

**REDEVELOPMENT AGENCY MEETING  
JULY 28, 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  
Jan Goldsmith, City Attorney  
Mary Jo Lanzafame, City Attorney  
Elizabeth Maland, City Clerk

The meeting adjourned as the City Council at 2:36 p.m.

The meeting reconvened as the Redevelopment Agency at 2:36 p.m. by Chair Hueso with all Agency Members present.

**Adoption**

**1. Rehabilitation Loan Agreement with Hampstead Lafayette Hotel, LLC for the Lafayette Hotel Rehabilitation Project (District 3)**

That the Redevelopment Agency:

(RA-2010-07)

- Item 1. Approve the Rehabilitation Loan Agreement and authorize the Executive Director or designee to execute the Rehabilitation Loan Agreement between the Redevelopment Agency of the City of San Diego and Hampstead Lafayette Hotel, LLC for the Lafayette Hotel Rehabilitation Project and to execute such further instruments and enter into such additional agreements as may be necessary to effectuate the Rehabilitation Loan Agreement.
- Item 2. Authorize the Chief Financial Officer as delegated to Financial Management to establish an appropriation in the amount of \$ 3,250,000 designated "Lafayette Hotel Rehabilitation Project" through the transfer of \$3,250,000 from "North Park Unallocated Funds".

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**Adoption**

**1. Rehabilitation Loan Agreement with Hampstead Lafayette Hotel, LLC for the Lafayette Hotel Rehabilitation Project (District 3)** (Continued)

Item 3. Authorize the Chief Financial Officer as delegated to the City Comptroller to encumber and expend North Park non-housing tax increment funds of up to \$3,250,000 "Lafayette Hotel Rehabilitation Project" as a forgivable loan to the Owner for the Lafayette Hotel Rehabilitation Project.

An Environmental Impact Report (EIR) was prepared in accordance with the California Environmental Quality Act (CEQA) for the Lafayette Hotel & Residences (SCH No. 2004081201, dated June 9, 2005, Project No. 40351). The project is adequately addressed in that document and there is no change in circumstance, additional information, or project changes to warrant additional environmental review.

Redevelopment Agency Report no. RA-09-25, dated July 21, 2009

Staff: Michael Lengyel, (619) 236-6269

Michelle Rosenthal, (619) 236-6268

Agency Counsel: Elisa A. Cusato

Comptroller Certificate Number: CC2100012

Returned to Mayor with direction by Member Gloria to come back in September, 2009.

**8. Third Amendment to the NTC Park Improvement Agreement (District 2)**

That the Redevelopment Agency:  
(RA-2009-148)

Authorize the Executive Director or designee to execute the Third Amendment to the NTC Park Improvement Agreement.

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

Council Companion Item no. 336

Staff: Libby Day, (619) 236-6272

Maureen Ostrye, (619) 236-6270

Agency Counsel: Krishna F. Jayaram

Comptroller Certificate Number: CC3000002475

Returned to Mayor with direction by Chair Pro Tem Faulconer to come back in September, 2009.

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The meeting adjourned as the Redevelopment Agency at 2:44 p.m.

The meeting reconvened as the City Council at 2:44 p.m. by Council President Hueso with all Council Members present.

The meeting adjourned as the City Council at 3:25 p.m. for the purpose of a break. The meeting reconvened as the City Council at 3:30 p.m. by Council President Hueso with all Council Members present.

The meeting adjourned as the City Council at 5:50 p.m.

The meeting reconvened as the Redevelopment Agency at 5:50 p.m. by Chair Hueso with all Agency Members present.

**Adoption**

**2. Owner Participation Agreement and Associated Actions for the Florida Street Apartments Project in the North Park Redevelopment Project Area (District 3)**

That the Redevelopment Agency:

(RA-2009-139)

- Item 1. Approve the Owner Participation Agreement with Florida Street Housing Associates, LP, for the Florida Street Apartments project and authorize the Executive Director or designee to execute the Owner Participation Agreement and associated documents
- Item 2. Approve the Basic Concept Drawing submitted by Community Housing Works relating to the Owner Participation Agreement for the Florida Street Apartments project.
- Item 3. Authorize the Chief Financial Officer to appropriate \$550,500 designated "Florida Street Apartments Project" through the transfer of \$550,500 from "North Park Low/Mod Unallocated Funds".
- Item 4. Authorize the Chief Financial Officer to appropriate \$3,249,500 designated "Florida Street Apartments Project" through the transfer of \$3,249,500 from "North Park Low/Mod Unallocated Funds" to be received from FY2010 through FY2011.
- Item 5. Authorize the Chief Financial Officer to expend Low- and Moderate Income Housing funds from the North Park Redevelopment Project Area not to exceed \$3,800,000 designated as the "Florida Street Apartments Project" as an advance Loan of \$ 550,500 and a residual receipts loan of \$3,249,500 upon certification from the Comptroller that funds are available.

