



THE CITY OF SAN DIEGO
Redevelopment Agency's Report

DATE ISSUED: March 27, 2007

REPORT NO.: RA-07-12

ATTENTION: Honorable Chair and Members of the Redevelopment Agency
Docket of April 10, 2007

SUBJECT: Proposed Settlement Agreement in Save Our Forests and Ranchlands v. City of San Diego, Redevelopment Agency of the City of San Diego, San Diego City Council, Centre City Development Corporation, Inc., Case No. GIC 864298.

REQUESTED ACTION: 1) Approve the Settlement Agreement; and 2) Authorize execution of said Settlement Agreement.

STAFF RECOMMENDATION: Approve the requested actions.

SUMMARY: On April 13, 2006, a citizen group known as Save Our Forests and Ranchlands ("SOFAR") filed a petition for writ of mandate challenging the City's compliance with the California Environmental Quality Act ("CEQA") in its February 28, 2006, approvals of the Downtown Community Plan and subsequent implementing ordinances. SOFAR claims in its petition that the Centre City Development Corporation ("CCDC") and the City violated CEQA in two primary respects: (1) by failing to consider an adequate range of alternative transportation and transit options to the proposed Downtown Community Plan, and (2) by failing to adequately analyze and mitigate transportation and parking impacts.

Through the course of settlement discussions, the parties have agreed that the most efficient way to examine a transit alternative would be for CCDC to analyze it, at CCDC's expense, in a separate, stand-alone Environmental Impact Report ("EIR") that the City Council could certify if it eventually gives its approval to such a transit alternative. The details of this proposal are set forth in the Settlement Agreement marked as Exhibit "A" to the proposed resolution. The Settlement Agreement sets forth a schedule for the selection of consultants and the review and analysis process, as well as a list of specific transit consultants the parties agreed to invite to submit proposals to develop the details of a transit alternative that eventually would be presented to the City Council after being studied in an EIR.

While the Settlement Agreement affords SOFAR a participatory role in the transit consultant selection process, the agreement makes clear that CCDC has the final right of selection. Furthermore, SOFAR will be given the same rights to review and comment on the EIR as any other member of the public, but no special input into, or veto power over, its conclusions.

The Settlement Agreement further provides that upon payment to SOFAR of its attorneys' fees, in the amount of \$60,613.00, SOFAR will execute and file a notice of dismissal of its petition with prejudice, which means that SOFAR may not refile a suit alleging the same claims against the Downtown Community Plan EIR.

SOFAR did not agree to waive its rights to challenge future downtown projects, so if large projects to which SOFAR objects are approved in the interim while the transit alternative is being studied, SOFAR may still file new litigation. After dismissal with prejudice of this litigation, however, SOFAR is barred by law from reasserting any claims about the adequacy of the 2006 Downtown Community Plan EIR.

FISCAL CONSIDERATIONS: Funds for all costs to be incurred in connection with the implementation of this Settlement Agreement on behalf of all respondents and defendants are available and will be paid for by CCDC.

PREVIOUS COUNCIL and/or COMMITTEE ACTION: On January 31, 2007, the CCDC Board recommended approval of the SOFAR Settlement Agreement as it is reflected in Exhibit "A" to the resolution. On March 20, 2007, this matter went before the Redevelopment Agency in closed session. Upon a motion duly made and seconded, the Redevelopment Agency voted 7-0 (Agency member Frye recused herself) to approve the Settlement Agreement and to authorize its execution.

COMMUNITY PARTICIPATION & PUBLIC OUTREACH EFFORTS: None with this action.

Respectfully submitted,

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Deputy Counsel