

DRAFT

June 19, 2002

Scotty Schuetz
4805 Reno Street
San Diego, CA 92105-2007

Dear Mr. Schuetz:

**SUBJECT: Challenge Regarding Business / Property Owner -Southern Area for the Crossroads
Redevelopment Project Area Committee Election**

Thank you for your letter of May 20, 2002, regarding candidate eligibility for the Crossroads Project Area Committee (APAC®) election that was conducted on May 15, 2002.

Agency staff, in consultation with the Redevelopment Agency General and Special (legal) Counsel, has carefully reviewed your challenge regarding the eligibility requirements for a Business/ Property Owner candidate in the Crossroads PAC election, and forwarded a recommendation for denial of the challenge to the City Council.

As background information, 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 San Diego Planning Commission selected the preliminary boundaries for the Crossroads Project Area and adopted the Preliminary Plan.

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

The Crossroads Project Area Committee (APAC®) 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., (ACRL®) requires that the each group must

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Challenge Regarding Crossroads PAC Election Formation

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be adequately represented based on the make up of the Project Area. CRL (Section 33385) leaves it to the local legislative body (i.e., San Diego City Council) to adopt (PAC) procedures regarding PAC formation and definitions.

Section 33385(d) of the CRL provides that the City Council shall adopt a finding that the PAC Procedures for formation and election of the PAC were followed, 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.

In your letter of May 20, 2002, you contend that the candidate “does not have a real economic commitment to the project area “and” the holder of a project area seat should submit evidence showing real economic activity, especially for the period prior to the election day May 15th.”

The Crossroads 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. There are **no** additional requirements to qualify as a Business Owner (PAC) candidate beyond what is detailed in the PAC Procedures.

Ms. Hutchinson, the PAC candidate elected to fill the Business / Property Owner seat at the May 15, 2002 PAC Election, possesses a valid City of San Diego Business Tax Certificate that was issued prior to May 9, 2002 (i.e, the last date for PAC candidate registration). The Business Tax Certificate shows that Ms. Hutchinson operates a business at an address within the Project Area.

Based upon a careful review of the PAC Procedures regarding candidate eligibility in the Business / Property Owner category, staff has recommended that your challenge not be upheld. The City Attorney's office and Agency Special Counsel were consulted with regard to your challenge, and concur in staff's recommendation that the challenge be denied.

Your challenge was considered by the City Council on June 18, 2002 in conjunction with confirmation of the Crossroads PAC Election results. The City Council made a determination that the challenge was not valid and confirmed the Crossroads PAC election results in accordance with the staff recommendation.

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If you have any further questions, please contact me at (619) 533-5433.

Sincerely,

Todd G. Hooks
Deputy Director, Redevelopment Division

ras/TGH

Enclosure

cc: Mayor Dick Murphy
Jim Madaffer, Council District 7
George Stevens, Council District 4
Michael T. Uberuaga, City Manager (ATTN: Ed Plank)
Casey Gwinn, City Attorney
Chuck Abdelnour, City Clerk

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June 19, 2002

Harold B. Webber
4968 Cresita Drive
San Diego, CA 92115

Dear Mr. Webber:

SUBJECT: Challenge Regarding Qualifications of the Candidates in the Crossroads
Redevelopment Project Area Committee Election

Thank you for your letter of May 27, 2002, regarding candidate eligibility for the Crossroads Project Area Committee (APAC®) election that was conducted on May 15, 2002.

Agency staff, in consultation with the Redevelopment Agency General and Special (legal) Counsel, has carefully reviewed your challenge regarding the eligibility requirements for the candidates in the Crossroads PAC election, and forwarded a recommendation for denial of the challenge to the City Council.

As background information, 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 San Diego Planning Commission selected the preliminary boundaries for the Crossroads Project Area and adopted the Preliminary Plan.

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

The Crossroads Project Area Committee (APAC®) 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., (ACRL®) requires that the each group must

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Challenge Regarding Crossroads PAC Election Formation
June 19, 2002

be adequately represented based on the make up of the Project Area. CRL (Section 33385) leaves it to the local legislative body (i.e., San Diego City Council) to adopt (PAC) procedures regarding PAC formation and definitions.

Section 33385(d) of the CRL provides that the City Council shall adopt a finding that the PAC Procedures for formation and election of the PAC were followed, 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.

In your letter of May 27, 2002, you contend 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.”

The Crossroads PAC Procedures clearly define the documentation required to qualify as a PAC candidate. Each candidate was required to pre-register by May 9, 2002 in order to be eligible to run in the May 15, 2002 PAC election. The pre-registration application required evidence that each candidate was the age of eighteen (18) years or older. There were also documentation requirements defined for each category of candidate, as follows:

Residential Owner-Occupants: “Recorded grant deed, property tax bill, mortgage payment contract, mortgage payment book, water utility bill, any other documents or materials that the Agency may deem acceptable” to evidence ownership and occupancy of a property within the proposed project area.

Residential Tenant: “Executed rental agreement, rent receipt, utility bill (other than water), any other documents or materials that the Agency may deem acceptable” to demonstrate tenancy at a property within the proposed project area.

Business Owner: “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. Owners of multiple businesses and properties within the proposed Project Area shall cast one ballot only.”

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Existing Community Organization: “ Each of the following: (i) proof of existence of the organization as of at least six months prior to the time of the PAC informational meeting, (ii) proof of existence and operation within the PAC Area, such as articles of incorporation, bylaws or business license, and (iii) a resolution of the board of directors of such organization authorizing a representative to act on its behalf.”

There are **no** additional requirements to qualify as a candidate beyond what is detailed in the PAC Procedures. City staff carefully reviewed and verified the qualifications and documentation of each candidate prior to the election of May 15, 2002. Only those eligible were placed on the PAC Election ballot.

Based upon a careful review of the PAC Procedures regarding candidate eligibility, staff has recommended that your challenge not be upheld. The City Attorney's office and Agency Special Counsel were consulted with regard to your challenge, and concur in staff's recommendation that the challenge be denied.

Your challenge was considered by the City Council on June 18, 2002 in conjunction with confirmation of the Crossroads PAC Election results. The City Council made a determination that the challenge was not valid and confirmed the Crossroads PAC election results in accordance with the staff recommendation.

If you have any further questions, please contact me at (619) 533-5433.

Sincerely,

Todd G. Hooks
Deputy Director, Redevelopment Division

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