

**SPECIAL REDEVELOPMENT AGENCY MEETING
JUNE 15, 2010**

The meeting called to order as the City Council at 10:09 a.m. by Council President Pro Tem Faulconer with Council President Hueso not present.

Roll Call Lightner, Faulconer, Gloria, Young,
 DeMaio, Frye, Emerald

 Andrea Tevlin, Independent Budget Analyst
 Tom Haynes, Independent Budget Analyst
 Jan Goldsmith, City Attorney
 Mary Jo Lanzafame, City Attorney
 Elizabeth Maland, City Clerk

Excused Council President Hueso

The meeting adjourned as the City Council at 11:53 a.m.

The meeting reconvened as the Special Redevelopment Agency at 11:53 .m. by Chair Pro Tem Faulconer with Chair Hueso not present.

Adoption

2. **Agreement with Pyle Sims Duncan & Stevenson for Bankruptcy Legal Counsel Services (District 2)**

That the Redevelopment Agency (“Agency”) (RA-2010-86)

Item 1. Approve the Agreement with Pyle Sims Duncan & Stevenson (“Law Firm”) for bankruptcy legal counsel services with a total compensation payable to the Law Firm pursuant to such agreement in an amount not-to-exceed \$25,000; and

Item 2. Authorizes the Chief Financial Officer, as delegated, to appropriate, encumber and expend funds of up to \$25,000 allocated in the Fiscal Year 2009-2010 Budgets for the Centre City and Horton Plaza Redevelopment Project areas to be used for as needed legal counsel services provided by the Law Firm pursuant to an agreement between the Agency and the Law Firm.

This activity is statutorily exempt from CEQA pursuant to State CEQA Guidelines Section 15262.

Centre City Development Corporation Report no. CCDC-10-20, dated June 9, 2010

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Adoption

**2. Agreement with Pyle Sims Duncan & Stevenson for Bankruptcy Legal Counsel Services (District 2)
(Continued)**

Staff: Eli Sanchez, 533-7121
Agency Counsel: Carmen Brock
Comptroller Certificate Number: CC3000003276

Motion by Member Emerald to Adopt (with Chair Hueso not present)
Seconded by Member Gloria
Passed by the following Vote: 7-0

Redevelopment Agency Resolution and Document numbers R-04520 and D-04520.

Chair Pro Tem Faulconer adjourned the Special Redevelopment Agency meeting at 12:00 p.m. to continue with Redevelopment Agency item no. 3 at 2:00 p.m.

The meeting reconvened as the City Council 2:04 p.m. by Council President Faulconer with Council President Hueso not present.

The meeting adjourned as the City Council at 2:05 p.m.

The meeting reconvened as the Special Redevelopment Agency at 2:05 p.m. by Chair Pro Tem Faulconer with Chair Hueso not present.

3. Agreement with Keyser Marston Associates to Provide As Needed Economic/Financial/Market Consultant Services-Centre City and Horton Plaza Redevelopment Projects (District 2)

That the Redevelopment Agency ("Agency") authorizes:
(RA-2010-84)(Rev.Copy)

- Item 1. The Centre City Development Corporation ("Corporation") to enter into an Agreement with Keyser Marston Associates (KMA) for As Needed Economic/Financial/Market Consultant Services ("Agreement") with a total compensation payable to KMA pursuant to such agreement in an amount not-to-exceed \$250,000; and

- Item 2. The Chief Financial Officer, as delegated, to appropriate, encumber and expend funds of up to \$250,000 allocated in the Fiscal Year 2009-2010 Budgets for the Centre City and Horton Plaza Redevelopment Project areas to be used toward as needed economic/financial/market analysis consultant services provided by KMA pursuant to an agreement between the Corporation and KMA.

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Adoption

3. Agreement with Keyser Marston Associates to Provide As Needed Economic/Financial/Market Consultant Services-Centre City and Horton Plaza Redevelopment Projects (District 2)

(Continued)

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.

Centre City Development Corporation Report no. CCDC-10-18, dated June 9, 2010.

Eli Sanchez, project manager, Centre City Development Corporation, presented staff report.

Staff: Eli Sanchez, 533-7121

Agency Counsel: Kendall Berkey

Comptroller Certificate Number: CC3000003277

Motion by Member DeMaio to Adopt staff's recommendation with an addition that the money shall not be used for the CAP Study; and strike out two words on Exhibit B, Time and Materials Fee Schedule which reads as follows: "shall not exceed \$250,000 per year" strike out "per year." Section 1: Incorporate by reference Exhibit A and Attachment B (with Chair Hueso not present)

Seconded by Chair Pro Tem Faulconer

Passed by the following Vote: 7-0

Redevelopment Agency Resolution and Document numbers R-04521 and D-04521

1. Exclusive Negotiation Agreement (ENA) with MRW Development Company LLC (MRW) for the Agency Owned Real Property in the Linda Vista Redevelopment Project Area (District 6)

(RA-2010-103)

Item 1. Approve the Exclusive Negotiation Agreement (ENA) with MRW Development Company LLC and authorize the Executive Director or designee to execute the ENA for the Agency-owned real property in the Linda Vista Redevelopment Project Area.

