

**REDEVELOPMENT AGENCY MEETING
APRIL 29, 2008**

The meeting called to order as the City Council at 2:09 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
Lisa Celaya, Independent Budget Analyst
Michael J. Aguirre, City Attorney
Karen Heumann, City Attorney
Huston Carlyle, City Attorney
Elizabeth Maland, City Clerk

The meeting adjourned as the City Council at 3:29 p.m.

The meeting reconvened as the Redevelopment Agency at 4:30 p.m. by Chair Peters with all Agency Members present.

1. Approval of the minutes:

February 4, 2008, special
February 19, 2008

Motion by Chair Pro Tem Madaffer to approve (with Maienschein not present)
Second by Member Faulconer
Passed by the following Vote: 7-0

Non Agenda Public Comment:

Public Comment-1:

Albert Velasquez commented on affordable health care.

Public Comment - 2:

Maria Ruiz commented on affordable health care (she had a translator)

REDEVELOPMENT AGENCY MEETING MINUTES-APRIL 29, 2008

Adoption

6. Amendment to the Construction Agreement for the Rehabilitation of the Historic Balboa-Horton Plaza Redevelopment Project (District 2).

(RA-2008-98)

That the Redevelopment Agency ("Agency") approve Change Order No. 10 to the Agreement with PCL Construction Services, Inc. in the amount of \$85,674 for revisions necessary to alter the plans and/or specifications to address design omissions, eliminate conflicts, or enhance the overall building aesthetic or performance capability.

On March 27, 2007, the Agency adopted Resolution No. R-03314 certifying that the Agency had reviewed and considered information contained in the Master Environmental Impact Report (MEIR) and the Environmental Secondary Study prepared for the Balboa Theatre Rehabilitation. The Secondary Study found the project to be in compliance with the MEIR and the Planned District Ordinance. No additional environmental documents required.

Centre City Development Corporation Report no. CCDC-08-12 dated April 23, 2008.

Staff: Gary Bosse, (619) 533-7163
Agency Counsel: Carol Leone

Motion by Member Faulconer to Adopt
Second by Chair Pro Tem Madaffer
Passed by the following Vote: 8-0

Redevelopment Agency Resolution number R-04258.

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Adoption

3. Repayment of Debt to City and Loan to Lyric Opera, North Park Redevelopment Project Area (District 3)

(RA-2008-110)

- 1) Authorizing a Sales Tax loan repayment to the City of San Diego in the amount of \$352,500 from the North Park Redevelopment Project Area.

(RA-2008-109)

- 2) Amend the Redevelopment Agency (City Redevelopment) Fiscal Year 2008 budget for the North Park Redevelopment Project Area to include the anticipated surplus \$1.10 million in tax increment revenue and to authorize the expenditure thereof for the purposes of the North Park Redevelopment Project Area, as follows: Fund 98300 - North Park Project Area (Capital Fund): \$308,000; Fund 98307 – North Park, City Loan Repayments: \$352,500; Fund 98302 – North Park, Low & Moderate Income Housing: \$220,000; Fund 98303 - North Park Taxing Agencies Allocation: \$220,000.

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

Redevelopment Agency Report no. RA-08-10 and Report to City Council RTC-08-043, dated April 23, 2008.

Council Companion Item no. 334

Staff: Michael Lengyel, (619) 236-6269
Maureen Ostrye, (619) 236-6270
Agency Counsel: Huston Carlyle
Auditor Certificate Number: AC 2800706

Motion by Member Atkins to Adopt
Second by Chair Pro Tem Madaffer
Passed by the following Vote: 8-0

Redevelopment Agency Resolution numbers R-04259 and R-04260; City Council Resolution R-303646.

The meeting adjourned as the Redevelopment Agency at 3:35 p.m.

The meeting reconvened as the City Council at 3:35 p.m. by Council President Peters with all Council Members present.

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The meeting adjourned as the City Council at 3:35 p.m.

The meeting reconvened as the Redevelopment Agency at

Adoption

4. San Diego Regional Revolving Loan Fund (Districts 2, 3, & 8).

(RA-2008-104)

- 1) Amend the Fiscal Year 2008 budget of the North Park Redevelopment Project Area to increase the appropriation and authorize expenditures of \$403,308 of tax increment proceeds for the repayment of a General Fund loan to the City of San Diego.

(RA-2008-106)

2. Amend the Fiscal Year 2008 budget of the San Ysidro Redevelopment Project Area to transfer appropriations from the project area's Capital Fund (Fund 98570) to the project area's City Loan Repayment Fund (Fund 98574) and authorize expenditures of \$60,000 of tax increment proceeds for the repayment of a General Fund loan to the City of San Diego?
3. Amend the Fiscal Year 2008 budget of the Naval Training Center (NTC) Redevelopment Project Area to transfer appropriations from the project area's Capital Fund (Fund 98050) to the project area's City Loan Repayment Fund (Fund 98054) and authorize expenditures of \$375,000 of tax increment proceeds for the repayment of a General Fund loan to the City of San Diego?

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

Redevelopment Agency Report no. RA-08-12 and Report to City Council RTC-08-053 dated April 23, 2008.

Council Companion Item no. 336

Staff: Scott Mercer, (619) 236-6242
Cheryl Sylvester, (619) 533-6510
Agency Counsel: Huston Carlyle
Auditor Certificate Number: AC 2800733

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

Redevelopment Agency Resolution numbers R-04261 and R-04262; City Council Resolution R-303649.

