

DATE ISSUED: July 23, 2003

REPORT NO. RA-03-18

CMR 03-125

ATTENTION: Honorable Chair and Members of the Redevelopment Agency
Honorable Mayor and Members of the City Council
Docket of July 29, 2003

SUBJECT: West San Ysidro Boulevard Streetscape Improvements Project

SUMMARY

Issue (s) –

For the Agency: Should the Redevelopment Agency contribute funding assistance for the West San Ysidro Boulevard Streetscape Improvements Project (Streetscape Project) – CIP 39-091.0?

For the Council: 1) Should the Council accept funding assistance from the Agency for the Streetscape Project? 2) Should the Council approve an agreement between the City and San Ysidro Business Improvement District (BID) for construction funding assistance and maintenance of the proposed Streetscape Project? 3) Should the Council approve a \$305,000 budget in Fiscal Year 2004 Capital Improvements Program in CIP 39-091.0?

Executive Director/Manager's Recommendation (s) –

For the Agency: Make necessary findings and authorize the contribution of up to \$270,000 from San Ysidro Project Area tax increment to the City for the Streetscape Project – CIP No. 39-091.0.

For the Council: 1) Make necessary findings and authorize the acceptance of up to \$270,000 of Agency funding from Fund 98570 into Fund 10269, CIP 39-091.0, Streetscape Project. 2) Authorize the City Manager to enter into an agreement between the City and San Ysidro Business Improvement District for construction funding assistance and maintenance of the proposed Streetscape Project. 3) Approve a \$305,000 budget in Fiscal Year 2004 Capital Improvements Program in CIP 39-091.0.

Fiscal Impact –

The funding assistance commits up to \$270,000 from San Ysidro Project Area tax increment from Fund 98570 to Fund 10269; San Ysidro BID contribution of \$10,000 into Fund 10269;

and \$25,000 of CDBG funds into Fund 10269, for a \$305,000 City FY04 Capital Improvements Program budget in CIP 39-091.0.

Environmental Impact -

This activity is categorically exempt from CEQA pursuant to State CEQA Guidelines Section 15304 (minor alterations to land).

Code Enforcement Impact – None with this action.

Housing Affordability Impact – None with this action.

BACKGROUND

The commercial district along San Ysidro Boulevard between Interstate 805 and Cottonwood Road is the historic and geographic center of the community. Over the past twenty years, this area has deteriorated and declined economically due to the growth of the border commercial area and the construction of newer commercial centers in surrounding communities. The San Ysidro Business Improvement District (BID) has established the *Adopt-a-Block* program to help revitalize the commercial corridor on West San Ysidro Boulevard. Together with Agency staff, the BID has been planning to improve the target block located on the north side of the boulevard, between Cottonwood and Via de San Ysidro. This site has been designated as the most suitable for public improvements because of its deteriorated conditions and a desire to spark new development activity in the area. Agency staff has met several times with the BID to discuss funding for new streetscape improvements in the subject area.

DISCUSSION

The Streetscape Project will be constructed on the northern side of West San Ysidro Boulevard. The improvements will consist of approximately 19 newly planted trees with irrigation, 9 ornamental street lamps, 1,000 linear feet of new sidewalk, and street furniture. The streetscape improvements will be directly across the street from the proposed new Fire Station 29 development, which will have its own new sidewalk improvements. This is an opportune time to get the project underway because it will allow the BID to capitalize on the development of the fire station and potentially generate interest from the local property and business owners to invest in their properties, including storefront improvements and in-fill development. Furthermore, the proposed enhancements will not only initiate the revitalization of the commercial corridor but it will also make the area more pedestrian friendly, ultimately increasing business activity on West San Ysidro Boulevard.

Pursuant to California Community Redevelopment Law Section 33445, the Agency is authorized to pay for installation of public improvements in the Project Area if findings are made that the construction is of benefit to the Project Area, that no other reasonable means of financing the improvements is available to the community, that payment of funds for the costs of the improvements will assist in the elimination of one or more blighting conditions inside the Project Area, and that the project is consistent with the implementation plan adopted pursuant to Section 33490. The findings for the Streetscape Project are within Attachment 1.

Funding sources for this \$305,000 project include: 1) Agency contribution of up to \$270,000; 2) CDBG funding of \$25,000; and 3) BID contribution of \$10,000. Ongoing maintenance of the improvements is envisioned to be provided by the proposed Maintenance Assessment District (MAD) to be formed in the San Ysidro commercial district. In the interim, the BID has agreed to pay for the maintenance costs until the formation of the MAD is completed and the project site is included within the MAD. Maintenance activities will include street and sidewalk sweeping, trash pickup, sidewalk steam cleaning, and electricity and water costs. Construction funding, maintenance funding, and administration of maintenance activities for the Streetscape Project improvements are described in the draft agreement between the City and the San Ysidro BID (Attachment 2).

ALTERNATIVE

Do not authorize contribution of funding assistance to the City for CIP 39.091.0 from the Agency, BID, and CDBG. This alternative would delay construction of the Streetscape Project for an undetermined amount of time.

Respectfully Submitted,

Todd Hooks
Deputy Executive Director
Redevelopment Agency

Approved: Hank Cunningham
Assistant Executive Director
Redevelopment Agency

Approved: Bruce Herring
Deputy City Manager

CUNNINGHAM/RC

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

ATTACHMENT(S): 1) Findings of Benefit for W. San Ysidro Blvd. Streetscape Improvements
2) Agreement between City and San Ysidro BID