

DATE ISSUED: October 19, 2005

REPORT NO. 05-208

ATTENTION: Honorable Mayor and City Council
Docket of October 25, 2005

SUBJECT: Relocation Plan – City Heights Square Project.

REFERENCE: Executive Director's Reports RA-05-10, RA-05-11

SUMMARY

Issues – Should the City Council:

- 1) Approve the Relocation Plan for The City Heights Square Project?

City Manager's Recommendation – That the City Council:

- 1) Approve the Relocation Plan for The City Heights Square Project.

Other Recommendations – On February 7, 2005 the City Heights Area Planning Committee (CHAPC) voted to recommend approval of the planned development permit and associated entitlements for the project. On May 2, 2005, the CHAPC voted to recommend approval of the DDA for the City Heights Square Senior Housing project and voted against the recommendation to approve the DDA for the City Heights Square Office and Retail project. On June 6, 2005 the CHAPC voted to recommend approval of the proposed condemnation actions required for this project.

The City Heights Project Area Committee (PAC) voted on April 27, 2005 to recommend approval of two Disposition and Development Agreements for the City Heights Square project (City Heights Square Office and Retail with SDRC and City Heights Square Senior Housing with City Heights Square, L.P.) The PAC voted May 9, 2005 to recommend that the Redevelopment Agency initiate condemnation proceedings, if necessary, for the City Heights Square project.

Fiscal Impact – There is no fiscal impact to the City or Redevelopment Agency associated with the approval of the Relocation Plan. The provision of the affordable housing units and relocation costs are included within the Disposition and Development Agreements approved by the Redevelopment Agency on May 3, 2005.

BACKGROUND

The City Heights Square Development office/retail project has an estimated budget of \$32,265,000 and includes a four story 90,000 square foot building, fronting on University Avenue, with retail and commercial uses primarily occupying the first floor and offices occupying the upper three floors and a three story medical/office building for the La Maestra Community Clinic. The La Maestra Community Clinic will provide medical treatment and job training for low income families and will include administrative offices. The City Heights Square master plan development includes a 5,348 square foot pocket park to be located between the office/retail building and the senior housing development on 43rd Street.

The Redevelopment Agency of the City of San Diego voted unanimously to approve the Housing Replacement Plan for the City Heights Square Senior Housing Project (R-03871) March 1, 2005. On May 3, 2005 The City Council and Redevelopment Agency of the City of San Diego (Agency) voted unanimously (7/0) to enter into two (2) Disposition and Development Agreements (DDA) for the City Heights Square Development Project with San Diego Revitalization Corporation (SDRC) for a proposed office and retail project and with City Heights Square, L.P. for the proposed \$27,172,000 five-story 151-unit Senior Housing Project with restricted rents for very low income seniors.

The Agency voted unanimously (8/0) to adopt a Resolution of Necessity to Acquire Five Parcels in the City Heights Redevelopment Project – City Heights Square (Report No. RA-05-21) June 7, 2004. Judge John S. Einhorn, of the Superior Court of San Diego, issued Orders of Immediate Possession for the five parcels in the City Heights Square project on June 8, 2005. September 10, 2005 was designated as the date of possession (SDSC # GIC 848755-1, 848756-1, 848758-1 and 848759-1).

On August 2, 2005 Overland, Pacific & Cutler, Inc. mailed copies of the proposed City Heights Square Project Relocation Plan and 30 Day Advisory Notice to each resident of the project. The 30 day review period ended September 1, 2005, with no comments received from the residents.

DISCUSSION

Until recently, the Redevelopment Agency of the City of San Diego was authorized to approve relocation plans in redevelopment areas and relocation for less-than-15 projects could be accomplished by an Housing and Community Development (HCD) "Model Relocation Plan". The HCD regulations were recently amended to eliminate the

distinction between less-than-15 projects and more-than-15 projects. The Regulations (Title 25, Cal. Admin. Code Section 6038) now provide that prior to proceeding with any displacement, a public entity shall prepare a relocation plan and submit it to the local legislative body (i.e., the City Council) for approval. The City Heights Square Project Relocation Plan now requires City Council approval.

The Relocation Plan

The Relocation Plan (Attachment 1) for The City Heights Square Projects was prepared on behalf of the Agency by relocation consultants Overland, Pacific & Cutler, Inc. It identifies all of the possible residential and non-residential displacements within the footprint of The City Heights Square Development Projects and describes the relocation benefits provided in accordance with State law and the Relocation Assistance Guidelines.

The Relocation Plan and 30 Day Advisory Notice (Attachment 2) were mailed August 2, 2005 to each resident within the footprint of City Heights Square Project. The Relocation Plan has also been available for public review at the Agency's office and City Heights/Weingart library. The 30 day review and comment period ended September 1, 2005. No comments have been received by the Agency.

The City Heights Square Project Relocation Plan will be presented to the City Heights Redevelopment Project Area Committee (PAC) at their October 10 meeting. The PAC's recommendation will be verbally presented at the City Council hearing.

SUMMARY

With approval of the Relocation Plan, Agency staff will initiate the relocation of the residents of the City Heights Square Senior Housing Project.

ALTERNATIVE(S)

That the Redevelopment Agency not approve the Relocation Plan for The City Heights Square Development Project.

Respectfully submitted,

Debra Fischle-Faulk, Acting Director
Community & Economic Development
Department

Approved: Ellen Oppenheim
Deputy City Manager

Attachments: 1. [Relocation Plan – City Heights Square Project](#)
 2. [Advisory Notice – City Heights Square Project Residents](#)