

**REDEVELOPMENT AGENCY MEETING  
JANUARY 11, 2011**

The meeting called to order as the City Council at 2:03 p.m. by Council President Young with Council President Pro Tem Faulconer not present.

Roll Call      Lightner, Faulconer, Gloria, DeMaio, Zapf,  
Emerald, Alvarez, and Council President Young

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 2:14 p.m.

The meeting reconvened as the Redevelopment Agency at 2:14 p.m. by Chair Young with Chair Pro Tem Faulconer not present.

Non-Agenda Public Comment:

PC1. Jarvis Ross commented on General Fund and Redevelopment.

PC2. Crickett Bradburn commented on CAP and CCDC.

Redevelopment Agency Comment:

Agency Member Todd Gloria announced the Redevelopment Agency Ad Hoc Committee first meeting scheduled for January 31, 2011.

**Adoption**

1. **Approval of and Authorization to enter into a Short Term Lease to allow a community garden on Agency owned property located at 4261-4271 Market Street (APN's 547-102-02; 547-102-03; 547-102-04; 547-102-38) (District 4)**

(RA-2011-55)(Cor.Copy)

Approve of and authorization to enter into a Short term lease with Project New Village, a 502 c (3) Corporation, for a community garden on Agency-owned property located t 4261-4271 Market Street in the Mount Hope Redevelopment Project Area.

Southeastern Economic Development Corporation report no. SEDC-11-001, dated, January 5, 2011.

Nancy Lytle, Vice President Project and Development, Southeastern Economic Development Corporation gave a brief background on the project

REDEVELOPMENT AGENCY MEETING MINUTES-JANUARY 11, 2011

**Adoption**

1. **Approval of and Authorization to enter into a Short Term Lease to allow a community garden on Agency owned property located at 4261-4271 Market Street (APN's 547-102-02; 547-102-03; 547-102-04; 547-102-38) (District 4)** (Continued)

Public testimony in favor by Diane Moss and Parke Troutman. The following in favor did not speak, Heather Clark, Deric Stowell, Phal Chourp, Andrea Carter, Kristin Kvermland, Angie Mel, Judy Jacoby, Elizabeth Rodriguez, and Kenneth R. Hooks.

Staff: Nancy M. Lytle, 527-7345 ext.127  
Agency Counsel: Monique Tayyab

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

**Redevelopment Agency Resolution and Document numbers R-04595 and D-04595.**

2. **Vista Grande Apartments, 54<sup>th</sup> & Santa Margarita Streets-First Implementation Agreement to OPA with Wakeland Vista Grande Apartments, L.P. (District 4)**

(RA-2011-60)

Approve the First Implementation Agreement (Agreement) to the Owner Participation Agreement with Wakeland Vista Grande Apartments, L.P. (Wakeland) for the Vista Grande Apartments affordable housing rehabilitation project (Project) in the Valencia Park Neighborhood and authorize the Executive Director or designee to execute on the Agency's behalf of the Agreement and associated documents.

On may 13, 2009 this project was determined categorically exempt under State CEQA Guidelines Section 15301 'Existing Facilities' and is still exempt. The project involves rehabilitation of existing deteriorated buildings occupied by residential tenants, relatively minor alterations to the existing buildings, and will not expand current footprint, size or use of the buildings. The exemption is not precluded by any of the exceptions in State CEQA Guidelines Section 15300.2. The current action facilities financing of the project and does not change the scope of the rehabilitation.

Southeastern Economic Development Corporation.

Staff: Sherry Brooks, 537-7345-ext 114  
Agency Counsel: Elisa Cusato

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

**Redevelopment Agency Resolution and Document numbers R-04596 and D-04596.**

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**Adoption**

**4. Third Implementation Agreement to the Disposition and Development Agreement with Vietnam Veterans Village Phase IV Project (District 2)**

That the Redevelopment Agency:  
(RA-2011-53)

Item 1. Approve the Third Implementation Agreement to the Disposition and Development Agreement (Agreement) between the Redevelopment Agency and the Vietnam Veterans of San Diego and authorize the Executive Director, or designee, to execute the Agreement for the implementation of Veterans Village Phase IV Project.

