

**SPECIAL REDEVELOPMENT AGENCY MEETING
APRIL 24, 2006**

The meeting called to order as the City Council at 2:03 p.m. by Council President Peters with all Council Members present.

Roll Call Faulconer, Atkins, Young, Maienschein, Fyre,
 Madaffer, Hueso, and Council President Peters

 Andrea Tevlin, Independent Budget Analyst
 Karen Heumann, City Attorney
 Elizabeth Maland, City Clerk

The meeting adjourned as the City Council at 2:10 p.m.

The meeting reconvened as the Special Redevelopment Agency at 2:10p.m. by Chair Peters with all Agency Members present.

Closed Session Notices, Disclosure, And Public Comment

In accordance with the San Diego City Council Permanent Rule for Noticing and Conduct of Closed Session Meeting, adopted on February 28, 2005, this portion of the agenda is reserved for Agency Counsel comment, public comment, and Redevelopment Agency discussion of the content of the Closed Session Agenda which may take place at any time after public testimony, but typically, Closed Session takes place at 9 a.m. on Tuesdays. The Closed Session Agenda is separately available in the Office of the City Clerk and also posted at the same locations as the Open Session Agenda, including the City internet address.

The Redevelopment Agency Closed Session Agenda is separately available in the Office of the City Clerk and also posted at the same locations as the Open Session Agenda, including the City and Redevelopment Agency Internet address.

NOTE: Members of the public wishing to address the Redevelopment Agency on any item on the Closed Session Agenda should reference the closed session item number from the Closed Session Docket on the speaker slip. Speakers may speak "in favor" or in opposition" to the subject.

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Information Item-No Action Required-The Redevelopment Agency Shall:

Closed Session Notices, Disclosure, and Public Comment:

1) Consider any oral report from the Agency Counsel or City negotiators; 2) Accept Testimony from any member of the public wishing to address the Redevelopment Agency on any item appearing on the Closed Session Agenda; 3) Questions and discussion by Agency Members, limited to the facts as disclosed by the Agency Counsel or City negotiators and the basis of justification for consideration of the matter in closed session; 4) Refer matters discussed to closed session.

RACS-1 Mercado Project DDA, Exercise of Right of Reverter and Potential Litigation

DCA assigned: Carol Leone

This matter concerns the real property conveyed to Mercado Alliance by the Redevelopment Agency pursuant to that certain Grant Deed in accordance with the Disposition and Development Agreement [DDA] entered into between the Redevelopment Agency and Mercado Alliance, LLC. Mercado Alliance has failed to commence and/or has abandoned construction of the improvements as required by the Grant Deed and in accordance with the DDA. In closed session, the Agency General Counsel will brief the Agency on all available legal and equitable remedies, including the right of reverter as set forth in the Grant Deed, and seek direction from the Redevelopment Agency.

Arnulfo Manriquez commented on the affordable housing this particular project brings.

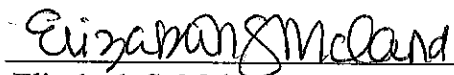
Chair Peters closed the hearing.. Referred to Closed Session Tuesday, April 25, 2006.

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Adjournment

The meeting adjourned as the Special Redevelopment Agency at 2:30 p.m.



Elizabeth S. Maland, Secretary Redevelopment Agency
of the City of San Diego
(jis)