

## THE CITY OF SAN DIEGO

DATE ISSUED: June 3, 2009 REPORT NO. RA-09-16

ATTENTION: Honorable Chair and Members of the Redevelopment Agency

Docket of June 9, 2009

SUBJECT: Public Hearings for the Adoption of Fourth Implementation Plans for

Eleven Redevelopment Project Areas: Barrio Logan, City Heights, College Community, College Grove, Linda Vista, Centre City, Horton Plaza, Central

Imperial, Gateway Center West, Mount Hope, and Southcrest.

REFERENCE: California Community Redevelopment Law, Section 33490

# **REQUESTED ACTION**: That the Agency:

1) Conduct the public hearings to receive comments on the Fourth Implementation Plans for the Centre City, Horton Plaza, Barrio Logan, City Heights, College Community, College Grove, Linda Vista, Central Imperial, Gateway Center West, Mount Hope, and Southcrest Redevelopment Project Areas.

2) Adopt the Fourth Implementation Plans for the Centre City, Horton Plaza, Barrio Logan, City Heights, College Community, College Grove, Linda Vista, Central Imperial, Gateway Center West, Mount Hope, and Southcrest Redevelopment Project Areas.

STAFF RECOMMENDATION: That the Agency conduct the public hearings to receive comments and adopt the Fourth Implementation Plans for the Centre City, Horton Plaza, Barrio Logan, City Heights, College Community, College Grove, Linda Vista, Central Imperial, Gateway Center West, Mount Hope, and Southcrest Redevelopment Project Areas.

#### **BACKGROUND**

Since 1994, as a result of redevelopment reform legislation (AB1290), California Community Redevelopment Law ("CRL"), Health and Safety Code Section 33490, requires each redevelopment agency to adopt, after a public hearing, a five-year implementation plan that contains specific goals and objectives for each adopted redevelopment project area. A new implementation plan is required to be adopted every five years. The first implementation plans for the eleven project areas affected by the proposed action were adopted in 1994. CRL also requires redevelopment agencies, at least once within the five-year term of the plan, to conduct a public hearing to hear testimony and review the redevelopment plan and corresponding implementation plan in order to evaluate the progress of each redevelopment project. CRL allows agencies to combine the implementation plans for multiple project areas. Thus, the proposed Fourth Implementation Plan for the Centre City Redevelopment Project has been



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combined with the Horton Plaza Redevelopment Project and prepared in accordance with Section 33490.

The current Third Implementation Plans for the eleven Redevelopment Project Areas were adopted by the Agency on June 15, 2004 for the period of July 1, 2004 to June 30, 2009.

### **DISCUSSION**

The proposed Fourth Implementation Plans for the eleven Redevelopment Project Areas are provided as attachments to this report. Each implementation plan serves as the project area's strategic plan and includes: (i) a description of the project area's blighting conditions; (ii) the project area's goals and objectives; (iii) proposed projects, expenditures, and contribution to alleviation of blight for the five-year period; (iv) an explanation of how the goals and objectives, projects and expenditures will alleviate and/or eliminate blighting conditions; and (v) an explanation of how the goals and objectives, projects and expenditures will serve to implement the project area's housing requirements. The proposed Fourth Implementation Plans cover the period of July 1, 2009 to June 30, 2014. However, the time limit for the effectiveness of the Linda Vista Redevelopment Plan is November 21, 2012; therefore, the Fourth Implementation Plan for the Linda Vista Project Area covers the period of July 1, 2009 to November 21, 2012.

Lists of projects identified in each Implementation Plan are proposed to reduce or eliminate many of the blighting influences found in the project areas. Whereas CRL requires a five-year implementation plan regardless of the economic conditions during the five-year period, it should be noted that the timing of these projects may be greatly influenced by market conditions and the ability of the private sector to respond to Agency initiatives. The projects and expenditures represented in the Implementation Plans rely on the private sector's ability to obtain financing for projects, as well as the Agency's ability to maintain and increase the flow of tax increment revenue.

The work programs are established based on available resources and opportunities in the market. The descriptions identify near-term opportunities to remove blight in the project areas. However, within the next five years, new implementation programs and priorities could arise. The Implementation Plans may be amended to take advantage of unforeseen and significant opportunities.

The work programs are divided into two sets of activities: (1) projects designed to assist private development throughout the project areas; and (2) public infrastructure and facilities. Prior to the expenditure of Agency funds for public facilities/improvements, the City Council and Agency are required to make certain findings, including that the proposed improvements are consistent with the Implementation Plans adopted for the project areas.

The housing portion of the Implementation Plan provides a Housing Compliance Plan that includes specific goals and objectives for the five-year period; outlines programs and expenditures planned for the five years; and explains how the stated goals, objectives, programs and expenditures will produce affordable housing units to meet CRL obligations. The proposed Implementation Plans include (1) estimates of deposits into the Low and Moderate Income

Housing Set-Aside Fund ("Housing Set-Aside Fund") during the next five years; (2) the Agency's plans for utilizing annual deposits to the Housing Set-Aside Fund; (3) a projection of the total number of housing units projected to be developed, rehabilitated, price restricted, assisted, or destroyed and replaced within the next five years; (4) the anticipated breakdown of total new dwelling units developed for very-low, low and moderate income households over the next 10 years; and, (5) an estimate of the number of new dwelling units that could be developed in the project areas over the lives of the Redevelopment Plans. Pursuant to CRL, adoption of an implementation plan does not constitute an approval of any specific program, project, or expenditure and does not change the need to obtain any required approval of a specific program, project, or expenditure from the Agency and City Council.

