

**REDEVELOPMENT AGENCY MEETING  
MAY 13, 2008**

The meeting called to order as the City Council at 2:08 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  
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 3:00 p.m.

The meeting reconvened as the Redevelopment Agency at 3:00 p.m. by Chair Peters with all Agency Members present.

1. **Approval of the minutes:**

March 3, 2008, special  
March 4, 2008

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

REDEVELOPMENT AGENCY MEETING MINUTES – MAY 13, 2008

**Adoption**

2. **Five Year Implementation Plan for the Crossroads Redevelopment Project (Districts 4 & 7)**

(RA-2008-114)

Conduct a public meeting and adopt the proposed Second Implementation Plan for the Crossroads Redevelopment Project Area.

This activity is not a “project” and is therefore not subject to CEQA pursuant to State CEQA Guidelines section 15060 (c)(2).

Redevelopment Agency report no. RA-08-14, dated May 8, 2008.

Tracy Reed, Project Manager, Redevelopment Agency, gave a brief staff report.

No one spoke in opposition to this item.

Staff: Tracy Reed, (619) 236-6543

James Davies, (619) 236-6540

Agency Counsel: Kendall Berkey

Motion by Chair Pro Tem Madaffer to Adopt

Second by Member Atkins

Passed by the following Vote: 8-0

**Redevelopment Agency Resolution and Document numbers R-04266 and D-04266.**

REDEVELOPMENT AGENCY MEETING MINUTES – MAY 13, 2008

**Adoption**

**3. Third Five-Year Implementation Plan for the North Bay Redevelopment Project Area (Districts 2 & 6)**

(RA-2008-113)

Adopt the Third Five Year Implementation Plan for the North Bay Redevelopment Project Area.

Redevelopment Agency report no. RA-08-13, dated May 7, 2008.

This activity is not a “project” and is therefore not subject to CEQA pursuant to State CEQA Guidelines section 15060 (c)(2).

Lydia Goularte-Ruiz, Assistant Project Manager, Redevelopment Agency, gave a brief staff report.

No one spoke in opposition to this item.

Staff: Lydia Goularte-Ruiz, (619) 236-6539

Robert Chavez, (619) 236-6263

Agency Counsel: Huston Carlyle

Motion by Member Faulconer to Adopt

Second by Chair Pro Tem Madaffer

Passed by the following Vote: 8-0

**Redevelopment Agency Resolution and Document numbers R-04267 and D-04267.**

REDEVELOPMENT AGENCY MEETING MINUTES – MAY 13, 2008

**Adoption**

**6. San Diego Civic Center Complex-First Amendment to Agreement with Gensler Architects-  
Core Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment  
Project (District 2)**

(RA-2008-99)

That the Redevelopment Agency of the City of San Diego approve a First Amendment to the Agreement with Gensler Architects for a Public Facilities Needs Assessment to evaluate staff and space needs related to the San Diego Civic Center Complex project and authorize an expenditure in an amount not to exceed \$350,430 for the balance of Fiscal Year 2007-2008.

This activity is not a project for California Environmental Quality Act (“CEQA”) purposes because it does not meet the criteria set forth in CEQA Guidelines section 15378. Therefore, pursuant to CEQA Guidelines section 15060 (c)(3), the activity is not subject to the CEQA.

Centre City Development Corporation Report no. CCDC-08-10, dated May 6, 2008.

Jeff Graham, Project Manager, Centre City Development Corporation, gave a brief background of project.

In favor, did not speak, Joy Sunyata.

Staff: Jeff W. Graham, (619) 533-7181

Agency Counsel: Huston Carlyle

Auditor Certificate Number: AC 2800721

Motion by Member Faulconer to Adopt

Second by Chair Pro Tem Madaffer

Passed by the following Vote: 8-0

**Redevelopment Agency Resolution and Document numbers R-04268 and D-04268.**

REDEVELOPMENT AGENCY MEETING MINUTES – MAY 13, 2008

**Adoption**

**5. Five Points Pedestrian Improvements (CIP No. 64-005.0 – Five Points Improvements (District 2))**

(RA-2008-88)

- 1) Make necessary findings and authorize the use of North Bay tax increment to finance the construction of the design and installation of the Five Points Improvements.
- 2) Authorize the Agency to contribute and transfer funds to the City of up to \$150,000 for design and installation of the Five Points Improvements, CIP 64-005.0.

