DATE ISSUED: June 19, 2002 REPORT NO. 02-145

ATTENTION: Honorable Mayor and Members of the City Council

Docket of June 25, 2002

SUBJECT: Election of the Crossroads Redevelopment Project Area Committee (PAC)

Members

REFERENCE: Procedures for Formation and Election of the Crossroads Project Area

Committee adopted the City Council on April 2, 2002

SUMMARY:

<u>Issue</u> - Should the City Council ratify the results of the Crossroads Redevelopment Project PAC Election of May 15, 2002 and the Crossroads Redevelopment Project PAC Run-Off Election of May 29, 2002, and deny the challenge(s) regarding the election procedures?

<u>City Manager's Recommendation</u> - Ratify the Crossroads PAC Election and Run-Off Election, and deny the challenge(s) regarding the election procedures.

<u>Fiscal Impact</u> - There is no direct fiscal impact with this action. Previous City Council actions have authorized funding for the City/Agency costs associated with Plan adoption activities.

Environmental Impact - This activity is not a Aproject@ and is therefore exempt from CEQA pursuant to the State CEQA Guidelines Section 15060 (c) (3).

BACKGROUND:

The City Council authorized Redevelopment Agency staff to explore the feasibility of the proposed Redevelopment Plan for the Crossroads Redevelopment Project Area (AProject Area@) in September, 2001 with the adoption of the Crossroads Survey Area. On February 7, 2002, the Planning Commission selected the preliminary boundaries for the Project Area and adopted the Crossroads Preliminary Plan.

Formation of the fifteen (15) member Crossroads Redevelopment Project Area Committee ("PAC") was authorized by City Council adoption of the Procedures for Formation and Election of the (Crossroads) Project Area Committee ("PAC Procedures") on April 2, 2002. A PAC was formed in order to advise the Council and Redevelopment Agency regarding adoption and implementation of the Crossroads Redevelopment Project.

The PAC is an elected body comprised of residential owner-occupants, residential tenants, business owners and existing community organizations within the Crossroads Redevelopment Project Area. The California Community Redevelopment Law, Health and Safety Code Sections 33000, et seq. ("CRL"), requires that the each group must be adequately represented based on the make up of the Project Area.

Section 33386 of the CRL specifies that, AThe redevelopment agency through its staff, consultants, and agency members shall, upon the direction of and approval of the legislative body consult with, and obtain the advice of, the project area committee concerning those policy matters which deal with the planning and provision of residential facilities or replacement housing for those to be displaced by project activities. The agency shall also consult with the committee on other policy matters which affect the residents of the project area." The CRL indicates that the PAC=s emphasis should be on housing and residential issues, and further emphasizes the importance of representation of residential tenants and residential owner-occupants on the PAC.

Section 33385(d) of the CRL provides that the City Council shall adopt a finding that the procedures for formation and election of the PAC were followed (pursuant to the PAC Procedures), and determine the validity of all challenges within 30 days following the PAC election. CRL also requires that a challenge to the PAC election or the electoral process must be filed with the City Council no more than 15 calendar days after the election.

DISCUSSION:

A public meeting was held on April 24, 2002 within the Project Area to explain the establishment of, functions of, and opportunity to serve on the PAC. Approximately 100 people attended the information meeting. In accordance with CRL, a first class public notice of the PAC meeting and election was mailed to every resident, business/property owner and community organization within the Project Area. Information regarding the PAC election and opportunity to serve on the PAC was posted on the Redevelopment Agency website. An Update to the Crossroads Newsletter (containing the same information) was also mailed and distributed prior to the PAC election.

The fifteen (15) available Crossroads PAC candidate seats included: **Residential Owner Occupant (2 seats)** –1 for the College Area Community Council/City Heights Community Planning Group area (CACC/CHCPG) and 1 for the Eastern Area Community Planning Committee area (EACPC); **Residential Tenant (2 seats)**) – 1 for the College Area Community Council/City Heights Community Planning Group area (CACC/CHCPG) and 1 for the Eastern Area Community Planning Committee area (EACPC), **Business/Property Owner (5 seats)**; **Existing Community Organizations (6 seats).** All 15 seats on the Crossroads PAC will serve a three-year term.

