



REPORT NO.: CCDC-11-06
CCDC-11-03

DATE ISSUED: February 23, 2011

ATTENTION: Honorable Chair and Members of the Redevelopment Agency
Council President and City Council
Docket of February 28, 2011

ORIGINATING DEPT.: Centre City Development Corporation

SUBJECT: East Village Green Building Demolition, Environmental, and Interim Public Improvements (Block bounded by 13th, 14th, F and G streets) – Request to Bid – East Village Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project

COUNCIL DISTRICT: Two

REFERENCE: None

STAFF CONTACT: John L. Anderson, Senior Project Manager, Public Works
(619) 533-7140

REQUESTED ACTION:

That the Redevelopment Agency of the City of San Diego (“Agency”) and City Council of the City of San Diego (“Council”) take all actions as necessary for approval to bid and construct the East Village Green Building Demolition, Environmental, and Interim Public Improvements (“Improvements”) located on the Agency-owned block bounded by 13th, 14th, F and G streets in the East Village Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project (“Project Area”).

STAFF RECOMMENDATION:

That the Agency:

- Authorizes the expenditure of an amount not to exceed \$1,480,906 to pay for the cost of construction of the Improvements located within the Project Area;
- Authorizes the Chief Financial Officer or designee, to appropriate and expend an amount not to exceed \$1,480,906 for the Improvements;
- Authorizes the Centre City Development Corporation (“Corporation”), on behalf of the Agency, to advertise and receive bids for construction of the Improvements;
- Authorizes the Agency Executive Director or designee, to award the construction contract to the lowest responsible bidder, provided responsive bids from a responsible contractor are within the established budget of \$1,480,906, and all other requirements are met;

- Authorizes the Agency Executive Director or designee to execute the construction contract with the lowest responsible bidder for construction of the Improvements;
- Authorizes the Corporation, on behalf of the Agency, to administer the construction contract; and
- Makes certain findings pursuant to section 33445 of the California Health and Safety Code that the Improvements are of benefit to the Project Area by helping to eliminate blighting conditions within the Project Area, that no other reasonable means of financing construction of the Improvements are available to the community, and that the payment of Agency funds for construction of the Improvements is consistent with the Fourth Five-Year Implementation Plan, adopted June 19, 2009 (“Implementation Plan”), for the Project Area pursuant to section 33490 of the California Health and Safety Code.

And, that the Council:

- Authorizes the City of San Diego (“City”) to accept the sidewalk improvements, upon completion of construction of the Improvements;
- Consents to the Agency’s payment for the cost of the Improvements; and
- Makes certain findings pursuant to section 33445 of the California Health and Safety Code that the Improvements are of benefit to the Project Area by helping to eliminate blighting conditions within the Project Area, that no other reasonable means of financing construction and installation of the Improvements are available to the community, and that the payment of Agency funds for construction and installation of the Improvements is consistent with the Implementation Plan for the Project Area, pursuant to section 33490 of the California Health and Safety Code.

SUMMARY:

The proposed Improvements will consist of the following:

- Demolition of three buildings, abatement of hazardous building materials, and removal of the concrete footings and slabs of three demolished buildings;
- Environmental cleanup work to remove all contaminated soil from the block. The average estimated removal depth is the upper 1.5 to 2 feet of soil. Remove an underground tank and a potential second underground tank;
- Grade the site as level as possible and install an interim asphalt parking lot with lights;
- Install a storm water collection system such as with gravel to collect and soak rain water into the site soil to reduce site runoff to the public storm water system per City and state codes;
- Install six-foot perimeter fencing on the south half of the parking lot; and
- Remove and replace all old and in poor condition existing sidewalks and unused driveways in the public right-of-way adjacent to the site, as an interim public safety measure, until construction of the future park begins as well as permanent reconstruction of all of the perimeter sidewalks.

FISCAL CONSIDERATIONS:

Agency funds in the amount of \$1,480,906 are available in the Fiscal Year 2011 Parks and Open Space, East Village Green West Block Budget. Funds in the amount of \$462,015 that were withheld from the acquisition of the properties included in the proposed demolition/ environmental cleanup are available to partially offset the costs to the Agency.

CENTRE CITY DEVELOPMENT CORPORATION RECOMMENDATION:

On July 28, 2010, the Corporation Board of Directors voted unanimously in favor of the staff recommendation.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

None.

