

DATE ISSUED: October 21, 2009

ATTENTION: Honorable Chair and Members of the Redevelopment Agency
Council President and City Council
Docket of October 27, 2009

ORIGINATING DEPT.: Centre City Development Corporation

SUBJECT: C Street Safety Enhancements Public Improvements (C Street from
State Street to Eleventh Avenue) – Request to Bid – Core and East
Village Redevelopment Districts of the Expansion Sub Area of the
Centre City Redevelopment Project and Columbia Sub Area of the
Centre City Redevelopment Project

COUNCIL DISTRICT: Two

REFERENCE: None

STAFF CONTACT: John Anderson, Senior Project Manager, Public Works
(619) 533-7140

REQUESTED ACTION:

That the Redevelopment Agency of the City of San Diego (“Agency”) and City Council of the City of San Diego (“City Council”) approve all actions as necessary for the construction of the C Street Safety Enhancements Public Improvements Project located in the Core and East Village Redevelopment Districts of the Expansion Sub Area of the Centre City Redevelopment Project and Columbia Sub Area of the Centre City Redevelopment Project (“Project Area”).

STAFF RECOMMENDATION:

That the Agency:

- Authorize the expenditure not to exceed \$283,576 of Agency funds for the C Street Safety Enhancements Public Improvements Project (“Improvements”) available in the Agency Fiscal Year 2010 C Street Master Plan Budget for the Centre City Redevelopment Project to pay for the cost of construction and installation of the Improvements;
- Authorize the City of San Diego’s (“City”) Chief Financial Officer, as delegated, to authorize to expend up to \$283,576, to establish the necessary accounts, to appropriate and to allot all monies available for the project, and to carry forward any unexpended balance remaining in budgetary accounts at the end of each fiscal year into the next year as a continuing appropriation, subject to amendment by the Agency;

- Authorize the Centre City Development Corporation (“Corporation”), on behalf of the Agency, to advertise and receive bids for the proposed construction of the Improvements, located on C Street, from State Street to Eleventh Avenue in the Project Area (Attachment A–Site Map);
- Authorize the Corporation, on behalf of the Agency, to award the construction contract to the lowest responsible bidder, provided bids are within the established budget of \$283,576; that the construction contract shall not exceed \$283,576 and all other public contracting requirements are met;
- Authorize the Agency Executive Director or designee, to execute the construction contract with the lowest responsible bidder for the construction and installation of the Improvements;
- Authorize the Corporation, on behalf of the Agency, to administer the construction contract for the construction and installation of the Improvements; and
- Make certain findings that the proposed Project benefits the Project Area or the immediate neighborhood in which the Project Area is located; that no other reasonable means of financing is available to the community; that the payment of funds will assist in eliminating blighting conditions by improving the existing damaged and non-ADA-compliant public improvements to current City standards, by removing sight obstructions and conditions that create policing and safety issues; and by insuring adequate health and safety facilities for the public inside the Project Area; and that the proposed Project is consistent with the Implementation Plan adopted for the Project Area pursuant to California Health and Safety Code section 33490 (Attachment B).

And, that the City Council:

- Authorize the Agency, acting by and through the Corporation, to administer and manage the construction and installation of the Improvements;
- Authorize the City to accept the Improvements, including the ongoing maintenance obligation associated therewith, upon completion of construction and installation of the Improvements; and
- Make certain findings that the proposed Project benefits the Project Area or the immediate neighborhood in which the Project Area is located; that no other reasonable means of financing is available to the community; that the payment of funds will assist in eliminating blighting conditions by improving the existing damaged and non-ADA-compliant public improvements to current City standards, by removing sight obstructions and conditions that create policing and safety issues; and by insuring adequate health and safety facilities for the public inside the Project Area; and that the proposed Project is consistent with the Implementation Plan adopted for the Project Area pursuant to California Health and Safety Code section 33490.

SUMMARY:

The proposed Improvements will consist of the following:

- Remove and replace broken and damaged sidewalks, curbs and gutters;
- Remove obstructive large above-ground planters;
- Remove obstructive trees and palms and reinstall missing trees;
- Reduce the size of some planters that encroach into and narrow the pedestrian walkways, and replace with sidewalk;
- Remove old unnecessary railings and bollards;
- Replace missing landscaping in planters;
- Remove tall landscaping and obstructions and replant with lower landscaping;
- Replace missing tree grates with ADA-compliant tree grates and one missing streetlight; and
- Improve lighting by removing and replacing catenary pole High Pressure Sodium lights with induction lighting on selected blocks for greater night visibility and a lower maintenance cost.

