

REDEVELOPMENT AGENCY MINUTES

REDEVELOPMENT AGENCY MEETING  
AUGUST 2, 2011

The meeting called to order as the City Council at 2:05 p.m. by Council President Young with Council Member Alvarez not present.

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

Jeff Sturak, Independent Budget Analyst  
Jeff Kavar, Independent Budget Analyst  
Jan Goldsmith, City Attorney  
Mary Jo Lanzafame, City Attorney  
Elizabeth Maland, City Clerk

The meeting adjourned as the City Council at 2:23 p.m.

The meeting reconvened as the Redevelopment Agency at 2:23 p.m. by Chair Young with all Agency Members present.

**Discussion**

1. **Approval of the minutes:**

- March 14, 2011, special
- March 14, 2011, special, 6:00 p.m.
- March 15, 2011
- March 15, 2011, supplemental
- March 22, 2011, special, 10:00 a.m.
- March 22, 2011
- March 29, 2011, supplemental
- April 12, 2011
- April 12, 2011, supplemental
- April 19, 2011
- April 26, 2011, adjourned
- May 3, 2011, adjourned
- May 10, 2011
- May 12, 2011, special
- May 16, 2011, special
- May 17, 2011, adjourned
- May 24, 2011, adjourned

Motion by Member Alvarez to Approve  
Seconded by Chair Young  
Passed by the following Vote: 8-0

REDEVELOPMENT AGENCY MEETING MINUTES-AUGUST 2, 2011

**Adoption-Discussion**

3. **Mason Hotel (1337-1345 Fifth Avenue)-First Implementation Agreement to the Owner Participation Agreement-Cortez Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project (District 2)**

(RA-2012-1)

That the Redevelopment Agency of the City of San Diego ("Agency) approves the proposed First Implementation Agreement to the Owner Participation Agreement (OPA) ("Agreement") with Mason Apartments, L.P. ("Developer") for the Mason Hotel located at 1337-1345 Fifth Avenue.

This project is categorically exempt from the California Environmental Quality Act (CEQA) under State CEQA Guidelines Section 1530 (entitled "Existing Facilities"). Section 15301 applies to a class of projects that includes the repair, maintenance or minor alteration of existing public or private structures or facilities involving negligible or no expansion of the existing use. The proposed project consists of the rehabilitation of an existing SRO building, and therefore qualifies for the categorical exemption. The application of a categorical exemption to this project is not precluded by any of the exception set forth in State CEQA Guidelines Section 15300.2.

Centre City Development Corporation Report no. CCDC-11-37, dated July 27, 2011.

Staff: Eri Kameyama, 619-533-7177

Deputy General Counsel: Nathan Slegers

Jeff Graham, Centre City Development Corporation, requested that this item returned to staff.

The meeting adjourned as the Redevelopment Agency at 2:25 p.m.

The meeting reconvened as the Housing Commission by Chair Young at 2:25 p.m.

The meeting adjourned as the Housing Commission at 4:25 p.m.

The meeting received as the Joint Public Hearing Redevelopment Agency and City Council at 4:25 p.m. by Chair Young.

Redevelopment Agency Item no. 6 and Council companion Item no. 336

REDEVELOPMENT AGENCY MEETING MINUTES-AUGUST 2, 2011

**Adoption-Discussion-Public Hearing**

**6. Disposition and Development Agreement for the North Park Gateway Project in the North Park Project Area Noticed Public Hearing (District 3)**

That the Agency and the City Council:  
(RA-2012-6)

- Item 1. Authorize the Executive Director or designee to execute the Disposition and Development Agreement with North Park Gateway, LLC for the North Park Gateway Project.
  
- Item 2. Approve the Basic Concept Drawings.
  
- Item 3. Authorize the Chief Financial Officer to encumber and expend \$100,000 from North Park funds set-aside by the City in accordance with the Cooperation Agreement for Payment of Costs Associated with Certain Redevelopment Agency. Funded Projects by and between the City of San Diego and the Redevelopment Agency of the City of San Diego.

This action is categorically exempt from the requirements of CEQA under Section 15332 of the CEQA Guidelines as an in-fill development project in an urbanized area.

Housing Impact:

The proposed project includes the construction of six 2-bedroom residential apartments.

Redevelopment Agency Report no. RA-11-25 and Report to Council RTC-11-089, dated July 27, 2011.

Council Companion Item no. 336

Staff: Maureen Ostrye, 236-6270  
Eliana Barreiros, 236-6267

Deputy General Counsel: Nathan Slegers  
Comptroller Certificate Number: 3000004328

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

**Redevelopment Agency Resolution and Document numbers R-04683 and D-04683; and City Council Resolution number R-306990.**

REDEVELOPMENT AGENCY MEETING MINUTES-AUGUST 2, 2011

**Adoption-Discussion**

**2. Fourth Amendment to the Agreement with Kane, Ballmer & Berkman for As-Needed Special Legal Services (District 2)**

(RA-2011-141)(Rev.Copy)

That the Redevelopment Agency of the City of San Diego ("Agency) approves the Fourth Amendment to the Agreement for As Needed Special Legal Services between the Agency and Kane Ballmer & Berkman (KBB) to increase the total compensation that may be expended under said agreement by \$800,000 for a maximum total of \$6,625,000, and authorizes the City Chief Financial Officer, as delegated, to appropriate, encumber and expend tax increment funds of up to \$800,000.