May 15, 2002 Crossroads PAC Election Results:

On May 15, 2002, Agency staff conducted the Crossroads PAC Election in accordance with the PAC Procedures. A total of forty-three (43) candidates filed an application by the May 9, 2002, deadline for the 15 available PAC seats, and approximately 200 voters cast ballots.

Residential Owner Occupant (2 seats)

CACC & CHCPG Area – 1 seat	
(**) Janet Brady	5 (tie/run-off required)
(**) Jennifer A. Wieder Gamez	5 (tie/run-off required)
Jose Jesus Chavez	0
Eric Shapiro	0
Ursula N. Freeman	withdrew
EACPC Area – 1 seat	
(*) Kevin Carter	14
Haven Putnam Jr.	5
M. Eugene Blumenfeld	4
Residential Tenant (2 seats)	
CACC & CHCPG Area – 1 seat	
(*) Shukri Y. Adam-Fara	59
Rodney Johnson	1
EACPC Area – 1 seat	
(*) Anthony Frankhaus er	17
L.C. Rice	3
Business/Property Owner (5 seats)	
Northern Area – 2 seats	
(*) A. Christine Van Spronsen	28
(*) Alis on J. Grant-Carlos	23
Patrick L. Shannon	14
Ricardo Alvarez-Malo	12
William Ceravolo	6
Leadya Konja	3

16
15 (tie/run-off required)
15 (tie/run-off required)
15 (tie/run-off required)
6
6
5
5
2
2
2

Community Organization (6 seats)

City Heights Community Planning Group (CHCPG) – 1 seat

(*) David Nelson

<u>College Area Business Improvement District</u> – 1 seat

(*) Michael Trunzo

College Area Community Council (CACC) – 1 seat

(*) David Parsons

Eastern Area Community Planning Committee (EACPC) – 1 seat (*) Laura A. Riebau

Existing Community Organization (at Large) -2 seats (*) Horn of Africa – Abdi Mohamoud 71 (*) Rolando Community Council – **Jody Talbot** 60 Alliance for African Assistance – Walter Lam 45 Darnall Community Council – Lee Rittiner 43 El Cerrito Community Council – Natalia Moorhead 31 Villa View Community Hospital – Elieen Catherine Smith 26 Chollas Lake Little League – Daniele Laman 18 Fox Canyon Neighborhood Association – Jose Lopez 12 Oak Park Community Council - Cliff Brown 7

- (*) Denotes individual(s) elected to fill a seat on the PAC.
- (**) Denotes PAC seats requiring run-off election.

Two challenges to the May 15, 2002 election were filed within the required 15-day challenge period. One challenge was filed on May 20, 2002, regarding a candidate in the Business / Property Owner – Southern Area. The appellant, who filed this challenge and voted in the

Business / Property Owner – Southern Area category, contended the candidate "does not have a real economic commitment to the project area." The challenge further contended "the holder of a project area seat should submit evidence showing real economic activity, especially for the period prior to the election day (of) May 15th." The second challenge was received by the City Clerk's office on May 30, 2002. It requests that City Council "re-validate all of the elected Crossroads PAC members" because the challenger has been informed that "several of the persons elected may have secured documents that showed them to be qualified for a particular seat when in reality they are not."

Agency staff investigated the challenges in accordance with the PAC Procedures, which define the PAC membership requirements for all candidates. With regard to the first challenge, PAC Procedures clearly state that a candidate in the "Business Owner" category is only required to have a "Business license issued by the State of California or City, property tax bill, water utility bill, proof of ownership of real property which is not used for primary residency in the Project Area. Eligibility of documentation must be current and must indicate the correct name of the individual and the qualifying address of his or her business. No more than one stockholder or officer of the corporation may be registered as a voter or candidate on behalf of that corporation."