Item 2. Authorize the Chief Financial Officer, or designee, to accept \$25,000 from MRW Development Company LLC as a non-refundable "Developer Deposit" to be used exclusively by the Agency to pay administrative costs and expenses incurred by the Agency as outlines in the ENA following its execution; and

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Adoption

1. **Exclusive Negotiation Agreement (ENA) with MRW Development Company LLC (MRW) for the Agency Owned Real Property in the Linda Vista Redevelopment Project Area (District 6)**

(Continued)

(RA-2010-103)

Item 3. Amend the Agency Budget for Fiscal Year 2010 to account for the "Developer Deposit" and authorize Agency expenditures of said funds for expenses related to the ENA.

Redevelopment Agency Report no. RA-10-25, dated June 7, 2010.

Eliana Barreiros, project manager, Redevelopment Agency presented staff report and slide presentation.

Public testimony in opposition by Gary Stang, Doug Beckham, Dorothy Perez, Cynthia Conger, Todd Cardiff, Robert Morey, Jeff Perwin, Jarvis Ross, Adrian Marine. The following in opposition did not speak, Roy Hughes, Craig Sherma.

Public testimony in favor by Ivar Leetma, Jim Gabriel, Jorge Riguelme, Grover Diemer, Jim Bartell, Cindy Eldred. The following in favor did not speak, Scott Claffey, Mike Weber, Barry Schultz, Elaine Elliott, Tina Parra, Shirley Wattts, Rose Ceballos, Connie Curran.

Staff: Eliana Barreiros, 236-6267
Maureen Ostrye, 236-6270
Agency Counsel: Kendall Berkey

Motion by Member Frye to Adopt staff's recommendation and discuss recreational development for the community, loss of recreational use, and how proposal will address the recreational needs of the community (with Hueso not present)

Seconded by Member Emerald

Passed by the following Vote: 7-0

Redevelopment Agency Resolution and Document numbers R-04522 and D-04522.

The meeting adjourned as the Special Redevelopment Agency at 3:27 p.m.

The meeting reconvened as the City Council at 3:27 p.m. by Council President Pro Tem Faulconer with Council President Hueso not present.

The meeting adjourned as the City Council at 3:50 p.m.

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The meeting reconvened as the Housing Authority by Chair Pro Tem Faulconer with Chair Hueso not present.

The meeting adjourned as the Housing Authority at 4:00 p.m.

The meeting reconvened as the Special Redevelopment Agency at 4:00 p.m.

Adoption

4. Gaslamp Renaissance Hotel (block bounded by J Street and Fifth, Sixth and Island avenues)-Third Implementation Agreement in Accordance with Disposition and Development Agreement between the Redevelopment Agency of the City of San Diego and GRH, LLC-Gaslamp Quarter Sub Area of the Centre City Redevelopment Project (District 2)

(RA-2010-85)

That the Redevelopment Agency of the City of San Diego ("Agency" approves the proposed Third Implementation Agreement (TIA) to amend the Disposition and Development Agreement as amended by that certain Second Implementation Agreement (DDA) between GRH, LLC (Developer") and the Agency for the development and construction of a 365-Room, full service Marriott Renaissance Hotel ("Hotel") located on the southwest corner of the block bounded by Fifth, Sixth and Island avenue and J street ("Site") in the Gaslamp Quarter Sub Area (the "Project").

On March 30, 2004, the Agency adopted Resolution No. R03756, a Resolution of the Agency certifying that the Agency has Reviewed and Considered Information Contained in the Master Environmental Impact Report (MEIR), for the Centre City Redevelopment Project, the Subsequent Environmental Impact Report to the MEIR for the Proposed Ballpark and Ancillary Development Projects, and Associated Plan Amendments, and the Supplement to the MEIR, with Respect to the Proposed DDA (SEIR); Approving the SEIR; Adopting a Mitigation, Monitoring and Reporting Program; Adopting a Statement of Overriding Considerations and Findings Pursuant Thereto; Making Certain Findings and Determinations Regarding Environmental Impacts of the Development; that an Environmental Secondary Study has been prepared for the Second Implementation Agreement under the 2006 Final Environmental Impact Report (FEIR) in order to evaluate the project's continued compliance with the Downtown Community Plan and the findings and conclusions of the previous SEIR and the more recent FEIR; that the project has been found to be in compliance with, and consistent with, those planning and environmental documents; and that all elements of the project and its impacts have been found to be within the scope of the activities and impacts identified in the previous environmental documents and were adequately analyzed therein.

