

DATE ISSUED: September 20, 2001

REPORT NO. 01-198

ATTENTION: Honorable Mayor and City Council  
Docket of September 25, 2001

SUBJECT: PROPOSED CROSSROADS REDEVELOPMENT SURVEY AREA

### SUMMARY

Issue - Should the City Council approve the proposed CROSSROADS Redevelopment Survey Area Boundaries and take necessary actions to initiate the plan adoption process?

Manager's Recommendation - Recommend approval of the proposed CROSSROADS Redevelopment Survey Area and map, and initiation of a plan adoption process.

Community Planning Group Recommendations - Presentations and briefings have been made to the following community groups impacted by the proposed Survey Area: the Eastern Area Community Planning Committee (EACPC) on August 14, 2001; the College Area Community Council (CACC) on September 12, 2001. On September 12<sup>th</sup>, the CACC voted unanimously to support the inclusion of CACC area in the CROSSROADS Redevelopment Survey Area.

Other Recommendations - In June 2001, the College Area Business Improvement District (BID) Board of Director's voted unanimously to support the concept of the redevelopment project.

Environmental Impact - None with this action. Appropriate environmental review will be processed concurrently with plan adoption processes.

Fiscal Impact - In June 2000 the City Council recommended \$100,000 from FY 2001 District Seven Community Development Block Grant to fund staff support to develop proposed recommendations for the refurbishment and economic revitalization of the neighborhoods in the College Area, Rolando, Rolando Park, Darnall, El Cerrito, Chollas Creek, and Oak Park areas. This study and plan adoption process is estimated to be \$315,000 and completed by the end of 2002. It will initiate a proposed plan that will identify areas and projects to be undertaken through initiation of a plan adoption process potentially leading to a new redevelopment area. Financing for the projects will be from District Seven Community Development Block Grant, and from tax increment revenues, and other identifiable sources.

Housing Affordability Impact - None with this action. Redevelopment law requires that 20 percent of tax increment revenue generated from the project area be set aside, and

made available to ensure that low and moderate-income residents have access to safe, decent, and affordable housing.

## BACKGROUND

The proposed CROSSROADS Redevelopment survey area generally includes the area south of Interstate-8 and north of College Grove Drive and east of City Heights and west of the cities of La Mesa and Lemon Grove. It contains a population of approximately 70,000 residents with a very diverse ethnic, economic, and cultural background. The area includes either all or a component of the College Area and the neighborhoods of Rolando, Rolando Park, Darnall, Oak Park, and Chollas Creek. Major landmarks close to the survey area include San Diego State University (SDSU), College Grove Shopping Center, and the new Salvation Army Ray and Joan Kroc Corps Community Center. Two designated planning groups (CACC and EACPC) advise the city on matters within the proposed survey area.

The College and Eastern Area Planning and Economic Revitalization (CEAPER) Program, pronounced “keeper,” has worked with community groups to keep these neighborhoods economically stable. Although extensive progress has been accomplished, including projects underway that make a significant contribution in meeting these goals, the properties along El Cajon Boulevard and University Avenue still suffer from obsolete structures and infrastructure, traffic congestion, mixed commercial uses and underutilized land. Physically, the region is characterized by a large amount of underutilized land and buildings, incompatible land uses, parcels of irregular form and shape that hinder development, adult entertainment uses, and insufficient parking. The adoption of the proposed Redevelopment Survey Area will enable the city to explore the feasibility of utilizing its redevelopment authority to address these conditions of physical and economic blight.

## DISCUSSION

### **Revitalization and Refurbishment Activities**

Over the last two years city staff, with leadership from the CEAPER Program, has worked with community and business groups to consider and implement economic incentive and infrastructure opportunities for the area so it remains a viable economic part of the city. This concept is reflected in the vision statement to maintain stable neighborhoods: “A stable neighborhood is where it makes economic sense for people to invest their time, money, and energy, and where residents and businesses have the capacity to manage change successfully.” Realization of this vision is accomplished through a series of phased projects. In the residential sector, the vision is realized by promoting demand for housing including an emphasis on and encouragement of home ownership.

In the business sector, the vision is realized by development and promotional support of major anchors, plus the economic refurbishment of the area’s major business / commercial properties located along El Cajon Boulevard and University Avenue. Three of four targeted anchor projects are either successfully completed or underway.

The anchor on the southern boundary of the proposed survey area is the College Grove Area

which includes the College Grove Shopping Center, the award winning 412-unit Navy Housing Community, the new College Grove Drive expansion to four lanes with landscaping, curbs and sidewalks, and the master planning and initial creation of the North Chollas Community Park as an extension of the Chollas Lake Recreation Area.

The anchor on the north boundary of the proposed survey area is the College Community Area including redevelopment of the properties located south of the SDSU campus and just north of Montezuma Road. This is a phased series of pedestrian oriented projects that will construct 1,500 new apartment/condo units, new hotel facilities, and upgrade/replacement of older religious, fraternity and sorority properties. Included in the redevelopment is commercial space for retail, restaurant, and entertainment offerings that will support the University and college neighborhoods. An underground light rail trolley station will serve this “campus village.” The trolley line is being extended from Mission Valley onward to the Grossmount Center Station. The trolley construction started during the summer of 2000, and completion is scheduled late in 2004. This is a model very much as envisioned by the “City of Villages” approach as promoted by the Strategic Plan Framework.

