IMPROVEMENTS IN ACCORDANCE WITH CALIFORNIA HEALTH AND SAFETY CODE SECTION 33445; AND (iii) AGREEING TO ACCEPT THE IMPROVEMENTS UPON PROJECT COMPLETION.

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 Centre City Redevelopment Project [Project Area]; and

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

WHEREAS, in order to implement the Redevelopment Plan, the Agency previously approved the Implementation Plan for the period of July 2004 – June 2009 for the Centre City and Horton Plaza Redevelopment Projects [Implementation Plan]; and

WHEREAS, the Implementation Plan identifies the need to eliminate blight and remove public safety hazards by improving the existing outdated and substandard storm drain facilities to current City standards within the Project Area; and

000698

WHEREAS, the Corporation's capital improvement program includes a project to install a new storm drain system on Date Street, between India and California Streets, connected to the existing system within the Little Italy Redevelopment District of the Expansion Sub Area of the Project Area; and

WHEREAS, the proposed Improvements will consist of modification of an existing storm drain underground box and removal of inadequate storm drain pipes; a new concrete storm drain pipe; construction of two (2) new storm drain underground boxes; modification of existing utilities in conflict with the new storm drain pipe; trench repair and asphalt street overlay (from India Street to the west end of the Date Street cul de sac); and construction of two (2) new pedestrian ramps at the northwest and southwest corners of Date and Kettner Streets; and

WHEREAS, funds in the amount of \$370,845 are available in the Agency's Fiscal Year 2009 Little Italy District Budget to pay for the cost of design and construction of the Improvements; and

WHEREAS, the Agency now proposes to administer and manage the design and construction of the Improvements, by and through the Corporation, and to contribute up to \$370,845 from the Project Area's tax increment funds to pay for the cost of design and construction of the Improvements to be constructed within the Project Area; and

WHEREAS, the Agency desires to pay for the cost of the design and construction of the Improvements because the City presently has insufficient funding for said Improvements and the City desires to accept payment for said Improvements; and

WHEREAS, the City Council of the City of San Diego has duly considered the actions described above and the proposed Agency financial contribution for the design and construction of the Improvements and finds that the actions and the payment by the Agency of all or part of

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the costs of said Improvements are of primary benefit to the Project Area and are in the best interests of the Project Area, the City and the safety, morals, and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local law requirements;
NOW, THEREFORE,

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

1. That the Council authorizes the Redevelopment Agency of the City of San Diego [Agency], by and through the Centre City Development Corporation, to administer and manage the design and construction of the proposed Date Street Storm Drain Improvements [Improvements] from India to California Streets in the Little Italy Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project Area [Project Area].

2. That the Council finds and determines:

(a) That the design and construction of the Improvements from India to California Streets in the Little Italy Redevelopment District of the Expansion Sub Area of the Project Area for which the Agency proposes to pay the cost of using Agency funds from the Project Area are of benefit to the Project Area and the immediate neighborhood in which the Project Area is located;

(b) That no other reasonable means of financing the Improvements is available to the community;

(c) That the payment of Agency funds for the cost of design and construction of the Improvements will assist in the elimination of blighting conditions within the Project Area;

(d) That the Improvements are consistent with the Implementation Plan adopted for the Project Area pursuant to California Health and Safety Code Section 33490; and

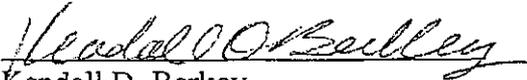
(e) All of the findings set forth herein above are more fully described in the Findings of Benefit attached hereto as Attachment "A" and incorporated herein by this reference.

3. That the Council authorizes the City to accept the Improvements upon completion of the project.

4. That the Council finds and determines that this activity is categorically exempt from the California Environmental Quality Act [CEQA] pursuant to State CEQA Guidelines Section 15301, Existing Facilities, Class 1 (c); that this activity does not fall within any of the classes of projects for which a categorical exemption may not be applied (Cal. Pub. Resources Code Section 21084); that this activity triggers none of the exceptions to the application of a categorical exemption set forth in CEQA Guidelines Section 15300.2; and that the application of the categorical exemption set forth under CEQA Guidelines Section 15301, Existing Facilities, Class 1 (c), is appropriate for this activity.

5. That the Council finds and determines that this activity is statutorily exempt from CEQA pursuant to State CEQA Guidelines Section 15282(k) as set forth in California Public Resources Code Section 21080.21.