This activity is categorically exempt from CEQA pursuant to State CEQA Guidelines Section 15301 (c).

Redevelopment Agency.

Council Companion Item no. 333

Lydia-Goularte-Ruiz, Assistant Project Manager, Redevelopment Agency, presented staff report slide presentation.

Public testimony in favor by Janet Fairbanks.

Staff: Lydia Goularte-Ruiz, (619) 236-6539

Robert Chavez, (619) 236-6263

Agency Counsel: Carol Leone

Auditor Certificate Number: AC 2800707

Motion by Member Faulconer to Adopt (with Maienschein not present)

Second by Member Atkins

Passed by the following Vote: 7-0

**Redevelopment Agency Resolution number R-04269; City Council Resolution number R-303694.**

The meeting adjourned as the Redevelopment Agency at 3:14 p.m.

The meeting received as the City Council at 3:14 p.m. by Council President Peters with all Council Members present.

The meeting adjourned as the City Council at 3:15 p.m.

The meeting reconvened as the Redevelopment Agency at 3:15 p.m. by Chair Peters with all Agency Members present.

REDEVELOPMENT AGENCY MEETING MINUTES – MAY 13, 2008

**Adoption**

**4. Second Amendment to the NTC Park Improvement Agreement (District 2)**

(RA-2008-108)(Rev.Copy 5/15/08)

- 1) Authorize the Executive Director or designee to execute the Second Agreement to the NTC Park Improvement Agreement (Fund 980501-NTC Park Phase II) and expend an amount not to exceed \$2,200,000 from the NTC line of credit for NTC Park Phase II construction costs: (contingent upon the availability of funds from the line of credit)
- 2) Approve and adopt Findings that the expenditures of funds is of benefit to the Project Area.
- 3) Authorize the NTC Redevelopment Project Area to assume future funding obligation of \$466,726 towards NTC Park Aquatic Center (Fund 980502)

This activity is covered under LDR No. 42.0574 NTC Park General Development Plan Mitigated Negative Declaration. 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 documents adequately covered this activity as part of the previously approved project, the activity is not a separate project for purposes of CEQA review per CEQA Guidelines Sections 15060 (c)(3) and 15378 (c).

Redevelopment Agency Report no. RA-08-11 and Report to City Council RTC-08-051, dated May 7, 2008.

Council Companion Item no. 336

Jim Winter, Project Manager, Park and Recreation, gave a brief staff report and slide presentation.

Public testimony in opposition by John McNab.

Staff: Libby Day, (619) 236-6272  
Maureen Ostrye, (619) 236-6270  
Agency Counsel: Huston Carlyle  
Auditor Certificate Number: AC 2800715

Motion by Member Faulconer to Adopt with direction “that the funding obligation of \$466,726 toward a future NTC Park Aquatic Center be included for funding as part of the next financing option with NTC Project area funds” (Maienschein not present)  
Second by Chair Pro Tem Madaffer  
Passed by the following Vote: 7-0

**Redevelopment Agency Resolution and Document numbers R-04270 and D-04270; City Council Resolution number R-303698.**

**REDEVELOPMENT AGENCY MINUTES**

**REDEVELOPMENT AGENCY MEETING MINUTES – MAY 13, 2008**

**Joint Public Hearing**

**8. Cedar Gateway Affordable Housing Project and Rehabilitation of Bradley-Woolman Saint Cecelia Chapel-Design Review and Approval of Disposition and Development Agreement and Ground Lease-Cortez Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project (District 2)**

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

(RA-2008-126)

- 1) Approve the proposed Disposition and Development Agreement between the Agency and Cedar Gateway, L.P. (“Developer”) as outlined in this report.
- 2) Approve the proposed Ground Lease between the Agency and Developer, as outlined this report.

(RA-2008-129)

- 3) Approve an amendment to the FY 2008 Centre City Redevelopment Project Area budget by decreasing the Areawide Land Acquisition line item in the amount of \$2,000,000, decreasing the Areawide Community Plan line item in the amount of \$1,200,000, and increasing the Cortez Neighborhood line item by \$3,200,000.

(RA-2008-127)

- 4) Grand design review approval of the Cedar Gateway project, a 65–unit affordable housing project (“Project”).

(RA-2008-128)

- 5) Certify that the Agency has reviewed and 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”), and 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 conclusion of the FEIR. Since the project has been found to be in compliance with these planning documents, no further environmental review is required. The Secondary study for project is attached as Attachment M.