Item 2. Authorize the City Chief Financial Officer, or designee, to appropriate and expend up to \$1,118,012 pursuant to the Agreement associated with the Veterans Village Phase IV Project from the 2010 Housing Set-Aside Tax Allocation Bond Proceeds, contingent on certification by the City Comptroller that funds are available for this purpose in the City Treasury.

Item 3. Approve the Basic Concept Drawings for Veterans Village Phase IV Project.

Mitigated Negative Declaration Number 3787, covering this action and dated April 23, 2003, was prepared in accordance with the National Environmental Policy Act (NEPA) and the State of California Environmental Quality Act (CEQA) Guidelines and certified on September 3, 2003. On November 20, 2008, the City of San Diego's City Council certified that a re-evaluation of environmental assessments and other environmental findings is not warranted by the activity pursuant to 24 CFR Part 58.47 a (1) through a (3) of the NEPA guidelines. Furthermore, no conditions are present that prompt any action identified in Section 58.47 b (1) through b (3).

Housing Impact: The Veterans Village Phase IV Project will create 24 transitional beds for individual earning at or below 60% of the Area Median Income. The units shall remain restricted for 65 years.

Redevelopment Agency report no. RA-10-45, and Report to Council RTC-10-141, dated January 5, 2011.

Council Companion Item no.332 and Housing Authority Item no. 2

Staff: Robert Chavez, 236-6263; Krissy Toft, 236-6259

Agency Counsel: Elisa Cusato

Comptroller Certificate Number: CC3000003768

Motion by Chair Pro Tem Faulconer to Adopt

Seconded by Member Emerald

Passed by the following Vote: 8-0

**Redevelopment Agency Resolution and Document numbers R-04597 and D-04597;  
City Council Resolution number R-306543; and Housing Authority Resolution  
HA-1498.**

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The meeting adjourned as the Redevelopment Agency and Housing Authority at 3:23 p.m.

The meeting reconvened as the Joint Public Hearing with City Council and Redevelopment Agency at 3:23 p.m.

**Joint Public Hearing**

**8. Owner Participation Agreement with Horton Land, LLC, Horton Plaza Venture, LLC and Horton Plaza LP (block bounded by Broadway, Broadway, Circle, E Street and Fourth Avenue)-for the Transfer of Developer Property to the Redevelopment Agency of the city of San Diego, for the Development and Construction of the Public Urban Plaza, the Refurbishment of the Existing Historic Horton Plaza Park and the Design Review of Associated Improvements to the Horton Plaza Retail Center-Horton Plaza Redevelopment Project (District 2)**

That the Redevelopment Agency ("Agency"):  
(RA-2011-61)(CorCopy)

Item 1. Approves and is authorized to enter into and execute the proposed Owner Participation Agreement (OPA), the attachments, in substantially the same form thereto, and any and all documents necessary to administer the Agency's obligations, responsibilities and duties to be performed under the OPA;

Item 2. Authorizes the acceptance of the transfer of the approximately 37,000 square-foot site ("Sales Parcel") from the Developer in accordance with the OPA and authorizes the Executive Director of the Agency, or designee, to transfer title to the Sales Parcel following the completion of the proposed improvements, inclusive of a public urban plaza ("Public Plaza") and the rehabilitation of the existing historic Horton Plaza Park (collectively, with the Public Plaza, the "Plaza Improvements") to the City pursuant to the OPA;

Item 3. Make certain findings with respect to the OPA in accordance with California Health and Safety Code Section 33433;

Item 4. Approves the Basic Concept and Schematic Drawings associated with the improvements to the Horton Plaza Retail Center ("Retail Center");

Item 5. Authorizes the Executive Director of the Agency, or designee to select a design consultant and to enter into a design consultant agreement for the proposed Plaza Improvements in accordance with the OPA;

(RA-2011-62)

Item 6. Authorizes the expenditure of funds for construction of the Plaza Improvements in accordance with the OPA and the Fourth Implementation Plan adopted June 19, 2009 for the Project Areas ("Implementation Plan"), pursuant to California Health and Safety Code Section 33490;

