

**REDEVELOPMENT AGENCY MEETING
JUNE 9, 2009**

The meeting called to order as the City Council at 2:05 p.m. by Council President Hueso with all Council Members present.

Roll Call Lightner, Faulconer, Gloria, Young, DeMaio,
Fyre, Emerald, Council President Hueso

Andrea Tevlin, Independent Budget Analyst
Jeff Kavar, Independent Budget Analyst
Jeff Sturak, Independent Budget Analyst
Mary Jo Lanzafame, City Attorney
Elizabeth Maland, City Clerk

The meeting adjourned as the City Council at 5:00 p.m.

The meeting reconvened as the Redevelopment Agency at 5:00 p.m. by Chair Hueso with all Agency Members present.

Adoption

3. Installation of Streetlights in the Southcrest Redevelopment Project Area (Districts 4 & 8)

That the Redevelopment Agency adopts a resolution:

(RA-2009-98)(Rev. 6/24/09)

- Item 1. Making the necessary findings to authorize the Agency's contribution payment to City for design and installation of streetlights within the Southcrest Redevelopment Project Area;
- Item 2. Authorizing the Agency expenditure and transfer of funds in the amount not to Exceed \$655,600 as allocated in the FY 2009 Budget, to the City of San Diego From the Southcrest FY2007 Series B Tax Allocation Bonds, Southcrest Public Improvements, Fund No. 983341 to CIP No. 52-293.0, Installation of City Owned Lights, as an increase in the FY2009 CIP budget, contingent upon the City Comptroller certifying the availability of funds; and
- Item 3. Authorizing the Agency to accept the return of any and all funds from this allocation remaining in Fund No. 10267 if there are any cost savings, should actual costs of the improvement be less than \$655,600.

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Adoption

3. Installation of Streetlights in the Southcrest Redevelopment Project Area (Districts 4 & 8)

(Continued)

This activity is categorically exempt from CEQA pursuant to State CEQA Guidelines Section 15303(d) and Section 15304(f)

Council Companion Item no. 332.

Southeastern Economic Development Corporation Report no. SEDC-09-006, dated June 3, 2009.

Staff: Jill Sabo, 619-527-7345
Agency Counsel: Kendall Berkey
Auditor Certificate Number: AC 2900831

Motion by Member Young to Adopt
Seconded by Member DeMaio
Passed by the following Vote: 8-0

Redevelopment Agency Resolution number R-04401; and City Council Resolution R-304980.

Agency Member Emerald stated recused from Redevelopment Agency item no. 1.

1. Island Market Centre (northwest corner of the block bounded by 13th, 14th and Market Streets and Island Avenue)-Notice of Default to Oak Shelter Systems, LLC-East Village Redevelopment District of the Expansion Sub Area of the Centre Redevelopment Project (District 2)

That the Redevelopment Agency of the City of San Diego ("Agency"):

(RA-2009-105)

Item 1. Find Oak shelter Systems, LLC ("Developer") in default of the Disposition and Development Agreement. (DDA) entered into effective September 20, 2004 between the Agency and the Developer for the development of the Island Market Centre Project ("Project");

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Adoption

1. **Island Market Centre (northwest corner of the block bounded by 13th, 14th and Market Streets and Island Avenue)-Notice of Default to Oak Shelter Systems, LLC-East Village Redevelopment District of the Expansion Sub Area of the Centre Redevelopment Project (District 2)**

(Continued)

Item 2. Authorize the Executive Director or designee to issue a Notice of Default to the Developer; and

Item 3. Approve termination of the DDA if the Developer fails to cure the defaults within the appropriate cure periods.

This activity is not a "project" under the definition set forth in CEQA Guidelines Section 15378. Therefore, pursuant to CEQA Guidelines Section 15060 (c) (3), the activity is not subject to CEQA. This action will terminate a proposed project.

Centre City Development Corporation Report no. CCDC-09-10, dated June 3, 2009.

