

**REDEVELOPMENT AGENCY MEETING
MARCH 25, 2008**

The meeting called to order as the City Council at 2:05 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

Penni Takade, Independent Budget Analyst
Jeff Kavar, Independent Budget Analyst
Michael J. Aguirre, City Attorney
Mark Blake, City Attorney
Elizabeth Maland, City Clerk

The meeting adjourned as the City Council at 2:18 p.m.

The meeting reconvened as the Redevelopment Agency at 2:18 p.m. by Chair Peters with all Agency Members present.

Adoption

4. Authorize the \$450,000 repayment of a portion of the HUD Section 108 Loan #B-96-MC-06-0542-A on behalf of Council District Four (District 4)

(RA-2008-87)

Authorize the repayment of a portion of the HUD Section 108 Loan #B-96-MC-06-0542-A to the City in the amount of \$450,000 from Central Imperial Redevelopment Area's FY 2007 tax allocation bonds; authorize the appropriation and expenditure of funds; and reclassify appropriation by decreasing Fund No. 98775 and increasing the debt service (Fund No. 98782) by \$450,000 in the Central Imperial Redevelopment Project Area for the repayment of the loan to the City on behalf of Council District Four.

This activity is not a project and therefore exempt from CEQA pursuant to the State Guidelines Section 15060 (c) (3).

Southeastern Economic Development Corporation report no. SEDC-08-01, dated March 19, 2008

Council Companion Item no. 337

Staff: Dante Dayacap, (619) 527-7345

Agency Counsel: Huston Carlyle

Auditor Certificate Number: AC 2800587

Motion by Member Young to return to Executive Director and staff

Second by Member Maienschein

Passed by the following Vote: 8-0

REDEVELOPMENT AGENCY MINUTES

REDEVELOPMENT AGENCY MEETING INUTES – MARCH 25, 2008

Chair Peters recused from Redevelopment Agency Item no. 8 and City Council Item no. 338. Chair Pro Tem Madaffer chaired the meeting.

Joint Public Hearing

8. Disposition and Development Agreement and Associated Actions for the El Pedregal Family Apartments Project (District 8)

(Continued from the Redevelopment Agency and City Council meeting of March 4, 2008. RA Item no. 3 and Council Companion Item no. 337)

(RA-2008-77) (Cor. Copy)

Item 1. Terminate the El Pedregal Owner Participation Agreement (OPA) dated July 10, 2007.

~~(RA-2008-74)~~

~~Item 2. State for the record that the final Mitigated Negative Declaration (No. 106926) has been reviewed and considered prior to approving the project.~~

(RA-2008-79) (Cor. Copy)

Item 3. Approve the Basic Concept Drawings.

(RA-2008-76) (Cor. Copy)

Item 4. Authorize the Executive Director or designee to execute a Disposition and Development Agreement (DDA) with SYEP Associates for the El Pedregal Family Apartments Project.

That the Agency finds and determines that the City of San Diego has previously certified the information contained in Mitigated Negative Declaration (MND) for this Project, referenced by Project No. 106926 and SCH No. 2007041131, that this Project is adequately addressed in said MND, and that is no substantial change in circumstance, additional information, or project changes to warrant additional environmental review.

(RA-2008-75) (Cor. Copy)

Item 5. Approve findings of Benefit for the use of Naval Training Center's 20% Low and Moderate Income Housing Set-Aside Funds outside the project area.

(RA-2008-78) (Cor. Copy)

Item 6. Authorize the expenditure of funds for the El Pedregal Family Apartments Project in an amount not to exceed \$3,606,000 from the Agency's 20% Low and Moderate Income Housing Set-Aside Funds for possible land acquisition and as a Redevelopment Agency residual receipts loan contribution to the project from the following direct sources:
1) \$3,206,000 from Naval Training Center Housing Line of Credit funds and 2) \$400,000 from San Ysidro Project Area.

REDEVELOPMENT AGENCY MEETING MINUTES – MARCH 25, 2008

Joint Public Hearing

8. Disposition and Development Agreement and Associated Actions for the El Pedregal Family Apartments Project (District 8)

(Continued)

(RA-2008-80) (Cor. Copy)

Item 7. That the Agency authorize the Executive Director or Designee to make contingent offers for acquisition of properties for the El Pedregal Family Apartment Project.

This activity is covered under El Pedregal Apartment, Project No. 106926. 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 document adequately covered this activity as part of the previously approved project, the activity is not a separate project for purposes of CEQA review pursuant to State CEQA Guidelines Section 15060 (c) (3).

Redevelopment Agency Report no. RA-08-03 and RTC Report no. RTC-08-23, dated February 27, 2008.

