

THE CITY OF SAN DIEGO, CALIFORNIA
MINUTES FOR REGULAR COUNCIL MEETING
OF
TUESDAY, JULY 24, 2007
AT 9:00 A.M.
IN THE COUNCIL CHAMBERS - 12TH FLOOR

Table of Contents

CHRONOLOGY OF THE MEETING.....	3
ATTENDANCE DURING THE MEETING	3
ITEM-300: ROLL CALL.....	4
NON-AGENDA COMMENT	4
COUNCIL COMMENT	9
INDEPENDENT BUDGET ANALYST COMMENT	9
CITY ATTORNEY COMMENT	9
ITEM-30: Approval of Council Minutes	9
ITEM-31: Deputy Chief & Fire Marshal Samuel L. Oates Day	10
ITEM-32: Chett Chew Day	10
ITEM-33: Bill Middleton Day	11
* ITEM-50: Amendments to Address “Mini Dorms” and Preserve Character of RS Zones....	12
* ITEM-51: Approving the Barrio Logan Redevelopment Plan Amendment.....	12
* ITEM-100: Extension of Retention of Outside Legal Counsel, Sandler Lasry Laube Byer & Valdez for Legal Services Relating to Litigation Assistance in La Jolla Alta Master Council v. City of San Diego, et al.	13
* ITEM-101: Retention of Outside Legal Counsel, Latham & Watkins, LLP, for Legal Services Relating to Litigation Assistance in La Jolla Alta Master Council v. City of San Diego, et al.	15
* ITEM-102: North Park Main Street/University Avenue Streetscape Improvements	16
* ITEM-103: Ridgewood Neighborhood Park Play Area Upgrades	18

ITEM-104:	Declaring a Continued State of Emergency Due to Severe Shortage of Affordable Housing in the City	21
* ITEM-105:	Declaring a Continued State of Emergency Regarding the Discharge of Raw Sewage from Tijuana, Mexico	21
ITEM-330:	Ordinance Amending Condominium Conversion Regulations	22
ITEM-331:	Public Contract Operations (MWWD Department-Wide Bid to Goal) Implementation	26
ITEM-332:	Approving the Issuance of Bonds for the Redwood Villa Apartments	28
ITEM-333:	Approving the Issuance of Preliminary Bonds for the Boulevard Apartments	31
ITEM-334:	Two actions related to City’s Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ending June 30, 2004 and Considering Sole Source Agreements with Macias, Gini & O’Connell for Fiscal Years 2006 and 2007 CAFR Audits	33
ITEM-335:	Response to the Grand Jury Report – “San Diego City Streets”	35
ITEM-336:	Response of the City Council to the Grand Jury Report – “Qualcomm Stadium Revisited”	36
ITEM-S500:	Response to the Grand Jury Report – “Qualcomm Stadium Revisited – Going, Going, Gone from the Q”	37
ITEM-S501:	Council Policy Revisions for the City Suites at Qualcomm Stadium and Petco Park	38
	REPORT OUT OF CLOSED SESSION	40
	NON-DOCKET ITEMS	41
	ADJOURNMENT.....	41

CHRONOLOGY OF THE MEETING:

The meeting was called to order by Council President Peters at 10:01 a.m. Council President Peters recessed the meeting at 11:20 a.m. for the purpose of a break. Council President Peters reconvened the meeting at 11:25 a.m. with Council Member Maienschein not present. The meeting was recessed by Council President Peters at 11:58 a.m. to reconvene at 2:00 p.m.

The meeting was reconvened by Council President Peters at 2:03 p.m. with Council Member Madaffer and Council Member Maienschein not present. Council President Peters recessed the meeting at 3:22 p.m. for the purpose of a break. Council President Peters reconvened the meeting at 3:28 p.m. with Council Member Maienschein not present. Council President Peters recessed the regular meeting at 3:31 p.m. to convene the Housing Authority. Council President Peters reconvened the regular meeting at 4:58 p.m. with Council Member Atkins and Council Member Maienschein not present. Council President Peters recessed the regular meeting at 4:59 p.m. to reconvene the Housing Authority. Council President Peters reconvened the regular meeting at 5:04 p.m. with Council Member Maienschein not present. Council President Peters recessed the regular meeting at 5:05 p.m. to reconvene the Housing Authority. Council President Peters reconvened the regular meeting at 5:07 p.m. with Council Member Maienschein not present. The meeting was adjourned by Council President Peters at 5:10 p.m.

ATTENDANCE DURING THE MEETING:

- (1) Council Member Peters-present
- (2) Council Member Faulconer-present
- (3) Council Member Atkins-present
- (4) Council Member Young-present
- (5) Council Member Maienschein-not present

- (6) Council Member Frye-present
 - (7) Council Member Madaffer-present
 - (8) Council Member Hueso-present
- Clerk-Maland (dlc/sr)

FILE LOCATION: MINUTES

ITEM-300: ROLL CALL

Clerk Maland called the roll:

- (1) Council Member Peters-present
- (2) Council Member Faulconer-present
- (3) Council Member Atkins-present
- (4) Council Member Young-present
- (5) Council Member Maienschein-not present
- (6) Council Member Frye-present
- (7) Council Member Madaffer-present
- (8) Council Member Hueso-present

NON-AGENDA COMMENT:

PUBLIC COMMENT-1:

Linda Warr commented on homelessness.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:26 a.m. – 10:29 a.m.)

PUBLIC COMMENT-2:

Don Stillwell commented on prayer and the flag salute.

FILE LOCATION: AGENDA

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

PUBLIC COMMENT-3:

Hud Collins commented on the Iraq war.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:31 a.m. - 10:34 a.m.)

PUBLIC COMMENT-4:

Al Strohlein commented on alcohol in Pacific Beach.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:36a.m. - 10:37 a.m.)

PUBLIC COMMENT-5:

Verne Gammon commented on the history of San Diego.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:37 a.m. - 10:41 a.m.)

PUBLIC COMMENT-6:

Katheryn Rhodes presented a video on the Navy Broadway Complex.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:42 a.m. - 10:45 a.m.)

PUBLIC COMMENT-7:

Ron Boshun commented on Council actions.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:45 a.m. - 10:48 a.m.)

PUBLIC COMMENT-8:

Jarvis Ross commented on elections.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:48 a.m. - 10:51 a.m.)

PUBLIC COMMENT-9:

Phil Hart commented on the Sunroad project.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:51 a.m. - 10:54 a.m.)

PUBLIC COMMENT-10:

Elinor Rector commented on the Iraq war.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:54 a.m. - 10:57 a.m.)

PUBLIC COMMENT-11:

Joy Sunyata commented on City government.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:57 a.m. - 11:00 a.m.)

PUBLIC COMMENT-12:

Joanna Lang commented on the Falun Gong exercise program.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 11:00 a.m. - 11:03 a.m.)