APPROVED: JAN I. GOLDSMITH, City Attorney

By 
Kendall D. Berkey
Deputy City Attorney

000701

KDB:nda
01/27/09
Or.Dept:CCDC
R-2009-756
MMS#7358
Comp. RA-2009-65

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

000703

ATTACHMENT "A"

**Findings of Benefit
(Cal. Health & Safety Code § 33445)
Centre City Redevelopment Project Area**

FINDINGS

(California Health & Safety Code Section 33445)

SUBJECT IMPROVEMENTS: DATE STREET STORM DRAIN IMPROVEMENTS
(FROM INDIA TO CALIFORNIA STREETS) – LITTLE
ITALY REDEVELOPMENT DISTRICT OF THE
EXPANSION SUB AREA OF THE CENTRE CITY
REDEVELOPMENT PROJECT

The following findings are for the design and construction of the proposed new storm drain system to be installed on Date Street, between India and California Streets, and to be connected to the existing system within the Little Italy Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project Area. The project is referred to herein as the "Date Street Storm Drain Improvements." The proposed improvements shall consist of modification of an existing storm drain underground box and removal of inadequate storm drain pipes; a new concrete storm drain pipe; construction of two (2) new storm drain underground boxes; modification of existing utilities in conflict with the new storm drain pipe; trench repair and asphalt street overlay (from India Street to the west end of the Date Street cul de sac); and construction of two (2) new pedestrian ramps at the northwest and southwest corners of Date and Kettner Streets ("Improvements").

I. FINDINGS OF BENEFIT

The Improvements for which the Redevelopment Agency of the City of San Diego ("Agency") proposes to pay will benefit the Little Italy Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project ("Project Area") and the immediate neighborhood in which the Project Area is located in that:

- A. The Improvements are within the Little Italy Redevelopment District of the Expansion Sub Area of the Project Area.
- B. The Improvements are planned for Date Street, between India to California streets. The Improvements will enhance portions of the above-mentioned Project Area for the benefit of nearby users as well as residents, businesses, and visitors of downtown San Diego within the Project Area.
- C. The Improvements will assist in improving the outdated and substandard storm drain facilities to current City standards.
- D. The installation of the Improvements will ensure adequate health and safety facilities for the public within the Project Area.

- E. The Improvements will complete the existing substandard storm drain system on Date Street, thereby eliminating health and safety issues consisting of odor, drainage, and maintenance problems.

II. NO OTHER REASONABLE MEANS OF FINANCING

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

City of San Diego

- A. The Fiscal Year 2009 Budget for the City of San Diego ("City") increased approximately 6.8% from \$2.916 billion to \$3.127 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 2009 Budget reflects General Fund Revenues and expenditures of \$1.19 billion, representing an increase of \$86.3 million or a 7.8% increase over the Fiscal Year 2008 Budget. The General Fund Budget also includes 7,545 positions, an increase of 287 positions over the Fiscal Year 2008 Budget. The net increase is due to the restructuring of the Engineering and Capital Projects Department from the Enterprise and Internal Service Funds to the General Fund.
- B. The City's CIP 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 2009 CIP Budget totals \$587 million, an increase of \$95.3 million from Fiscal Year 2008. The increase is primarily due to an increase in funding for capital projects addressing deferred maintenance needs. Despite the increase in the City's CIP Budget, it is estimated that the City's deferred maintenance and capital needs from Fiscal Year 2008, is \$800 million to \$900 million. The Fiscal Year 2009 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.

The Agency's Fiscal Year 2009 Program Budget was adopted on May 20, 2008. 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.

On June 9, 2008, during the Fiscal Year 2009 City Budget deliberations, the City Council voted to increase the receipt of Agency repayments to the City to facilitate funding certain City budget recommendations made by the Independent Budget Analyst (Report #08-57, May 30, 2008).

III. ELIMINATION OF BLIGHTING CONDITIONS

The payment of Agency funds toward the cost of the of the Improvements will assist in the elimination of one or more blighting conditions within the Little Italy Redevelopment District of the Expansion Sub Area of the Project Area, in that:

- A. The Improvements will improve the existing outdated and substandard storm drain facilities to current City standards, thereby enhancing the neighborhood.
- B. The Improvements will act as a catalyst providing an incentive for private investment, thereby contributing to the removal of economic blight.
- C. The Improvements will correct and upgrade substandard storm drain facilities, thereby removing public safety hazards.

IV. CONSISTENCY WITH THE IMPLEMENTATION PLAN

The payment of Agency funds toward the cost of the of the Improvements is consistent with the Third 5-Year Implementation Plan adopted on June 15, 2004 for the Project Area pursuant to California Health and Safety Code Section 33490, in that:

- A. The Improvements address the specific goals and objectives of the Third 5-Year Implementation Plan, as identified on Page 4 of the work program which states in pertinent part as follows: "Improvements to existing water and sewer lines, streets, sidewalks, parkways, and lighting in the public right-of-way; continued participation in the enhancement of the public transit system." A copy of the Third 5-Year Implementation Plan is on file with the Agency as Document No. D-3771-c.
- B. By furthering the specific goals and objectives of the Third 5-Year Implementation Plan, the Improvements and the Agency's payment thereof are a means to eliminate blight within the Project Area and to facilitate the objectives of the Third 5-Year Implementation Plan.