

**REDEVELOPMENT AGENCY MEETING
FEBRUARY 19, 2008**

The meeting was called to order as the City Council at 2:01 p.m. by Council President Peters with Council Member Hueso not 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 3:47 p.m.

The meeting reconvened as the Redevelopment Agency at 3:47 p.m. by Chair Peters with all Agency Members present.

1. Approval of the minutes:

December 4, 2007
January 15, 2008

Motion by Member Madaffer to Approve
Second by Member Atkins
Passed by the following Vote: 8-0

REDEVELOPMENT AGENCY MEETING MINUTES – FEBRUARY 19, 2008

Adoption

2. North Embarcadero Visionary Plan Phase I – Columbia Redevelopment District of the Centre City Redevelopment Project (District 2)

(RA-2008-70)

That the Redevelopment Agency authorize Centre City Development Corporation to enter into an agreement with Project Design Consultants for architectural and engineering design services in the amount of \$4,158,441.

The North Embarcadero Alliance visionary Plan Final Master EIR (NEVP MEIR) analyzed the infrastructure improvements outlined in the NEVP along with four subsequent redevelopment projects, including Lane Field Redevelopment. The NEVP MEIR was certified by the San Diego Unified Port District Board of Port Commissioners on April 25, 2000. On August 8, 2006, the Board adopted Resolution No. 2006-131, which determined the NEVP MEIR was legally adequate for purposes of “tiering” under the California Environmental Quality Act (CEQA). On April 23, 2007, the Port issued an Initial Study and Addendum to the MEIR for the Broadway Pier Cruise Ship Terminal and Infrastructure Improvement Project, concluding that the Broadway Pier project remains consistent with the NEVP and would further its implementation as part of the overall San Diego waterfront redevelopment plan. On October 24, 2007, the Port issued an Initial Study and Addendum to the MEIR for the Lane Field Development Project indicating that the potential environmental impacts associated with the proposed development at Lane Field were described in the NEVP as part of the Lane Field Development Project and adequately evaluated in the NEVP MEIR, with only the addendum necessary to address the minor changes to the Lane Field project. Thus, there have already been numerous reviews of the environmental impacts associated with development under the NEVP.

REDEVELOPMENT AGENCY MEETING MINUTES – FEBRUARY 19, 2008

Adoption

2. North Embarcadero Visionary Plan Phase I – Columbia Redevelopment District of the Centre City Redevelopment Project (District 2)

Continued

The approval of a funding mechanism for the design work that will be undertaken for development to implement the NEVP is not a “project” under CEQA and thus, no separate environmental document need be prepared prior to approval of the contract. “The creation of government funding mechanisms or other governmental fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant impact on the environment” are not “projects” under CEQA. (CEQA Guidelines, section 15378, subd. (b)(4); Pub. Resources Code, Section 21065. This activity is not a project, and therefore not subject to CEQA per CEQA Guidelines Section 15060 (c)(3).

Centre City Development Corporation report no. CCDC-08-04, dated February 13, 2008.

Staff: Gary Bosse, (619) 533-7163

Agency Counsel: Carol Leone

Auditor Certificate Number: AC 2800553

Motion by Member Faulconer to Adopt

Second by Member Hueso

Passed by the following Vote: 8-0

Redevelopment Agency Resolution number R-04238.

REDEVELOPMENT AGENCY MEETING MINUTES – FEBRUARY 19, 2008

Closed Session Items:

Conference with Legal Counsel - existing litigation, pursuant to California Government Code section 54956.9(a):

RACS-1 *Redevelopment Agency of the City of San Diego v. Mercado Alliance*
San Diego Superior Court Case No. GIC 865872

DCA assigned: G. Spitzer

This matter involves litigation arising from the Mercado redevelopment project in the Barrio Logan community. The City Attorney will provide a status on all aspects of the litigation to the Redevelopment Agency Board in Closed Session.

Chair Peters closed the hearing. Referred to Closed Session of Tuesday, February 19, 2008.

RACS-2 *Redevelopment Agency of the City of San Diego v. Ahmad Mesdaq;*
Ahmad Mesdaq v. Redevelopment Agency of the City of San Diego,
Court of Appeal Case No. D047927 (Consolidated with D048490),
San Diego Superior Court Case No. GIC 829293-1 (Consolidated
with GIC 828361-1; GIC 826264)

CDCAs assigned: M. Severson and H. Carlyle

This case involves a condemnation action filed by the Agency for the acquisition of real property in order to construct a downtown hotel. The property owner filed a cross complaint challenging the Agency's right to condemn the subject property. The City Attorney will confer with the Redevelopment Agency Board members on the status of the pending litigation and possible settlement thereof.

Chair Peters closed the hearing. Referred to Closed Session of Tuesday, February 19, 2008.

Redevelopment Agency Closed Session Comment 2:

Joy Sunyata commented on litigation process.

The meeting adjourned as the Redevelopment Agency at 4:00 p.m.

The meeting reconvened as the City Council at 4:00 p.m. by Council President Peters with all Council Members present. Council President Peters recessed the regular meeting at 4:00 p.m. to meeting Closed Session in the twelfth floor conference room to discuss anticipated and pending litigation.