PUBLIC COMMENT-13:

Daniel Coffey commented on the waiver pertaining to the waste treatment facility in Point Loma.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 11:03 a.m. - 11:06 a.m.)

PUBLIC COMMENT-14:

Linda Smith commented on housing concerns.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 11:07 a.m. - 11:08 a.m.)

PUBLIC COMMENT-15:

Referred to SEDC and the Mayor: Ian Trowbridge commented on the Hilltop property.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 11:08 a.m. - 11:11 a.m.)

PUBLIC COMMENT-16:

Referred to the City Attorney and the Mayor: Laura Moran commented on the contract with Prudential Overall Supply.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 11:12 a.m. - 11:15 a.m.)

PUBLIC COMMENT-17:

Isable Peña commented on working with Prudential Overall Supply.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 11:16 a.m. - 11:18 a.m.)

COUNCIL COMMENT:

COUNCIL COMMENT-1:

Council President Peters wished President Pro Tem Young a happy birthday and congratulated Chris Pendleton and Carl Pasquale who put college on hold to join the military.

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 10:21 a.m. - 10:22 a.m.)

INDEPENDENT BUDGET ANALYST COMMENT:

None.

CITY ATTORNEY COMMENT:

None.



[ITEM-30:](#) Approval of Council Minutes.

TODAY'S ACTION IS:

APPROVED

Approval of Council Minutes for the meetings of:

05/28/2007 - Adjourned

05/29/2007 - Adjourned

06/04/2007

06/05/2007

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 10:02 a.m. – 10:02 a.m.)

MOTION BY ATKINS TO APPROVE. Second by Peters. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.



ITEM-31: Deputy Chief & Fire Marshal Samuel L. Oates Day.

MAYOR SANDERS' RECOMMENDATION:

Adopt the following resolution:

(R-2007-1252) ADOPTED AS RESOLUTION R-302866

Commending Deputy Chief & Fire Marshal Samuel L. Oates for thirty-four years of personal sacrifice and dedication to saving lives;

Proclaiming the 24th day of July 2007, to be “Deputy Chief & Fire Marshal Samuel L. Oates Day” in the City of San Diego.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:02 a.m. – 10:02 a.m.)

MOTION BY ATKINS TO ADOPT. Second by Young. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

ITEM-32: Chett Chew Day.

COUNCILMEMBER ATKINS' RECOMMENDATION:

Adopt the following resolution:

(R-2007-1259) ADOPTED AS RESOLUTION R-302867

Commending Chett Chew for his years of service to the San Diego community working for the City of San Diego;

Proclaiming July 24, 2007, to be “Chett Chew Day” in the City of San Diego.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:13 a.m. – 10:20 a.m.)

MOTION BY ATKINS TO ADOPT. Second by Faulconer. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.



ITEM-33: Bill Middleton Day.

COUNCILMEMBER MAIENSCHIN’S RECOMMENDATION:

Adopt the following resolution:

(R-2008-35) ADOPTED AS RESOLUTION R-302868

Proclaiming July 24, 2007, as “Bill Middleton Day” in the City of San Diego in recognition of his dedication and commitment to protecting the citizens of San Diego from fire danger.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 10:07 a.m. – 10:13 a.m.)

MOTION BY ATKINS TO ADOPT. Second by Peters. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

* ITEM-50: Amendments to Address “Mini Dorms” and Preserve Character of RS Zones.

(See Report to the City Council No. 07-115. Citywide.)

CITY COUNCIL’S RECOMMENDATION:

Adopt the following ordinance which was introduced on 7/9/2007, Item 200, Subitem A.
(Council voted 8-0):

(O-2007-160) ADOPTED AS ORDINANCE O-19650 (New Series)

Amending San Diego Municipal Code, by amending Chapter 13, Article 1, Division 4, by amending Table 131.04D and Section 131.0447; by amending Chapter 13, Article 2, Division 8, by amending Section 132.0802 and Table 132-08A; and, by amending Chapter 14, Article 2, Division 5, by amending Section 142.0520, by adding Section 142.0521, and by amending Section 142.0560; all related to the regulation of the physical development of single dwelling units Residential-Single Unit Zones, including limits on numbers of bedrooms based on parcel size, and various parking and hardscape regulations.

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 10:22 a.m. – 10:24 a.m.)

CONSENT MOTION BY ATKINS TO DISPENSE WITH THE READING AND ADOPT THE ORDINANCE. Second by Hueso. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

* ITEM-51: Approving the Barrio Logan Redevelopment Plan Amendment.

(See Redevelopment Agency Report RTC-07-22/RTC-07-098. Barrio Logan Community Area. District 8.)

CITY COUNCIL'S RECOMMENDATION:

Adopt the following ordinance which was introduced as amended on 7/10/2007,
Item 336, Subitem A. (Council voted 8-0):

(O-2007-161 Rev.) ADOPTED AS ORDINANCE O-19651 (New Series)

Approving and adopting the Second Amendment to the Redevelopment Plan for the Barrio Logan Redevelopment Project, to amend the land use designation map exhibit to the Redevelopment Plan to reflect high density residential use on two properties, commonly known as 1629 National Avenue and 1668 National Avenue in Barrio Logan, previously designated as light industrial/commercial use.

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 10:22 a.m. – 10:24 a.m.)

CONSENT MOTION BY ATKINS TO DISPENSE WITH THE READING AND ADOPT THE ORDINANCE. Second by Hueso. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

* ITEM-100: Extension of Retention of Outside Legal Counsel, Sandler Lasry Laube Byer & Valdez for Legal Services Relating to Litigation Assistance in La Jolla Alta Master Council v. City of San Diego, et al.

(La Jolla Alta Community Area. District 1.)

CITY ATTORNEY'S RECOMMENDATION:

Adopt the following resolution:

(R-2008-25) ADOPTED AS RESOLUTION R-302869

Authorizing the City Attorney to extend the retainer agreement with the Law Firm of Sandler Lasry Laube Byer & Valdez pursuant to the terms and conditions of that retainer agreement, dated November 2, 2005, to serve as outside counsel in connection with the La Jolla Alta litigation;

Authorizing the City Auditor and Comptroller to transfer within the Public Liability Fund the sum of \$125,000 to provide funds for the above retainer agreement with Sandler Lasry Laube Byer & Valdez, and expend said funds as requested.

SUPPORTING INFORMATION:

The City Council authorized the City Attorney to seek outside expert legal counsel to provide legal services in connection with the defense of the litigation entitled La Jolla Alta Master Council v. City of San Diego, et al., San Diego Superior Court Case No. GIC 822281. After inquiring of the profession for such expertise, Thomas Laube of the law firm of Sandler Lasry Laube Byer & Valdez was determined to be one of the premiere law firms in this area of legal practice and said firm has indicated their willingness and ability to provide such services under a retainer agreement. This action seeks to extend this retention so that Thomas Laube can further assist the City in this litigation.