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**Adoption**

**2. Owner Participation Agreement and Associated Actions for the Florida Street Apartments Project in the North Park Redevelopment Project Area (District 3)**

(Continued)

The Redevelopment Agency action is adequately addressed in the Mitigated Negative Declaration prepared for Arbor Crest North (Project No. 89239, dated June 20, 2006) adopted on July 13, 2006, by Planning Commission Resolution No. 4103-PC and there is no change in circumstance, additional information, or project changes to warrant additional environmental review. Therefore, the activity to approve the OPA and associated Actions is not a separate project for purposes of CEQA review pursuant to State CEQA Guidelines Section 15060 (c)(3)

Redevelopment Agency Report no. RA09-23, dated July 22, 2009

Staff: Michael Lengyel 619) 236-6269

Michelle Rosenthal, (619) 236-6268

Agency Counsel: Kendall Berkey

Comptroller Certificate Number: CC 3000002481

Motion by Member Gloria to Adopt

Seconded by Member Emerald

Passed by the following Vote: 8-0

**Redevelopment Agency Resolution and Document numbers R-04440 and D-04440a  
Owner Participation Agreement; D-0440b (Basic Concept Drawings)**

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Adoption

3. Approval of the Second Implementation Agreement to the Owner Participation Agreement between the Redevelopment Agency and Verbena San Ysidro, L.P. for the Verbena Affordable Apartments Project (District 8)

That the Redevelopment Agency approve:

(RA-2010-6)

Item 1. The Second Implementation Agreement to the Owner Participation Agreement for the Verbena Project

That the Agency finds and determines that the City of San Diego has previously certified the information contained in the Mitigated Negative Declaration (MND) for this Project, referenced by Project No. 41718 and SCH No. 2004111075, that this Project is adequately addressed in said MND, and that there is no substantial change in circumstance, additional information or project changes to warrant additional environmental review.

Redevelopment Agency Report no. RA-09-27, dated July 22, 2009

Staff: Sam Johnson, (619) 236-6265  
Robert Chavez (619) 236-6263  
Agency Counsel: Kevin Reisch

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

Redevelopment Agency Resolution and Document numbers R-04441 and D-04441.

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**Adoption**

5. **Mid-Term Review of Redevelopment Plan and Implementation Plan for the Grantville Redevelopment Project Area (District 7)**

That the Redevelopment Agency:

(RA-2009-106)

Approve the resolution accepting the First Year Implementation Plan Mid-Term Review for the Grantville Redevelopment Project Area.

Redevelopment Agency

Staff: Tracy Reed, (619) 236-6543

Agency Counsel: Kendall Berkey

Motion by Member Emerald to Adopt

Seconded by Member Fyre

Passed by the following Vote: 8-0

**Redevelopment Agency Resolution and Document numbers R-04442 and D-04442.**

The meeting adjourned as the Redevelopment Agency at 5:55 p.m.

The meeting reconvened as the City Council at 5:55 p.m. by Council President Hueso with all Council Members present.

The meeting adjourned as the City Council at 7:30 p.m. for the purpose of break.

The meeting reconvened as the City Council at 7:40 p.m. by Council President Hueso with all Council Members present.

The meeting adjourned as the City Council at 7:40 p.m.

The meeting reconvened as the Redevelopment Agency at 7:40 p.m. by Chair Hueso with all Agency Members present.

