

**CROSSROADS REDEVELOPMENT PROJECT AREA
PROJECT AREA COMMITTEE (PAC)
- REGULAR MEETING -
FINAL - MINUTES OF THURSDAY, OCTOBER 23, 2008**

The members of the Crossroads Project Area Committee (PAC) held their regular meeting at the College Avenue Baptist Church, Visitor Center Building, 4747 College Avenue, San Diego, California, from 6:32 p.m. to 8:21 p.m.

Members present at Roll Call: Ali Binder, Daniele Laman, Charles Maze, David Nelson, William Albrektsen, Anna Orzel-Arnita, Jody Talbot (left; 7:45), and David Zaloudek, [8]

Members that arrived after Roll Call: John Mireles (6:35) Anthony Lovio (6:37) and Kasra Movahedi (6:38) [3]

Members Not Present: Lina Dewey, Brian D'Emilio and Cynthia Lewis [3]

Staff in Attendance: Tracy Reed

Public in Attendance: Fifteen (15) signed the attendance sheet

Documents Distributed: 1) CentrePoint term Letter from Agency dated November 29, 2005, 2) Agency staff report from March 29, 2006 regarding DDA, 3) Revised site plan and elevations for CentrePoint Gardens.

CALL TO ORDER: Called to order at approximately 6:32 p.m. by Charles Maze, Chair.

1. **ROLL CALL:** A quorum was established when 8 of the 14 PAC members were present. Currently one position is vacant (Residential Owner, College Area/ City Heights).
2. **APPROVAL OF AGENDA:** for October 23, 2008

MOTION – **Ali/Daniele:** Approve Agenda as distributed; passes (7-0-1c)

3. **APPROVAL OF MINUTES:** For September 25, 2008

MOTION – **Daniele/Anna:** Approve minutes with revisions as submitted; passes (7-0-1c)

4. **COMMENTS ON NON-AGENDA ITEMS:** (synopsis of comments)

Committee:

David N: City Heights is revising their HELP to increase the maximum loan amount to \$30,000. They also voted to deny City Heights funds for Village Green Apartments.

Ali: The Boo Parade is coming up.

Charles: There are flyers on the back table regarding the Boo Parade and the Good Neighbor post cards from SEDC.

Public: none

5. **REPORTS:** Elected Officials, Chair, Subcommittee(s) & Agency Staff

Agency Staff:

Tracy: Working with Neighborhood Code Compliance for the Agency to provide the funding for a senior zoning investigator dedicated to Crossroads Project Area. The reimbursable cost for this position is \$131,000 per year. I am also working with the College BID regarding the possibility of the investigator having office hours in the community a couple of times a month. Management is still proceeding with the reorganization of the Redevelopment Division. The

hearing date for the Agency Board to consider the OPA with Wakeland Housing for the Village Green Apartments is October 28th.

6. OLD BUSINESS: (synopsis of discussions)

- **Discussion & Possible Action** – 3605 College Avenue; Property & Nuisance Issues and Participation Opportunities.

Tracy: The city's DART team (SDPD & CA) wants us to table this issue until next year. At the PAC's request I have contact Neighborhood Code Compliance, PD and CA regarding ongoing issues regarding the 4 properties at 3605 through 3675 College Avenue (Park Grove Apartments). They are aware of the issues and trying to address them.

7. NEW BUSINESS: (synopsis of discussions)

- **Discussion & Possible Action:** CentrePoint DDA, 3rd Implementation Agreement: Sale of Site, Transfer of DDA and Amendments to DDA

Tracy: Background; The Agency has a DDA with CentrePoint LLC. CentrePoint LLC is comprised of the DWC and Lehman Brothers. DWC is the lead partner. The DWC obtained Entitlements and the DDA for the site in 2006. Since that time the DWC has been trying to find a partner or sell the site/development. The purpose for the Agency participating was to ensure that 15% of the for-sale units would be affordable. Under the DDA the DWC will loan the Agency of \$5.245 mil to cover a majority of the gap. The DDA requires the Agency to repay the loan from the future TI generated from the new development. The Agency is not obligated to use any other TI to repay.

Tracy: Request; In July DWC indicated that their partner Lehman Brothers was in trouble and they needed to sell and transfer the DDA. DWC stated that they were in discussion with Trammell Crow to purchase the site, assume the DDA and revise the DDA to construct rental housing. The DDA requires Agency approval of a sale and transfer of the DDA. The Agency's agreement can not be unreasonably withheld. Trammell Crow wants to develop rental housing, revise the design of the townhomes and reduce the square footage of the units. For-sale or rental housing is allowable per permit and zoning. Trammell Crow wants to receive the current subsidy and restrict 15% of the rental units as affordable.

Tracy: Review; An economic analysis was prepared to identify the financial gap. The analysis assumed that 15% of the units would be rented at 65% AMI. This analysis indicated the financial gap is similar to the current subsidy. The Agency has processed two Implementation Agreements to revise the DDA's Schedule of Performance because of construction and market conditions. The current Schedule of Performance will be revised as part of the 3rd Implementation Agreement. On the back table are copies of the DDA Term Memo and DDA Staff Report.

Charles: Summarized the general community issues. Encourages communication between the community and DWC continue. Provide a general overview and proposed recommendation regarding the current agreement.

John: Described the project size, the existing market conditions and stated the multiple family developments have a large spectrum of uses who desire a mix of unit types and sizes. Wanted to know if parking would be assigned and the location of guest parking.

David N: Wanted to know why DWC did not acquire adjoining properties.

Dan Stoddard: I live two blocks away and the community has many concerns. Read a list of community issues.

Anna Schoeller: Traffic will be heavy. Is the PAC voting to provide \$5.2 mil and are these funds coming from tax payer funds? The project should go back to the community. Will construction take 3 or 4 years?

Jan Hintzman: I am the president of the Rolando Community Council. The community has concerns and wants to maintain the current character of the area. What is the status of the substantial conformance review? What will the rental rates be?

Audience: We are concerned over the size of the units and all of the townhomes being 4 bedrooms and 4 ½ bath. What is the developers target audience?

David Kieffer: I am with the DWC. We expect there to be 600 to 650 residents. We have not gone through a formal process or application regarding the revised project. The concrete on site will be recycled and reused in the project. We have an approved permit from the city which controls the project. We are willing to continue working with the community as we have always.

Tracy: The approved permit controls the design and development of this project. The approve project went through a substantial public review process which lasted for more than 2-years.

Charles: I am concerned about the current process alienating the community and there are some planning issues that need to be addressed.

John: There was a vacant hole downtown that lasted for more than 12-years due to the last economic turn down. Understands the concern regarding student housing and but that is not an issue the PAC can address.

David N: I expect the subsidy for the development to be reduced from the current amount.

MOTION – **John/William**: Recommend approval of the transfer to Trammel Crow with provision that if the project is sold in the future the project will return to the PAC for further vote; passes (7-1 (David N.) -1 (Daniele)/1c). *Daniele voted against the recommendation do to lack of financial/proforma.*

8. NEXT MEETING DATES & TENTATIVE AGENDA ITEMS:

- **November 13, 2008** – If necessary
- **December 11, 2008** – Regular meeting

9. ADJOURNMENT:

MOTION – **Anthony/John:** Passes (10-0-1c).

Prepared: 01-16-09 twr

Revisions: 02-13-09 twr

Draft (Final) Approved: January 22, 2009

Motion was by: Bill/Daniele (Anthony, absent Oct.)

Revisions are in: *Double Underlined and Italic*

PAC vote was: 7/0/1-1(Anthony)