



DATE ISSUED: January 6, 2004

REPORT NO. CCDC-04-11
CCDC-04-19

ATTENTION: Honorable Mayor and Members of the City Council
Honorable Chair and Members of the Redevelopment Agency
Docket of February 10, 2004

SUBJECT: Resolution Accepting the Final Environmental Secondary Study and
Consenting to a Joint Public Hearing on the Proposed Eighth
Amendment to the Centre City Redevelopment Plan

REFERENCE: Eighth Amendment to the Redevelopment Plan for the Centre City
Redevelopment Project; and the Final Environmental Secondary
Study

STAFF CONTACT: David Allsbrook, Manager-Contracting and Public Works

SUMMARY

Issue - Should the City Council:

1. Accept the Final Environmental Secondary Study;
2. Consent to a Joint Public Hearing on the proposed Eighth Amendment to the Centre City Redevelopment Plan; and
3. Authorize a date, time and place for the Joint Public Hearing and authorize the publication and mailing of notice of such public hearing?

And, should the Redevelopment Agency:

1. Accept the Final Environmental Secondary Study;
2. Consent to a Joint Public Hearing on the proposed Eighth Amendment to the Centre City Redevelopment Plan; and
3. Authorize a date, time and place for the Joint Public Hearing and authorize the publication and mailing of notice of such public hearing?

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

Centre City Development Corporation Recommendation- On January 28, 2004, the Centre City Development Corporation will consider the recommendation to approve the Eighth Amendment and the Final Environmental Secondary Study.

Centre City Advisory Committee (CCAC) and Project Area Committee (PAC) Recommendations- On January 27, 2004, the CCAC and the PAC will consider the recommendation to the Council and the Agency to approve the Eighth Amendment and the Final Environmental Secondary Study.

Other Recommendations- On January 22, 2004, the Planning Commission will consider the recommendation to the Council and the Agency to approve the Eighth Amendment and the Final Environmental Secondary Study. The actions taken by these Committee(s), Commission and the Corporation will be reported to Council when this matter is scheduled to be considered.

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 blight and environment deficiencies by:

- providing the creation of new development opportunities,
- including 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) and the San Diego Redevelopment Agency's amended procedures for implementation of CEQA (adopted on July 17, 1990) and will be included in the Report. The Environmental Secondary Study prepared for the proposed Eighth Amendment to the Centre City Redevelopment Plan 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 activity will have no significant effect on the environment, except as identified and considered in the MEIR/SEIR for the Centre City Redevelopment Project. No new or additional project-specific mitigation measures are required for this activity.

Amendment Schedule (Major Approvals)

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| <input type="checkbox"/> Planning Commission Consideration of the proposed Eighth Amendment and the Final Environmental Secondary Study. | January 22, 2004 |
| <input type="checkbox"/> CCAC/PAC consideration of the proposed Eighth Amendment and Final Environmental Secondary Study. | January 27, 2004 |
| <input type="checkbox"/> Corporation consideration of the proposed Eighth Amendment and Final Environmental Secondary Study. | January 28, 2004 |

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| <input type="checkbox"/> | Report to Council to Agency/City Council request to hold a Joint Public Hearing | February 10, 2004 |
| <input type="checkbox"/> | Joint Public Hearing - Agency/City Council | March 16, 2004 |
| <input type="checkbox"/> | Second reading and adoption of Ordinance | March 30, 2004 |
| <input type="checkbox"/> | Ordinance becomes effective | June 28, 2004 |

SUMMARY/CONCLUSION

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