BACKGROUND

The proposed Improvements advance the visions and goals of the Centre City Community Plan and the objectives of the Centre City Redevelopment Project by:

- Eliminating blighting conditions in the Project Area by demolishing three vacant Agency-owned buildings; and
- Removing contaminated soil from the future East Village Green Park (EVG Park).

EQUAL OPPORTUNITY

Mandatory subcontracting goals (SCOPE/SLBE) for this project will be calculated by the City's Engineering and Capital Improvement Projects Department and approved by Administration Department Director prior to advertisement.

This project is subject to the City's Equal Opportunity Contracting (San Diego Ordinance No. 18173, Sections 22.2702 through 22.2708) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517).

DISCUSSION

Project Description – The Improvements are located on the future EVG Park site. The property is owned by the Agency. The park is in the preliminary design stage for public input and it will be a number of years before the park is constructed. The Improvements are on the block bounded by 13th, 14th, F and G streets.

Improvements – Improvements proposed for the block consist of the following:

- Demolition of three Agency-owned buildings located at 1330 G Street (former Wine Shop, Parcel Number 535-142-04), 1340 G Street (former Sadie Rose Bakery, Parcel Number 535-142-05), and 764 14th Street (San Diego Home Furnishings and Accessories, Parcel Number 535-142-09). The 764 14th Street location is currently on a month-to-month lease until demolition. All buildings proposed for demolition have been reviewed

for historical significance by City of San Diego historical resources staff. The structures were determined not to have potential historic significance and have been cleared for demolition. Other improvements include the removal of the concrete footings and slabs of four buildings already demolished to-dirt, along 13th Street, from F to G streets at the following locations:

- 771 13th Street (former Import Tire building, Parcel Number 535-142-01);
- 753 13th Street (former Auto Warehouse, Parcel Number 535-142-02);
- 735 13th Street (former Fastenal building, Parcel Number 535-142-10); and
- 705 13th Street (former Road Rebel building, Parcel Number 535-142-10).

Other improvements for the block include the following:

- Environmental cleanup work to remove all known contaminated soil from the site. The historical uses of the block included residences and commercial businesses. Commercial land uses of potential environmental concern included a junkyard, automobile repair facilities, a print shop and various manufacturing uses. The average estimated contaminated soil removal depth is the upper 1.5 to 2 feet of soil and contaminants of concern at this time include select heavy metals (primarily lead) and petroleum hydrocarbons. Removal of one underground tank and a potential second underground tank. Environmental building abatement as required for lead, asbestos and universal waste;
- Grading of the site as level as possible to install an interim asphalt parking lot with lights;
- Installation of a storm water collection system such as with gravel swales to collect and soak rain water into the site soil to reduce site runoff to the public storm water system per City and state codes;
- Installation of a six-foot perimeter fencing on the south half of the parking lot and across the center of the block so the south half can be locked. The north half of the parking lot will be unfenced; and
- Remove and replace all old and in poor condition existing sidewalks and unused driveways in the public right-of-way adjacent to the site, as an interim public safety measure, until construction of the future park begins as well as permanent reconstruction of all of the perimeter sidewalks.

The Agency owns the land and the three buildings that are proposed to be demolished and has the required historic releases to demolish them.

Project Financing – The installation costs of the proposed Improvements are anticipated to be as follows:

Description of Work	Cost
Mobilization, water pollution control and permitting	\$ 50,000
Traffic control, signs and striping	\$ 10,000
Environmental – building abatement and contaminated soils removal	\$ 400,000
Demolition, clearing and grubbing	\$ 480,000
Interim parking lot with lighting, fenced south half (no irrigation or landscaping)	\$ 135,000
Stormwater bioswales	\$ 60,000
<i>Installation Costs Subtotal</i>	<i>\$1,135,000</i>
Bonds at 3.5%	\$ 39,725
Field Orders	\$ 10,000
<i>Subtotal</i>	<i>\$1,184,725</i>
Contingency (25%)	\$ 296,181
TOTAL	\$1,480,906

Participation by Agency – The Agency will fund the total cost of the Improvements in an amount not to exceed \$1,480,906.