All of the historic sidewalk stamps and survey monuments within the work limits will be preserved.

FISCAL CONSIDERATIONS:

Agency funds in the amount of \$283,576 are available in the Agency Fiscal Year 2010 C Street Master Plan Budget. These project expenditures were included in the Fiscal Year 2010 budget, and were taken into account when determining the project area's ability to fund the State's ERAF payment.

CENTRE CITY DEVELOPMENT CORPORATION RECOMMENDATION:

On September 16, 2009, the Corporation Board of Directors voted unanimously in favor of the staff recommendation.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

On September 9, 2009, the Centre City Advisory Committee voted 23 to 0 in favor of the staff recommendation.

The Project scope of work was reviewed with staff from the Police Department, Metropolitan Transit Systems (MTS) that operates the trolley, Clean & Safe that maintains the public right of way along with MTS and the City, City staff, and various adjacent property owners. Informational presentations were given to Clean & Safe; the Property-based Business Improvement District for the Project Area via the Downtown San Diego Partnership, the East Village Association, and the East Village Community Action Network. All of these organizations expressed support for implementing the Project.

KEY STAKEHOLDERS AND PROJECT IMPACTS:

Approval of the proposed Project will impact the quality of life for Columbia, Core, and East Village residents, visitors, and benefit property owners by correcting these problems.

BACKGROUND

The proposed Project advances the Visions and Goals of the Centre City Community Plan and the Objectives of the Centre City Redevelopment Project by:

- Improving public safety and health conditions;
- Removing sight obstructions and conditions that create policing and safety issues;
- Repairing, replacing or removing broken or damaged street furnishings that present walkability issues;
- Providing a wider and less obstructed pedestrian thoroughfare;
- Providing lighting on selected blocks with higher quality and less maintenance cost lights; and
- Increasing the quality of life for downtown residents, visitors, and businesses by improving the public improvements with a variety of safety related enhancements.

The existing damaged and substandard public improvements create both health and safety issues, which will be eliminated by the proposed new public improvements.

EQUAL OPPORTUNITY

This Project will utilize the Subcontracting Outreach Program (SCOPE). The mandatory subcontracting outreach percentage for this Project will be determined by the City's Engineering and Capital Improvement Projects Department.

This agreement is subject to the City's Equal Opportunity Contracting (San Diego Ordinance No. 18173, Section 22.2701 through 22.2708) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517).

DISCUSSION

Project Description – The Project is an element of enhancement versus the significantly larger C Street Master Plan project. The C Street Master Plan project is currently at 30 percent schematic design. The Project will make needed interim safety enhancements to the C Street public right of way while the larger C Street Master Plan project advances. One of the major goals of this safety enhancement Project is to remove sight obstructions and conditions in the public right of way that create policing conditions.

The Project comprises of the replacement of damaged sidewalks, curbs and gutters; the removal of trees, bollards and planters blocking the sidewalks; and the installation of missing street trees and lower-height landscaping. All of the concrete surface improvements to be replaced are in a broken and poor condition. Better lighting will be installed on selected blocks for increased visibility and lower maintenance cost. All of the historic sidewalk stamps and survey monuments within the work limits will be preserved.

Project Budget and Financing – The installation costs of the proposed work are anticipated to be as follows:

Description of Work	Cost
Mobilization, traffic control and water pollution control	\$ 25,000
Demolition, clearing and grubbing	\$ 33,275
Installation of sidewalk, curb and gutter	\$ 41,050
Installation of landscaping, irrigation and trees	\$ 47,600
Replacement of streetlights	\$ 42,000
Potential three blocks of 2' wide concrete medians (under City review) replacing existing delineators Front Street to Second Avenue and striping from Tenth to Eleventh avenues	\$ 30,000
<i>Installation Costs Subtotal</i>	\$ 218,925
Bonds at 3.5%	\$ 7,663
Field Orders	\$ 5,000
City Construction Inspection and Construction Management	\$ 15,000
<i>Subtotal</i>	\$246,588
Contingency (15%)	\$ 36,988
TOTAL	\$283,576

Participation by Agency – The Agency will fund the total cost of the Project in an amount not to exceed \$283,576.

Proposed Schedule of Performance – The following is a summary of the Project schedule:

Date	Action/Approval
November 2009	Bid Advertisement
January 2010	Bid Opening
February 2010	Notice to Proceed
April 2010	Project Completion (three months)

Project Benefits – The Project will improve the C Street corridor by providing needed safety enhancement public improvements as supported by the neighborhood residents, businesses and various public organizations and agencies by improving public safety and health conditions and removing sight obstructions and conditions that create policing and safety issues.