REDEVELOPMENT AGENCY MEETING MINUTES – FEBRUARY 19, 2008

The meeting reconvened as the City Council at 5:14 p.m. by Council President Pro Tem Madaffer with Council Members Atkins, Frye, and Council President Peters not present.

The meeting adjourned as the City Council at 5:15 p.m.

The meeting reconvened as the Redevelopment Agency at 5:15 p.m. By Chair Pro Tem Madaffer with Chair Peters and Agency Member Faulconer rescued.

Adoption

3. Gaslamp Renaissance Hotel (Block bounded by J Street and Fifth, Sixth, and Island avenues)– Second Implementation Agreement to Disposition and Development Agreement with GRH, LLC – Gaslamp Quarter Sub Area of the Centre City Redevelopment Project (District 2)

(RA-2008-67)

That the Redevelopment Agency of the City of San Diego (“Agency”)

- Item 1. Approve the proposed Second Implementation Agreement (“Agreement”) to the Disposition and Development Agreement between GRH, LLC and the Agency (“DDA”) for the development and construction of the 365-room, full-service Marriott Renaissance Hotel located on the southwest corner of the block bounded by Fifth, Sixth and Island avenues and J Street in the Gaslamp Quarter Sub Area.
- Item 2. State for the record that on March 30, 2004, the Agency adopted Resolution No. R-03756, a resolution of the Agency certifying that the Agency has Reviewed and Considered Information Contained in the Master Environmental Impact Report (“MEIR”), for the Centre City Redevelopment Project, the Subsequent Environmental Impact Report to the MEIR for the Proposed Ballpark and Ancillary Development Projects, and Associated Plan Amendments, and the Supplement to the MEIR, with Respect to the Proposed DDA (“SEIR”); Approving the SEIR; Adopting a Mitigation, Monitoring and Reporting Program; Adopting a Statement of Overriding Considerations and Findings Pursuant Thereto; and Making Certain Findings and Determinations Regarding Environmental Impacts of the Development; that an Environmental Secondary has been prepared for the Second Implementation Agreement under the 2006 Final Environmental Impact Report (“FEIR”) in order to evaluate the project’s continued compliance with the Downtown Community Plan and the findings and conclusions of the previous SEIR and the more Recent FEIR; that the project has been found to be in compliance with, and consistent with, those planning and environmental documents; and that all elements of the project and its impacts have been found to be within the scope of the activities and impacts identified in the previous environmental documents and were adequately analyzed therein; therefore, no further environmental review is required.

REDEVELOPMENT AGENCY MEETING MINUTES – FEBRUARY 19, 2008

Adoption

3. **Gaslamp Renaissance Hotel (Block bounded by J Street and Fifth, Sixth, and Island avenues)– Second Implementation Agreement to Disposition and Development Agreement with GRH, LLC – Gaslamp Quarter Sub Area of the Centre City Redevelopment Project (District 2)**

Continued

On March 30, 2004, the Agency adopted Resolution R-03756, a Resolution of the Agency Certifying that the Agency has Reviewed and Considered Information Contained in the MEIR, for the Centre City Redevelopment Project, the Subsequent Environmental Impact Report to the MEIR for the Proposed Ballpark and Ancillary Development Project, and Associated Plan Amendments, and the Supplement to the MEIR, with Respect to the Proposed DDA: Approving the Supplement to the MEIR; Adopting a Mitigation, Monitoring and Reporting Program; Adopting a Statement of Overriding Considerations and Findings Pursuant Thereto; and Making Certain Findings and Determinations Regarding Environmental Impacts of the Development.

An Environmental Secondary Study has been prepared for the Second Implementation Agreement under the 2006 FEIR in order to evaluate the project's continued compliance with the Downtown Community Plan and the findings and conclusions of the previous SEIR and the more recent FEIR. The project has been found to be in compliance with, and consistent with, those planning and environmental documents; and all elements of the project and its impacts have been found to be within the scope of the activities and impacts identified in the previous environmental documents and were adequately analyzed therein; therefore, pursuant to California Environmental Quality Act ("CEQA") Guidelines Sections 15162 and 15168, no further environmental review is required.

Centre City Development Corporation report no. CCDC-08-02, dated February 13, 2008.

Eli Sanchez, project manager, Centre City Development Corporation gave a brief background and slide present on the project.

Public testimony in favor by Cindy Eldred.

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Adoption

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Continued

Public testimony in opposition by Joy Sunyata.

Staff: Eli Sanchez, (619) 533-7121
Agency Counsel: Huston Carlyle
Auditor Certificate Number: AC 2800552

Motion by Member Hueso to Adopt (with Peters and Faulconer rescued, and Atkins not present)

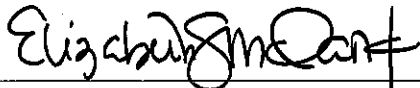
Second by Member Young

Passed by the following Vote: 5-0

Redevelopment Agency Resolution and Document numbers R-04239 and D-04239.

Adjournment

The meeting adjourned as the Redevelopment Agency at 5:30 p.m.



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