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

Date	Action
February 2011	Agency/Council – Request to Bid
May 2011	Bid Advertisement
July 2011	Bid Opening
September 2011	Notice to Proceed
December 2011	Project Completion (120 working days)

Project Benefits – The Improvements will impact the Project Area by advancing the EVG Park site to a graded, paved lot by removing three buildings on the park site and conducting environmental cleanup on the site. An interim lighted public-parking-lot will be constructed that may be used by the East Village Association (EVA) for a Farmer’s Market or other public use in addition to the public-parking-lot use. The Corporation is working with the EVA on shared use of the site.

PROJECT DESCRIPTION

The project site is located on the block bounded by 13th, 14th, F and G streets. The Agency now owns the property for future use as the East Village Green Park which is in the preliminary design stage. Staff anticipates that it will be a number of years before the park is constructed. Therefore, the project proposes to construct interim Improvements consisting of the demolition of three buildings located at 1330 G Street, 1340 G Street, and 764 14th Street, environmental cleanup, removal of one or possibly two underground tanks, site grading, an asphalt lit parking lot, installation of a storm water collection system, six-foot perimeter fencing, and removal and replacement of deteriorating sidewalks and unused driveways within the public right-of-way.

Environmental Impact – Section 156.0404(f) requires all development in the Centre City Planned District to comply with and incorporate the historical resources mitigation measures listed in the mitigation, monitoring, and reporting program of the 2006 FEIR. Compliance with these measures will ensure that the project will have no significant impacts on archaeological or paleontological resources. Therefore, this project is categorically exempt from the California Environmental Quality Act (CEQA) under State CEQA Guidelines Sections 15301 (entitled “Existing Facilities”) and 15304 (entitled “Minor Alterations to Land”).

Section 15301 applies to a class of projects (“Class 1”) that includes the operation, repair, maintenance, permitting, leasing, or minor alteration of existing public and private structures, facilities, mechanical equipment, or topographical features when the project involves negligible or no expansion of the existing use. Section 15301 identifies example projects including, but not limited to, improvements to existing highways, streets, sidewalks gutters, bicycle and pedestrian trails and similar facilities and the demolition and removal of small structures.

Section 15304 applies to a class of projects (“Class 4”) that consists of minor public or private alterations in the condition of land, and includes minor grading and filling activities, trenching and backfilling, and minor temporary uses of land. The application of the Class 1 and Class 4 categorical exemptions are, therefore, appropriate in this case as the proposed Project involves the demolition of small structures, removal and replacement of sidewalks, grading and filling activities on the site, and creation of a temporary asphalt parking lot. The application of a categorical exemption to this project is not precluded by any of the exceptions set forth in State CEQA Guidelines Section 15300.2.

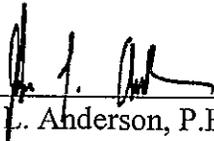
Findings – State law requires that certain findings be made by the Council and Agency prior to the expenditure of Agency funds for public facilities/improvements. Attachment B recites the proposed findings that the Improvements are of benefit to the Project Area by helping to eliminate blighting conditions within the Project Area, that no other reasonable means of financing construction of the Improvements are available to the community, and that the payment of Agency funds for construction of the Improvements is consistent with the Implementation Plan adopted for the Project Area pursuant to section 33490 of the California Health and Safety Code.

CONCLUSION

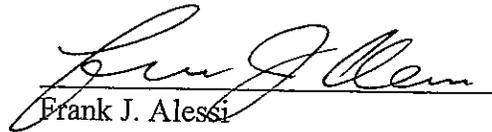
Approval of the Improvements will advance the EVG Park by demolishing three buildings on the Agency-owned park site, conducting the environmental cleanup required for the future park and by constructing a lighted interim public-parking-lot. This work will improve the quality of life for East Village residents, businesses, visitors and property owners.

Respectfully submitted,

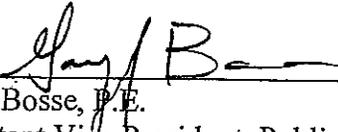
Concurred by:



John L. Anderson, P.E.
Senior Project Manager, Public Works



Frank J. Alessi
Executive Vice President & Chief Financial
Officer



Gary Bosse, P.E.
Assistant Vice President, Public Works

Attachments: A – Site Map
B – Findings of Benefit