FISCAL CONSIDERATIONS:

The total cost is not to exceed \$125,000 from the Public Liability Fund.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

This matter was approved in Closed Session on February 27, 2007.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: N/A

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Sandler Lasry Laube Byer & Valdez

Boardman/Goldstone

Aud. Cert. 2700845.

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 10:22 a.m. – 10:24 a.m.)

CONSENT MOTION BY ATKINS TO ADOPT. Second by Hueso. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

- * ITEM-101: Retention of Outside Legal Counsel, Latham & Watkins, LLP, for Legal Services Relating to Litigation Assistance in La Jolla Alta Master Council v. City of San Diego, et al.

(La Jolla Alta Community Area. District 1.)

CITY ATTORNEY'S RECOMMENDATION:

Adopt the following resolution:

(R-2008-26) ADOPTED AS RESOLUTION R-302870

Authorizing the City Attorney to execute the retainer agreement with the Law Firm of Latham & Watkins, LLP pursuant to the terms and conditions of that retainer agreement, dated May 29, 2007, to serve as outside counsel in connection with the La Jolla Alta litigation;

Authorizing the City Auditor and Comptroller to transfer within the Public Liability Fund the sum of \$250,000 to provide funds for the above retainer agreement with Latham & Watkins, LLP and expend said funds as requested.

SUPPORTING INFORMATION:

The City Council authorized the City Attorney to seek outside expert legal counsel to provide legal services in connection with the defense of the litigation entitled La Jolla Alta Master Council v. City of San Diego, et al., San Diego Superior Court Case No. GIC 822281. After inquiring of the profession for such expertise, Kristine Wilkes of the law firm of Latham & Watkins, LLP was determined to be one of the premiere law firms in this area of legal practice and said firm has indicated their willingness and ability to provide such services under a retainer agreement.

FISCAL CONSIDERATIONS:

The total cost is not to exceed \$250,000 from the Public Liability Fund.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

This matter was approved in Closed Session on February 27, 2007.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: N/A

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Latham & Watkins, LLP

Boardman/Goldstone

Aud. Cert. 2700844.

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 10:22 a.m. – 10:24 a.m.)

CONSENT MOTION BY ATKINS TO ADOPT. Second by Hueso. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

* ITEM-102: North Park Main Street/University Avenue Streetscape Improvements.

(Greater North Park Community Area. District 3.)

STAFF'S RECOMMENDATION:

Adopt the following resolution:

(R-2007-1266) ADOPTED AS RESOLUTION R-302871

Amending the Fiscal Year 2007 Capital Improvements Program Budget for CIP-39-207.0, North Park Main Street University Avenue Streetscape Improvements (Project), Fund No. 79502, North Park Developer Impact Fees, by increasing the budget amount by \$60,000;

Authorizing the appropriation and expenditure of an amount not to exceed \$60,000 from CIP-39-207.0, North Park Main Street/University Avenue Streetscape Improvements, Fund No. 79502, North Park Development Impact

Fees, solely and exclusively, for the purpose of providing funds for the Project, provided that the City Auditor and Comptroller first furnishes one or more certificates certifying that the funds necessary for expenditures are, or will be, on deposit with the City Treasurer;

Authorizing the City Auditor and Comptroller, upon advice from the administering department, to transfer excess budgeted funds, if any, to the appropriate reserves;

Declaring this activity is categorically exempt from CEQA pursuant to State CEQA Guidelines Section 15301, existing facilities.

STAFF SUPPORTING INFORMATION:

The North Park Main Street/University Avenue Streetscape Improvements will provide enhanced sidewalks, new curb and gutter, traffic calming measures, and landscape at locations along University Avenue between 28th Street and Granada Avenue, and at 30th Street between University Avenue and North Park Way.

The plans for this project were originally prepared by Earth Tech Consultants in the early 1990s. However, due to unavailability of funding, the project was put on hold. In 2004, the City re-entered into an agreement with Earth Tech Consultants to finalize the plans and specifications for this project. However, due to further funding unavailability, the project was put on hold again until adequate funds for construction were identified. An additional \$60,000 is needed to fully fund the project and allow City staff to proceed with advertising, awarding, and construction activities. Specifically, these funds will be used to contribute towards the construction costs of the improvement project.

FISCAL CONSIDERATIONS:

Funds for this action in the amount of \$60,000 are available in Fund 79502, North Park Development Impact Fees. Current funding in the amount of \$450,000 for this project is available from Fund 18521, HUD Section 108 Public Improvements.

PREVIOUS COUNCIL and/or COMMITTEE ACTION: None.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

Engineering and Capital Projects staff have worked closely with the North Park Main Street Design Committee, community members, and Council District 3 staff throughout the design phase, and will continue to do so once in construction.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Key Stakeholders: City of San Diego; Greater North Park Community.

Projected Impacts: The approval of this action will make funding available so that the City can begin the award and construction phases of the project.

Boekamp/Haas

Aud. Cert. 2700829.

Staff: Dave Zoumaras - (619) 533-3138
Peter A. Mesich - Deputy City Attorney

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 10:22 a.m. – 10:24 a.m.)

CONSENT MOTION BY ATKINS TO ADOPT. Second by Hueso. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

* ITEM-103: Ridgewood Neighborhood Park Play Area Upgrades.

(Rancho Peñasquitos Community Area. District 1.)

STAFF'S RECOMMENDATION:

Adopt the following resolution:

(R-2007-1325) ADOPTED AS RESOLUTION R-302872

Amending the Fiscal Year 2007 Capital Improvement Program Budget for CIP-29-864.0, Rancho Peñasquitos Parks - Playground Upgrades, sublet project CIP-29-864.1, Ridgewood Neighborhood Park Play Area Upgrade, Fund No. 10596, Rancho Peñasquitos East Trust Fund by increasing the budget amount by \$250,000;

Authorizing the City Auditor and Comptroller to appropriate and expend \$250,000 from CIP-29-864.0, Rancho Peñasquitos Parks- Playground Upgrades,

sublet project CIP-29-864.1, Ridgewood Neighborhood Park Play Area Upgrade, Fund No. 10596, Rancho Peñasquitos East Trust Fund, for the completion of this project, provided the City Auditor and Comptroller first furnishes one or more certificates certifying that the funds necessary for expenditure are, or will be, on deposit with the City Treasurer;

Authorizing the City Auditor and Comptroller, upon advice from the administering department, to transfer excess funds, if any, to the appropriate reserves;

Authorizing the City Auditor and Comptroller to reimburse Fund No. 10596, Rancho Peñasquitos East Trust Fund, with funds from the Rancho Peñasquitos Facilities Benefit Assessment (FBA), Fund No.79004, for the amount of funds expended, as programmed in the Rancho Peñasquitos Public Facilities Financing Plan, or as soon thereafter as FBA funds become available in an amount not to exceed \$250,000.