REDEVELOPMENT AGENCY MEETING MINUTES – APRIL 29, 2008

Adoption

5. 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 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 appropriations 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.

Authorizing the \$450,000 FY09 Payment of a portion of the HUD Section 108 #B-96-MC-06-0542-A

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 April 23, 2008

Council Companion Item no. 333

Staff: Dante Dayacap, (619) 527-7345

Sherry Brooks, (619) 527-7345

Agency Counsel: Huston Carlyle

Auditor Certificate Number: AC 2800587

Motion by Member Hueso to Adopt

Second by Member Atkins

Passed by the following Vote: 8-0

Redevelopment Agency Resolution number R-04263; and City Council Resolution R-303645.

REDEVELOPMENT AGENCY MEETING MINUTES – APRIL 29, 2008

Joint Public Hearing

7. Ten Fifty B Affordable Housing Project – Amended and Restated Owner Participation Agreement and Amended and Restated Ground Lease with Affirmed Housing Group-East Village Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project (District 2).

(RA-2008-100)

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

1. Approve the Amended and Restated Owner Participation Agreement between the Agency and Affirmed Housing Group (“Developer”) for the Ten Fifty B Affordable Housing Project (“Project”) with terms and conditions as outlined in this report.
2. Approve the Amended and Restated Ground Lease between the Agency and Developer with proposed terms and conditions as outlined in this report.

(RA-2008-101)

3. Certify that the Agency has reviewed and previously considered information contained in the Environmental Impact Report and Secondary Study for the Project and make certain findings and determinations regarding environmental impacts of the development.

Under the 2006 Final Environmental Impact Report (“FEIR”), an Environmental Secondary Study is prepared for all developments in the Centre City area in order to evaluate the project’s compliance with the Downtown Community Plan and Planned District Ordinance and, therefore, the findings and conclusions of the FEIR. The project has been found to be in compliance with those planning documents; therefore, no further environmental review is required.

Centre City Development Corporation Report no. CCDC-08-09 and CCDC-08-05 dated April 23, 2008.

Council Companion Item no. 335 and Housing Authority Companion Item no. 2

Staff: Jeff Graham, (619) 533-7181

Agency Counsel: Alex Sachs

Motion by Member Hueso to Adopt

Second by Member Atkins

Passed by the following Vote: 8-0

**Redevelopment Agency Resolution and Document numbers R-04264 and D-04264, R-04265;
City Council Resolution numbers R-303648 and R-303649.**

REDEVELOPMENT AGENCY MEETING MINUTES – APRIL 29, 2008

2. Redevelopment Agency Organization and Structure (Districts 2, 3, 4, 6, 7, & 8)

(Continued from the Redevelopment Agency Meeting, April 15, 2008)

There is no formal action to be taken by the Agency for this item. Staff is recommending the Agency to direct staff as follows:

To prepare necessary documents for Agency consideration to:

- 1) Implement the “Agency-Employee Model” organizational structure outlined in this report; and
- 2) Develop an Agency procurement and contracting policy; and
- 3) establish that:
 - an Agency Executive Director be appointed through an Agency/Mayor committee with confirmation by the Agency; and
 - the Executive Director report to the Mayor on an operational basis to ensure integration with other City departments; and
 - the Executive Director could be removed by the recommendation of the Mayor and approval by a majority vote of the Agency Board; and
 - the Executive Director could be removed by a 2/3 vote of the Agency Board; and
 - the Mayor or the Mayor’s designee, serve in an “Ex-Officio” capacity on the Agency Board providing policy recommendations and input as part of the Board discussions and/or provide reports for Agency review and consideration; and
 - the City provide a technical review committee to the Agency.

(Note: The FY2009 Agency Budget is currently being developed based upon the existing “City Division” structure. It is understood that the FY2009 Agency Budget will require an amendment in concert with the implementation of this recommendation.)

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

Redevelopment Agency Report no. RA-08-07 and RA-08-07r (revised page 1) dated April 9, 2008.

Janice Weinick, Deputy Executive Director, Redevelopment Agency, resented staff report and slide presentation

Public testimony in opposition by Ian Trowbridge, Kathleen MacLeod, John MacNabb. Jarvis Ross not present, in opposition.

Public testimony in favor by Joy Sunyata, Murtaza Baxamusa, Michael Jenkins, and Julie Dillon.

REDEVELOPMENT AGENCY MEETING MINUTES – APRIL 29, 2008

2. Redevelopment Agency Organization and Structure (Districts 2, 3, 4, 6, 7, & 8)

(Continued from the Redevelopment Agency Meeting, April 15, 2008)

Motion by Chair Pro Tem Madaffer to direct staff to move forward with the staff recommendations outlined in the April 19, 2008 staff report title “Redevelopment Agency Reorganization and Structure (Revised Recommendations)”; incorporate the Best Management Practices 1 thru 5 from the Focused Clarion Study of Redevelopment Practice dated March 13, 2006; provide the agency with a status report every 45 days to ensure the reorganization plan is moving forward; set January 1, 2009 as the deadline to prepare necessary documents (with Frye in opposition and Maienschein not present)

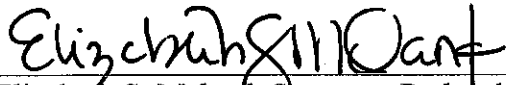
Second by Member Atkins

Passed by the following Vote: 6-1

Staff: Janice Weinrick, (619) 236-6250

Adjournment

The meeting adjourned as the Redevelopment Agency at 5:33 p.m.



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