

**SPECIAL REDEVELOPMENT AGENCY MEETING
JUNE 29, 2010**

The meeting called to order as the City Council at 2:01 p.m. by Council President Hueso with Council Member DeMaio not present.

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

Andrea Tevlin, Independent Budget Analyst
Jeff Sturak, Independent Budget Analyst
Jan Goldsmith, City Attorney
Elizabeth Maland, City Clerk

The meeting adjourned as the City Council at 2:04 p.m.

The meeting reconvened as the Special Redevelopment Agency meeting with City Council and Housing Authority at 2:04 p.m. Redevelopment Agency Item no 3, Council Companion Item nos. 333 and 334, and Housing Authority Item no. 2

Joint Public Hearing

3. Disposition and Development Agreement for the Mercado del Barrio Project, and the Affordable Housing Agreement for the Estrella del Mercado Apartments within the Barrio Logan Redevelopment Project (District 8)

(RA-2010-107)

Item 1. Approve and authorize the Executive Director, or designee, to enter into the Disposition and Development Agreement with Shea Mercado, LLC for implementation of the Mercado del Barrio Project (Retail DDA).

(RA-2010-104)

Item 2. Approve and authorize the Executive Director, or designee, to enter into the Affordable Housing Agreement with Mercado CIC, L.P. for implementation of the Estrella del Mercado Apartments (Affordable Housing Agreement).

(RA-2010-104 and RA-2010-107)

Item 3. Approve the Basic Concept Drawings for the Mercado del Barrio Project and Estrella del Mercado Apartments.

(RA-2010-107)

Item 4. Make certain findings pursuant to California Community Redevelopment Law Section 33433 for the disposition of Agency-owned land within the Barrio Logan Redevelopment Project Area, and approve the disposition of the Agency-owned land to Shea Mercado, LLC at not less than its fair reuse value pursuant to the Retail DDA.

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Joint Public Hearing

3. Disposition and Development Agreement for the Mercado del Barrio Project, and the Affordable Housing Agreement for the Estrella del Mercado Apartments within the Barrio Logan Redevelopment Project (District 8)

(Continued)

(RA-2010-104)

Item 5. Authorize the City Chief Financial Officer, or designee to expend up to \$9.104 million pursuant to the Affordable Housing Agreement associated with the Estrella del Mercado Apartments from the following Agency sources: \$1.7 Million from the San Ysidro Redevelopment Project Area 20% Low and Moderate Income Housing Funds, \$5.104 million from North Bay Redevelopment Project Area 20% Low and Moderate Income Housing Funds, and \$2.3 million from North Bay Redevelopment Project Area Line of Credit (LOC) Proceeds; contingent on certification by the City Comptroller that funds are, or are anticipated to be available for this purpose in the City Treasury.

(RA-2010-105)

Item 6. Make certain findings of benefit related to the use of Agency 20% Low to Moderate Income Housing Funds from the San Ysidro and North Bay Redevelopment Project Areas for the implementation of the Estrella del Mercado Apartments.

(RA-2010-106)

Item 7. Certify Addendum No. 203874 to the Barrio Logan Redevelopment Project Area Environmental Impact Report (EIR) No. 90-0133/ SCH No. 90010287, and adopt the Mitigation Monitoring and Reporting Program, in accordance with Section 15164 of the California Environmental Quality Act (CEQA) Guidelines.

(RA-2010-108)

Item 8. Approve the Indemnification Agreement with Stewart Title of California, Inc. and Stewart Title Guaranty Company for the removal of certain title exceptions, and authorize the Agency Executive Director or designee to execute said document.

Item 9. Approve the Substitution of Trustee and Full Reconveyance for removal from title of a deed of trust for a repaid loan, and authorize the Agency Executive Director or designee to execute said document.

Item 10. Approve the Instrument Releasing Lien on Real Property for the release of the 2003 Grant Deed's Covenants, Conditions and Restrictions, and authorize the Agency Executive Director or designee to execute said document.

SPECIAL REDEVELOPMENT AGENCY MEETING MINUTES-JUNE 29, 2010

Joint Public Hearing

3. Disposition and Development Agreement for the Mercado del Barrio Project, and the Affordable Housing Agreement for the Estrella del Mercado Apartments within the Barrio Logan Redevelopment Project (District 8)

(Continued)

Item 11. Approve the Instrument Releasing Lien on Real Property for the release of the 2003 Payment Agreement, and authorize the Agency Executive Director or designee to execute said document.

Certify Addendum No. 203874 to the Barrio Logan Redevelopment Project Area Environmental Impact Report (EIR) No. 90-0133/ SCH No. 90010287, and adopting the Mitigation Monitoring and Reporting Program, in accordance with Section 15164 of the California Environmental Quality Act (CEQA) Guidelines.