STAFF SUPPORTING INFORMATION:

The Rancho Peñasquitos Public Facilities Financing Plan (PFFP) identifies CIP-29-864.0, Rancho Peñasquitos Parks - Playground Upgrades, Project No. 39, as playground upgrades in several Rancho Peñasquitos parks. The playground at Twin Trails Neighborhood Park was the first playground identified on the list and was completed in FY 06. The second park on the list is Ridgewood Neighborhood Park (NP). The playground at Ridgewood NP was originally scheduled to be upgraded in FY 07. However, due to the slowdown in the housing market, development within the Rancho Peñasquitos community slowed and fewer building permits were issued than anticipated. This impacted the available FBA funding for the playground upgrade at Ridgewood NP to the point where the project would have to be delayed until FY 09.

In August of 2006, much of the existing play equipment at Ridgewood NP was removed due to vandalism rendering the equipment unsafe for public use. In addition, the safety surfacing no longer met the current standards for head impact attenuation or accessibility requirements. With the understanding that the FBA funds were going to be available for the playground upgrade, it was decided to remove the dangerous equipment from the park altogether. Shortly after that decision was made, the housing market slowdown occurred and the FBA funds were not received as originally projected.

The Rancho Peñasquitos Planning Board (RPPB) determined that the playground at Ridgewood NP was a vital part of their community. Therefore, the RPPB decided to approach the City's

Facility Financing Division of the City Planning & Community Investment Department to discuss alternative means to provide funding for this highly desirable park amenity and upgrade. It was decided to use funds from the Rancho Peñasquitos East Trust Fund, Fund No. 10596 as an advance to pay for the playground upgrades, to be reimbursed by the FBA at such time as the funds are programmed in the financing plan and available. In doing so, the RPPB will be postponing other improvements within the community that these funds were to be used for until a later date. This approach will address an immediate need within the community without significantly impacting future improvements desired by the RPPB.

This project will replace the equipment removed and bring the play area into compliance with current playground safety and accessibility requirements.

FISCAL CONSIDERATIONS:

The project will be implemented via the Design, Production and Installation method of contracting in which vendors will be asked to provide a design for the playground for a set amount of funds and those designs will be evaluated by a committee. This method reduces design costs and expedites the installation. Since this project will replace and upgrade the existing playground at Ridgewood NP, it will not increase the maintenance costs for the park.

PREVIOUS COUNCIL and/or COMMITTEE ACTION: None.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

Park and Recreation has worked with community members in identifying the type of play experiences to be included in the playground upgrade. The RPPB participated in identifying the funding mechanism to allow this project to proceed one to two years ahead of schedule.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

The Rancho Peñasquitos Recreation Council and the RPPB. Only positive impacts are anticipated.

LoMedico/Reynolds

Aud. Cert. 2700861.

Staff: Jim Winter - (619) 533-3040
Shannon Thomas - Deputy City Attorney

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 10:22 a.m. – 10:24 a.m.)

CONSENT MOTION BY ATKINS TO ADOPT. Second by Hueso. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

ITEM-104: Declaring a Continued State of Emergency Due to Severe Shortage of Affordable Housing in the City.

TODAY'S ACTION IS:

Adopt the following resolution:

(R-2007-1230) ADOPTED AS RESOLUTION R-302873

Declaring a Continued State of Emergency Due to Severe Shortage of Affordable Housing in the City of San Diego.

FILE LOCATION: GEN'L – State of Emergency Due to Severe Shortage of Affordable Housing in the City of San Diego

COUNCIL ACTION: (Time duration: 10:22 a.m. – 10:24 a.m.)

MOTION BY ATKINS TO ADOPT. Second by Hueso. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

* ITEM-105: Declaring a Continued State of Emergency Regarding the Discharge of Raw Sewage from Tijuana, Mexico.

(District 8.)

TODAY'S ACTION IS:

Adopt the following resolution:

(R-2007-1211) ADOPTED AS RESOLUTION R-302874

Declaring a Continued State of Emergency regarding the discharge of raw sewage from Tijuana, Mexico.

FILE LOCATION: GEN'L – State of Emergency Regarding the Discharge of Raw Sewage from Tijuana, Mexico

COUNCIL ACTION: (Time duration: 10:22 a.m. – 10:24 a.m.)

CONSENT MOTION BY ATKINS TO ADOPT. Second by Hueso. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.



ITEM-330: Ordinance Amending Condominium Conversion Regulations.

To consider ordinances amending Chapter 14, Article 4, Division 5 of the Land Development Code regarding condominium conversions. The amendment addresses limitations on the number of dwelling units to be processed as condominium conversions in a year, conditions under which specified improvements can be deferred, and other related modifications.

The proposed amendments to the Land Development Code constitute an amendment to City of San Diego's Local Coastal Program (LCP) and must be certified by the California Coastal Commission to be effective in the Coastal Overlay Zone. The LCP amendment will not become effective within the Coastal Overlay Zone until unconditionally certified by the California Coastal Commission. If you wish to be noticed of the Coastal Commission hearing on this issue, prior to the close of the City Council public hearing, you must submit a request in writing to City of San Diego, Development Services Department, 1222 First Avenue, MS-501, San Diego, CA 92101, Attention: Dan Joyce.

(Citywide.)

(Continued from the meeting of June 12, 2007, Item 342, at the request of Councilmember Frye, for full City Council.)

NOTE: Hearing open. Testimony taken on 6/12/2007.

STAFF'S RECOMMENDATION:

Adopt the resolutions in Subitems A and B; and introduce the ordinance in Subitem C:

Subitem-A: (R-2007-1013) RETURNED TO MAYOR

Adoption of a Resolution of the Council of the City of San Diego adopting the settlement agreement reached between the petitioners and the City in the four condominium conversion lawsuits.

Subitem-B: (R-2007-1164) RETURNED TO MAYOR

Adoption of a Resolution stating for the record that the amendments to the Land Development Code by Ordinance Number O-_____ are a subsequent discretionary approval of the Project addressed in Environmental Impact Report No. 96-0333, and therefore this action is not a separate project under CEQA Guidelines Section 15060(c)(3);

Stating for the record that the information contained in the Environmental Impact Report No. 96-0333, Addendum to EIR No. 96-0333, and Environmental Impact Report Addendum No. 100693, including any comments received during the public review process, have been previously reviewed and considered by this Council and it is determined that this subsequent discretionary approval of the amendments to the Land Development Code by Ordinance Number O-_____, do not involve any new direct, indirect, cumulative impacts, substantial changes, or new information of substantial importance that would warrant any additional environmental review, new CEQA findings, or a Statement of Overriding Consideration.

Subitem-C: (O-2007-132) RETURNED TO MAYOR

Introduction of an Ordinance of the Council of the City of San Diego amending Chapter 14, Article 4, Division 5 of the San Diego Municipal Code by amending Sections 144.0501, 144.0503, and 144.0507; and adding Sections 144.0506, 144.0510, and 144.0511; all relating to condominium conversion regulations.