Council Companion Item no. 338

Staff: Xavier DelValle, (619) 236-6260

Robert Chavez, (619) 236-6263

Agency Counsel: Kendall Berkey

Auditor Certificate Number: AC 2800570

Motion by Member Hueso to return to staff (with Chair Peters recused)

Second by Member Madaffer

Passed by the following Vote: 7-0

REDEVELOPMENT AGENCY MINUTES

REDEVELOPMENT AGENCY MEETING MINUTES – MARCH 25, 2008

Adoption

7. First Implementation Agreement to the Owner Participation Agreement to the Verbena Project (District 8).

(RA-2008-90) (Cor. Copy)

Item 1. Authorize the Executive Director or designee to execute a First Implementation Agreement to Owner Participation Agreement with Verbena San Ysidro, L.P. for the Verbena Project.

(RA-2008-89) (Cor. Copy)

Item 2. Authorize the expenditure of funds for the Verbena Project in an amount not to exceed \$454,000 from the San Ysidro Redevelopment Project Area 20% Low and Moderate Income Housing Set-Aside Funds as a Redevelopment Agency residual receipts loan.

The City of San Diego as a Lead Agency under CEQA has reviewed and considered MND No. 41718, dated December 5, 2004 covering this activity; adopted March 8, 2005, by Resolution No. 300200.

Redevelopment Agency report no. RA-08-05, dated March 19, 2008

Staff: Sam Johnson, (619) 236-6265

Robert Chavez, (619) 236-6263

Agency Counsel: Kendall Berkey

Auditor Certificate Number: AC 2800618

Motion by Member Hueso to return to staff (with Maienschein not present)

Second by Member Madaffer

Passed by the following Vote: 7-0

REDEVELOPMENT AGENCY MEETING MINUTES – MARCH 25, 2008

Adoption

1. **Consent to Ground Lease Assignment relating to the “On Broadway” project developed by CIM Broadway, L.P. (northwest side of 5th Avenue and Broadway) – Core District of the Expansion Sub Area of the Centre City Redevelopment Project (District 2)**

(RA-2008-86) (Cor. Copy)

That the Redevelopment Agency of the City of San Diego approve the sale of the leasehold interest in the “On Broadway” project from CIM Broadway, L.P. to Interwest Capital Corporation.

This activity is not a project, and therefore not subject to the California Environmental Quality Act (“CEQA”) per CEQA Guidelines Section 15060 (c) (3).

Centre City Development Corporation Report no. CCDC-08-06 dated March 19, 2008.

Staff: A.J. Magana, (619) 533-7125

Agency Counsel: Alex Sachs

Motion by Member Faulconer to Adopt

Second by Member Madaffer

Passed by the following Vote: 8-0

Redevelopment Agency Resolution number R-04246.

REDEVELOPMENT AGENCY MEETING MINUTES – MARCH 25, 2008

Adoption

2. Harvey Furgatch v. San Diego Unified Port District San Diego Superior Court Case No. GIC 775242 – East Village Redevelopment district of the Expansion Sub Area of the Centre City Redevelopment Project (District 2).

(RA-2008-93)

That the Redevelopment Agency approve the payment of attorney's fees and costs not to exceed \$308,500 in the matter of the Harvey Furgatch v. San Diego Unified Port District San Diego Court Case No. GIC 775242, for the City of San Diego's share of these costs.

This activity is not a project, and therefore not subject to the California Environmental Quality Act ("CEQA") per CEQA Guidelines Section 15060 (c) (3).

Centre City Development Report no. CCDC-08-08, dated March 19, 2008.

Staff: David Allsbrook, (619) 533-7112

Agency Counsel: John Riley

Auditor Certificate Number: AC 2800603

Motion by Member Faulconer to Adopt

Second by Member Madaffer

Passed by the following Vote: 8-0

Redevelopment Agency Resolution number R-04247.

REDEVELOPMENT AGENCY MEETING MINUTES – MARCH 25, 2008

Adoption

6. Second Implementation Agreement to the Disposition and Development Agreement with Western Pacific Housing for the North Park Condos (District 3).

(RA-2008-81)

Authorize the Executive Director or designee to execute the Second Implementation Agreement to the Disposition and Development Agreement with Western Pacific Housing for the North Park Condos and to execute such further instruments and enter into such additional agreements as may be necessary to effectuate the Second Implementation Agreement.

This activity is covered under MND #5758 (North Park Condos). The activity is adequately addressed in the environmental document and there is no change in circumstances, additional information, or project changes to warrant additional environmental review. Because the prior environmental document adequately covered this activity as part of the previously approved project, the activity is not a separate project for purposes of CEQA review pursuant to State CEQA Guidelines Section 15060 (c) (3).