<u>FISCAL CONSIDERATIONS</u>: There is no fiscal impact associated with this action. The Implementation Plans do not commit the Agency or the City to any funding requirements. Any financial obligations of the Agency will be discussed as projects are proposed and will be subject to Agency approval.

<u>PREVIOUS AGENCY</u>, and/or <u>COMMITTEE ACTION</u>: On June 15, 2004, the Agency adopted the Third Implementation Plans for the eleven projects areas for the period of July 1, 2004 to June 30, 2009. On October 17, 2006, the Agency conducted mid-term public hearings to evaluate the progress of the eleven Implementation Plans.

COMMUNITY PARTICIPATION and PUBLIC OUTREACH EFFORTS: This is a publicly noticed hearing. Notices were posted in at least four permanent places within each affected Project Area for a period of three weeks. Notice of the public hearing was published in the Daily Transcript once a week for three successive weeks prior to the hearing. The proposed Implementation Plans have been available electronically on the City's website at <a href="http://www.sandiego.gov/redevelopment-agency/index.shtml">http://www.sandiego.gov/redevelopment-agency/index.shtml</a>.

Drafts of the proposed Implementation Plans were reviewed and discussed as follows by the Project Area Committees ("PAC") and other community groups.

- On April 15, 2009 the Barrio Logan PAC voted 5-0 to approve the Fourth Implementation Plan for the Barrio Logan Redevelopment Project Area.
- On April 7, 2009, the College Community PAC discussed the Fourth Implementation Plan for the College Community Redevelopment Project Area. Although, no vote was taken, the PAC commented on the benefits of having the information compiled in one document and noted the challenge facing this Project Area regarding its affordable housing production deficit.
- On February 10, 2009 copies of the draft Fourth Implementation Plan for the College Grove Redevelopment Project Area were provided to the Eastern Area Communities Planning Committee ("EACPC") for review. On March 10, 2009 the EACPC provided comments on the draft Plan and recommended adoption of the Plan by a vote of 14-1.

- The Linda Vista Community Planning Group formed an Ad Hoc Subcommittee to review the Fourth Implementation Plan for the Linda Vista Redevelopment Project Area. On May 4, 2009 the subcommittee met to review the Plan and provide input. The full board of the Linda Vista Community Planning Group will vote on the Plan at their May 18, 2009 meeting.
- The City Heights PAC formed an Ad Hoc Subcommittee to draft the goals and objectives, projects and programs for the Fourth Implementation Plan for the City Heights Redevelopment Project Area. The subcommittee is composed of seven PAC members who met regularly starting January 27, 2009. A Community Workshop was held on March 9, 2009 in City Heights with approximately 80 residents and business owners attending. The Subcommittee also held a special publicly notice PAC meeting on March 30 to discuss the Plan and revise the subcommittee's drafts. The PAC is scheduled to vote on the Plan at its regular meeting of May 11, 2009.
- On April 15, 2009 the Fourth Implementation Plan for the Central Imperial Redevelopment Project Area was provided to members of the former Central Imperial PAC; however they could not take action since they did not have a quorum. On April 22, 2009 the Southeastern Economic Development Corporation Board reviewed and recommended approval of the Central Imperial, Gateway Center West, Mount Hope and Southcrest Fourth Implementation Plans.
- On April 14, 2009, the Centre City Advisory Committee/Project Area Committee voted 21-0/20-0 to recommend that the Agency adopt the Implementation Plan for Centre City and Horton Plaza. On April 15, 2009, the Centre City Development Corporation (CCDC) Board voted 5-0, with two members excused, to recommend that the Agency adopt the Implementation Plan for Centre City and Horton Plaza.

<u>KEY STAKEHOLDERS and PROJECTED IMPACTS</u>: This activity is not a "project" and therefore exempt from California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15060(c)(3). The inclusion of programs, potential projects, and expenditures in an implementation plan shall not eliminate review pursuant to CEQA at the time of approval of the program, project, or expenditure, to the extent that is would be otherwise required.

Respectfully submitted.

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#### Attachments:

- 1. Fourth Implementation Plan for the Horton Plaza & Centre City Redevelopment Projects
- 2. Fourth Implementation Plan for the Barrio Logan Redevelopment Project Area
- 3. Fourth Implementation Plan for the City Heights Redevelopment Project Area
- 4. Fourth Implementation Plan for the College Community Redevelopment Project Area
- 5. Fourth Implementation Plan for the College Grove Redevelopment Project Area
- 6. Fourth Implementation Plan for the Linda Vista Redevelopment Project Area
- 7. Fourth Implementation Plan for the Central Imperial Redevelopment Project Area
- 8. Fourth Implementation Plan for the Gateway Center West Redevelopment Project Area
- 9. Fourth Implementation Plan for the Mount Hope Redevelopment Project Area
- 10. Fourth Implementation Plan for the Southcrest Redevelopment Project Area