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**Joint Public Hearing**

**10. Funding for Multi-Purpose Building at the North Chollas Community Park in the Crossroads Redevelopment Project Area (District 4,7)**

That the Redevelopment Agency:  
(RA-2009-147)

- Item 1. Authorize the Executive Director, or designee, to submit an application to the State of California Infrastructure Bank for a loan of up to \$2,000,000 to fund a portion of construction costs for a Multi-Purpose Building in the North Chollas Community Park.
- Item 2. Authorize the Executive Director, or designee, to accept the loan, if awarded, and transfer the net proceeds along with up to \$952,000 in matching tax increment funds from the Crossroads Redevelopment Project Area to the City of San Diego for construction of a Multi-Purpose Building.
- Item 3. Approve and adopt findings under California Community Redevelopment Law Section 33679 that authorize the use of Redevelopment Agency funds for the construction of a city owned facility (Multi-Purpose Building).
- Item 4. Authorize an amendment to the FY2010 Crossroads Redevelopment Project Area Budget to record up to \$2,000,000 in indebtedness payable from Crossroads Redevelopment Project Area tax increment and to reflect the transfer of up to \$2,952,000 to WBS S-00654 (legacy CIP 29-667.0), for the construction of a Multi-Purpose Building in the North Chollas Community Park.

This activity is covered under Mitigated Negative Declaration No. 98-0150, North Chollas Community Park. In January 2009, this proposed improvement project was found in "Substantial Conformance" with the Mitigated Negative Declaration No. 98-0150. Therefore, 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-09-26 and RTC-09-100, dated July 22, 2009

Council Companion Item no. 339

Staff: Tracy Reed, (619) 236-6464  
Michael Lengyel, (619)236-6269  
Agency Counsel: Kimberly K. Kaelin  
Comptroller Certificate Number: CC3000002480

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

**Redevelopment Agency Resolution and Document numbers R-04443; and City Council Resolution number 305182.**

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The meeting adjourned as the Redevelopment Agency at 7:41 p.m.

The meeting reconvened as the City Council at 7:41 by Council President Hueso with all Agency Members present.

The meeting adjourned as the City Council at 9:35 p.m.

The meeting reconvened as the Redevelopment Agency at 9:35 p.m. by Chair Hueso with all Agency Members present.

**Adoption**

**9. Affordable Housing Parking Study (District 1, 2, 3, 4, 5, 6, 7, 8)**

That the Redevelopment Agency:  
(RA-2010-2)

Item 1. Authorize the Redevelopment Agency to contribute and expend Redevelopment Agency tax increment funds to the City in an amount not to exceed \$ 165,000 for an Affordable Housing Parking Study, and to transfer funds pursuant to the attached matrix into Fund 100000, Cost Center 1612130013, general ledger account 512059, contingent upon the Comptroller certifying funds for this action are available.

Item 2. Authorize the Redevelopment Agency to accept the return of any all funds from this allocation remaining in the above referenced fund, if there are any cost savings.

Item 3. Authorize the Comptroller to transfer back to the Redevelopment Agency any and all funds remaining in the above referenced fund, if there are any cost savings.

This Activity is not a "Project" and is therefore exempt from CEQA pursuant to State CEQA Guidelines section 15060(c)(3)

Council Companion Item no. 337

Staff: Amy Benjamin, (619) 533-6225  
Samir Hajjiri, (619) 533-6551

Agency Counsel: Kevin Reisch

Comptroller Certificate Number: CC3000002468

Motion by Member Gloria to Adopt  
Seconded by Member Emerald  
Passed by the following Vote: 8-0

**Redevelopment Agency Resolution number R-04444; and City Council resolution number R-305180.**



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**Adoption**

**7. North Embarcadero Visionary Plan – First Amendment to the Joint Exercise of Powers Agreement - Columbia Sub Area of the Centre City Redevelopment Project (District 2)**

That the Redevelopment Agency;

(RA-2010-3)

Approve and authorize execution of a proposed First Amendment to the Joint Exercise of Powers Agreement between the Agency, acting through the Centre City Development Corporation ("Corporation"), the City of San Diego ("City"), and the San Diego Unified Port District ("Port"), as described in Attachment A.

This activity is not a "project" under the definition set forth in CEQA Guidelines Section 15378. Therefore, pursuant to CEQA Guidelines Section 15050(c)(3), the activity is not subject to CEQA.

Centre City Development Corporation Report nos. CCDC-09-23, and CCDC-09-15 dated July 22, 2009.

Council Companion Item no. 335

Gary Bosse, Project Manager, Centre City Development Corporation, presented staff report and Slide presentation.