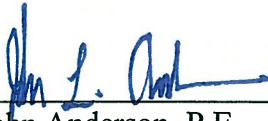
Environmental Impact – This activity is categorically exempt from CEQA pursuant to State CEQA Guidelines Section 15301. Existing Facilities, Class 1 (c). The activity does not fall within any of the classes of projects for which a categorical exemption may not be applied (Pub. Resources Code Section 21084). Moreover, the activity triggers none of the exceptions to the application of a categorical exemption set forth in CEQA Guidelines Section 15300.2. Therefore, the application of the categorical exemption set forth under CEQA Guidelines Section 15301. Existing Facilities, Class 1 (c), is appropriate for this activity.

Findings – State law requires that certain findings be made by the City Council and Agency prior to the expenditure of Agency funds for public facilities/improvements. Attachment B recites the proposed findings with respect to the benefits of the proposed Project to the Core and East Village Redevelopment Districts of the Expansion Sub Area and Columbia Sub Area of the Centre City Redevelopment Project Area; the unavailability of other means of the City to finance the proposed Project; how the proposed Project will assist in eliminating blighting conditions by improving the existing damaged outdated and surface improvements to current City standards; and insuring adequate health and safety facilities for the public inside the Project Area; and that the proposed Project is consistent with the Implementation Plan adopted for the Project pursuant to California Health and Safety Code section 33490.

CONCLUSION:

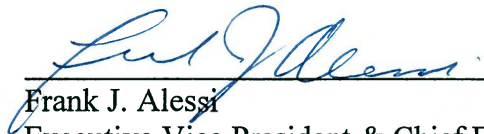
The existing damaged and non-ADA-compliant surface improvements, obstructive planters and landscaping and poor lighting conditions on C Street contribute to blight and present health and safety issues. The proposed Project will improve the pedestrian walkways and visibility by removing visual obstructions and enhancing public safety with better lighting. Approval of the proposed Project will improve the quality of life for Columbia, Core, and East Village residents, visitors, and benefit property owners by correcting these problems.

Respectfully submitted,



John Anderson, P.E.
Senior Project Manager, Public Works

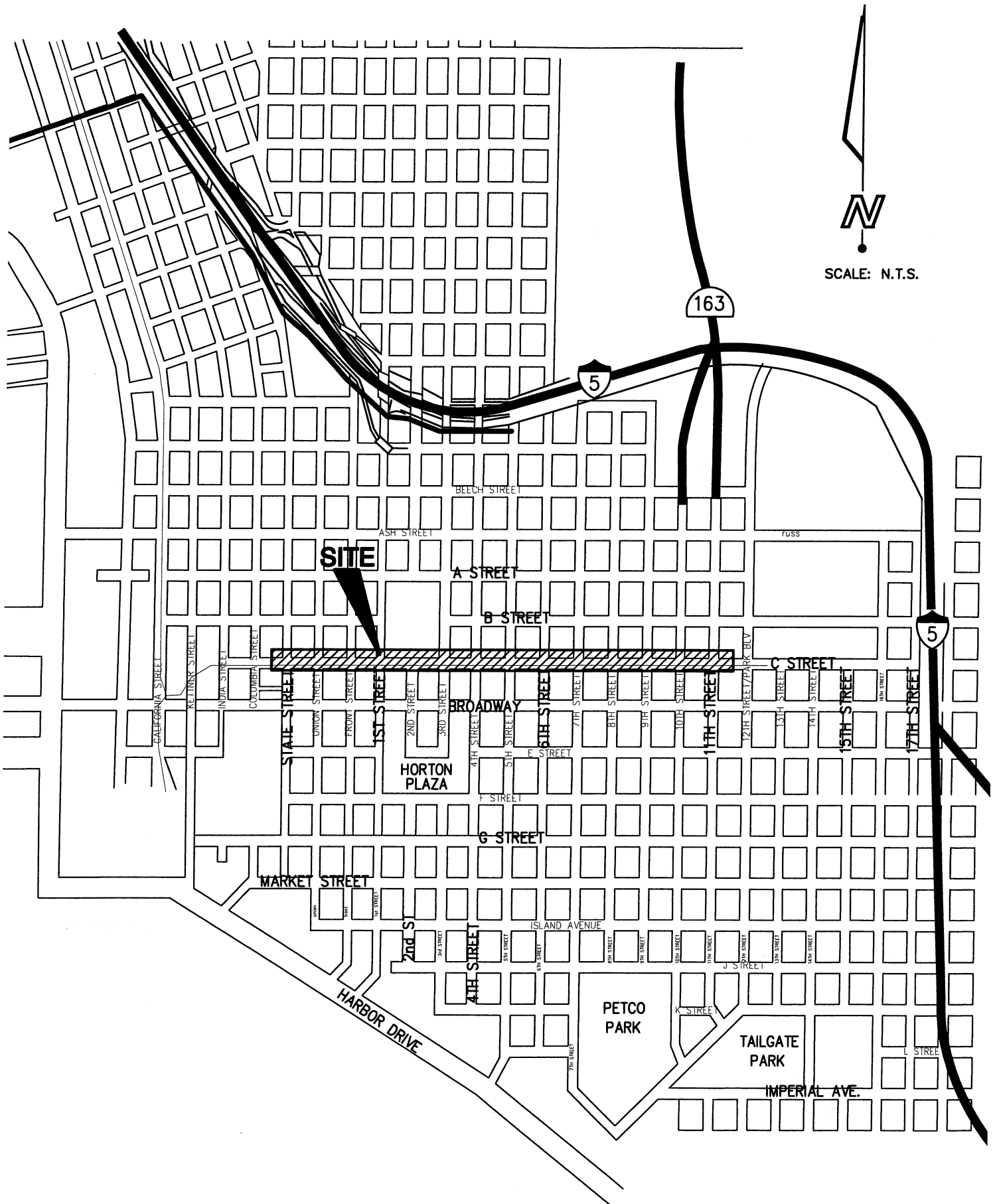
Concurred by:



Frank J. Alessi
Executive Vice President & Chief Financial
Officer

Attachments: A – Site Map
B – Findings of Benefit

C STREET STREETScape SAFETY ENHANCEMENTS VICINITY MAP



ATTACHMENT A

FINDINGS OF BENEFIT
(California Health & Safety Code Section 33445)

SUBJECT IMPROVEMENTS: C STREET SAFETY ENHANCEMENTS PUBLIC IMPROVEMENTS (C STREET FROM STATE STREET TO ELEVENTH AVENUE) – REQUEST TO BID – CORE AND EAST VILLAGE REDEVELOPMENT DISTRICTS OF THE EXPANSION SUB AREA AND COLUMBIA SUB AREA OF THE CENTRE CITY REDEVELOPMENT PROJECT

The following findings are for the construction of the proposed public improvements on C Street from State Street to Eleventh Avenue within the Core and East Village Redevelopment Districts of the Expansion Sub Area and Columbia Sub Area of the Centre City Redevelopment Project. The proposed public improvements shall consist of removal and replacement of broken and damaged sidewalks, curbs and gutters; removal of obstructive large above-ground planters; removal of obstructive trees and palms and reinstallation of missing trees; reduce the size of some planters that encroach into and narrow the pedestrian walkways and replace with sidewalk; removal of old unnecessary railings and bollards; replace missing landscaping in planters; removal of tall landscaping and obstructions and replant with lower landscaping; replace missing tree grates with ADA-compliant tree grates and one missing street light; and improve lighting by removing and replacing catenary pole High Pressure Sodium “H.P.S.” lights with induction lighting on selected blocks for greater night visibility and a lower maintenance cost (“Improvements”). The City of San Diego (“City”) will be responsible for maintaining the Improvements after installation of the Improvements has been completed.

I. FINDINGS OF BENEFIT

The Improvements for which the Redevelopment Agency of the City of San Diego (“Agency”) proposes to pay will benefit the Core and East Village Redevelopment Districts of the Expansion Sub Area and Columbia Sub Area of the Centre City Redevelopment Project (“Project Area”) or the immediate neighborhood in which the Project Area is located in that:

- A. The Improvements will improve the C Street corridor by providing needed safety enhancement public improvements as supported by the neighborhood residents, businesses and various public organization and agencies by improving public safety and health conditions and removing sight obstructions and conditions that create policing and safety issues.
- B. Increased lighting will improve public safety, deter crime and provide energy efficiencies.
- C. Replacement of inadequate public improvements will improve commercial activity on C Street and pedestrian activity.