## REDEVELOPMENT AGENCY MEETING MINUTES – MAY 13, 2008

**Joint Public Hearing****8. Cedar Gateway Affordable Housing Project and Rehabilitation of Bradley-Woolman Saint Cecelia Chapel-Design Review and Approval of Disposition and Development Agreement and Ground Lease-Cortez Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project (District 2)**

(Continued)

As part of the due diligence process, staff and its environmental attorney have reviewed a Phase I Environmental Site Assessment (“ESA”) for the property and a Phase II subsurface report submitted by the Developer. The findings of these reports indicate that impacts from environmental contamination at the property are likely limited. However, in order to ensure that the Agency has followed the new “All Appropriate Inquiry” standards, staff requested that the Phase I ESA be updated so that a fully updated report has been prepared within one year of the acquisition of the property. Additionally, to minimize risk from a historical use of the property (a potential gas station), staff requested that the Developer advance additional borings to alleviate concern about potential releases from the past use of the property. The updated Phase I dated January 29, 2008 was submitted to staff. The additional subsurface assessment was also submitted, which shows no contamination from petroleum hydrocarbons. However, there are at least two areas of soil impacted with elevated levels of lead. This means that if/when the soil is excavated, the lead impacted soil will have to go to a landfill. The remediation cost of \$40,000 is included in the revised development budget.

The Agency will be responsible for remediation of the historic chapel. A study conducted in March 2008 did not find asbestos-containing materials, but found lead-based paint in the ceramic wall tile in restrooms. The tile must be properly removed and disposed of by an abatement contractor. The additional disposal cost is estimated at \$1,200.

Centre City Development Corporation Report no. CCDC-08-06 and CCDC-08-08, dated May 7, 2008.

Council Companion Item no. 334



REDEVELOPMENT AGENCY MINUTES

REDEVELOPMENT AGENCY MEETING MINUTES – MAY 13, 2008

**Joint Public Hearing**

**8. Cedar Gateway Affordable Housing Project and Rehabilitation of Bradley-Woolman Saint Cecelia Chapel-Design Review and Approval of Disposition and Development Agreement and Ground Lease-Cortez Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project (District 2)**

(Continued)

Eri Kameyama, Project Manager, Centre City Development Corporation, presented staff report.

Public testimony in opposition by Lucy Kim.

Public testimony in favor by Gary Smith and Sara Lantz.

Staff: Eri Kameyama, (619) 533-7177

Agency Counsel: Alex Sachs

Auditor Certificate Numbers: AC 2800744

Motion by Member Faulconer to Adopt (with Maienschein not present)

Second by Chair Pro Tem Madaffer

Passed by the following Vote: 7-0

**Redevelopment Agency Resolution and Document number R-04271, D-04271a (Disposition and Development Agreement); D-04271b (Ground Lease); R-04272, R-04273, and R-04274; City Council Resolution numbers R-303695 and R-303696.**

The meeting adjourned as the Redevelopment Agency at 4:14 p.m.

The meeting reconvened as the City Council at 4:14 p.m. by Council President Peters with Council Member Maienschein not present.

Council President Peters recessed the meeting at 4:15 p.m. for the purpose of a break.

The meeting reconvened as the City Council at 4:25 p.m. by Council President Peters with all Council Members present.

The meeting adjourned as the City Council at 4:25 p.m.

The meeting reconvened as the Redevelopment Agency at 4:25 p.m. by Chair Peters with all Agency Members present.

REDEVELOPMENT AGENCY MINUTES

REDEVELOPMENT AGENCY MEETING MINUTES – MAY 13, 2008

Adoption

**7. Park Boulevard at Harbor Drive Pedestrian Bridge Project-Approve Final Project Specifications/Plans; Approve Project Budget Amendment and Encumbrances; Award Construction Contract; Approve Third Amendment to Agreement for Design Consulting Services with T.Y. Lin International; Adopt Maintenance Ordinance; Authorize Conveyance of Agency-owned Property and Bridge Improvements; and Authorize Application for and Acceptance of Additional State/Federal Transportation Funding-East Village Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project (District 2)**

(RA-2008-115)

- 1) Approve Bid No. KO84022CA and Final Park Boulevard at Harbor Drive Pedestrian Bridge Project ("Project") Specifications /Plans No. 4022A.