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**Joint Public Hearing**

**8. Owner Participation Agreement with Horton Land, LLC, Horton Plaza Venture, LLC and Horton Plaza LP (block bounded by Broadway, Broadway, Circle, E Street and Fourth Avenue)-for the Transfer of Developer Property to the Redevelopment Agency of the city of San Diego, for the Development and Construction of the Public Urban Plaza, the Refurbishment of the Existing Historic Horton Plaza Park and the Design Review of Associated Improvements to the Horton Plaza Retail Center-Horton Plaza Redevelopment Project (District 2)**

(Continued)

(RA-2011-62)

Item 7. Make certain findings that the proposed OPA benefits the Horton Plaza Redevelopment Project ("Project Area") by helping in the elimination of one or more blighting conditions inside the Project Area; that no other reasonable means of financing the Agency's obligations under the OPA is available to the community, pursuant to California Health and Safety Code Section 33445; and

(RA-2011-63)

Item 8. Make certain findings and determinations regarding the environmental impacts relating to the proposed OPA, in that an Environmental Secondary Study (ESS) dated December 2010 has been prepared in accordance with California Environmental Impact Report ("CEQA") and State and Local guidelines.

This project is covered under the Final Environmental Impact Report.(FEIR) for the Centre City Redevelopment Plan certified by the Agency on March 14, 2006 (Resolution R-04001), and subsequent addenda to the FEIR certified by the Agency on August 3, 2007 (Agency Resolution R-04193) and April 21, 2010 (Agency Resolutions R-04508 and R04510), in compliance with CEQA. The FEIR is a "Program EIR" prepared in compliance with State CEQA Guidelines Section 15168. An Environmental Secondary Study (ESS) dated December 2010 has been prepared in accordance with CEQA and State and local guidelines. The ESS concludes, among other things, that (i) the environmental impacts of the proposed project were adequately addressed in the FEIR, (ii) the proposed project is within the scope of the development program described in the FEIR, and (iii) no further environmental documentation is required under CEQA.

Centre City Development Corporation Report no. CCDC-11-01 and CCDC-11-01 dated, January 5, 2011.

Council Companion Item no. 333

Staff: Eli Sanchez, 533-7121

Agency Counsel: Monique Tayyab

Comptroller Certificate Number: CC3000003870

REDEVELOPMENT AGENCY MEETING MINUTES-JANUARY 11, 2011

**Joint Public Hearing**

8. **Owner Participation Agreement with Horton Land, LLC, Horton Plaza Venture, LLC and Horton Plaza LP (block bounded by Broadway, Broadway, Circle, E Street and Fourth Avenue)-for the Transfer of Developer Property to the Redevelopment Agency of the city of San Diego, for the Development and Construction of the Public Urban Plaza, the Refurbishment of the Existing Historic Horton Plaza Park and the Design Review of Associated Improvements to the Horton Plaza Retail Center-Horton Plaza Redevelopment Project (District 2)** (Continued)

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

**Redevelopment Agency Resolution and Document numbers R-04598, R-04599 and D-04599a, D-04599b, R-04600; and City Council Resolution numbers R-306544, R-306545, R-306546, R-306547.**

**Adoption**

3. **Termination of Fairmount 26 Owner Participation (District 3)**

(RA-2011-58)

That the Redevelopment Agency of the City of San Diego ("Agency") approve termination of the Owner Participation Agreement ("OPA.") for Fairmount 26 'by and between the Agency and Fairmount 26, L.P. ("Developer")

This action will terminate a proposed Project and thus is not a new "project" under the definition set forth in California Environmental Quality Act (CEQA) Guidelines Section 15060(c)(3). Thus, this action is not subject to CEQA.

Housing Impact: This action will cease the proposed development of twenty-six (26) new affordable housing rental units

Redevelopment Agency Report no. RA-11-01, dated January 5, 2011.

Public Testimony in favor by Steve Russell.

