

## REDEVELOPMENT AGENCY MINUTES

MINUTES OF THE REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY OF  
SAN DIEGO, CALIFORNIA  
TUESDAY, JULY 6, 1976  
(IN LIEU OF JULY 5, 1976, MEETING - HOLIDAY)

Present - Members Johnson, O'Connor, Hubbard, Gade, Ellis, Haro and  
Chairman Wilson.  
Absent - Members Williams and Morrow.  
Secretary - Edward Nielsen.

Chairman Wilson called the Regular Meeting of the Redevelopment Agency to order at 3:04 P.M.

Chairman Wilson stated that there were no Minutes to be approved this date.

Public Hearing for the purpose of hearing testimony of all interested parties on the proposed Disposition and Development Agreement with the John S. Griffith Company for development in the Linda Vista Redevelopment Project according to California Redevelopment Law was held.

Mr. Edward Murphy, of City staff, presented a staff report and outlined a brief history of this redevelopment project and its current status. He further commented on the purpose of today's hearing and discussed the main provisions of the proposed Disposition and Development Agreement with the John S. Griffith Company as outlined in the staff report to the Redevelopment Agency dated July 2, 1976, and entitled "Disposition and Development Agreement for the Linda Vista Redevelopment Project". Mr. Murphy also discussed the four changes to the Agreement recommended subsequent to the signing of the agreement by the developer (as shown on Page 3 of the Staff Report). Mr. Murphy further stated that it is the recommendation of staff and associated consultants that this Agreement (as amended) be approved by the Redevelopment Agency.

Mr. Jim Spotts, City staff, spoke indicating that in the process of developing the proposed Agreement, staff had had the cooperation of a number of City departments as well as the benefit of expertise provided by the following consultants:

Mr. Eugene Jacobs - legal  
Dr. Alfred Gobar - marketing  
Keyser-Marston & Associates - marketing

He stated there were a number of development alternatives which were explored, but that the project being recommended today is, in the opinion of the staff and consultants, the best possible.

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Member O'Connor asked for clarification of one point in the proposed agreement which states that the "Agency has the right to share in any proceeds over \$5.00 per square foot..." with regard to the sale of the three separate pads within Parcel "A" in the project. Mr. Murphy stated that the developer is purchasing this property for \$1.54 per square foot; however, the developer's willingness to develop this project in what is considered a high risk area is based on his ability to realize a fair return on his investment. He emphasized that this provision relates only to the three free standing pads and not to the whole center, prior to completion of the project. The value of up to \$5.00 per square foot is not presently there, but will be there only as a result of the efforts made by the developer. Member O'Connor expressed that the potential is currently there on that property, the City has given the developer every incentive to take a risk in that area, and it is her feeling that a 15% return on his investment is more than a reasonable return. Mr. Murphy stated that staff had discussed this project with eleven developers, some of whom were not interested in it at all. Those who did express some interest indicated a land value of between \$1.00 to \$1.50 per square foot.

Mr. Mark Breakstone, legal advisor to the Redevelopment Agency, addressed the Agency and stated that in order for a developer to seek out and obtain leases from major tenants for the center, it is necessary for the developer to underwrite what these tenants are willing to pay. He further stated that the \$5.00 per square foot figure matches what the developer would have to receive on a longterm lease of the property and that, if the developer were not allowed to sell these pieces of property, he could not afford to go ahead with the subject project. In coming up with the \$1.54 selling price, the subsequent \$5.00 figure was taken into account.

Member Hubbard asked for clarification of the procedure from the standpoint of time and asked at what point the City will be assured that there will be a Safeway and some other stores in operation and that the center will actually be built.

Mr. Murphy explained that an advance of \$250,000 from the developer to the Agency will allow the City to complete purchase of the property. Leases have been signed by Safeway, Thrifty and Rasco's and the developer has a year to complete development of the center. These stores must open in 1977, and we are looking at a Spring opening in that year. The Agreement states that the Agency should sell the land to the developer by the end of this year, 1976.

Mr. Ernie Davis, resident of the Linda Vista community, addressed the Agency expressing his support of this project. He stated he feels the residents of Linda Vista are ready for this project and urged Agency approval of the proposed Agreement.

On motion of Member Ellis, seconded by Member Haro, it was approved to close the hearing and adopt the Agreement with

amendments as indicated in the Staff Report, by the following vote:  
yeas - Members Johnson, Hubbard, Gade, Ellis, Haro and Chairman Wilson.  
Nays - Member O'Connor.

RESOLUTION NO. 277, authorizing the sale of the site by the Redevelopment Agency to the developer in accordance with the terms and conditions of the Disposition and Development Agreement, as amended, to include the revisions set forth in this Resolution; approving the Disposition and Development Agreement subject to inclusion and incorporation of the changes and revisions to the Disposition and Development Agreement set forth in Exhibit "B" attached to the Resolution; authorizing the Chairman of the Redevelopment Agency to execute the Disposition and Development Agreement as amended; and authorizing the Executive Director (or his designee) to take all steps necessary and to sign all other documents necessary to implement and carry out the Disposition and Development Agreement (as amended) on behalf of the Agency, was adopted on motion of Member Gade, seconded by Member Haro, by the following vote: Yeas - Members Johnson, Hubbard, Gade, Ellis, Haro and Chairman Wilson. Nays - Member O'Connor.

RESOLUTION NO. 278, authorizing the Executive Director (or his designee) to accept the following deeds, and authorizing and directing the Secretary of the Agency to file said deeds with a certified copy of this Resolution to the Office of the San Diego County Recorder:

1. Deed of Pacific Outdoor Advertising Company, executed in favor of the Redevelopment Agency of The City of San Diego, bearing date of March 4, 1976, conveying to said Agency their leasehold interest in Lot 2 of Linda Vista Plaza, according to Map thereof No. 6345, filed in the Office of the County Recorder of San Diego County April 28, 1969; and
2. Deed of Foster and Kleiser Division of Metro-media Inc., executed in favor of the Redevelopment Agency of The City of San Diego, bearing date of April 14, 1976, conveying to said Agency their leasehold interest in Lot 7 of Block 54 of Linda Vista Unit No. 1, according to Map thereof No. 2883 filed in the Office of the County Recorder July 2, 1952;

was unanimously adopted on motion of Member O'Connor, seconded by Member Gade.

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RESOLUTION NO. 279, acknowledging the receipt of a proposed Disposition and Development Agreement with Mape Industries; setting a hearing for the Redevelopment Agency at 2:00 P.M., July 20, 1976, in the Council Chambers of the City Administration Building as the time and place for a public hearing to consider the proposed Disposition and Development Agreement; and authorizing the Secretary to publish notice of the hearing in a newspaper of general circulation in The City of San Diego at least once a week for two weeks prior to the date of the public hearing, was unanimously adopted on motion of Member O'Connor, seconded by Member Gade, with the following amendment: The Hearing on July 20, 1976, will be continued (due to lack of a quorum) to 2:00 P.M. on August 3, 1976.

RESOLUTION NO. 280, rescinding Resolution No. 249 and establishing a new regular meeting time for the Redevelopment Agency at 2:00 P.M. on the first Tuesday of each month, was unanimously approved on motion of Member Johnson, seconded by Member Gade.

There being no further business to come before the Agency at this time, the Regular Meeting was adjourned at 3:32 P.M..



Chairman of the Redevelopment Agency  
of The City of San Diego, California

ATTEST:



Secretary of the Redevelopment Agency  
of The City of San Diego, California