

**REDEVELOPMENT AGENCY MINUTES**

**JOINT CITY COUNCIL/REDEVELOPMENT AGENCY MEETING  
OF  
TUESDAY, FEBRUARY 7, 1995**

The meeting was called to order as The City Council 10:08 a.m.

Roll Call

Present: Member Mathis, Harvey, Kehoe, Stevens, Warden,  
Stallings, McCarty, Vargas, and Chair Golding

City Manager, Jack McGrory  
Attorney, John Witt  
Secretary, Charles G. Abdelnour  
Secretary, Jack Fishkin

The meeting adjourned as The City Council at 10:09 a.m.

The meeting reconvened as The Redevelopment Agency at 10:10 a.m.

**ADOPTION - CONSENT**

2. Approving resolution and document to:

Approve the proposed Rehabilitation Loan Agreement with Peter and Susan Rozok for rehabilitation of the Dr. J.C. Hearne Surgical Hospital Building, 420-424 Ash Street located in the Core Redevelopment District of the Centre City Redevelopment Project.

See Centre City Development Corporation report dated, January 13, 1995.

No one spoke in opposition to this item.

Motion by Member Kehoe to approve (with Stevens not present)

Second by Member Mathis

Vote: 8-0

**Redevelopment Agency Resolution Number R-2471 and Document Number D-2190.**

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**PUBLIC HEARING - CONSENT**

3. Approving resolution to:

Accept public comment on the draft Environmental Impact Report (EIR) for the proposed North Park Redevelopment Project and directing the Assistant Executive Director to include responses to the public comments in the final EIR.

No one spoke in opposition to this item.

Motion by Member Kehoe to approve (with Stevens no present)

Second by Member Mathis

Vote: 8-0

**Redevelopment Agency Resolution Number R-2472.**

The meeting adjourned as The Redevelopment Agency at 10:11 a.M.

The meeting reconvened as The City Council at 10:12 a.m.

Councilmember Stevens not present until 10:15 a.m.

The meeting adjourned as The City Council at 12:20 p.m.

**JOINT MEETING - ADOPTION**

The meeting reconvened as The Joint City Council/Redevelopment Agency at 2:10 p.m.

1. Approving resolutions and document to:

Council Companion Item No. 601.

Item A. Certify that the Agency has reviewed and considered the Master Environmental Impact Report and the Environmental Impact Secondary Study; and

Item B. Approve the proposed Disposition and Development Agreement with Zeiden Properties 2 for the purchase and rehabilitation of the McGurck/Combination Store properties; and

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**JOINT MEETING - ADOPTION**

Zeiden Properties - continued

Item C. Approve the Basic Concept/Schematic Drawings for the McGurck and Combination Store properties, subject to the Conditions of Approval contained in Exhibit A.

See Centre City Development Corporation report dated February 4, 1995.

Chair Golding introduced Peter Hall, the new Executive Director, Centre City Development Corporation.

Peter Hall, Executive Director, Centre City Development Corporation, stated this item was continued at the request of Councilmember Harvey from the January 24, 1995 hearing. Mr. Hall presented the staff report and responded to the questions requested by Councilmember Harvey.

Pam Hamilton gave a brief background and presented revised display charts of the proposed project. Ms. Hamilton stated we responded to the questions in writing asked by Councilmember Harvey.

Kip Howard, representing Zeiden properties and developer for the proposed project. He gave a brief background of Z Gallery and in support of the proposed project.

Dick Bundy, architect for Z Gallery, presented schematic drawings that were approved by the Historic Site Board, and in compliance with the Gaslamp PDO.

Public Testimony - Favor

Marsha School said lives in the Gaslamp Quarter, and in support of the proposed project.

Howard Greenberg said been involved with the Gaslamp Quarter for about 12 years, and submit a letter from Bud Fisher, his partner in support of the proposed project.

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**JOINT MEETING - ADOPTION**

Zeiden Properties - Public Testimony in opposition - continued

Jennifer Hankins stated owns a business and lives in the Gaslamp Quarter. She said has been involved in the redevelopment as a resident and owner. Ms. Hankins said this building is unsafe and need to move forward.

Bob Sinclair spoke in support of the proposed project that it will help the economy in the Gaslamp Quarter district.

Jim Walsh unable to attend, Chair of the Gaslamp Quarter Association, in support of the proposed project.

Bill Keller said to approve this proposed project and it will provide additional retail and will help the Gaslamp Quarter district.

Craig Shannon, member of the Centre City Redevelopment Project area, said the project area committee reviewed this project and voted unanimously in support of this proposed project.

Clark Waite, Chair of the Board of Directors of Environmental Advocacy Incorporated, public interest law firm. He spoke in opposition to the proposed project that it will affect the historical integrity of the building.

Jim Mahern, commercial relator for downtown San Diego for 30 years, owns a business in the Gaslamp for over 18 years. He had was opposed to the destruction of the interior.

Ion Steigler, architect, specialize in historic preservation. She had concerns with the CEQA process, non contributing property in the Gaslamp Quarter and the schematic drawings.

Bill Adams, representing Save Our Heritage Organization, said this project needs a site specific EIR.

Public testimony was closed.

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Zeiden Properties - continued

Councilmember Harvey discussed his memorandum dated, January 24, 1995. Mr. Harvey said all of the questions raised were answered in writing from CCDC.

Councilmember Stevens asked what was the purchased price by CCDC for the building?

Pam Hamilton said approximately 1.6 million dollars for all of the properties involved, in addition we had relocation costs and property management costs, we estimate about 2 million dollars.

Councilmember Stevens asked is there an appraisal on the building?

Pam Hamilton said we must sell property for fair market value, and taking into consideration, that the building had to be retained because it was an historic structure, and the cost of rehabilitation, what you end up is a building that is not worth anything because of its rehabilitation cost. That we convey the building for \$10.00, and that we provide in addition \$300,00 loan.

Councilmember Stevens asked do you have estimated value on the building at the time of completion?

Pam Hamilton stated it will be worth the money that has been invested, 3.5 million dollar property, all of its value coming from the cost of the rehabilitation.

Pam Hamilton discussed why CCDC purchased the property in 1989, the rehabilitation process, historic preservation, and the development issues.

Motion by Member Harvey to approve (with Stevens in opposition)  
Second by Member Warden  
Vote: 8-1


**Council Resolution Numbers R-285320 and R-285321, Redevelopment Agency Resolution Numbers R-2473, R-2474 and R-2475, and Document Number D-2191.**

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ADJOURNMENT

The meeting adjourned at 3:20 p.m.

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