



THE CITY OF SAN DIEGO
Redevelopment Agency's Report

DATE ISSUED: May 11, 2005

REPORT NO. RA-05-16
CMR-05-108

ATTENTION: Honorable Chair and Members of the Redevelopment Agency
Honorable Mayor and City Council
Docket of May 17, 2005

SUBJECT: First Amendment to NTC Park Improvement Agreement

REFERENCE: Manager's Report No. 02-096 dated April 29, 2002

SUMMARY

Issue – Should the City Council and the Redevelopment Agency approve the First Amendment to the NTC Park Improvement Agreement and authorize the City Manager, or his designee, and the Executive Director of the Agency, or his designee, to execute the First Amendment to the NTC Park Improvement.

Manager's/Executive Director's Recommendations – That the City Council and the Redevelopment Agency approve the First Amendment to the NTC Park Improvement Agreement and authorize the City Manager, or his designee, and the Executive Director of the Agency, or his designee, to execute the First Amendment to the NTC Park Improvement Agreement.

Other Recommendations – None.

Fiscal Impact – The completed park will have annual operations & maintenance costs that are presently not included in the City Managers multi-year financial plan.

BACKGROUND

The Redevelopment Agency ("Agency") and McMillin-NTC, LLC ("McMillin"), entered into a Disposition and Development Agreement (the "DDA") in June 2000. The purposes of the DDA include effectuating the Redevelopment Plan for the Naval Training Center Redevelopment Project, adopted by the City Council in May, 1997, and the Naval Training Center Reuse Plan, adopted by the City Council in October, 1998, by providing for, among other things, the redevelopment of the property by McMillin and/or one or more assignees. The DDA contemplates the development of a mixed-use project involving the construction and installation of public infrastructure improvements, the rehabilitation and reuse of existing buildings and

construction of new buildings and improvements, as well as the development of a public waterfront park and recreation area on City-owned property.

DISCUSSION

The NTC Park Improvement Agreement provides for the public waterfront park at NTC/Liberty Station to be developed in three phases, as follows:

Phase	Acreage	Commencement Date	Completion Date
1	14	December 2005	December 2008
2	13	December 2007	December 2010
3	13	December 2009	December 2012

As a condition of City Council approval of the issuance of Community Facilities District private placement bonds (“CFD bonds”), McMillin has committed to commencing and completing the park improvements on an accelerated schedule. Pursuant to the proposed First Amendment to the NTC Park Improvement Agreement (Attachment 1), if the CFD bonds are sold, the park improvements will commence and be completed on the following schedule:

Phase	Acreage	Commencement Date	Completion Date
1	18	Within 30 days of sale of bonds and reimbursement of approved costs (est. date - August 2005)	16 months (est. date – December 2006)
2	28	Within 30 days of reimbursement of approved Phase 1 costs and sale of second series bonds (est. date – June 2007)	16 months (est. date – October 2008)

The 46 acres of park improvements shown in the table above includes the original 40 acre park plus the 6 acre waterfront esplanade.

ALTERNATIVE

Do not approve the First Amendment to the NTC Park Improvement Agreement.

Respectfully submitted,

Hank Cunningham
Assistant Executive Director
Redevelopment Agency

Ellen Oppenheim
Park & Recreation Director

Approved: Bruce Herring
Deputy City Manager

CUNNINGHAM/OPPENHEIM/MO

Attachment: First Amendment to NTC Park Improvement Agreement