(RA-2008-116)

- 2) Approve an FY08 Agency budget amendment reallocating \$850,000 from the Areawide Public Art budget, \$2 million remaining in the Park to Bay Link Project budget (Phase 2), and a \$2.95 million temporary transfer (loan) from the Parks acquisition budget, increasing the Pedestrian Bridget budget by a total of \$5.8 million. (At such time anticipated additional monies for the Project are made available from a State Grant Fund, the funding from the Park budget will be reinstated).
- 3) Authorize \$24,329,514 for the construction of the Project and related easement acquisitions, fees and inspections.

(RA-2008-115)

- 4) Authorize the Executive Director of the Agency, or his designee, to accept the base bid and five deductive alternates and award the construction contract to Reyes Construction, Inc. in the amount of \$21,672,531, provided all other requirements are met.
- 5) Authorize the Centre City Development Corporation, on behalf of the Agency, to administer said contract when awarded.

(RA-2008-116)

- 6) Approve the Third Amendment to Agreement for Design Consulting Services with T.Y. Lin International in an amount not to exceed \$2,469,039 for construction related services (the maximum compensation will not exceed \$5,234,980).

(RA-2008-117)

- 7) Recommend that the City Council of the City of San Diego adopt the Maintenance ordinance requiring the city of San Diego ("City") to maintain the bridge and all other related Project improvements

REDEVELOPMENT AGENCY MEETING MINUTES – MAY 13, 2008

Adoption

7. **Park Boulevard at Harbor Drive Pedestrian Bridge Project-Approve Final Project Specifications/Plans; Approve Project Budget Amendment and Encumbrances; Award Construction Contract; Approve Third Amendment to Agreement for Design Consulting Services with T.Y. Lin International; Adopt Maintenance Ordinance; Authorize Conveyance of Agency-owned Property and Bridge Improvements; and Authorize Application for and Acceptance of Additional State/Federal Transportation Funding-East Village Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project (District 2)**

(Continued)

- 8) Authorize the conveyance of Agency-owned property and all bridge Project improvements to the City upon Project completion.

(RA-2008-116)

- 9) Authorize acceptance of additional state/federal grade separation grant funding transferred from the City in an amount of approximately \$8.4 million, if the grant application is approved

On February 8, 2005, the Agency, (by Resolution No. 03869), certified that the Agency had reviewed and considered information in the Mitigated Negative Declaration prepared for the Project, and made certain findings and determinations that the development was not expected to have any adverse impacts on the environment.

This is a Federal-Aid Project, administered by the State of California's Department of Transportation and the Federal Highway Administration ("FHWA"). A component of the federal Funding requires compliance with the National Environmental Policy Act ("NEPA"), the nation's most comprehensive environmental standards. All required Project documents were prepared and submitted pursuant to the NEPA guidelines. On June 5, 2006, the FHWA determined that the Project was in compliance and completed the NEPA process.

Centre City Development Corporation Report no. CCDC-08-15 and CCDC-08-07, dated May 7, 2008.

Council Companion Item no. 332

REDEVELOPMENT AGENCY MEETING MINUTES – MAY 13, 2008

**Adoption**

7. **Park Boulevard at Harbor Drive Pedestrian Bridge Project-Approve Final Project Specifications/Plans; Approve Project Budget Amendment and Encumbrances; Award Construction Contract; Approve Third Amendment to Agreement for Design Consulting Services with T.Y. Lin International; Adopt Maintenance Ordinance; Authorize Conveyance of Agency-owned Property and Bridge Improvements; and Authorize Application for and Acceptance of Additional State/Federal Transportation Funding-East Village Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project (District 2)**

(Continued)

William Yee, Project Manager, Centre City Development Corporation, gave a brief background of the project and slide presentation.

Public testimony in opposition by Joy Sunyata.

Public testimony in favor by Gary Smith.

Staff: William R. Yee, (619) 533-7139

Agency Counsel: Carol Leone

Auditor Certificate Numbers: AC 2800750 and AC 2800751

Motion by Member Faulconer to Adopt

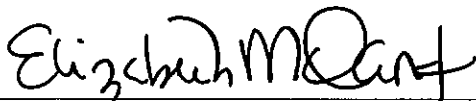
Second by Chair Pro Tem Madaffer

Passed by the following Vote: 8-0

**Redevelopment Agency Resolution and Document numbers R-04275, R-04276 and D-04276, R-04277; and City Council Resolution numbers R-303690, R-303691, R-303692, and R-303693.**

**Adjournment**

The meeting adjourned as the Redevelopment Agency at 5:15 p.m.



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