Staff: Eri Kameyama, 619-533-7177

Agency Counsel: Kevin Reisch

Motion by Chair Pro Tem Faulconer to Adopt (with Emerald recused)

Seconded by Member DeMaio

Passed by the following Vote: 7-0

Redevelopment Agency Resolution number R-04402.

REDEVELOPMENT AGENCY MEETING MINUTES-JUNE 9 2009

Adoption

2 Seventh and Market Environmental Remediation (block bounded by Market Street, Seventh, Eighth and Island avenues)-Request to Bid Construction-East Village Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project (District 2)

That the Redevelopment Agency ("Agency"):

(RA-2009-108)

- Item 1. Authorize the Corporation on behalf of the Agency, to advertise and receive bids for construction of the Seventh and Market Environmental Remediation Project in the East village Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project ("Project").
- Item 2. Authorize the Executive Director of the Agency, or his designee, to award the construction contact to the lowest responsible bidder, provided bids are within the established budget of \$2,637,000, that the construction contact shall not exceed \$2,637,000, and all other requirements are met.
- Item 3. Authorize the Agency's Executive Director or designee to execute the construction contract with the lowest responsible bidder.
- Item 4. Authorize the Corporation on behalf of the Agency to administer said construction contract.

(RA-2009-109)

- Item 5. Authorize the Executive Director of the Agency, or his designee, or a representative of the Corporation, to execute the Memorandum of Understanding (MOU) with the State Water Resources Control Board ("State Water board") for the State of California Orphan Site Cleanup Subaccount (OSCA) cleanup grant; and
- Item 6. Authorize the Corporation to implement the OSCA grant and accept the OSCA grant funds for deposit with the Agency upon receipt.

REDEVELOPMENT AGENCY MEETING MINUTES-JUNE 9 2009

Adoption

- 2 **Seventh and Market Environmental Remediation (block bounded by Market Street, Seventh, Eighth and Island avenues)-Request to Bid Construction-East Village Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project (District 2)**

(Continued)

The Centre City Redevelopment Project, in which the Project is located, is covered by the 2006 Final Environmental Impact Report (FEIR), which is a program EIR under the California Environmental Quality Act (CEQA). Under the FEIR, an Environmental Secondary Study ("Secondary Study") is prepared for all developments in the Centre City area in order to evaluate the project's compliance with the CCCP and PDO and, therefore, the findings and conclusions of the FEIR. A Secondary Study, has been completed for the Project and is included as Attachment C. As part of the Secondary Study, a traffic study was completed to evaluate temporary impacts during soil disposal truck hauling as required for larger projects under the FEIR, which found that the Project would not require the installation of any future traffic improvements identified in the FEIR in order to mitigate traffic impacts from the project.

In addition, it was determined that the project did not meet the thresholds under State Law that require the preparation of a Water Supply Assessment ("WSA") from the City's Water Department. Therefore, due to the Project's compliance with the applicable planning and environmental documents no further environmental review will be required for the Project under CEQA.

Centre City Development Corporation Report no. CCDC-09-13, dated June 3, 2009.

Staff: William Yee, 619-533-7139
Agency Counsel: Kimberly Kaelin
Auditor Certificate Number: AC 2900795

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

Redevelopment Agency Resolution numbers R-04403 and R-04404.

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The meeting adjourned as the Redevelopment Agency at 5:05 p.m.

The meeting reconvened as the City Council at 5:05 p.m. by Council President Hueso with all Council Members present.

The meeting adjourned as the City Council at 5:10 p.m.

The meeting reconvened as the Redevelopment Agency at 5:10 p.m. by Chair Hueso with all Agency Members present.

