



DATE ISSUED: February 19, 2004 REPORT NO. CCDC-04-12
CCDC-04-06

ATTENTION: Honorable Chair and Members of the Redevelopment Agency
Honorable Mayor and Members of the City Council
Docket of March 23, 2004

SUBJECT: Resolutions Certifying the Environmental Secondary Study and
Approving the Proposed Eighth Amendment to the Centre City
Redevelopment Plan; and an Ordinance Approving the Proposed
Eighth Amendment to the Centre City Redevelopment Plan –
Joint Public Hearing

REFERENCE: Eighth Amendment to the Redevelopment Plan for the Centre City
Redevelopment Project
Report to the City Council
Environmental Secondary Study

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SUMMARY

Issue - Should the City Council:

1. Certify the proposed Environmental Secondary Study; and
2. Adopt Ordinance approving the proposed Eighth Amendment to the Centre City Redevelopment Plan after considering the Report to the City Council, and recommendations of the Planning Commission, the Centre City Advisory Committee, the Project Area Committee and the Centre City Development Corporation, and all evidence and testimony for and against the proposed Eighth Amendment to the Centre City Redevelopment Plan?

And, should the Redevelopment Agency:

1. Certify the proposed Environmental Secondary Study; and
2. Approve the proposed Eighth Amendment to the Centre City Redevelopment Plan and the Report to City Council?

Staff Recommendation - That the City Council of the City of San Diego (Council) and the Redevelopment Agency of the City of San Diego (Agency) certify the proposed Environmental Secondary Study and approve the Eighth Amendment to the Redevelopment Plan for the Centre City Redevelopment Project (Eighth Amendment) and the Report to City Council.

Centre City Development Corporation Recommendation- On January 28, 2004, the Centre City Development Corporation ("Corporation") voted unanimously to recommend the Council and the Agency approve the Eighth Amendment and the Environmental Secondary Study.

Centre City Advisory Committee (CCAC) and Project Area Committee (PAC) Recommendations - On January 27, 2004, the CCAC voted 16 in favor and 5 opposed to recommend to the Council and Agency to approve the Eighth Amendment and the Environmental Secondary Study and the PAC voted 13 in favor and 5 opposed to recommend to the Council and the Agency to approve the Eighth Amendment and the Environmental Secondary Study.

Other Recommendations - On January 22, 2004, the Planning Commission voted unanimously and one (1) recusal (the Chair recused himself) to recommend to the Council and the Agency to approve the Eighth Amendment and the Environmental Secondary Study.

Fiscal Impact - None with this action.

BACKGROUND

The proposed extension of the eminent domain provisions of the Centre City Redevelopment Plan (Plan) will assist in the elimination of physical and economic blighting influences in the Project area by:

- creating of new development opportunities;
- providing new residential, retail, hotel and office development; and
- strengthening the economic base of downtown.

The Plan was originally adopted by the Council and Agency on May 11, 1992 and contains 1,398 acres. The Project Area includes the Marina, Columbia and Gaslamp Quarter Redevelopment Projects that were merged and expanded with the Expansion Sub Area that includes the Little Italy, East Village, Cortez and Core Redevelopment Districts. Section 33333.2 (4) of the Health and Safety Code limits the utilization of eminent domain for a period not to exceed twelve (12) years from the adoption of a redevelopment plan. The Agency's authority to use eminent domain expires on May 11, 2004. An extension to this time requires an amendment to the Plan.

DISCUSSION

The proposed Eighth Amendment would extend the duration of eminent domain for twelve (12) years or until May 11, 2016. The redevelopment activities undertaken by the Corporation over the past twelve (12) years have included the creation of both new affordable and market rate housing units, new retail space, new office space, hotel rooms, a new downtown Ballpark, parking spaces and new open and park space. Many future projects will not be possible without the continuation of this power of eminent domain.

The proposed Eighth Amendment to the Plan is considered a technical amendment and will not change the boundaries of the Project Area or the fiscal and time limit provisions contained within the Plan aside from extending the eminent domain authority.

Environmental Secondary Study

An Environmental Secondary Study has been prepared in compliance with the requirements for an initial study according to the State Guidelines for implementation of the California Environmental Quality Act (CEQA), CEQA Guidelines and the San Diego Redevelopment Agency's amended procedures for implementation of CEQA (adopted on July 17, 1990) and has been included in the Report to the City Council. The Environmental Secondary Study prepared for the proposed Eighth Amendment to extend the duration of eminent domain authority found the following:

- No Negative Declaration, Subsequent EIR, Supplement or Addendum to the MEIR/SEIR is necessary or required.

The proposed action will not have any significant effect on the environment, other than as identified in the MEIR/SEIR, and there is no substantial additional information or data available regarding environmental impacts identified in the MEIR/SEIR. No new or additional project-specific mitigation measures are required for this activity.

Comments received on the proposed Environmental Secondary Study as of the date of the mailing of the Notice of the Joint Public Hearing to property owners, residents and business owners are included in the Report to the City Council along with the response from staff. Any subsequent comments made by the public after the publication and mailing of the Notice of the Joint Public Hearing will be disclosed to the Council and Agency at the Joint Public Hearing along with the staff response.

SUMMARY/CONCLUSION

The proposed Eighth Amendment will provide additional resources necessary to continue the successful implementation of the Plan and redevelopment activities that have resulted in the generation of significant tax increment, sales tax and physical transformation of downtown San Diego that is unprecedented.