



THE CITY OF SAN DIEGO  
**REPORT TO THE CITY COUNCIL**

DATE ISSUED: February 21, 2007 REPORT NO. 07-037

ATTENTION: Council President and City Council  
Docket of February 27, 2007

SUBJECT: Wightman Street Neighborhood Park Request for Grant  
Amendment and Request for Special Park Fees

REQUESTED ACTION

1. Authorizing the Mayor or his representative to request approval from the State of California Department of Parks and Recreation to amend the project location in grant contract number UP-37-002 to 5024 Wightman Street.
2. Authorizing the addition of CIP # 29-925.0, Wightman Street Neighborhood Park, to the Fiscal Year 2007 Capital Improvements Program.
3. Authorizing the City Auditor and Comptroller to transfer the grant appropriation of \$2,363,000 from CIP 29-596.0 Fox Canyon Park Acquisition and Development to CIP 29-925.0 Wightman Street Neighborhood Park Acquisition and Development pending receipt of State of California approval for the project location at Wightman Street.
4. Authorizing the de-appropriation of \$686,000 from CIP 29-596.0 (Fox Canyon Neighborhood Park), return to Special Park Fee Fund 39094.
5. Authorizing the appropriation and expenditure of \$686,000 from Special Park Fee Fund 39094 in CIP 29-925.0, Wightman Street Neighborhood Park.
6. Authorizing the Auditor and Comptroller to transfer \$167,000 from General Services/Streets Division (Gas Tax) funding, in Fund # 100, Department # 534, Organization # 2755, Object Account # 4209 and Job Order # 001240 to Fund # 630221, Contributions from 100 fund.
7. Authorizing a \$167,000 increase in the Fiscal Year 2007 Capital Improvements Program Budget in CIP 29-596.1, Fox Canyon Neighborhood Park-Ontario Avenue, Fund #630221, Contributions from 100 Fund.
8. Authorizing the Auditor and Comptroller to appropriate and expend \$167,000 from CIP 29-596.1, Fox Canyon Neighborhood Park-Ontario Avenue, Fund # 630221, Contributions from 100 Fund.
9. Authorizing the de-appropriation of \$167,000 from CIP 29-596.1, Fox Canyon Park – Ontario Avenue, return to Special Park Fee, Fund 39094.
10. Authorizing the City Auditor and Comptroller, upon advice from the administering department, to transfer excess funds, if any, to the appropriate reserves.

## STAFF RECOMMENDATIONS

Authorize requested actions:

- \* Amendment of the location of the State Park Grant
- \* De-appropriation of the Special Park Fees
- \* Appropriation of the Special Park Fees for Wightman Street Neighborhood Park
- \* Expenditure of Special Park Fees for Wightman Street Neighborhood Park
- \* Appropriation of Gas Tax Fund for Ontario Avenue
- \* Expenditure of Gas Tax Fund for Ontario Avenue

## SUMMARY

A State Park grant in the amount of \$2,363,000 was awarded to the City of San Diego for the construction of Fox Canyon Park in the City Heights Neighborhood. At the time of the Grant application, the city was in favorable negotiations with the owner of the proposed Fox Canyon Park parcel. In order to meet the grant deadline for completion of the Environmental Document within one year of the award, the City proceeded with a Site Development Permit and Mitigated Negative Declaration (MND) for the site, with the owners' knowledge. Subsequent to the approval of the permit and certification of the MND, the owner and the City were unable to reach agreement on the purchase price. The grant requires a willing seller; however, the City could not justify the sellers' requested price, based upon a recent appraisal, which was significantly lower. The City has withdrawn its offer to purchase the property.

The City Heights area is park deficient; therefore, the City sought other properties, in the neighborhood, that might fulfill the requirements of the State Park Grant. The City acquired the Wightman Street Property (Metzger Property) through Council action on August 8, 2006. This new parcel is within 680 feet of the original Fox Canyon Park parcel, is adjacent to Auburn Creek, similar to the original parcel, and serves the same neighborhood. The Park and Recreation Department wishes to use this parcel for park development subject to approval from the State of California for a re-scope of the Fox Canyon Neighborhood Park to Wightman Street Neighborhood Park. Park Planning and Development Division must resubmit this new location to the State Department of Parks and Recreation for their approval; the approval is not guaranteed. Authorizing the transfer of funds will allow further assessment of the property.

The Park and Recreation Board has been discussing the Fox Canyon and the Wightman Street Projects routinely since September of last year (2006). Two main issues emerging at the last meeting were: 1) Should the Park and Recreation Department move the grant from Fox Canyon to Wightman Street in order to secure the grant, since the Fox Canyon owner is at this point not willing to sell the land for what the City is willing to pay, and 2) Should the City reimburse Mid City Special Park Fees used for the Ontario Avenue improvements with other more compatible funding sources since the City Attorney's Office recommends such? At the January 18<sup>th</sup> Park and Recreation Board meeting, the following two motions were passed regarding these issues:

MOTION:      MOVED/SECONDED      Mr. Greene/Ms. Davies

Mr. Greene moved to support in principal the proposal on Wightman Street to transfer the grant based on the contingency of the hydrology report. The motion passed unanimously.

