

THE CITY OF SAN DIEGO, CALIFORNIA
MINUTES FOR REGULAR COUNCIL MEETING
OF
TUESDAY, APRIL 22, 2003
AT 9:00 A.M.
IN THE COUNCIL CHAMBERS - 12TH FLOOR

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CHRONOLOGY OF THE MEETING:

The meeting was called to order by Mayor Murphy at 9:03 a.m. Mayor Murphy welcomed and acknowledged Dan McAllister, Chair of the San Diego Convention Center Corp. who announced that the Convention Center was named and presented with the Supplier of the Year Award, an award given by Expo Magazine and was also presented with the Planters Choice Award given by Meeting News and further stated that no other convention center has ever received both awards in the same year. Mr. McAllister thanked the Mayor and Council for their support and presented them with both awards.

Mayor Murphy recessed the meeting at 10:47 a.m. to convene the Redevelopment Agency. Mayor Murphy reconvened the meeting at 10:49 a.m. with all Council Members present. The meeting was recessed at 10:50 a.m. for the purpose of a break. Mayor Murphy reconvened the meeting at 10:55 a.m. with all Council Members present. The meeting was adjourned at 12:03 p.m. to reconvene in Closed Session at 2:00 p.m. in the twelfth floor conference room to discuss existing and anticipated litigation matters.

ATTENDANCE DURING THE MEETING:

- (M) Mayor Murphy-present
- (1) Council Member Peters-present
- (2) Council Member Zucchet-present
- (3) Council Member Atkins-present
- (4) Council Member Lewis-present
- (5) Council Member Maienschein-present

- (6) Council Member Frye-present
- (7) Council Member Madaffer-present
- (8) Council Member Inzunza-present

Clerk-Abdelnour (mc)

FILE LOCATION: MINUTES

ITEM-300: ROLL CALL

Clerk Abdelnour called the roll:

- (M) Mayor Murphy-present
- (1) Council Member Peters-present
- (2) Council Member Zucchet-present
- (3) Council Member Atkins-present
- (4) Council Member Lewis-present
- (5) Council Member Maienschein-present
- (6) Council Member Frye-present
- (7) Council Member Madaffer-present
- (8) Council Member Inzunza-present

NON-AGENDA COMMENT:

PUBLIC COMMENT-1:

Comment by Don Stillwell thanking the Mayor and Council for their dedication and encouraged others to support them.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:12 a.m. - 10:13 a.m.)

PUBLIC COMMENT-2:

Comment by Noel Neudeck regarding the need for affordable housing.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:14 a.m. - 10:15 a.m.)

PUBLIC COMMENT-3:

Comment by Gloria Thompson regarding the upcoming hearing on CDBG bricks and mortar and encouraged Council to consider funding Tradition One, Inc.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:16 a.m. - 10:18 a.m.)

PUBLIC COMMENT-4:

Comment by Bradley Walker regarding the Vice Department.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:19 a.m. - 10:22 a.m.)

PUBLIC COMMENT-5:

Comments by Michael Eden and Faith Evans requesting Council's support for the "San Diego City College Students in Free Enterprise Project" organized by San Diego City College students.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:22 a.m. - 10:25 a.m.)

PUBLIC COMMENT-6:

Comments by Margaret Smith, Judith Green Wells and Ruth Ann Hageman regarding the under-funding of the City's Retirement Trust Fund.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:26 a.m. - 10:28 a.m.)

PUBLIC COMMENT-7:

Comment by Arleen Freeman regarding human rights.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:29 a.m. - 10:31 a.m.)

PUBLIC COMMENT-8:

Comment by Ron Boshun regarding the Mission Bay Trust.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:32 a.m. - 10:34 a.m.)

COUNCIL COMMENT:

COUNCIL COMMENT-1:

Comment by Council Member Frye announcing that every Sunday, beginning April 27, 2003, from 9:00 a.m. to 1:00 p.m., the Friends of the Mission Valley Library will host an open air market in front of the Mission Valley Branch Library at 2123 Fenton Parkway. There will be certified farmers with fresh fruit, vegetables and flowers. The Friends of the Library Bookstore will be open and the profits will benefit the Friends of the Mission Valley Library.

She also announced that she attended the groundbreaking of the new Jack-in-the-Box Innovation Center at the old General Dynamics site in Kearny Mesa that will be developing new food items for Jack-in-the-Box.

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 10:39 a.m. - 10:41 a.m.)

COUNCIL COMMENT-2:

Mayor Murphy stated that Council Member Frye and he did attend the new Jack-in-the-Box Innovation Center and was happy to see another company expanding its business in San Diego.

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 10:42 a.m. - 10:43 a.m.)

COUNCIL COMMENT-3:

Council Member Peters announced that he attended the first working meeting of the Commission of Tax Policy in the New Economy of California. Mr. Peters stated that he is one of two elected officials on the Commission and he is making sure that any further attempts to balance the State budget is not done on the backs of cities and counties.

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 10:44 a.m. - 10:44 a.m.)

COUNCIL COMMENT-4:

Council Member Maienschein announced that he is having an event in his district and will have to leave the meeting at 11:30 a.m. in order to attend.

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 10:45 a.m. - 10:45 a.m.)

COUNCIL COMMENT-4:

Comment by Council Member Madaffer stating that this Saturday at 10:00 a.m. the Fourth Annual Navajo Spring Fest and Parade will be held at the Allied Gardens Park Recreation Center.

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 10:46 a.m. - 10:46 a.m.)

CITY MANAGER COMMENT:

Comment by City Manager Uberuaga stating that the budget for FY04 will be given on the night of May 5 and announced that they will have a balanced budget for FY03. The Mayor's office will produce a budget schedule of the upcoming budget hearings beginning May 5 through June 23. He also stated that on May 14 the Governor will be coming out with his revised budget and clarified that the May 5 presentation will not include anticipated reductions by the State.

