



THE CITY OF SAN DIEGO

Redevelopment Agency's Report

DATE ISSUED: May 6, 2009 REPORT NO.: RA-09-06
RTC-09-043

ATTENTION: Council President and Members of the City Council
Honorable Chair and Members of the Redevelopment Agency
Docket of May 12, 2009

SUBJECT: Funding for Grantville Master Plan Environmental Impact Report
(EIR) Consultant Contract and City Staff Review of Master Plan
and EIR, Non-Personnel Expense and Master Plan Project
Contingency Costs.

REFERENCE: Staff Reports: RA-05-14, CMR-05-099, PC-05-088

REQUESTED AGENCY ACTION:

1. Authorize the Redevelopment Agency to contribute and expend Redevelopment Agency tax increment funds from the Grantville Redevelopment Project Area to the City in an amount not to exceed \$288,927 for the Grantville Master Plan EIR Contract with BRG Consulting, Inc., and to transfer the funds from Fund No. 98260 into Fund No. 10298, contingent upon the Comptroller certifying funds for this action are available.
2. Authorize the Redevelopment Agency to contribute and expend Redevelopment Agency tax increment funds from the Grantville Redevelopment Project Area to the City in an amount not to exceed \$253,424 for City staff review, non-personnel expenses and project contingency costs relating to the Grantville Master Plan and EIR and to transfer the funds from Fund No. 98260 into Fund No. 10298, contingent upon the Comptroller certifying funds for this action are available.
3. Authorize the Redevelopment Agency to accept the return of any and all funds from this allocation remaining in Fund No. 10298 if there are any cost savings.
4. That the Comptroller is authorized to transfer back to the Redevelopment Agency any and all funds remaining in Fund No. 10298 if there are any cost savings.
5. Authorize the Redevelopment Agency Executive Director or designee to execute all documents on behalf of the Agency that are necessary and appropriate to carry out and implement the purposes set forth in this Resolution according to its terms, and to administer the Agency's obligations, responsibilities and duties to be performed hereunder.

REQUESTED COUNCIL ACTION:

1. Authorize the Mayor, or designee, to execute an agreement between the City of San Diego and BRG Consulting, Inc., to prepare an Environmental Impact Report for the preparation of the Grantville Master Plan in an amount not to exceed \$288,927.
2. Authorize the appropriation and expenditure of funds in an amount not to exceed \$288,927 for the Grantville Master Plan EIR Contract from Fund No. 10298, contingent upon the Comptroller certifying funds for this action are available.
3. Authorize the appropriation and expenditure of funds in an amount not to exceed \$253,424 for City staff review regarding the Grantville Master Plan and EIR, non-personnel expense and project contingency costs relating to the Grantville Master Plan and EIR from Fund No. 10298, contingent upon the Comptroller certifying funds for this action are available.
4. That the Comptroller is authorized to transfer back to the Redevelopment Agency any and all funds remaining in Fund No. 10298 if there are any cost savings.

STAFF RECOMMENDATION:

Approve the requested actions.

SUMMARY:

The Grantville area of the Navajo and Tierrasanta communities was established as a Redevelopment Project Area in May, 2005. The goals of the Grantville Redevelopment Project Area and Redevelopment Plan are to remove physical and economic blighting conditions and to ensure the continued economic viability of the commercial, industrial and retail uses within the Project Area. The Redevelopment Plan allows for the financing of improvements within the Project Area in order to remove physical and economic blight and to provide affordable housing. Potential Agency assistance or activity may include, but is not limited to, development finance assistance, building facade rehabilitation, industrial pollution mitigation, parking and circulation projects and streetscape improvements. Other issues to be addressed include urban runoff into San Diego River, incompatible uses and obsolete buildings within the Project Area.

The Grantville Redevelopment Plan and Grantville 5 Year Implementation Plan set goals and guides activities for implementing projects, programs and redevelopment activities. The Grantville Redevelopment Advisory Committee, at its March 28, 2005 meeting, established the following implementation activity priorities:

1. Improve traffic and circulation;
2. Update community plans;

3. Improve infrastructure to alleviate flooding problems;
4. Renovate and repair of existing structures;
5. Coordinate and implement the San Diego River Master Plan; and
6. Facilitate and assist new development projects.

The redevelopment area consists of three Subareas, A, B and C (Attachment 1). For the purposes of developing a long-range plan for the redevelopment area in accordance with priority number two (Update community plans), staff recommended focusing on plan preparation and implementation for subareas A and B, only. Subarea C was not recommended for inclusion in this process because the current uses, zoning and land use designations are appropriate and implement the desires of the property owners and community.

Successful revitalization of the Grantville area requires a comprehensive approach to planning. The development of a master plan would ensure that the full range of plan development and implementation issues related to community revitalization in the Grantville area are analyzed. Because the vast majority of Subarea B is under single ownership by J.J.B. Land Company, and the owner was ready to proceed with a master plan for redevelopment of their property, the City had requested that they prepare the master plan for all of Subarea B. J.J.B Land Company has begun preparing the master plan for Subarea B through the City's development review process. All costs associated with the processing of the master plan will be paid by the owner.

