

DATE ISSUED: August 1, 2001

REPORT NO. 01-158

ATTENTION: Honorable Mayor & City Council
Docket of August 7, 2001

SUBJECT: Acceptance of Redevelopment Agency Owned Property, Approval of the Parcel Map, and Certain Related Actions Concerning the Ballpark and Redevelopment Project

SUMMARY

Issues - 1) Should the City Council adopt a resolution to accept the conveyance of certain Redevelopment Agency owned property to the City for the Ballpark and Redevelopment Project? 2) Should the City Council adopt a resolution to approve the parcel map relating to the Ballpark and Redevelopment Project? 3) Should the City Council adopt a resolution affirming the existing authority of the City Manager, or his designee, to enter into agreements and execute documents relating to the Ballpark and Redevelopment Project? 4) Should the City Council authorize the City Manager to take the necessary steps to purchase certain other parcels for the Ballpark and Redevelopment Project that are currently owned by JMIR-Downtown Acquisition, LLC, or to accept the conveyance of such parcels by the Redevelopment Agency? 5) Should the City Council authorize the City Manager, or his designee, to take any other necessary actions required to obtain title insurance for the Ballpark and Redevelopment Project, and to implement the actions herewith? 6) Should the City Council adopt a resolution stating for the record that the Final Subsequent Environmental Impact Report relating to the Ballpark and Redevelopment Project has been reviewed and considered prior to approving the actions herewith, and directing the City Clerk to file a Notice of Determination?

Manager's Recommendations – 1) Adopt a resolution to accept the conveyance of certain Redevelopment Agency owned property to the City for the Ballpark and Redevelopment Project. 2) Adopt a resolution to approve the parcel map relating to the Ballpark and Redevelopment Project. 3) Adopt a resolution affirming the existing authority of the City Manager, or his designee, to enter into agreements and execute documents relating to the

Ballpark and Redevelopment Project. 4) Authorize the City Manager to take the necessary steps to purchase certain other parcels for the Ballpark and Redevelopment Project that are currently owned by JMIR-Downtown Acquisition, LLC, or to accept the conveyance of such parcels by the Redevelopment Agency. 5) Authorize the City Manager, or his designee, to take any other necessary actions required to obtain title insurance for the Ballpark and Redevelopment Project, and to implement the actions herewith. 6) Adopt a resolution stating for the record that the Final Subsequent Environmental Impact Report relating to the Ballpark and Redevelopment Project has been reviewed and considered prior to approving the actions herewith, and directing the City Clerk to file a Notice of Determination.

Other Recommendations - None

Fiscal Impact - None

BACKGROUND

Pursuant to the terms of the Ballpark Cooperation Agreement between the Redevelopment Agency of the City (the “Agency”) and the City relating to the Ballpark and Redevelopment Project (the “Project”), the Agency is required to convey certain property for the Project to the City as from time to time requested by the City. This property includes the footprints of the Ballpark, Park at the Park, and certain related improvements. The permanent financing for the City’s contribution to the Project is proposed to include a lease revenue bond financing (“bond financing”) which will require that the property comprising the Ballpark and the Park at the Park footprints be conveyed to the City prior to, or concurrent with, the closing of the bond financing. Also in advance of the bond financing, certain other actions, as more fully described below, must be approved to ensure a title insurance policy for the financing may be procured. The City’s Financing Team for the Project is currently analyzing the feasibility of moving forward with the City’s bond financing for the Project in the fall of 2001. The actions described herein must be approved in advance of the bond financing; however, the approval of such actions does not constitute authorization to proceed with the bond financing.

DISCUSSION

The City’s Bond Counsel and title company for the Project (“Chicago Title Company”) have advised that several actions need to be taken by the City Council and the Agency prior to the execution of the City’s bond financing. Specifically, the City Council must accept the conveyance of the Ballpark and the Park at the Park property owned by the Agency, and must approve the parcel map relating to the Project. In addition, the City Council must take a ministerial action that affirms the existing authority of the City Manager, or his designee, to enter into agreements and execute documents relating to the Project. A fourth action relating to the purchase or conveyance of certain other Project related property is described below.

The attached map illustrates the area covered by the parcel map, and delineates the property comprising the combined Ballpark and Park at the Park footprint (see Attachment 1). The property being conveyed to the City includes property comprising the footprints of the Ballpark,

Park at the Park, and certain related improvements; it does not include the retail/office/hotel site currently known as East Village Square. It is anticipated that certain sites that comprise the related improvements, such as the parking sites, would be conveyed after the bond financing is executed. The property being conveyed was acquired by the Agency using the Agency's power of condemnation. JMIR-Downtown Acquisition, LLC currently owns a portion of the property for the Project that falls within the footprint of the Ballpark. This property will either be acquired by the Agency and conveyed to the City or acquired by the City from JMIR-Downtown Acquisition, LLC; as it relates to the Ballpark and Park at the Park property, such acquisition or acquisition and conveyance must occur prior to, or concurrent with, the closing of the City's bond financing. The requested actions would also grant the City Manager, or his designee, the authority to take the necessary steps to purchase the related parcels currently owned by JMIR-Downtown Acquisition, LLC, or to accept the conveyance of such parcels from the Agency.

Preparation of the parcel map for the Project was coordinated by the Agency and prepared by the Agency's civil engineer, Nasland Engineering. The Agency received extensive input on the boundaries and configuration of the map from the City, Padres L.P., and JMI Realty, Inc. The parcel map includes: the footprints of the Ballpark, Park at the Park, and East Village Square; Parcels D-1 and D-2; a portion of the campus office development parcel; and a portion of the boutique hotel site (see Attachment 2). Once approved by the City Council, the parcel map would not be recorded until just prior to, or concurrent with, the closing of the City's bond financing. One or two additional parcel maps will be required after the site plans are approved for the campus office development, the boutique hotel, and Tailgate Park.

To ensure that the City may attain title insurance with respect to the bond financing, it is also recommended that the City Council authorize the City Manager, or his designee, to take any other necessary actions required to obtain title insurance for the Project, and to implement the actions described herein.

CONCLUSION

It is recommended that the City Council adopt the resolutions to authorize acceptance of the property, approval of the parcel map, and the other related actions. The actions described herein must be approved in advance of the bond financing; however, the approval of such actions does not constitute authorization to proceed with the bond financing.

ALTERNATIVE

Do not approve the resolutions to authorize the conveyance of property, approval of the parcel map, and other related actions.

Respectfully submitted,

Mary E. Vattimo
City Treasurer

Approved: Patricia T. Frazier
Deputy City Manager

FRAZIER/MEV/ELK

Note: The attachments are not available in electronic format. A copy is available for review in the Office of the City Clerk.

\Attachment: 1. Map Illustrating Area Covered by the Parcel Map
2. Parcel Map