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 10:37 a.m. - 10:38 a.m.)

CITY ATTORNEY COMMENT:

Comment by City Attorney Casey Gwinn regarding an article in the San Diego Union Tribune pertaining to the City's Neighborhood Prosecution Unit. Mr. Gwinn thanked the Mayor and Council for their support in working with the prosecutors.

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 10:35 a.m. - 10:36 a.m.)

ITEM-330: Proposed Consolidated Refunding of Three 1915 Act Assessment District Bonds and Creation of Reassessment District No. 2003-1.

(See City Manager's Report CMR-03-069. Otay Mesa Community Plan area. District-8.)

CITY MANAGER'S RECOMMENDATION:

Adopt the following resolutions:

Subitem-A: (R-2003-1192) ADOPTED AS RESOLUTION R-297877

Adoption of a resolution making preliminary determinations and declaring intention to issue refunding bonds for proposed Reassessment District No. 2003-1, and ordering a report thereon.

Subitem-B: (R-2003-1193) ADOPTED AS RESOLUTION R-297878

Adoption of a resolution passing on the report of the Assessment Engineer, giving preliminary approval, and setting a time and place for a public hearing and ordering the initiation of assessment ballot procedures.

CITY MANAGER SUPPORTING INFORMATION:

At the request of property owners, and in accordance with the Improvement Bond Act of 1915 (the "1915 Act"), the City previously has issued 1915 Act bonds to finance the acquisition of public improvements (street, water, sewer and drainage improvements) providing special benefit to property owners within Assessment District Numbers 4011, 4021, and 4036 (the "Original Districts"). The City typically issues 1915 Act bonds for a period of 25 years. Annual principal and interest payments on the 1915 Act bonds are paid with annual special assessments collected from property owners within the special assessment districts. Special assessments are billed in

equal installments with the County property tax bills, which are due in December and April of each year. Assessment liens against property within the special assessment districts secure the annual payment of principal and interest over the life of the 1915 Act bonds. Once collected, special assessments are forwarded through the City to a paying agent or trustee who, in turn, makes scheduled principal and interest payments annually to the owners of the bonds.

If adopted, the resolutions will begin the formal legislative proceedings to enable the City to reduce annual special assessments for property owners within the Original Districts by cost-effectively consolidating the three outstanding 1915 Act bond issues (the "Original Bonds") into a single, less expensive bond issuance. Assessments for the Original Districts would be replaced with reduced reassessments for a new consolidated City of San Diego Reassessment District No. 2003-1 (the "Reassessment District").

FISCAL IMPACT:

There would be no fiscal impact to the City's General Fund as a result of these actions. All costs related to the creation of the Reassessment District and the issuance of the refunding bonds would be reimbursed from bond proceeds. Certain costs related to the creation of the Reassessment District (e.g., financial advisor, reassessment engineer, bond counsel, disclosure counsel, and City staff costs) have been interim funded by the City's Special Assessment District Delinquency Fund (the "Delinquency Fund"), and the Delinquency Fund would be subsequently reimbursed for these expenditures if the refunding bonds are sold (the Delinquency Fund is funded by penalties paid on delinquent assessments for bond financed special assessment districts). In accordance with the Closed Session meeting of March 25, 2003, \$154,815.77 would be transferred from the Delinquency Fund to pay certain delinquent special assessments, and this amount would not be reimbursed from bond proceeds.

Frazier/Vattimo/CW

Aud. Cert. 2301052.

Note: This activity is exempt from CEQA pursuant to State CEQA Guidelines Section 15061(b)(3).

FILE LOCATION: Subitems A & B: STRT D-2308 (31)

COUNCIL ACTION: (Time duration: 10:47 a.m. - 10:47 a.m.)

MOTION BY INZUNZA TO ADOPT. Second by Maienschein. Passed by the following vote: Peters-yea, Zucchet-yea, Atkins-yea, Lewis-yea, Maienschein-yea, Frye-yea, Madaffer-yea, Inzunza-yea, Mayor Murphy-yea.

ITEM-331: Base Realignments and Closures (BRAC) in 2005.

(See City Manager Report CMR-03-074.)

CITY MANAGER'S RECOMMENDATION:

Adopt the following resolution:

(R-2003-1198) ADOPTED AS RESOLUTION R-297879

Accepting the Defense Conversion Resources, LLC's [DCR] San Diego Base Realignments and Closures [BRAC] report;

Authorizing an amendment to the City's contract with the San Diego Regional Economical Development Corporation [EDC] to include a strategy of base retentions;

Authorizing the City Auditor and Comptroller to transfer an amount not to exceed \$30,000 from the Government Relations Department to EDC to contract with DCR for BRAC consultant services;

Authorizing an expenditure of an amount not to exceed \$30,000 from the Government Relations Department to EDC to contract with DCR for BRAC consultant services, for the purpose of providing funds for the project;

Authorizing the City Auditor and Comptroller to return excess budgeted funds to the appropriate reserve;

Authorizing the City Manager to participate in coordinating committee to guide the EDC's base retention efforts.

Aud. Cert. 2301080.

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 10:55 a.m. - 12:02 p.m.)

MOTION BY MADAFFER TO ADOPT. Second by Zucchet. Passed by the following vote: Peters-yea, Zucchet-yea, Atkins-yea, Lewis-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Inzunza-yea, Mayor Murphy-yea.

NON-DOCKET ITEMS:

None.

ADJOURNMENT:

The meeting was adjourned by Mayor Murphy at 12:03 p.m.

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 12:03 p.m.)