Staff: Gary Bosse, (619) 533-7163  
Agency Counsel: Kendall Berkey

Motion by Member Fyre to Continue to September 15, 2009.  
Seconded by Member DeMaio  
Passed by the Following Vote: 8-0

REDEVELOPMENT AGENCY MEETING MINUTES-JULY 28, 2009

Adoption

6. North Embarcadero Visionary Plan Phase 1A Public Improvements (W. Broadway between the railroad right-of way and Harbor Drive) – Request to Bid Columbia Sub Area of the Centre City Redevelopment Project (District 2)

That the Redevelopment Agency:

(RA-2010-4)

- Item 1. Authorizes the Centre City Development Corporation (CCDC), on behalf of the Agency, to advertise and receive bids for the proposed construction of the NEVP Phase 1A Public Improvements, for the reconstruction of W. Broadway between the railroad right-of-way and Harbor Drive ("Project") in the Columbia Sub Area of the Centre City Redevelopment Project (Attachment A- Site Map);
- Item 2. Authorizes the Executive Director of the Agency, or his/her designee, to award the construction contract to the lowest responsible bidder, provided bids are within the established budget of \$6.1 million, that the construction contract shall not exceed \$6.1 million and all other requirements are met;
- Item 3. Authorizes the Corporation, on behalf of the Agency, to execute the construction contract with the lowest responsible bidder;
- Item 4. Authorizes the Corporation, on behalf of the Agency, to administer said construction contract;
- Item 5. Makes certain finding that the proposed Project benefits the Project Area or the immediate neighborhood in which the Project is located; that no other reasonable means of financing is available to the community; that the payment of funds will assist in eliminating blighting conditions by serving as a catalyst providing an incentive for private investment in the redevelopment of adjacent, underutilized development parcels; and that the proposed Project is consistent with the Implementation Plan adopted for the Project Area pursuant to California Health and Safety Code 33490;

REDEVELOPMENT AGENCY MEETING MINUTES-JULY 28, 2009

Adoption

6. North Embarcadero Visionary Plan Phase 1A Public Improvements (W. Broadway between the railroad right-of way and Harbor Drive) – Request to Bid Columbia Sub Area of the Centre City Redevelopment Project (District 2)

(Continued)

Item 6. Finds and determines that because the prior environmental review and documentation adequately cover this activity as part of the previously approved Project, this activity is not a separate project for purposes of review under the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines sections 15060(c)(3) and 15378(c).

This activity is covered under the NEVP Master EIR and the Addendum to the EIR, prepared by the Port as the lead agency, and certified for the NEVP Phase 1 Coastal Access Features Project, and this activity is adequately addressed in said EIR, and there are no substantial changes in circumstance, additional information of substantial importance or project changes to warrant additional environmental review.

The prior environmental review and documentation adequately cover this activity as part of the previously approved Project. This activity is not a separate project for purposes of review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15060(c)(3) and 15378(c)

Centre City Development Corporation Report nos. CCDC-09-24, and CCDC-09-16 dated July 22, 2009.

Council Companion Item no. 334

Staff: Gary Bosse, (619) 533-7163

Agency Counsel: Kendall Berkey

Comptroller Certificate Number: CC3000002471

Motion by Member Fyre to Continue to September 15, 2009.

Seconded by Member DeMaio

Passed by the Following Vote: 8-0

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**Adoption**

4. **Amendment to the Fiscal Year 2009-2010 Budget for the San Diego Redevelopment Agency Projects Administered by the Centre City Development Corporation – Centre City and Horton Plaza Redevelopment Projects (District 2, 8)**

That the Redevelopment Agency:

(RA-2010-05)

- Item 1. Agency approve an amendment to the FY10 Budget for the San Diego Redevelopment Agency projects administered by the Corporation to include shifting \$9 million from the C Street line item to the North Embarcadero line item.

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

Centre City Development Corporation Report no. CCDC-09-25, dated July 22, 2009.

Staff: Andrew T. Phillips, (619) 533-7127

Agency Counsel: Kendall Berkey

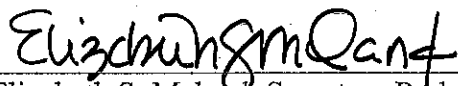
Motion by Member Fyre to Continue to September 15, 2009.

Seconded by Member DeMaio

Passed by the Following Vote: 8-0

**Adjournment**

The meeting adjourned as the Redevelopment Agency at 10:10 p.m.



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