

**REDEVELOPMENT AGENCY MEETING
MARCH 22, 2011**

The meeting called to order as the City Council at 2:04 p.m. by Council President Young with Council Member Emerald not present.

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

 Elaine DuVal, Independent Budget Analyst
 Jeff Kavar, Independent Budget Analyst
 Tom Haynes, Independent Budget Analyst
 Mary Jo Lanzafame, City Attorney
 Elizabeth Maland, City Clerk

Excused Emerald

The meeting adjourned as the City Council at 4:09 p.m.

The meeting reconvened as the Joint Public Hearing Redevelopment Agency with City Council 4:09 p.m. by Chair Young with Agency Member Emerald not present.

Joint Public Hearing-Adoption-Discussion

7. Monarch School Project (west side of Newton Avenue between 16th Street and Sigbee Street)-Proposed First Amendment to Amended and Restated Disposition and Development Agreement with Ground Lease with Option to Purchase Acquisition Agreement and Leaseback East Village Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project (Districts 2 and 8)

That the Redevelopment Agency of the City of San Diego ("Agency") adopts a resolution: (RA-2011-113)

- Item 1. Approving the Summary Report prepared in accordance with Section 33433 of the California Community Redevelopment Law in order to inform the Agency and the public about the Amended and Restated Disposition and Development Agreement (ARDDA) and proposed First Amendment;
- Item 2. Finding and determining that the consideration to be received by the Agency under the terms of the ARDDA and proposed First Amendment is not less than the estimated fair re-use value of the 1625 Newton Avenue property ("Newton Property") at the use and with the covenants and conditions and development costs authorized by the ARDDA and proposed First Amendment;
- Item 3. Finding and determining that the ground leasing and rehabilitation of the building and improvements of the Newton Property and the acquisition and leaseback of the 808 West Cedar Street property ("Cedar Property") in accordance with the ARDDA and proposed First Amendment will assist in the elimination of blight in the Centre City Redevelopment Project Area, and is consistent with the Fourth Implementation Plan for the Horton Plaza and Centre City Redevelopment Projects ("Implementation Plan") adopted pursuant to California Health and Safety Code Section 33490;

REDEVELOPMENT AGENCY MEETING MINUTES-MARCH 22, 2011

Joint Public Hearing-Adoption-Discussion

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(Continued)

(RA-2011-113)

Item 4. Approving the proposed First Amendment which changes the terms for the real property Transactions between the Agency and Monarch School Project and several other ARDDA conditions; and

Item 5. Authorizing the Agency Executive Director or designee to execute the First Amendment and any further instruments required by the ARDDA, as amended by the First Amendment.

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), April 21, 2010 (Agency Resolutions R-04508 and R-04510), and August 3, 2010 (Agency Resolution R-04544), 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 October 2010 was prepared in accordance with CEQA and State and local guidelines. Based on the ESS, the Agency passed Resolution R-04585 on November 30, 2010 stating 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. The terms of the proposed First Amendment are consistent with the project reviewed within the ESS.

Centre City Development Corporation Report nos. CCDC-11-20 and CCDC-11-12, dated, March 16, 2011.

Council Companion Item no. 333

Staff: John Collum, 533-7124

Agency Counsel: Charles Jagolinzer

Motion by Member Lightner to Continued to March 29, 2011 (with Emerald not present)

Seconded by Member Gloria

Passed by the following Vote: 7-0

REDEVELOPMENT AGENCY MEETING MINUTES-MARCH 22, 2011

Discussion

1. Approval of the minutes:
December 7, 2010
December 14, 2010, special

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

Adoption-Consent

- *2. **First Amendment to the As-Needed Agreement with Keyser Marston Associates, Inc. for Economic Consultant Services (Districts All)**

The Redevelopment Agency:
(RA-2011-64)(Cor.Copy)

- Item 1. Approve the First Amendment to the As-Needed Agreement between the Redevelopment Agency of the City of San Diego and Keyser Marston Associates, Inc. for Economic Consulting Services and authorize the Executive Director or designee to execute the Amendment.
- Item 2. Authorize the City Chief Financial Officer, as delegated, to appropriate, encumber and expend Agency funds of up to \$135,000 immediately committed and the remaining \$154,000 contingent on first furnishing a certificate that funds are, or will be, on deposit to the City Treasury for additional work that may be required on an as-needed basis.

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

Redevelopment Agency Report no. RA-11-03, dated March 16, 2011.

Staff: Alfonso Gastelum, 236-6538
Scott Mercer, 236-6242
Agency Counsel: Charles Jagolinzer
Comptroller Certificate: CC3000003901

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

Redevelopment Agency Resolution and Document numbers R-04655 and D-04655.