Redevelopment Agency report no. RA-08-08, dated March 19, 2008.

Staff: Michael Lengyel, (619) 236-6269

Agency Counsel: Carol Leon

Motion by Member Faulconer to Adopt

Second by Member Madaffer

Passed by the following Vote: 8-0

Redevelopment Agency Resolution and Document numbers R-04248 and D-04248.

REDEVELOPMENT AGENCY MINUTES

REDEVELOPMENT AGENCY MEETING MINUTES – MARCH 25, 2008

Adoption

3. Children’s Museum Park (South of Island Avenue between Front and Union streets) – Fourth Implementation Agreement to Disposition Agreement – Marina Sub Area of the Centre City Redevelopment Project (District 2).

(RA-2008-84)

- Item 1. Approve the Fourth Implementation Agreement (“Implementation Agreement”) to the Disposition Agreement with the Children’s Museum (“Museum”) to accept funds in the amount of \$417,775 from the Museum for the construction of the Children’s Museum Park (“Park”).
- Item 2. Authorize the Executive Director of the Agency, or his designee, to execute the Implementation Agreement on behalf of the Agency.

(RA-2008-83)

- Item 3. State for the record that the Agency has previously reviewed and considered information contained in the Master Environmental Impact Report (“MEIR”) and the Subsequent Environmental Impact Report (“SEIR”) and Secondary Study for the development of the Park and that no substantial changes or new information of substantial importance within the meaning of California Environmental Quality Act (“CEQA”) Guidelines Section 15162 would warrant any additional environmental review in connection with approval of the Fourth Implementation Agreement to provide, in part, for the Agency to receive funds in the amount of \$417,775 from the Museum for the construction of the Park located along Island Avenue between Front and Union streets.

The Agency certified that the Agency had reviewed and considered information in the MEIR/SEIR for the Centre City Redevelopment Project and Environmental Secondary Study for the Children’s Museum Park on November 26, 2002 by Resolution No. R-03559. The Agency found the development to be consistent with governing land use plans and regulations, and therefore, would not have any significant environmental effects not previously discussed in the MEIR/SEIR and Secondary Study previously certified by the Agency.

Centre City Development Corporation report nos. CCDC-08-03 and CCDC-08-02, dated March 19, 2008

Council Companion Item no. 336

Staff: Eli Sanchez, (619) 533-7121
Agency Counsel: Carol Leone

Motion by Member Faulconer to Adopt
Second by Member Hueso
Passed by the following Vote: 8-0

Redevelopment Agency Resolution and Document numbers R-04249 and D-04249, R-40250; and City Council Resolution number R-303535.

REDEVELOPMENT AGENCY MEETING MINUTES – MARCH 25, 2008

The meeting adjourned as the Redevelopment Agency at 3:18 p.m.

The meeting reconvened as the City Council at 3:18 p.m. by Council President Peters with all Council Members present.

Council President Peters recessed the meeting at 3:20 p.m. for the purpose of a break.

The meeting reconvened as the City Council at 3:25 p.m. by Council President Peters with Council Members Young and Hueso not present.

The meeting adjourned as the City Council at 5:07 p.m.

The meeting reconvened as the Redevelopment Agency at 5:07 p.m. by Chair Peters with all Agency Members present.

Adoption

5. First Amendment to Agreement for Legal Services with Kane, Ballmer & Berkman Districts 2, 3, 4, 6, 7 & 8).

(RA-2008-85)

Approval of the First Amendment to the Agreement for legal Services between the Redevelopment Agency and Kane, Ballmer & Berkman to increase the maximum amount that may be expended under the existing contract to \$3,035,000 (\$1,145,000 in addition to agreement cap of \$1,890,000 authorized under Resolution Number R-04124 adopted on March 27, 2007).

This activity is not a “project” and is therefore not subject to CEQA pursuant to the State CEQA Guidelines Section 15060 (c) (3).

Redevelopment Agency report no. RA-08-06, dated March 18, 2008

Staff: Eliana Barreiros, (619) 236-6267

Agency Counsel: Huston Carlyle

Auditor Certificate Number: AC 2800604

Motion by Member Atkins to Adopt

Second by Member Madaffer

Passed by the following Vote: 8-0

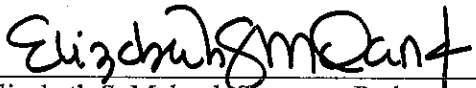
Redevelopment Agency Resolution and Document numbers R-04251 and D-04251.

REDEVELOPMENT AGENCY MINUTES

REDEVELOPMENT AGENCY MEETING INUTES – MARCH 25, 2008

Adjournment

The meeting adjourned as the Redevelopment Agency at 5:07 p.m.



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