Redevelopment Agency Report no. RA-10-26 and Report to Council RTC-10-077, dated June 23, 2010

Council Companion Item no. 333, 334 and Housing Authority Item no. 2

Xavier Del Valle, Project Manager, Redevelopment Agency, presented staff report and slide presentation.

Public testimony in opposition by Verne Gammon, and Sam Marasco

Public testimony in favor did not speak Robert McNamara.

Staff: Xavier Del Valle, 236-6260
Robert Chavez, 2366263
Agency Counsel: Kendall Berkey
Comptroller Certificate Number: CC000003360

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

Redevelopment Agency Resolution and Document numbers R-04536 and D-04536; R-04537 and D-04537; R-04538 and D-04538; R-04539 and R-04540; City Council Resolution numbers R-3050963, R-305964, R-305965, R-305966 and R-305967; and Housing Authority Resolution number HA-1471.

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The meeting adjourned as the City Council at 3:42 p.m.

The meeting reconvened as the Special Redevelopment Agency 3:42 p.m. by Chair Hueso with all Agency Members present.

Adoption

1. Extension of the Mayor's designation as Executive Director of the Redevelopment Agency of the City of San Diego (Districts 2, 3, 4, 6, 7 & 8)

(RA-2010-93)(Rev.Copy)

That the Redevelopment Agency of the City of San Diego (Agency) extend the term of the Mayor's designation as Executive Director of the Agency for an additional twelve months through June 30, 2011.

This activity is not a "project" under the definition set forth in California Environmental Quality Act (CEQA) Guidelines section 15378. Therefore, pursuant to CEQA Guidelines section 15060(c)(3), this activity is not subject to CEQA.

Public testimony in favor by Mike Wade.

Public testimony in opposition by Crickett Bradburn.

Staff: Janice L. Weinrick, 236-6250

Agency Counsel: Kendall Berkey

Motion by Chair Pro Tem Faulconer to Approve as amended by Member Gloria that the Mayor's designation as Executive Director of the Agency for an additional six (6) months through December 31, 2010.

Seconded by Member Frye

Passed by the following Vote: 8-0

Redevelopment Agency Resolution number R-04541.

The meeting adjourned as the Special Redevelopment Agency at 4:22 p.m.

The meeting reconvened as the City Council at 4:22 p.m. by Council President Hueso with all Council Members present.

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

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

SPECIAL REDEVELOPMENT AGENCY MEETING MINUTES-JUNE 29, 2010

Adoption

2. Extension of Six Credit Agreement with U.S. Bank National Association (Districts All)

Redevelopment Agency:
(RA-2010-110)(Cor.Copy)(6/28/2010)

- Item 1. Approve the proposed first amendment to each of the six credit agreements with U.S. Bank National Association, as successor in interest to San Diego National Bank relating to four redevelopment projects of the Agency: (City Heights, North Park, North Bay and NTC)?

- Item 2. Approve the 120 day extension of six credit agreements with aggregate loan amount of \$39,855,200 that are to be repaid in the manner on the terms set forth in the extensions?

- Item 3. Authorize and direct Agency Executive Director or designee and the Agency Secretary to do any and all things to execute and deliver any and all documents which is consultation with the financial advisor, Bond Counsel and the Agency Counsel, may deem necessary or advisable in order to enter into the first amendment to the six credit agreements?

- Item 4. Authorize the City Attorney to enter into an agreement with Best Best & Kreiger to provide bond counsel services?

- Item 5. Authorize the chief Financial Officer as delegated to appropriate and to expend up to \$10,000 for the purpose of bond counsel services.

Redevelopment Agency Report no. RA-10-27 and Report to Council RTC-10-078, dated June 23, 2010.

Council Companion Item no. 331

Staff: Alfonso Gastelum, 236-6538
Scott Mercer, 236-6242
Agency Counsel: Brant Will
Comptroller Certificate Number: CC3000003366

Motion by Member Emerald to Adopt (with Frye in opposition)
Seconded by Chair Hueso
Passed by the following Vote: 7-1

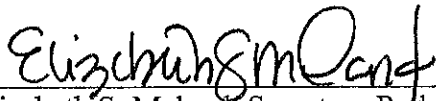
Redevelopment Agency Resolution and Document numbers R-04542 and D-04542a, D-04542b, D-04542c, D-04542d, D-04542e, D-04542f, and D-04542g; and City Council Resolution number R-305961.

REDEVELOPMENT AGENCY MINUTES

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Adjournment

The meeting adjourned as the Special Redevelopment Agency 4:26 p.m.



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