REDEVELOPMENT AGENCY MEETING MINUTES-MARCH 22, 2011

Adoption-Consent

***4. Financial Assistance Agreement between the Redevelopment Agency of the City of San Diego and Urban Corps of San Diego County for the Design and Installation of the Gateway Mural Project (Districts 2 and 6)**

The Redevelopment Agency:
(RA-2011-112)(Cor.Copy)

Item 1. Approve the Financial Assistance Agreement between the Redevelopment Agency of the City of San Diego and Urban Corps of San Diego County for the design and installation of the Gateway Mural Project and authorize the Executive Director, or designee, to execute the agreement for the Implementation of the Gateway Mural Project.

Item 2. Authorize the City Chief Financial Officer, as delegated, to appropriate, and expend up to \$60,000 pursuant to the Financial Assistance Agreement associated with the Gateway Mural Project from North Bay Project Area Tax Increment Funds, contingent on certification by the City Comptroller that funds are available for this purpose in the City Treasury.

This activity will not result in a director or reasonably foreseeable indirect physical change in the environment, and is not subject to CEQA pursuant to CEQA Guidelines Section 15060 (c)(2).

Redevelopment Agency Report no. RA-11-10, dated March 16, 2011.

Staff: Kristine Toft, 236-6259
Lydia Goularte-Ruiz, 236-6539
Agency Counsel: Monique Talamantez
Comptroller Certificate: CC300004054

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

Redevelopment Agency Resolution and Document numbers R-04656 and D-04656.

***3. Rehabilitation Loan Agreement with Wang's North Park, LLC for the 3029 University Avenue Rehabilitation Project (District 3)**

(RA-2011-115)

Item 1. Approve the Rehabilitation Loan Agreement authorize the Executive Director or designee to execute the Rehabilitation Loan Agreement between the Redevelopment Agency of the City of San Diego and Wang's North Park, LLC for the 3029 University Avenue 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 City Chief Financial Officer, as delegated, to appropriate, encumber and expend North Park non-housing tax increment funds of up to \$500,000 as a forgivable loan Wang's North Park , LLC for the 3029 University Avenue Rehabilitation Projects.

REDEVELOPMENT AGENCY MEETING MINUTES-MARCH 22, 2011

Adoption-Consent

***3. Rehabilitation Loan Agreement with Wang's North Park, LLC for the 3029 University Avenue Rehabilitation Project (District 3)**

(Continued)

This activity will not result in a direct or reasonably foreseeable indirect exempt physical changes in the environment, and is not subject to CEQA pursuant to State CEQA Guidelines, Section 15060(c)(2).

Redevelopment Agency Report no. RA-11-11, dated March 09, 2011.

Staff: Michael Lengyel, 236-6269

Maureen Ostrye, 236-6270

Agency Counsel: Kevin Reisch

Comptroller Certificate: CC3000004046

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

Seconded by Member Alvarez

Passed by the following Vote: 7-0

Redevelopment Agency Resolution and Document numbers R-04657 and D-04657.

Adoption-Discussion

5. Approval the Revised SEDC Corporate Policies (Districts 4 and 8)

(RA-2011-110)

Adopt a resolution approving the revised Southeastern Economic Development Corporation's (SEDC) corporate policies.

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.

Southeastern Economic Development Corporation Report no.SEDC-11-004, dated March 16, 2011.

Staff: James Arnold, 527-7345

Kimberly King, 527-7344

Agency Counsel: Kevin Reisch

Motion by Member Alvarez to Adopt (with DeMaio and Emerald not present)

Seconded by Chair Young

Passed by the following Vote: 6-0

Redevelopment Agency Resolution and Document numbers R-04658 and D-04658.

REDEVELOPMENT AGENCY MEETING MINUTES-MARCH 22, 2011

Adoption-Discussion

6. Corporation Policies-General (Districts 2 and 8)

(RA-2011-109)

That the Redevelopment Agency of the City of San Diego ("Agency") approves Financial and Fiscal Policies as well as the Contracting Policies (collectively "Policies") for the Centre City Development Corporation ("Corporation")

Centre City Development Corporation Report no. CCDC-11-12, dated March 16, 2011.

Staff: Andrew Phillips, 533-7127

Lisa Gresson, 533-7165

Agency Counsel: Kevin Reisch

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

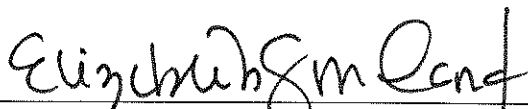
Seconded by Member Alvarez

Passed by the following Vote: 6-0

Redevelopment Agency Resolution and Document numbers R-04659 and D-04659.

Adjournment

The meeting adjourned as the Redevelopment Agency at 4:41 p.m.



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