II. NO OTHER REASONABLE MEANS OF FINANCING

There are no other reasonable means available to the community for (i.e., City of San Diego) financing the subject Improvements for which the Agency proposes to pay in that:

City of San Diego

- A. In Fiscal Year 2009, the City of San Diego (“City”) experienced declining revenues in the City’s four major revenue sources (property tax, sales tax, Transient Occupancy Tax (TOT), and franchise fees), resulting in a \$39.0 million reduction from the Fiscal Year 2009 Adopted Budget.
- B. In response to the economic downturn, the City reduced its General Fund revenue projections for Fiscal Year 2009 and restricted departmental spending. To balance the General Fund budget, City Council adopted the Fiscal Year 2009 Revised Budget on December 9, 2008 and February 3, 2009 by reducing \$36.6 million in expenditures. These Fiscal Year 2009 budget adjustments were carried forward into the Fiscal Year 2010 Adopted Budget.
- C. The Fiscal Year 2010 Adopted Budget for the City decreased by approximately 5.8% from \$3.13 billion to \$2.95 billion. The Fiscal Year 2010 Budget reflects General Fund revenues and expenditures of \$1.13 billion, representing a decline of \$62.9 million or 5.3% over the Fiscal Year 2009 Adopted Budget. The General Fund Budget includes 7,396.92 FTE positions, a decrease of 148.30 FTE positions over the Fiscal Year 2009 Adopted Budget. The net decrease in General Fund positions is primarily due to the elimination of 146.95 FTE positions carried forward from the Fiscal Year 2009 Revised Budget.
- D. The City’s Fiscal Year 2010 General Fund balanced budget, approved by City Council in June 2009, includes reduced revenue projections adjusted for a continuation of slow economic growth and a continued constriction of economic activity. Growth in revenues is anticipated to be negative in most major revenue categories such as sales tax, TOT, and property tax. The City Charter requires the City to maintain a balanced budget. The economic downturn and the negative effect of the Fiscal Year 2010 reduced revenues of approximately \$62.9 million (over the Fiscal Year 2009 Adopted General Fund Budget) confirms the need for the Agency to fund these Improvements.
- E. The City's capital improvement budget is funded from various sources, including water and sewer fees, Development Impact Fees, grant funds, Facilities Benefit Assessment funds, and sale of City-owned property and TransNet funds. The Fiscal Year 2010 Capital Improvement Program (CIP) Budget totals \$478.4 million, a decrease of \$108.5 million from Fiscal Year 2009. The Fiscal Year 2010 CIP Budget provides for improvements to the City’s water and sewer systems and projects for park and recreation, library, and transportation. Despite the decrease in the City’s CIP Budget, it is estimated that the City’s deferred maintenance capital needs, excluding water and sewer projects, may be at least \$800 to \$900 million. The City financed \$103 million of this backlog in Fiscal Year 2009, but given the current economic recession and the decline in General Fund revenues, the City is unable to expend General Fund revenues on additional capital projects this fiscal year.

- F. On March 4, 2009, the Agency entered into a co-operation agreement with the City to fund the debt service on the PETCO Park bonds for the next five years due to the economic downturn and negative growth rates for some major revenues. (Resolution # R304728/Agency Report CCDC-09-07).

III. ELIMINATION OF BLIGHTING CONDITIONS

The payment of Agency funds toward the cost of the Improvements will assist in the elimination of one or more blighting conditions within the East Village, Core and Columbia Sub Areas of the Project Area, in that:

- A. The Improvements will enhance the neighborhood and replace inadequate public improvements. The Improvements will remove and replace these adverse conditions, upgrading to match the improvements on nearby streets.
- B. The Improvements will act as a catalyst providing an incentive for private investment, thereby contributing to the removal of economic blight.
- C. “Improvements to existing water and sewer lines, streets, sidewalks, parkways, and lighting in the public right-of-way; continued participation in the enhancement of the public transit system” as a means to contribute to blight removal is included on Page 4 of the work program set forth in the Fourth Five-Year Implementation Plan for the Project Area, adopted June 19, 2009, pursuant to California Health and Safety Code 33490.

IV. CONSISTENCY WITH THE IMPLEMENTATION PLAN

The payment of Agency funds toward the cost of the Improvements is consistent with the Fourth Five-Year Implementation Plan adopted on June 19, 2009 for the Project Area pursuant to California Health and Safety Code 33490, in that:

- A. The Improvements address the specific goals and objectives of the Fourth Five-Year Implementation Plan, as identified on Page 9 of the work program which states in pertinent part as follows: “Encourage economically-viable development; increase economic and social vitality of bay front; provide uses and amenities that celebrate the community; provide public access and open space; create a signature expression that draws attention to the area; serve local community and tourists; and preserve and maximize bay views.” A copy of the Fourth Five-Year Implementation Plan is on file with the Agency as Document No. D-04405e.
- B. By furthering the specific goals and objectives of the Fourth Five-Year Implementation Plan, the Improvements and the Agency’s payment thereof are a means to eliminate blight within the Project Area and to facilitate the objectives of the Fourth Five-Year Implementation Plan.