Staff: Michele St. Bernard, 236-6531

James Davies, 236- 6540

Agency Counsel: Monique Tayyab

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

Seconded by Member Emerald

Passed by the following Vote: 7-0

**Redevelopment Agency Resolution numbers R-04601.**

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**Adoption**

**5. Fiscal Year 2011 Corporation Budget Amendment and Amendment to the Contract with the first Morrison & Foerster LLP-General (Districts 2 and 8)**

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

(RA-2011-38)

Item 1. Amend the Corporation's Fiscal Year 2011 ("FY11") Administrative Budget, increasing the overall budget \$500,000 to accommodate expenses in Legal Consultant line item for pending litigation and

Item 2. Approve an amendment to the contract with the firm Morrison & Foerster LLP in the amount of \$500,000, for a total contract amount not to exceed \$600,000.

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), the activity is not subject to CEQA.

Centre City Development Corporation Report no. CCDC-11-09 dated, January 5, 2011.

Staff: Margarita Garcia, 533-7131

Agency Counsel: Charles Jagolinzer

Motion by Member Emerald to Continue to January 24, 2011 for additional information requested by CCDC staff and City Attorney

Seconded by Chair Pro Tem Faulconer

Passed by the following Vote: 8-0

**6. Amendment to the First Amendment to the Agreement with the Law Firm of Daley & Heft, LLP for Legal Counsel Services-Centre City Redevelopment Project (Districts 2, 3, 4, 6, 7 and 8)**

That the Redevelopment Agency ("Agency"):

(RA-2011-50)

Item 1. Approves the Amendment to the First Amendment to the Agreement ("Amended Agreement") with the Law Firm of Daley & Heft, LLP ("Daley & Heft") to increase the total compensation that may be expended under said Agreement by \$200,000, for a total compensation not to exceed \$650,000; and

Item 2. Authorizes the Chief Financial Officer, as delegated, to appropriate, encumber and expend tax increment funds up to \$650,000.

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**Adoption**

6. **Amendment to the First Amendment to the Agreement with the Law Firm of Daley & Heft, LLP for Legal Counsel Services-Centre City Redevelopment Project (Districts 2, 3, 4, 6, 7 and 8)**

(Continued)

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. The proposed action is an amendment to an existing contract for on-call acquisition legal services and is not related to a specific project. Thus, this activity is not subject to CEQA pursuant to State CEQA Guidelines Section 15060(c)(3)

Centre City Development Corporation Report no. CCDC-11-02 dated, January 5, 2011.

Staff: David Allsbrook, 533-7112

Agency Counsel: Charles Jagolinzer

Comptroller Certificate Number: CC3000003824

Motion by Chair Pro Tem Faulconer to Adopt (with DeMaio not present)

Seconded by Member Emerald

Passed by the following Vote: 7-0

**Redevelopment Agency Resolution and Document numbers R-04602 and D-04602.**

7. **Fourth Amendment to the Agreement with the Law Offices of Don Detisch for Legal Counsel Services-Centre City Redevelopment Project (Districts 2,3, 4, 6, 7 and 8)**

That the Redevelopment Agency ("Agency"):

(RA-2011-54)

Item 1. Approves the Fourth Amendment to the Agreement ("Amendment") between the Agency and the Law Offices of Don Detisch ("Don Detisch") to increase the compensation not to exceed \$550,000;

Item 2. Extends the term of the Agreement with Don Detisch through December 2011; and

Item 3. Authorizes the Chief Financial Officer, as delegated, to appropriate, encumber and expend tax increment funds up to \$550,000.



REDEVELOPMENT AGENCY MEETING MINUTES-JANUARY 11, 2011

**Adoption**

7. **Fourth Amendment to the Agreement with the Law Offices of Don Detisch for Legal Counsel Services-Centre City Redevelopment Project (Districts 2,3, 4, 6, 7 and 8)**

(Continued)

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. The proposed action is an amendment to an existing contract for on-call acquisition legal services and is not related to a specific project. Thus, this activity is not subject to CEQA pursuant to State CEQA Guidelines Section 15060(c)(3)

Centre City Development Corporation Report no. CCDC-11-04 dated, January 5, 2011.

Staff: David Allsbrook, 533-7112  
Agency Counsel: Charles Jagolinzer  
Comptroller Certificate Number: CC3000002823

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

**Redevelopment Agency Resolution and Document numbers R-04603 and D-04603.**

**Adjournment**

The meeting adjourned as the Redevelopment Agency at 5:26 p.m.



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