It was determined that the candidate in question in the first challenge, who was elected to fill a seat at the May 15, 2002 PAC Election, was in possession of a valid City of San Diego Business Tax Certificate that was in effect prior to the May 9, 2002, PAC candidate registration due date. The Business Tax Certificate shows that the candidate operates a business at a valid address within the Project Area. The City Attorney's office and Agency special counsel were consulted with regard to this challenge and concur in staff's recommendation that the **challenge be denied**.

With regard to the second challenge received, the PAC Procedures required that each candidate pre-register for candidacy in the May 15, 2002 election. The pre-registration was completed May 9, 2002 and City staff verified each candidate's eligibility to run in the election prior to including the candidate's name on the PAC election ballot. Each candidate submitted documentation of his/her qualifications and those qualifications were screened that thoroughly checked for completeness and accuracy by City staff. Staff recommends that the second **challenge be denied**.

With the Council's concurrence, the attached letters denying the two challenges will be sent to each person who filed the challenge. Copies of the challenges submitted and the proposed responses are attached to this report.

May 29, 2002 Crossroads PAC Run-Off Election:

PAC Procedures require a run-off election in the event of a tie, which occurred in two categories of the May 15th election and involved a total of five (5) candidates. The Run-Off Election was held in the following categories: Residential Owner Occupant – CACC/CHCPG Area (1 - seat) and Business (Tenant)/Property Owner – Southern Area (1 - seat).

Only those candidates who were registered voters in the initial May 15, 2002, PAC election (within the respective run-off categories) voted in the May 29th Run-Off Election (per the PAC Procedures). Each voter was notified in advance as to his/her eligibility to vote in the run-off election. The results of the May 29th Run-Off Election are:

Residential Owner Occupant

CACC & CHCPG Area (one seat)				
(*) Jennifer A. Wieder Gamez	5			
Janet Brady	2			

Business/Property Owner Southern Area (third s

Southern Area (third seat)		
(*) Harith (Harry) Kattoula	8	
Yael Alpert	4	
Antointette Romo	2	

(*) Denotes individuals elected to fill a seat in the PAC.

An authorized representative of the City Clerk's office was present at each election to ensure procedural compliance. Certification by the office of the City Clerk of the May 15, 2002 and May 29, 2002 election results is attached to this report.

PAC members are required under the Fair Political Practices Commission (FPPC) Regulations to complete a Statement of Economic Interests (Form 700) annually. Agency staff and a representative from the City Attorney's office will thoroughly brief the Crossroads PAC members with regard to their reporting requirements and the role of the PAC subject to the Council's approval of this report.

As stated above, the PAC Procedures were followed precisely with regard to both the May 15 and 29, 2002, Crossroads PAC Elections.

ALTERNATIVES

- 1. Do not ratify the Crossroad PAC Election and Run-Off Election results in their entirety. This alternative is not recommended.
- 2. Accept only the challenge to the PAC Election Results by excluding the challenged candidate (Ms. Barbara Hutchinson) in the Business / Property Owner Southern Area category, and ratify the election results by designating the next runner-up (Mr. Harith "Harry" Kattuloa) for the second seat in the Business / Property Owner Southern Area category and Ms. Yael Alpert for the third seat in the category, pursuant to the May 29, 2002 PAC Run-Off Election results. This alternative is not recommended.

3.	Accept only the challenge requesting additional "re-validation" of the elected Crossroads
	PAC members. Provide City staff with direction as to the additional documentation the
	candidates may provide in order to qualify for a particular seat. This alternative is not
	recommended.

Respectfully	submitte	d,
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Hank Cunningham Director Community and Economic Development Department

Approved: Bruce A. Herring Deputy City Manager

HOOKS /ras/twr

Note: Attachments 5 and 6 are available in electronic format. A copy of Attachments 1, 2, 3, and 4 are available for review in the Office of the City Clerk.

- Attachments: 1. City Clerk Tally Sheets for the Election May 15, 2002
 - 2. City Clerk Tally Sheets for the Run-Off Election May 29, 2002
 - 3. Challenge Letter Regarding Business/Property Owner Southern Area
 - 4. Challenge Letter Regarding Re-validation of Crossroads Elections
 - 5. "Draft" Responses to PAC Election Challenge Letters
 - 6. List of elected Crossroads PAC Members