Adoption

6. **Public Hearing for the Adoption of Fourth Implementation Plans for the Eleven Redevelopment Project Areas: Barrio Logan, City Heights, College Community, College Grove, Linda Vista, Centre City, Horton Plaza, Central Imperial, Gateway Center West, Mount Hope and Southcrest (Districts, 2, 3, 4, 5, 7 & 8)**

That the Redevelopment Agency:

(RA-2009-118)

- Item 1. Conduct the public hearings to receive comments on the Fourth Implementation Plans for the Centre City, Horton Plaza, Barrio Logan, City Heights, College Community, College Grove, Linda Vista, Central Imperial, Gateway Center West, Mount Hope, and Southcrest Redevelopment Project Areas.

- Item 2. Adopt the Fourth Implementation Plans for the City, Horton Plaza, Barrio Logan, City Heights, College Community, College Grove, Linda Vista, Central Imperial, Gateway Center West, Mount Hope, and Southcrest Redevelopment Project Areas.

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-09-16, dated June 3, 2009.

Maureen Ostrye, Redevelopment Coordinator, presented staff report

Public testimony in opposition by Doug Beckham, Margarita Castro and Jeff Perwin.

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Adoption

6. **Public Hearing for the Adoption of Fourth Implementation Plans for the Eleven Redevelopment Project Areas: Barrio Logan, City Heights, College Community, College Grove, Linda Vista, Centre City, Horton Plaza, Central Imperial, Gateway Center West, Mount Hope and Southercrest (Districts, 2, 3, 4, 5, 7 & 8)** (Continued)

Staff: Maureen Ostrye, 619-236-6270

Agency Counsel: Kendall Berkey

Motion by Member Gloria to Adopt (with DeMaio not present)

Seconded by Member Young

Passed by the following Vote: 7-0

Redevelopment Agency Resolution and Document numbers R-04405 and D-04405a (Barrio Logan); D-04405b (City Heights); D-04405c (College Community); D-04405d (College Grove); D-04405e (Centre City/Horton Plaza); D-04405f (Linda Vista); D-04405g (Central Imperial); D-04405h (Gateway Center West); D-04405i (Mount Hope); D04405j (Southercrest).

REDEVELOPMENT AGENCY MEETING MINUTES-JUNE 9 2009

Adoption

7. Public Hearing Mid-Term Reviews of Redevelopment Plans and Implementation Plans for the Grantville and San Ysidro Redevelopment Project Areas (Districts 7 & 8)

That the Redevelopment Agency:

(RA-2009-106)

Item 1. Approve the resolution accepting the Mid-Term Review of Redevelopment Plan and Implementation Plan for Grantville Redevelopment Project Area.

(RA-2009-107)

Item 2. Approve the resolution accepting the Mid-Term Review of Redevelopment Plan And Implementation Plan for San Ysidro Redevelopment Project Area.

This activity is not a "project" as defined by CEQA Section 15378, and is therefore not subject to CEQA pursuant to State CEQA Guidelines Section 15060 (c)(3).

Redevelopment Agency.

Public testimony in favor did not speak, Cindy Martin and Tom Kearney; not present Michael Mc Sweeney and Matt Adams.

Public testimony in opposition Item 1: Robert Leif, Brian Peterson, Don Stillwell, Linda Wilson, and Jim Peugh; Dan Soderberg and Mary Johnson did not speak.

Staff: Xavier Del Valle, 619-236-6269

Tracy Reed, 619-236-6543

Agency Counsel: Kendall Berkey

Motion by Member Emerald to Adopt Item no. 2; and return Item no. 1 to staff and bring back (with DeMaio not present DeMaio)

Seconded by Member Young

Passed by the following Vote: 7-0

Redevelopment Agency Resolution and Document numbers R-04406 and D-04406.

The meeting adjourned as the Redevelopment Agency at 5:50 p.m. by Chair Hueso for purpose of a break.

The meeting reconvened at 6:06 p.m. by Chair Pro Tem Faulconer with Chair Hueso recessed from Redevelopment Item no. 5, 5b and 5e, and Agency Member DeMaio not present.