SPECIAL REDEVELOPMENT AGENCY MEETING MINUTES-JUNE 15, 2010

Adoption

4. Gaslamp Renaissance Hotel (block bounded by J Street and Fifth, Sixth and Island avenues)-Third Implementation Agreement in Accordance with Disposition and Development Agreement between the Redevelopment Agency of the City of San Diego and GRH, LLC-Gaslamp Quarter Sub Area of the Centre City Redevelopment Project (District 2)
(Continued)

No changes are proposed to the activity studied in the previous environmental documents, and no new or more severe significant impacts will result from the activity. Furthermore, there have been no substantial changes in the circumstances surrounding the project which will require major revisions of the previous environmental document, nor is there new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous environmental documents were certified, that shows the activity would have new or more severe significant environmental effects. Therefore, pursuant to Public Resources Code Section 21166 and CEQA Guidelines Sections 15162-16164, no further environmental review is required.

Centre City Development Corporation Report no. CCDC-10-14, dated June 7, 2010.

Eli Sanchez, project manager, Centre City Development Corporation, presented staff report and slide presentation.

Public testimony in favor by Jim Bartell and Cindy Eldred.

Staff: Eli Sanchez, 533-7121
Agency Counsel: Kendall Berkey

Motion by Member DeMaio to Adopt staff's recommendation with an amendment to revise Section 2, paragraph 3 (d) of the Third Implementation Agreement (Gaslamp Renaissance Hotel) to delete the \$100,000 per year payment (with Chair Hueso not present)

Seconded by Member Emerald
Failed by the following Vote: 4-3

Motion by Member Young to Adopt staff's recommendation with direction that CCDC provide recommendations on handling similar issues as presented with this item (with Chair Hueso not present)

Seconded by Member DeMaio
Passed by the following Vote: 7-0

Redevelopment Agency Resolution and Document numbers R-04523 and D-04523.

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Adoption

5. SEDC Strategic Plan (Districts 4 & 8)

(RA-2010-91)

That the Redevelopment Agency adopt a resolution approving the SEDC Five-Year Strategic Plan.

The September 2008 SEDC performance audit by Macias Consulting Group recommended a comprehensive organization-wide strategic plan be developed, that the process include City and community outreach to solicit strategic planning feedback, and that the strategic plan links to the Mayor's vision for the City.

This activity is not a 'project' for purposes of the California Environmental Quality Act (CEQA) because it does not fit within the definition of a "project" set forth in Public Resources code Section 21065 or State CEQA Guidelines Section 15378. This activity is general policy and procedure making, and organizational or administrative activities that will not result in direct or indirect physical changes in the environment. Thus, this activity is not subject to CEQA pursuant to State CEQA Guidelines Section 15060 (c)(3).

Southeastern Economic Development Corporation Report no. SEDC-10-005, dated June 9, 2010

Nancy Lytle, Vice President, Projects and Development, Southeastern Economic Development Corporation, gave a brief overview and slide presentation.

Public testimony in opposition by Remigia Bermudez, Bertha Gutierrez, Joseph Cremeans, Blue Ramos, Ben Rivera, Catherine Rodman and Carlos Martell. The following in opposition did not speak, Richard Gomez.

Public testimony in favor by Robert Ito, Robert Leif, Marve Best, Bishop Roy Dixon, Eva Vargas, Richard Lawrence. The following in favor did not speak Katherine Loper, Tommie Jennings.

Staff: Nancy M. Lytle, 527-7345, ext. 127
Sherry Brooks, 527-7345, ext. 114
Agency Counsel: Diane Young

Motion by Member Young to Adopt staff's recommendation with amendments – Item 1-4 which modify Strategies 1 and 2 of the Strategic Plan-as more specifically set forth in the memorandum from SEDC to President and Members of the Redevelopment Agency regarding the SEDC Strategic Plan dated June 15, 2010. Direct staff to set additional meetings with residents (with Chair Hueso and DeMaio not present)
Passed by the following. Vote: 6-0

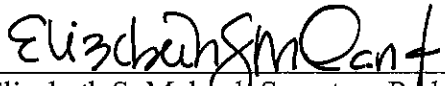
Redevelopment Agency Resolution and Document numbers R-04524 and D-04524.

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Adjournment

The meeting adjourned as the Special Redevelopment Agency at 6:10 p.m.



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