STAFF SUPPORTING INFORMATION:

REQUESTED ACTION:

Adopt and implement the Settlement Agreement in *Citizens For Responsible Equitable Environmental Development v. City of San Diego* Superior Court Case No. GIC871259; *Affordable Housing Coalition of San Diego County, et al. v. City of San Diego, et al.*, Court of Appeal Case No. D049665 (Superior Court Case No. 857723); *Citizens For Responsible Equitable Environmental Development, et al. v. City of San Diego, et al.*, Court of Appeal Case No. D049637 (Superior Court Case No. GIC858098); and *Citizens For Responsible Equitable Environmental Development, et al., v. City of San Diego* Superior Court Case No. GIC876017 by considering three amendments to the Condominium Conversion Regulations.

STAFF RECOMMENDATION:

Adopt the resolutions.

EXECUTIVE SUMMARY:

On March 27, 2007, the City Council entered into a Settlement Agreement which requires the Council to docket amendments of the Condominium Conversion Regulations for consideration at a public hearing. The amendments include (1) a prohibition on the conversion of more than 1,000 rental housing units to condominiums per calendar year, (2) a requirement that City, prior to approval of any application for the conversion of rental housing units to condominiums, survey the tenants of the units and issue an annual report on the results of the surveys, and (3) a provision allowing the approval of a final subdivision map, notwithstanding that fact that certain required improvements have not yet been completed, provided that a certified copy of a recorded covenant and restriction has been provided to the City which ensures completion of such improvements will be made prior to sale of a unit. If the City Council adopts the amendments, the Petitioner will dismiss *Affordable Housing Coalition of San Diego County, et al. v. City of San Diego, et al.*, Court of Appeal Case No. D049665 (Superior Court Case No. 857723), will accept \$75,000 as attorneys fees, and will not seek fees from the City in any of the other matters.

FISCAL CONSIDERATIONS:

If the amendments are adopted, the Settlement Agreement in the above-referenced matters limits the amount of attorneys' fees to be paid to petitioner to \$75,000. This eviscerates the risk of a vastly higher fee award if petitions were to prevail in these matters and substantially reduces the amount of resources necessary to defend these actions.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

Council authorized the approval of a settlement agreement in Closed session on March 27, 2007, by allowing the following vote: The motion was made by Councilmember Donna Frye with a second by Councilmember Toni Atkins. It passed 6 to 0 with Council President Scott Peters and Council President Pro Tem Tony Young absent.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

Before the City and the Petitioners entered into the above-referenced Settlement Agreement, all parties to the lawsuits as well as some non-parties who have interests in condominium conversions generally were involved in settlement discussions. When global negotiations failed, the City and the Petitioners entered into a Settlement Agreement. Subsequently, many of the condominium converters who were parties to one or more of the lawsuits entered into a separate Settlement Agreement with the Petitioners.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

If these amendments are adopted, the number of tenants displaced by condominium conversions will be significantly reduced. Furthermore, the City will significantly reduce its potential liability for past and future approvals of condominium conversions by the use of the existing facilities exemption to the California Environmental Quality Act and will avoid the need to expend substantial City resources opposing the lawsuits.

Aud. Cert. 2700797.

Heumann/MRD

NOTE: This activity is covered under Environmental Impact Report No. 96-0333, as well as addendums to that EIR. The activity is adequately addressed in the environmental document and there is no change in circumstance, additional information, or project changes to warrant additional environmental review. Because the prior environmental documents adequately cover this activity as part of the previously approved project, the activity is not a separate project for purposes of CEQA review per CEQA Guidelines Sections 15060(c)(3) and 15378(c).

Staff: Dan Joyce – (619) 446-5388
Malinda R. Dickenson – Deputy City Attorney

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 11:25 a.m. – 11:31 a.m.)

MOTION BY COMMON CONSENT TO RETURN TO THE MAYOR. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.



ITEM-331: Public Contract Operations (MWW Department-Wide Bid to Goal) Implementation.

(See Report to the City Council No. 07-114, Independent Budget Analyst Report No. 07-65, and memorandum from the City Attorney dated 7/11/2007. Citywide.)

STAFF'S RECOMMENDATION:

Adopt the following resolution:

(R-2008-90) RETURNED TO MAYOR
(~~R-2007-1184 Rev.~~)

Ratifying the Memorandum of Understanding for the Bid to Goal Public Contract Operations Agreement regarding the operation of the City's wastewater system;

Authorizing the Mayor, or his designee, pursuant to the Memorandum of Understanding, to approve and accept a responsible and responsive Metropolitan Wastewater Department Labor-Management Partnership Bid for the operation of the City's wastewater system;

Declaring that this activity is not a "project" and therefore is not subject to the California Environmental Quality Act pursuant to State CEQA Guidelines Section 15060(c)(3).

ADDITIONAL INFORMATION:

This item was considered by the Council as Item-200 at the June 25, 2007 meeting. The motion adopted by the Council was to ratify the Memorandum of Understanding provided that the Termination for Convenience provision set forth in Paragraph V.C of the document was removed. It has since been determined that this action made a material change to an integral part of the agreement previously agreed to by the parties, and therefore, was void as it violates the Meyers-Milias-Brown Act. The City Attorney has recommended that this item be returned to the Council, and approved as originally submitted, or rejected and returned to the Mayor for further action.

STAFF SUPPORTING INFORMATION:

In 1997, City Council authorized the first Bid to Goal Agreement (Agreement) with the Metropolitan Wastewater Department (MWWD). Currently, two divisions of MWWD have Agreements in place (through FY 2007). Over the past 10 years, the Bid to Goal approach has demonstrated remarkable success as a strategy to optimize public sector service delivery, promoting significant improvements in the efficiency and effectiveness of relevant MWWD functions. This proposed department-wide Agreement is complementary to the recent MWWD Business Process Reengineering (BPR) effort that validated MWWD performance levels and developed a Most Efficient Organization (MEO).

While this Agreement maintains most of the elements of the two operative Agreements, significant refinements are included and addressed in the accompanying Report to Council. MWWD and the Labor Organizations have reached a tentative Bid to Goal agreement pending the City Council approval.

FISCAL CONSIDERATIONS:

MWWD's Bid to Goal Agreement is projected to yield estimated annual savings of \$20 million compared to projections made prior to implementing the MEO. Incentives and accountability provisions are incorporated to encourage efficiency savings beyond these projections.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

Two existing MWWD Bid to Goal Agreements and related Amendments were approved with MWWD's Operations & Maintenance and Wastewater Collection Divisions (both expire 6/30/2007).

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

Past Bid to Goal efforts and the proposed expansion to a department-wide agreement were discussed with the Public Utilities Advisory Commission in conjunction with presentations on the MWWD BPR process. Performance results will be briefed in public forum at appropriate venues.