A SECOND MOTION WAS ALSO PASSED:

MOTION:            MOVED/SECONDED            Ms. Puentes-Reynolds/Mr. Mazzella

A motion was made by Ms. Puentes-Reynolds and seconded by Mr. Mazzella to table item 101 (Item 101, Update on Fox Canyon) until such time that the resolution of the San Diego Park and Recreation Board get resolution, official from the Mayor's office on the \$165,000. With a commitment from staff to provide monthly updates on the routing of the \$165,000 with a goal of 60 days completion date. Motion passed unanimously.

Note: The motions stipulated above are taken from the draft January Park and Recreation Board meeting minutes because the Board will not reconvene to approve them until February 15, 2007. Park and Recreation staff can report verbally on the matter if requested since the docket deadline precedes the final approved meeting minutes.

The Mayor has identified General Services/Streets Division (Gas Tax) funds in the amount of \$167,000 (including interest) to replace the Special Park Fees expended on design development for Ontario Avenue in conjunction with the Site Development Permit for Fox Canyon Neighborhood Park. The Fox Canyon park site will remain in consideration as a potential park. Once a determination is made regarding the development of Ontario Avenue, and if the site is available, the City will consider purchasing it to continue the 'String of Pearls' concept along Chollas Creek.

A hydraulic/hydrology study for Wightman Street is being funded by the Real Estate Assets Department with funds approved by City Council August 8, 2006 and is currently in the contract negotiating process. The Park and Recreation Department will review the study to determine the feasibility of this site as a park. Demolition at the Wightman Street site will be handled by the Real Estate Assets Department and will be funded with READ funds approved by City Council August 8, 2006.

This action does not name the park to permit flexibility in naming and changing the name in the future.

ALTERNATIVES:

1. Disapprove the change of location for the grant application, forgo the grant and the project in its entirety.
2. Disapprove the transfer of funds from Gas Tax Fund to Fox Canyon.

## FISCAL IMPACT

### Project Fiscal Impact:

Funding would be available in CIP No. 29-596.0, Fox Canyon Neighborhood Park, Fund 39034, Special Park Fees, if City Council approves transfer of Special Park Fees to the Wightman Street park site. Additional funding in the amount of \$2,363,000 from the State Parks Urban Parks Grant may be available, subject to approval from the State of California for a re-scope of the Fox Canyon Neighborhood Park to Wightman Street Neighborhood Park. Funding in the amount of \$167,000 is available from General Services/Street Division (Gas Tax).

### Long Term Maintenance:

The operating budget will be determined upon completion of the project.

## ENVIRONMENTAL CONSIDERATIONS:

The activity is exempt from CEQA pursuant to Section 15061(b)(3) as defined by the State CEQA Guidelines (“General Rule”). This determination is predicated on Section 15004 of the Guidelines, which provides direction to lead agencies on the appropriate timing for environmental review under the provisions of CEQA. There is no construction activity associated with this action. Any subsequent activity involving construction shall be conditioned on full compliance with CEQA.

## PREVIOUS CITY COUNCIL and/or COMMITTEE ACTION:

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|----------|--|
| 12/1/03  | Council approved \$30K Community Development Block Grant for Pre-Acquisition services (Resolution 298643)  |
| 12/7/03  | Council approved application to the State for \$2,363,000 through the Urban Park Act of 2001. (Resolution 298701)                                  |
| 6/21/04  | Council authorized \$900,000 from Mid-City Special Park Fees for acquisition and development of Fox Canyon. (Resolution 299371)                    |
| 6/13/05  | Council authorized funding for the purchase of the Fox Canyon Parcel. (Resolution 300516)  |
| 12/5/05  | Planning Commission approved the Site Development Permit for Fox Canyon Park. (PC-05-358)  |
| 3/21/06  | Council approved the Mitigated Negative Declaration for Fox Canyon Park. (Resolution 301321)   |
| 8/8/06   | Council approves the purchase of Wightman Street Property  |
| 11/27/06 | Council approves a motion to rescind the Mitigated Negative Declaration and Site Development Permit for the Fox Canyon Neighborhood Park and Road. |
| 11/30/06 | Park and Recreation Board approves a motion to pursue both park properties   |
| 1/18/07  | Park and Recreation Board approves a motion to transfer State Grant to Wightman Street site.   |
|          | Park and Recreation Board approves a motion to pursue alternate funding for Ontario Street design development.                                     |

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

|          |   |
|----------|---|
| 5/10/05  | Fox Canyon Community Input at Pro Kids Golf with Councilman Madaffer.                   |
| 6/6/05   | City Heights Planning Group   |
| 6/9/05   | Euclid Revitalization Committee   |
| 7/6/05   | City Heights Planning Group   |
| 8/22/05  | Public Notice of Draft Mitigated Negative Declaration                                   |
| 10/12/05 | Planning Commission Hearing Officer: certified MND and approved Site Development Permit |
| 12/1/05  | Planning Commission   |
| 02/06    | Ontario Rd. Task Force (three meetings)   |
| 3/21/06  | City Council (appeal of the Mitigated Negative Declaration)                             |

KEY STAKEHOLDERS & PROJECTED IMPACTS (if applicable):

The Fox Canyon Neighborhood Association, the Chollas Creek Neighborhood Association, the Colina del Sol Recreation Council, City Heights Planning Group, Euclid Revitalization Committee, Fox Canyon Task Force, Project Design Consultants.

Submitted by:

Approved:

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April S. Penera, P.E.  
Deputy Director, Park Planning and Development

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Rick Reynolds  
Assistant Chief Operating Officer