

DATE ISSUED: January 6, 2010

ATTENTION: Honorable Chair and Members of the Redevelopment Agency
Docket of January 12, 2010

ORIGINATING DEPT.: Centre City Development Corporation

SUBJECT: St. Joseph's Park (block bounded by Beech and Ash streets and
Third and Fourth avenues) – Relocation Plan – Cortez
Redevelopment District of the Expansion Sub Area of the Centre
City Redevelopment Project

COUNCIL DISTRICT: Eight

REFERENCE: None

STAFF CONTACT: David N. Allsbrook, Vice President, Public Works, Acquisitions
and Property Management, (619) 533-7112

REQUESTED ACTION:

That the Redevelopment Agency of the City of San Diego ("Agency") adopts the Relocation Plan for the St. Joseph's Park Project ("Project") located on the block bounded by Beech and Ash streets and Third and Fourth avenues in the Cortez Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project ("Project Area").

STAFF RECOMMENDATION:

That the Agency adopts the Relocation Plan for the Project located on the block bounded by Beech and Ash streets and Third and Fourth avenues in the Project Area.

SUMMARY:

On behalf of the Agency, the Centre City Development Corporation ("Corporation") is acquiring property for the Project, within the Project Area on the block bounded by Beech and Ash streets, and Third and Fourth avenues. Located on the Project site is Centre City Manor Hotel, a Single Room Occupancy (SRO) hotel consisting of 76 rooms, two parking operations, one commercial deli and liquor store and three nonprofit organizations providing housing in the Centre City Manor Hotel for their clients.

Pursuant to California Health and Safety Code ("Health and Safety Code") section 33411, the Agency must prepare a plan for relocation of families or persons displaced from housing facilities in the Project Area. Also, pursuant to Health and Safety Code 33411(b), plans must be made when displacing nonprofit local community institutions from facilities actually used for

institutional purposes in the Project Area. Finally, an agency may not displace families or single persons of low- or moderate-income unless and until there is suitable housing available and ready for occupancy at rents comparable to those at the time of displacement. Such housing units shall be suitable to the needs of such displaced persons or families and must be decent, safe, sanitary and otherwise standard dwelling.

FISCAL CONSIDERATIONS:

None.

CENTRE CITY DEVELOPMENT CORPORATION RECOMMENDATION:

On November 18, 2009, the Corporation Board of Directors voted 7 to 0 in favor of the proposed Relocation Plan.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

On November 11, 2009, the Centre City Advisory Committee voted 19 to 0, with 1 recusal, in favor of the proposed Relocation Plan, and the Project Area Committee voted 17 to 0, with 1 recusal, in favor of the proposed Relocation Plan.

BACKGROUND

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

- Developing a comprehensive open-space system that provides a diverse range of outdoor opportunities for residents, workers and visitors;
- Providing a public open space within walking distance of all residents and employees;
and
- Developing a new major public open space in the Cortez neighborhood.

On behalf of the Agency, the Corporation is currently purchasing property for the proposed Project. The Agency has purchased two parcels of property for the Project and is currently negotiating to purchase the remaining three parcels to complete the acquisition process. This park is one of eight new proposed parks identified in the San Diego Downtown Community Plan adopted in March 2006. Although dates have not been established to construct and open St. Joseph's Park, acquisition for the Project began in 2008.

The Relocation Plan (Attachment A) was prepared by Epic Land Solutions, Inc. ("Epic") to meet the requirements of the California Health and Safety Code. Epic specializes in professional services for land acquisition and relocation planning and assistance.

The draft Relocation Plan was made available for 30 days for review and comment by the general public, other public agencies and residents of the Centre City Manor Hotel. At the conclusion of the 30-day review period, neither the Corporation or Epic had received any written comments on the Relocation Plan.

DISCUSSION

The Relocation Plan requirements under the Health and Safety Code will be met as follows:

- Preliminary Needs Assessment of Residential Tenants – There were 45 residential households at the Centre City Manor Hotel at the time the survey was conducted in July and August 2009. Of the 45 residential households, one tenant was classified as having a physical disability. Twenty-two tenants have lived at the hotel for less than one year, 14 have lived at the hotel from one to two years, seven have lived at the hotel for three to five years and two have lived at the hotel from six to ten years. Monthly rents for these residential households ranged from \$480 for a single occupancy unit to \$1,200 for a double occupancy unit. The average monthly rent is \$784 per residential household. The ages of the tenants ranged from 18 to 30 years old, to 46 to 65 years old.

A survey of available SRO units in August 2009 showed there were 86 available units for replacement housing.

- Preliminary Needs Assessment of the Commercial and Nonprofit Tenants – The following seven commercial and nonprofit organizations were located on the Project site at the time of the survey:
 - Centre City Manor Hotel
 - Ace Parking
 - G&S Deli
 - Five Star Parking
 - Community Research (nonprofit organization)
 - Catholic Charities (nonprofit organization)
 - EARP (nonprofit organization)

A survey of available liquor and deli facilities in downtown San Diego in August showed there were three commercial/retail spaces available. Also, there were three parking lots available for lease and there were eleven SRO hotels available as relocation resources for the nonprofit organizations.

The Relocation Plan also provided the estimated cost of relocation expenses associated with the Project, which is \$520,000; the Agency will be required to appropriate additional funds to successfully relocate all of the tenants, if required. Attached as appendices to the Relocation Plan is a general information notice to the tenants and both residential and commercial brochures explaining the relocation process.

The Relocation Plan also references the appeals policy available to any displaced tenant if there is a complaint regarding any of their rights to relocation and relocation assistance, such as a determination of eligibility, the amount of the relocation payment, or the failure to provide comparable replacement housing referrals.

Proposed Schedule of Performance –

ACTION	COMPLETION DATE
Agency Approval of Relocation Plan	January 2010
Demolition of Centre City Manor Hotel	TBD
Construction Start	TBD

Project Benefits – The Relocation Plan was prepared to satisfy the requirements under the Community Redevelopment Law to prepare a plan to relocate families and persons displaced by the Project and to ensure that they are relocated to decent, safe and satisfactory housing within their ability. Adoption of the Relocation Plan by the Agency will allow the Project to proceed and the Agency to execute the Purchase and Sale Agreement for acquisition of property for the Project.

Environmental Impact – This activity is not a “project” under the definition set forth in CEQA Guidelines section 15378. Therefore, pursuant to CEQA Guidelines Section 15060(c) (3), this activity is not subject to CEQA.

CONCLUSION

The Relocation Plan will allow the Project to proceed as one of eight new proposed parks identified in the Downtown Community Plan adopted in March 2006. Therefore, staff requests that the Agency adopts the Relocation Plan for the Project.

Respectfully submitted,

Concurred by:



David N. Allsbrook
Vice President, Public Works, Acquisitions
and Property Management



Frank J. Alessi
Executive Vice President & Chief Financial
Officer

Attachment: A – Relocation Plan