KEY STAKEHOLDERS & PROJECTED IMPACTS (if applicable):

Results of actions described above are intended and designed to deliver reliable, cost-effective services to MWWD's ratepayers with reduced staff and expenses. This agreement extends and maintains the labor-management partnership of the City and participating labor organizations.

Bertch/Haas

Staff: Margaret Wyatt - (858) 292-6467
Thomas C. Zeleny - Deputy City Attorney

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 11:32 a.m. – 11:47 a.m.)

Motion by Faulconer to Adopt. Second by Hueso. Failed. Yeas-128-yea; Nays-3467; Not present-5.

MOTION BY COMMON CONSENT TO RETURN TO THE MAYOR. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

ITEM-332: Approving the Issuance of Bonds for the Redwood Villa Apartments.

(See San Diego Housing Commission Report HAR-07-023. Eastern Area Community Area. District 4.)

SAN DIEGO HOUSING COMMISSION'S RECOMMENDATION:

Adopt the following resolution:

(R-2008-23) ADOPTED AS RESOLUTION R-302877

Declaring that the City Council, as the applicable elected representative with respect to the Housing Authority of the City of San Diego (Authority) under Section 147(f) of the Internal Revenue Code of 1986, approves the issuance of the Bonds by the Housing Authority for the Redwood Villa Apartments, to finance the acquisition and rehabilitation of a multifamily rental housing project in the City of San Diego (Project);

Declaring that the City does not warrant the creditworthiness of the Bonds or guarantee, in any way, the payment of the Bonds. No moneys of the City will be pledged or applied to the repayment of the Bonds.

SUPPORTING INFORMATION:

Redwood Villa is a 92-unit affordable housing development for seniors located at 3060 53rd Street in the community of Oak Park. The project contains 66 one-bedroom units, 24 two-bedroom units, and two three-bedroom staff units.

Redwood Villa currently has rent and occupancy restrictions on 74 of its 92 total units. Forty-one units are currently restricted under the California Rental Housing Construction Program. The rents on the RHCP units are set so that tenants pay 30% of their incomes on rent and utilities. An additional 33 units are rent and occupancy restricted under the terms of the Housing Commission loan at 50% Area Median Income (AMI) (\$28,100 for a household of 2), 60% AMI (\$33,720 for a household of 2), and 65% AMI (\$36,500 for a household of 2). Eighteen units are unrestricted.

Through the proposed bond issuance, Redwood Villa will repay state and Housing Commission loans, and will continue to provide housing for low- and very-low income seniors for a minimum of 55 years. Thirty-four units will be restricted at 50% AMI, 56 units will be restricted at 60% AMI, and two units will be reserved for on-site managers and will not be rent and occupancy restricted. Current tenants occupying the 41 RHCP-restricted units will continue to pay 30% of their income towards rent and utilities until they vacate their units. Through attrition, rents on the RHCP units will be increased to 50% and 60% AMI.

TEFRA Resolution Revision

To assure that projects making use of tax-exempt financing meet appropriate governmental purposes and provide reasonable public benefits, the Internal Revenue Code requires that a public hearing be held and that the issuance of bonds be approved by representatives of the governmental unit with jurisdiction over the area in which the project is located. In the resolution approved by the City Council on March 6, 2007, the name of the ownership entity was incorrect. To ensure that the proposed bonds are tax-exempt, bond counsel recommends that a new TEFRA resolution be adopted.

FISCAL CONSIDERATIONS:

There are no fiscal impacts to the Housing Commission, City, or Housing Authority associated with the requested action. Issuance of bonds by the Housing Authority will not constitute a debt of the City of San Diego. Neither the faith and credit nor the taxing power of the City or the Housing Authority would be pledged to the payment of the bonds; security for repayment of the bonds will be limited to the value of the property and its revenue sources. All costs of the financing, including compensation for staff efforts in preparing the bonds, will be borne by the project owner. The Housing Commission's origination fee under the financing will be up to \$13,915 (0.23 percent of the bond amount). No local housing funds (Tax increment, Inclusionary, Housing Trust Fund, HOME, CDBG etc.) will be made available to develop the project.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:

From 1983 through 1988 the Housing Commission, City Council, and Housing Authority approved several items to facilitate the financing of Redwood Villa Apartments. On March 6, 2007, the Housing Authority and City Council approved preliminary bond items for the project.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

Interfaith presented an informational report on its plan to refinance and rehabilitate the project to the Eastern Area Planning Group on March 13, 2007.

KEY STAKEHOLDERS & PROJECTED IMPACTS:

Low income seniors are the intended residents of the project. An affiliate of Interfaith will act as the developer of the project. Red Capital will provide debt and equity as well as act as the underwriter for the project. Public Financial Management and Stradling, Yocca Carlson & Rauth have been selected to assist in preparing the financing.

Fisher/Morris

There was no public testimony on this item.

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 4:58 p.m. - 4:59 p.m.)

MOTION BY YOUNG TO ADOPT. Second by Peters. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-not present, Young-yea, Maienschein-not present, Frye-yea, Madaffer-not present, Hueso-yea.

ITEM-333: Approving the Issuance of Preliminary Bonds for the Boulevard Apartments.

(See San Diego Housing Commission Report HAR-07-017. Greater North Park Community Area. District 3.)

SAN DIEGO HOUSING COMMISSION'S RECOMMENDATION:

Adopt the following resolution:

(R-2008-22) ADOPTED AS RESOLUTION R-302878

Declaring that the City Council, as the applicable elected representative with respect to the Housing Authority of the City of San Diego (Authority) under Section 147(f) of the Internal Revenue Code of 1986, approves the issuance of the Bonds by the Housing Authority for the purpose of financing the acquisition and construction of approximately 24 units of multifamily rental housing to be located at 3137 El Cajon Boulevard, to be known as the Boulevard Apartments (Project);

Declaring that the City does not warrant the creditworthiness of the Bonds or guarantee, in any way, the payment of the Bonds. No moneys of the City will be pledged or applied to the repayment of the Bonds.

SUPPORTING INFORMATION:

The site for the proposed Boulevard Apartments is located at 3133-3137 El Cajon Boulevard, on the South side of El Cajon Boulevard between Iowa Street and Illinois Street, two blocks west of the 805 freeway. The project will provide a total of 24 affordable housing units, approximately 2,000 square-feet of commercial space, and a 17-space parking garage on a 0.24-acre site. The project would also include a landscaped roof deck with barbeque facilities, patio cover, picnic tables and a children's play area. Each unit would feature a private balcony.

The 24 residential units would consist of 3 one-bedroom units, 18 two-bedroom units and 3 three-bedroom units. Although the Housing Commission's Bond Program would normally restrict rents at 50% and 60% of the Area Median Income (AMI) (\$31,600 and \$37,920 for a family of three), other funding sources require substantially lower restricted rents.