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. Thus, this Activity is not subject to CEQA pursuant to State CEQA Guidelines Section 15060(c)(3).

Centre City Development Corporation Report no. CCDC-11-36, dated July 27, 2011.

Staff: Eli Sanchez, 619-533-7121

Deputy General Counsel: Charles Jagolinzer

Comptroller Certificate Number: CC3000004326

Motion by Chair Pro Tem Faulconer to Adopt with direction "That the Law Firm of Kane, Ballmer & Berkman shall provide the Office of the San Diego City Attorney, serving as General Counsel to the Agency, with a duplicate copy of all invoices for the legal services provided under the Agreement" (with Zapf not present)

Seconded by Member Emerald

Passed by the following Vote: 7-0

**Redevelopment Agency Resolution and Document numbers R-04684 and D-04684.**

REDEVELOPMENT AGENCY MEETING MINUTES-AUGUST 2, 2011

**Adoption-Discussion**

**4. Rehabilitation Loan Agreement for the Silverado Ballroom Building (District 7)**

(RA-2012-4)

Item 1. Approve the Rehabilitation Loan Agreement with David Chinh Chau and Ngo M. Chau for the Silverado Ballroom Building Project and authorize the Executive Director or designee to execute and enter into the Rehabilitation Loan Agreement.

Item 2. Approve the Basic Concept Drawings for the Silverado Ballroom Building Project.

Item 3. Authorize the City Chief Financial Officer, as delegated, to appropriate, encumber, and expend up to \$1,394,000 pursuant to the Rehabilitation Loan Agreement associated with the Silverado Ballroom Building Project from the Agency's City Heights Taxable Bonds, contingent on certification by the City Comptroller that funds are available.

This activity (the agreement) is exempt from CEQA pursuant to State CEQA Guidelines Section 15061(b)(3). The future development/construction proposal for which these funds are targeted will be subject to CEQA review at the appropriate future date. This determination is predicated on Section 15004 of the guidelines, which provides direction to lead agencies on appropriate timing for environmental review.

Redevelopment Agency Redevelopment Agency Report no. RA-11-18 and Report to Council RTC-11-055, dated July 27, 2011

Council Companion Item no. 333

Karina Danek, Project Manager, Redevelopment Agency, presented staff report and slide presentation.

Staff: Karina Danek, 236-6537

James Davies, 236-6540

Deputy General Counsel: Kevin Reisch

Comptroller Certificate Number: CC3000004278

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

Seconded by Chair Young

Passed by the following Vote: 7-0

**Redevelopment Agency Resolution and Document numbers R-04685 and D-04685; and City Council Resolution number R-306987.**

REDEVELOPMENT AGENCY MEETING MINUTES-AUGUST 2, 2011

**Adoption-Discussion**

5. **Ninth and Broadway Affordable Housing Project (southeast corner of Broadway & Ninth Avenue)-First Amendment to Disposition and Development Agreement-East Village Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project (District 2)**

(RA-2012-5)

That the Redevelopment Agency ("Agency") adopts a resolution approving the First Amendment to the Disposition and Development Agreement (DDA) ("First Amendment") between the Agency and Broadway Tower Associates, L.P. ("Developer") for the Ninth and Broadway affordable housing project located at the southeast corner of Broadway and Ninth Avenue ("Project") and authorizing the Agency Executive Director or designee to execute the First Amendment and any further instruments required by the DDA, as amended by the First Amendment;

The 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). The FEIR is a "Program EIR" prepared in compliance with State CEQA Guidelines Section 15168.

In connection with the approval of the DDA for the Project on December 7, 2009, the Agency caused the preparation of an Environmental Secondary Study (ESS) dated June 2009. Based on the conclusions of the ESS, the Agency made certain findings, consistent with State CEQA Guidelines Section 15168 and the Agency's CEQA procedures, to the effect 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 proposed revisions to the DDA pertain to modifications of the schedule for the Project and do not implicate any new environmental concerns that are not already addressed in the FEIR and the ESS. In accordance with State CEQA Guidelines Sections 15162 and 15168, no further environmental documentation is required with respect to the proposed revisions to the Owner Participation Agreement (OPA).

Centre City Development Corporation Report no. CCDC-11-38 and CCDC-11-19, dated July 27, 2011

Council Companion Item no. 335

REDEVELOPMENT AGENCY MEETING MINUTES-AUGUST 2, 2011

**Adoption-Discussion**

5. **Ninth and Broadway Affordable Housing Project (southeast corner of Broadway & Ninth Avenue)-First Amendment to Disposition and Development Agreement-East Village Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project (District 2)**

(Continued)

Eri Kameyama, presented staff report and slide presentation.

In favor did not speak Robert McNamara.

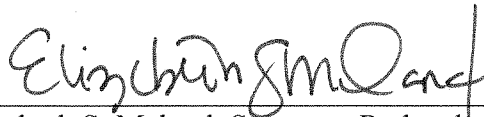
Staff: Eri Kameyama, 619-533-7177  
Lane MacKenzie, 619-236-6050  
Deputy General Counsel: Kevin Reisch

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

**Redevelopment Agency Resolution and Document numbers R-04686 and D-04686; and City Council Resolution number R-306989..**

**Adjournment**

The meeting adjourned as the Redevelopment Agency with City Council at 3:35 p.m.



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