Located on the west boundary of the proposed survey area resides the new Salvation Army Ray and Joan Kroc Corps Community Center. This center is scheduled for completion during the 1<sup>st</sup> quarter of 2002. In the fall of 1998, philanthropist Joan Kroc pledged \$80 million to build this center on the site of an abandoned retail and grocery store; therefore, removing significant blight from this area. The new cultural and athletic center with professional/competitive facilities is forecast to create 200 full-time jobs, and is expected to have 2,000 visitors per day. The facility will house a performing arts and education center, including a 600-seat auditorium. The Corps/Education Center will house a library, a computer library, a computer lab, a study hall, classrooms, and tutoring rooms. The gymnasium will have a professional-sized basketball court with 600 spectator seats. The family enhancement building will house the family services, day care, and skateboard park. There will be three swimming pools. A special facility will be a regulation size in-door ice rink able to accommodate ice-skating and ice hockey games at the highest competitive level.

The last of the four target anchors is a component of the proposed survey area and the potential CROSSROADS redevelopment project area. This is the creation of a new industrial center anchored within the eastern boundary, located mostly in a 12-acre site bound by University Avenue, 54<sup>th</sup> Street, and Chollas Parkway. Community and planning groups refer to this site as the “triangle area.” The blighted location has the potential of being developed into a modern landscaped business park creating 500 or more new jobs within this urban setting (south of I-8). The new business center would benefit the neighborhoods by promoting economic revitalization on University Avenue, including the removal of old structures and physical blight. The business center will focus on new job opportunities that match the job qualifications of residents living within a 5-mile radius, and who live along already established mass transit lines. This creation of jobs south of Interstate-8 has a secondary benefit of removing commuter traffic from our north/south freeways.

This leaves the next key focus for the CROSSROADS survey area to consider, which is the potential redevelopment in the area’s major business/commercial corridors located along El

Cajon Boulevard and University Avenue.

### **Survey Area Leading to Potential Redevelopment**

In 1997, the CEAPER Study created a framework for refurbishing and revitalizing the neighborhoods and supporting commercial/retail areas within the boundaries of District Seven that is located south of Interstate-8. Study recommendations provide a policy guideline for economic development used both by city staff and community groups. By 1998, major realizations were beginning to show in the College Grove Area, and on the city's eastern border as represented by the Salvation Army Ray and Joan Kroc Corps Community Center. The CEAPER approach realizes that to maintain a stable neighborhood, it is essential to keep the private market confidence to continue investing private capital. Government programs can't do the job alone.

In 1999, additional components of the CEAPER Program were initiated to further implement the study recommendations. A major realization has been the identification of development clusters that would improve the condition of El Cajon Boulevard and University Avenue along with the adjoining residential and multi-family neighborhoods that face onto these major corridors. The development clusters continue to evolve as community leadership and residents provide additional input to the process.

The designation of a Survey Area as recommended by this report will authorize staff to conduct the necessary studies and analyses that will be the basis for the City Council's future consideration of the CROSSROADS redevelopment project area. Additional development of the development clusters will be provided for City Council consideration and inclusion in the redevelopment plan.

The Survey Area as proposed in this report is designed to be broad in its scope, and it includes properties that must be evaluated in determining the existence of blight and the feasibility of redevelopment. Designation of a property in the survey does not commit the property to adoption in a redevelopment project area. On the contrary, the entire redevelopment plan adoption process would need to be reinitiated at a later time in order to expand the boundaries of a survey area beyond those designated by this City Council action.

Redevelopment, with its tax increment and eminent domain authority, is but one of many tools being considered to revitalize and to implement plans to refurbish an urban neighborhood. Other economic development and financing sources include business improvement districts, landscape maintenance districts, parking meter districts, and various state and federal programs such as federal Community Development Block Grants.

The purpose of this proposed study is to alleviate the conditions that have caused deterioration, and to implement revitalization and redevelopment recommendations from the CEAPER Program in concert with the CACC and EACPC planning and economic revitalization efforts.

### **Request for Proposals to Support CROSSROADS Redevelopment Plan Adoption**

The Redevelopment Agency issued a request for proposal seeking qualified consultants to assist with the adoption of a new redevelopment project area (i.e. CROSSROADS Project Area) within the sphere of the influence of the City of San Diego Redevelopment Division. Three consultant

firms responded to the RFP including Rosenow Spevacek Group Inc., Keyser Marston Associates, and Urban Futures Incorporated. Following a review of the proposals and in-person interviews with principals from each firm, the selection committee recommends the Rosenow Spevacek Group Inc. (RSG) as the prime consulting firm working with Cotton Bridges Associates to complete the EIR process. Not only did this combination rate highly with the selection team but also provided the lowest bid of \$274, 449. It is requested that the Executive Director of the Redevelopment Agency be authorized to negotiate and execute the necessary agreements to initiate this work.

## CONCLUSION

The proposed Survey Area encompasses more than 800 acres containing potential physical and economic blight that may be a sufficient basis for City Council to designate the CROSSROADS redevelopment project area. Development clusters within the survey area are identified and will continue to be expanded during the plan adoption process. The goal is to create a strong economic base in the neighborhoods, and therefore provide an improved quality of life for it's residential and business sectors.

## ALTERNATIVES

1. Modify boundaries to the proposed survey area.
2. Do not designate a CROSSROADS Survey Area.

Respectfully submitted,

---

Hank Cunningham  
Community and Economic Development Director

---

Approved: Bruce Herring  
Deputy City Manager

## ATTACHMENT

Proposed CROSSROADS Redevelopment Survey Area Map and Potential Development Clusters