As a result, 14 units will be restricted at 30% AMI (\$18,950 for a household of three) and 9 units will be restricted at 40% AMI. One unit will be reserved for an on-site manager and will not be occupancy-restricted.

SVDP and Chelsea will be joint venture partners in a limited partnership that has been established to own and operate the Boulevard Apartments; SVDP will be the managing general partner and an affiliate of Chelsea will be the administrative general partner. SVDP and Chelsea have collaborated on five affordable housing projects during the previous twelve years.

FISCAL CONSIDERATIONS:

There are no fiscal impacts to the Housing Commission, City, or Housing Authority associated with the requested actions. Approval of the bond inducement and TEFRA resolutions does not commit the Housing Authority to issue bonds. The bonds would not constitute a debt of the City of San Diego. If bonds are ultimately issued for the project, the bonds will not financially obligate the City, the Housing Authority or the Housing Commission because security for the repayment of the bonds will be limited to specific private revenue sources. Neither the faith and credit nor the taxing power of the City or the Authority would be pledged to the payment of the bonds. The developer is responsible for the payment of all costs under the financing, including the Housing Commission's annual administrative fee. It is possible that the Housing Commission will be asked to participate in the local subsidy. The development team is currently gathering funding commitments.

PREVIOUS HOUSING AUTHORITY and/or COMMITTEE ACTIONS: None.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

On April 19, 2005, the Greater North Park Community Planning Group voted 6-5-2 to recommend approval of the project, with the condition that the applicant provide explicit documentation that there is a 50-year agreement specifying St. Vincent de Paul as the manager and operator of the property. On March 15, 2007, with a vote of 5-0-2, the Planning Commission approved the site development permit for the project.

ENVIRONMENTAL REVIEW:

On March 15, 2007, the Planning Commission certified Environmental Impact Report No. 55461 in accordance with the State of California Environmental Quality Act guidelines.

KEY STAKEHOLDERS & PROJECTED IMPACTS:

Very-low income households are the intended residents of the project. SVDP and Chelsea compose the development team for the project. The SVDP board members and the owners of Chelsea are listed in Attachments 2 and 3. The Richmond Group has been tentatively selected to provide equity for the project.

Fisher/Morris

NOTE: See the Housing Authority Agenda of July 24, 2007, for a companion item.

There was no public testimony on this item.

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 5:04 p.m. - 5:04 p.m.)

MOTION BY ATKINS TO ADOPT. Second by Madaffer. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

ITEM-334: Two actions related to City's Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ending June 30, 2004 and Considering Sole Source Agreements with Macias, Gini & O'Connell for Fiscal Years 2006 and 2007 CAFR Audits.

(See Report to the City Council 07-121.)

TODAY'S ACTIONS ARE:

Adopt the following resolution in Subitem A and introduce the ordinance in Subitem B:

Subitem-A: (R-2008-34) ADOPTED AS RESOLUTION R-302879

Receiving and filing the City's Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2004, together with the Report on Audit Procedures;

Receiving and filing the 2004 Single Audit.

Subitem-B: (O-2008-14) INTRODUCED, TO BE ADOPTED
TUESDAY, SEPTEMBER 4, 2007

Introduction of an Ordinance approving a sole source agreement with Macias, Gini & O'Connell and expenditure in an amount not to exceed \$1,114,830 for the audit of the Fiscal Year 2006 CAFR;

Approving a sole source agreement with Macias, Gini & O'Connell and expenditure in an amount not to exceed \$1,159,710 for the audit of the Fiscal Year 2007 CAFR;

Authorizing the City Auditor and Comptroller to appropriate, transfer, and expend up to \$688,000 from the Unallocated Reserve to the appropriate fund to pay the General Fund portion of these expenditures that exceed previously budgeted amounts;

Directing the City Attorney to prepare the appropriate ordinance in accordance with Charter Section 40.

AUDIT COMMITTEE'S RECOMMENDATION:

On 7/9/2007, Audit voted 3 to 0 to forward the City's Fiscal Year 2004 Comprehensive Annual Financial Report, including the opinion and report of Macias Gini & O'Connell, each dated May 11, 2007 (the "2004 CAFR") to the full City Council, with a recommendation by the Audit Committee that the City Council receive and file the 2004 CAFR. (Councilmembers Faulconer, Atkins, and Young voted yea.)

SUPPORTING INFORMATION:

Consistent with the remedial recommendation contained in the Report of the Audit Committee of the City of San Diego (Kroll Report) dated August 8, 2006, staff provided the 2004 CAFR to the City Council for their review two weeks prior to consideration by the Council. Staff simultaneously presented the CAFR to the City of San Diego Audit Committee during two open meetings of the Audit Committee, at the conclusion of the second meeting the Audit Committee unanimously voted to recommend that the full City Council receive and file the 2004 CAFR.

At this meeting staff is recommending that it be received by the City Council as final. This document has been approved by the City's Disclosure Practices Working Group (DPWG) and the certificate of approval.

The public may obtain a copy of the City's 2004 CAFR on the City website at no charge.

FISCAL CONSIDERATIONS: None.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:
Audit Committee on 7/9/2007.

Levin/Goldstone

Aud. Certs. 2800035 and 2700375.

FILE LOCATION: SUBITEM A: MEET
SUBITEM B: NONE

COUNCIL ACTION: (Time duration: 2:05 p.m. - 3:21 p.m.)

MOTION BY FAULCONER TO ADOPT THE RESOLUTION IN SUBITEM A.
Second by Young. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea,
Young-yea, Maienschein-not present, Frye-nay, Madaffer-yea, Hueso-yea.

MOTION BY FAULCONER TO INTRODUCE THE ORDINANCE IN SUBITEM B.
Second by Young. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea,
Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

ITEM-335: Response to the Grand Jury Report – “San Diego City Streets”.

(See letter from Mayor Sanders dated 7/16/2007.)

MAYOR SANDERS’ RECOMMENDATION:

Adopt the following resolution:

(R-2008-60) ADOPTED AS RESOLUTION R-302880

Affirming and joining with the Mayor in his response to the findings and recommendations of the 2006-2007 San Diego County Grand Jury in its report dated May 21, 2007, and titled “San Diego City Streets” contained in the Mayor’s letter to the Presiding Judge of the San Diego County Superior Court, dated July 16, 2007.

SUPPORTING INFORMATION:

The San Diego County Grand Jury issued a report on May 15, 2007 entitled “San Diego City Streets”. After a review of all the facts alleged in the Grand Jury’s report, the Mayor has prepared a response to those finding and recommendations directed to the Mayor along, or to both the Mayor and City Council. Since the Grand Jury report calls for a separate response from the City Council, it is recommended that the City Council review the Mayor’s response and either join in the response or direct the Independent Budget Analyst (and/or City Attorney) to prepare a separate response on behalf of the City Council.

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 3:28 p.m. - 3:30 p.m.)

MOTION BY HUESO TO ADOPT. Second by Peters. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.