REDEVELOPMENT AGENCY MEETING MINUTES-JUNE 9 2009

Adoption

5. Redevelopment Agency Fiscal Year 2010 Budget (Districts 2, 3, 4, 6, 7, & 8)

That the Redevelopment Agency:

1. Approve the Fiscal Year 2010 Redevelopment Agency budget for:

(RA-2009-117)

- a. Projects administered by the Centre City Development Corporation;

(RA-2009-116)

- b. Projects administered by the Southeastern Economic Development Corporation;

(RA-2009-115)

- c. Project administered by the City's Redevelopment Division;

(RA-2009-114)

- d. The administration of the Centre City Development Corporation;

(RA-2009-113)

- e. The administration of the Southeastern Economic Development Corporation.

(RA-2009-112)

2. Determine that the planning and administration expenses included in the Low-and Moderate-Income Housing Funds in the Fiscal year 2010 Redevelopment Agency Budget are necessary and in proportion to the funding for the production, improvement, and/or preservation of affordable housing for low-and moderate-income households.

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-09-17, dated June 3, 2009.

Public testimony in favor by Gary Smith; did not speak Janet Bourgeois and William Keller.

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Adoption

5. Redevelopment Agency Fiscal Year 2010 Budget (Districts 2, 3, 4, 6, 7, & 8)

(Continued)

Staff: Scott Mercer, 619-236-6242
Andrew Phillips, 619-533-7127
Terry Darden, 619-527-7345
Agency Counsel: Kendall Berkey

Motion by Member Young to Adopt (with DeMaio not present)
Seconded by Chair Pro Tem Faulconer
Passed by the following Vote: 7-0

**Redevelopment Agency Resolution and Document numbers R-04407 and D-04407;
R-04408 and D-04407; R-04409 and D-04407; R-04410 and D-04407; R-04411 and
D-04407; and R-04412.**

**4. Month-to Month Rental Agreement for the Agency-Owned Property in the Linda Vista
Redevelopment Project Area 6905-6921 Linda Vista Road (District 6)**

Authorize the Executive Director, or his designee the to execute seven (7) month-to-month
Rental agreements with:

(RA-2009-125)(Cor.Copy)

Item 1. San Diego Sakteworld Center, Inc.

(RA-2009-124)(Cor.Copy)

Item 2. Pizza Hut, Inc.

(RA-2009-121)(Cor.Copy)

Item 3. The Check Cashing Place Inc.

(RA-2009-123)(Cor.Copy)

Item 4. Pho Hoa Restaurant

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Adoption

4. **Month-to Month Rental Agreement for the Agency-Owned Property in the Linda Vista Redevelopment Project Area 6905-6921 Linda Vista Road (District 6)**

(Continued)

(RA-2009-122) (Cor.Copy)

Item 5. Linda Vista Hair Salon & Nails

(RA-2009-126) (Cor.Copy)

Item 6. Thai Binh Financial Services.

(RA-2009-120) (Cor.Copy)

Item 7. Vien Tien Video

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

Redevelopment Agency.

Eliana Barreiros, Project Manager, Redevelopment Agency, presented staff report and slide presentation.

Public testimony in opposition by Gary Stang, Jeff Perwin, Cynthia Conger, Jeff Barry, Doug Beckman.

Staff: Eliana Barreiros, 619-236-6267

Maureen Ostrye, 619-236-6270

Agency Counsel: Kimberly Kaelin

Motion by Member Fyre to Adopt (with DeMaio and Chair Hueso not present)

Seconded by Member Young

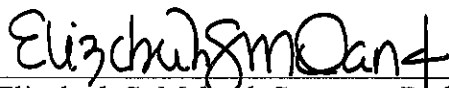
Passed by the following Vote: 6-0

Redevelopment Agency Resolution and Document numbers R-04413 and D-04413; R-04414 and D-04414; R-04415 and D-04415; R-04416 and D-04416; R-04417 and D-04417; and R-04418 and D-04418; and R-04419 and D-04419.

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Adjournment

The meeting adjourned as the Redevelopment Agency at 7:30 p.m.



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