The City entered into an agreement with ICF, Jones & Stokes on April 8, 2008, to provide planning services for the preparation of a master plan for Subarea A of the Grantville Redevelopment Project Area under the terms and conditions set forth in the Agreement on file in the office of the City Clerk as Document No. RR-303550. The planning consultants and City staff have been working with the Navajo and Tierrasanta communities since June of 2008, through the Grantville Stakeholders Committee which was established in November of 2007. A three day charrette was held in January 2009, to engage the public in developing several draft land use scenarios for the Grantville area. Four draft scenarios resulted from the charrette process and will be refined over the next several months. In order to fully analyze any potential environmental impacts associated with the draft land use scenarios, the City is need of an environmental consulting firm to provide professional environmental services and to prepare an environmental impact report. Through a competitive bidding process, the City has selected BRG Consulting, Inc., to provide professional environmental services to prepare an EIR in conjunction with preparation of a master plan for Subarea A of the Grantville Redevelopment Project Area. The total cost of the consultant contract is \$288,927.

California Community Redevelopment Law (CCRL) allows the Agency to pay for consultants to prepare community and master plan updates and accompanying EIR's, pursuant to Sections 33125(c) and 33131 of the Cal. Health and Safety Code. In

summary, these two Sections allow the Agency to execute contracts necessary to exercise its powers and to prepare and carry out plans for the improvement, rehabilitation, and redevelopment of blighted areas. Furthermore, the specialized services and expertise provided by the consultant and City staff in preparing and analyzing the EIR will help implement the defined redevelopment activities and purposes set forth in CCRL Sections 33020 and 33021. Finally, the planning activities are consistent with and specified within the approved Grantville Redevelopment Plan and Grantville 5 Year Implementation Plan.

The preparation and review of the EIR will be coordinated with City staff in City Planning & Community Investment's Redevelopment Agency and Planning Divisions. However, assistance in the preparation and review of the EIR by several other enterprise fund departments requires funding for their services. These departments include Development Services, Environmental Services, MWW, Water, Police and Fire. The total cost requested for other City department staff review is \$174,161. In addition to the other City department staff review costs, the City is requesting approval of funding for non-personnel related expenses (\$10,000) and master plan project contingency costs (\$69,263) totaling \$79,263. The total cost for other City department staff review, non-personnel expenses and project contingency costs relating to the Grantville Master Plan and EIR is \$253,424.

Staff is requesting the total amount of \$542,351 be transferred to Fund No. 10298 for the consultant contract, city staff review, non-personnel expenses and project contingency costs relating to the Grantville Master Plan and EIR. Separate Job Orders will be established to track expenditures on a real time basis which will ensure compliance with contract costs and City staff review costs.

FISCAL CONSIDERATIONS:

The total cost of the environmental consultant contract, city staff review of the master plan and master plan EIR, non-personnel expenses and project contingency costs relating to the Grantville Master Plan and EIR is \$542,351. Funds from Grantville Redevelopment Project Area will be utilized to fund these costs.

PREVIOUS AGENCY and/or COUNCIL ACTIONS:

On June 12, 2007, the City Council initiated amendments to the Navajo and Tierrasanta Community Plans for the preparation of a master plan for Subareas A and B of the Grantville Redevelopment Project Area. On April 8, 2008, the City Council approved the planning services consultant contract with ICF, Jones & Stokes to prepare a master plan for Subarea A.

COMMUNITY PARTICIPATION & PUBLIC OUTREACH EFFORTS:

The City Planning and Community Investment Department has established a Grantville Stakeholders Committee (GSC) composed of property owners, business owners and existing community organizations to provide recommendations during the master plan process. The Department and its consultants will work closely with the GSC and other

interested members of the community throughout the planning process for the master plan.

KEY STAKEHOLDERS

The Stakeholders listed above, including the Navajo Community Planning Group, Tierrasanta Community Council, Allied Gardens Community Council, the San Diego River Park Foundation, the Metropolitan Transit System, and interested community members.

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- Attachments:
1. Grantville Redevelopment Project Area Map
 2. EIR Request For Proposal
 3. BRG Executive Summary
 4. BRG Qualifications & Experience
 5. BRG References & Implementation Plan
 6. BRG EIR Timeline
 7. BRG Attachment A – Key Personnel (Part 1)
 8. BRG Attachment A – Key Personnel (Part 2)
 9. BRG Attachment A – Key Personnel (Part 3)
 10. BRG Attachment B – References
 11. BRG Attachment C – City Contract Forms
 12. BRG Attachment D – City Required Forms
 13. BRG Price Proposal
 14. City of San Diego & BRG MOA and Proposal Extension Letters