ITEM-336: Response of the City Council to the Grand Jury Report – “Qualcomm Stadium Revisited”.

INDEPENDENT BUDGET ANALYST’S RECOMMENDATION:

Adopt the following resolution:

(R-2008-40) ADOPTED AS RESOLUTION R-302875

Approving and adopting as the Council’s response to the 2006-2007 San Diego County Grand Jury in its report dated May 24, 2007, and titled “Qualcomm Stadium Revisited Going, Going Gone from the ‘Q,’” prepared by the Independent Budget Analyst (Council’s Response); and

Authorizing the directing the City Council President, on behalf of the City Council of the City of San Diego, to execute and deliver the Council’s Response to the Presiding Judge of the San Diego County Superior Court no later than August 24, 2007.

SUPPORTING INFORMATION:

The San Diego County Grand Jury issued a report on May 24, 2007 entitled “Qualcomm Stadium Revisited.” Certain of the Grand Jury findings and recommendations were directed solely to the City Council. The Independent Budget analyst has prepared the response for the Council to review and approve for submittal to the Grand Jury.

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 11:49 a.m. – 11:53 a.m.)

MOTION BY MADAFFER TO ADOPT WITH DIRECTION TO DELETE ONE SENTENCE AT THE BOTTOM OF PAGE FOUR OF THE INDEPENDENT BUDGET ANALYST REPORT WHICH STATES, “MORE CLARITY OR SPECIFICITY MAY BE WARRANTED AS TO THE DEFINITION OF ‘GUEST’ IN THE COUNCIL POLICY, AS THERE IS NO EXPLICIT EXCLUSION FOR FAMILY MEMBERS.”
Second by Peters. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

ITEM-S500: Response to the Grand Jury Report – “Qualcomm Stadium Revisited – Going, Going, Gone from the Q”.

(See memorandum from Mayor Sanders dated July 19, 2007.)

MAYOR SANDER’S RECOMMENDATION:

Adopt the following resolution:

(R-2007-39) NOTED AND FILED

Joining with the Mayor in his response to the findings and recommendations of the 2006-2007 San Diego County Grand Jury in its report dated May 24, 2007, and titled “Qualcomm Stadium Revisited – Going, Going, Gone from the Q”;

SUPPORTING INFORMATION:

The San Diego County Grand Jury issued a report on May 17, 2007, entitled "QUALCOMM STADIUM REVISITED - GOING, GOING, GONE FROM THE Q". After a review of all the facts alleged in the Grand Jury's report, the Mayor has prepared a response to those findings and recommendations directed to the Mayor alone, or to both the Mayor and City Council. Since the Grand Jury Report calls for a separate response from the City Council, it is recommended that the City Council review the Mayor's response and either join in the response or direct the Independent Budget Analyst (and/or City Attorney) to prepare a separate response on behalf of the City Council.

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 11:49 a.m. – 11:53 a.m.)

ITEM-S501: Council Policy Revisions for the City Suites at Qualcomm Stadium and Petco Park.

(See current and proposed Council Policies for Qualcomm Stadium and Petco Park.)

STAFF'S RECOMMENDATION:

Adopt the following resolution:

(R-2008-92) ADOPTED AS RESOLUTION R-302876

Revising Council Policy 700-22, entitled "Qualcomm Stadium City Suite", governing use of the Qualcomm Stadium City Suite;

Revising Council Policy 700-47, entitled "Petco Park City Suites", governing use of the Petco Park City Suite;

Directing the City Clerk to add the aforesaid to the Council Policy Manual.

STAFF SUPPORTING INFORMATION:

The purpose of the Council Policy is to establish guidelines for admission of officials and their guests to the City Suite at Qualcomm Stadium and Petco Park. This proposed amendment would make the policy language consistent between the two stadiums and it would revise the ticket distribution to reflect changes in City government and stadium management.

The City Attorney's office opined that the language relating to ticket distribution in the Petco Park policy was too general in nature and should be revised to reflect the Council's intent when it passed the Qualcomm Stadium Policy several years earlier. The new language will be as follows, "Credential Holders may bring or offer their seats to guests in efforts to promote and/or market the City of San Diego, and to increase economic, governmental or social service benefits to the City. Any tickets not being used by a credential holder for a specific game date may be made available to other credential holder for special civic guests, such as Flag Officers, Members of Congress, State Senators, Members of the State Assembly or their guests as defined in this policy. Guest include volunteers and civic and community leaders who perform exceptional service to the City and City employees who are outstanding performers." This language is now present in both policies.

The new Qualcomm Stadium policy also includes a redefining of the ticket distribution among credential holders, as well as redistributing "pool tickets" for use by the Stadium Manager. The intended use of the Stadium Manager's tickets is to promote Qualcomm Stadium to event promoters for concerts, sporting events and special events. These tickets will also be used to build relationships with vendors and contractors, as well as employee recognition programs. The Qualcomm Stadium Advisory Board unanimously approved this recommendation.

FISCAL CONSIDERATIONS: None.

PREVIOUS COUNCIL and/or COMMITTEE ACTION (Qualcomm Stadium):

Adopted by Resolution R-191907, 10/24/1967
Amended by Resolution R-209693, 1/17/1974
Amended by Resolution R-211379, 8/22/1974
Amended by Resolution R-289609, 12/16/1997
Amended by Resolution R-289889, 3/24/1998

PREVIOUS COUNCIL and/or COMMITTEE ACTION (Petco Park):

Adopted by Resolution R-301324, 3/28/2006

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: The proposed changes were discussed at the Qualcomm Stadium Advisory Board meeting on Thursday, June 8, 2006.

KEY STAKEHOLDERS AND PROJECTED IMPACTS: The proposed amendments will make both Policies consistent with each other, revise the Policy language to reflect the Council's original intent for ticket distribution and redistributes pool tickets to the Qualcomm Stadium Manager. The guidelines set up for the use of the City Suite remain unchanged.

Stover/Waring

Staff: Erik Stover - (619) 641-3102

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 11:49 a.m. – 11:53 a.m.)

MOTION BY MADAFFER TO ADOPT. Second by Peters. Passed by the following vote: Peters-yea, Faulconer-yea, Atkins-yea, Young-yea, Maienschein-not present, Frye-yea, Madaffer-yea, Hueso-yea.

REPORT OUT OF CLOSED SESSION:

To view the list of all available City Council Closed Session Meetings Reports refer to the link below:

<http://www.sandiego.gov/city-clerk/closedsess.shtml>

FILE LOCATION: MINUTES

COUNCIL ACTION: (Time duration: 2:04 p.m. - 2:05 p.m.)

NON-DOCKET ITEMS:

None.

ADJOURNMENT:

The meeting was adjourned by Council President Peters at 5:10 p.m. in honor of the memory of:

Floyd Gaffney at the request of Council President Pro Tem Young.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 5:07 p.m. – 5:10 p.m.)