

**NORTH PARK REDEVELOPMENT
PROJECT AREA COMMITTEE (PAC)
REGULAR MEETING MINUTES**

Tuesday, October 12, 2010

San Diego National Bank (6th Floor), 3180 University Avenue, San Diego, CA
92104

Comments and PAC actions relating to items on today's agenda are noted herein.

I. ROLL CALL & INTRODUCTIONS

The chair convened the meeting at 6:01 p.m. [restroom codes: (M) 6820 (F) 8246]

| | | | |
|------------------------|------------------------|-----------------------|---------|
| Kirsten Clemons | Absent | Judi O'Boyle | Present |
| Patrick Edwards | Present | Lachlan Oliver | Present |
| Don Leichtling | Present | Robert Steppke | Absent |
| Roger Lewis | Present | Mark Stern | Present |
| Valerie Loy | Absent | James Tinsky | Present |
| Lucky Morrison | Present (arrived 6:47) | Mary Wilkinson | Present |

II. ADOPTION OF AGENDA

Motion (Leichtling/Wilkinson): *To adopt the agenda swapping the order of Action Items 'D' & 'E'.*

Passed (8-0-0)

III. APPROVAL OF MINUTES

Motion (Leichtling/Wilkinson): *To adopt the August meeting minutes as corrected regarding the vote on Item E.*

Passed (8-0-0)

Motion (Leichtling/Wilkinson): *To adopt the September meeting minutes as presented.*

Passed (8-0-0)

IV. ELECTED OFFICIALS REPORTS

Anthony Bernal, CD 3 North Park representative, referencing a couple of burglaries recently noted the SDPD has suspects in custody as well as a suspect for the tagging in Montclair Park. He noted Todd Gloria will be holding a council district Town Hall on October 28th at the War Memorial at 6pm.

V. PUBLIC COMMENT

Chris Chandler, of Bohdi Veterinary Hospital, announced they will not be using the assisted funding that was approved by the PAC and thanked the PAC for its consideration. He stated also they will be needing support for a reduced setback variance they will be requesting of the city.

Leichtling announced the NP Post Office is not closing now.

VI. CHAIR'S REPORT

No report.

VII. ACTION/DISCUSSION ITEMS

A. Consideration of Agency Assistance for a Monument at Shirley Ann Place (10 minutes).

Jerry Kwasek, returned to note the project proponents had gone to the North Park Historical Society for input and have provided an updated bid and depiction all in response to the PAC request on their past visit. He reported on a discussion with both University Heights and North Park Historical societies and provided a cost estimate showing a cost range of between \$15 and \$20K. He noted he was looking for any amount of support.

Public Comment: Lynn Susholtz noted that for design of Pershing portal the city had provided some funding. Anthony Bernal noted the guidelines for CDBG funding were revised last year and they no longer assist in this kind of project, although, Kwasek noted that HUD in LA, (according to Beth Murray at the City of San Diego), continues to state that such art projects are still able to be funded.

PAC Discussion: Mark Stern asked for more detail on the funding request and expressed concern for the marked increase in cost. Oliver agreed but noted he wants an exact amount defined and requested based upon a few bids. Leichtling expressed appreciation for their effort to date but asked for them to return with firm bids for what they want. Edwards noted the North Park historical society is attempting to get a consistency in historic signage and would like to have that addressed. Wilkinson noted she does not see it as a project for the project area, would be better if it were shovel ready and had community dollars. Lewis noted his support for expenditure of public funds for this project, raised concern over traffic signage being placed next to a new monument by city and finally noted the laser etched panels are opportunity for community fundraising for commemorative tiles. O'Boyle noted that Ostrich Farms, the origin of the symbol on the monument, while historically relevant to University Heights is not historically relevant to Shirley Ann Place.

Motion (Leichtling/Lewis): *Applicant to return to the PAC with more specific monument drawings and multiple bids along with a location map and the city's sign off on placement. Applicant also to share any additional funding sources and their effect on the total cost requested.*

Discussion: Oliver restated his strong support for this project as good expenditure. Wilkinson asked the applicant to return with a clear diagram and cost.

Passed (6-3-0) Opposed: Edwards, Wilkinson, O'Boyle

B. Information by Stone Paper Scissor Regarding Request for Assistance for Renovations and Improvements of Commercial Property at 3139 University Ave. (10 minutes).

Lynn Susholtz, principal of Stone Paper Scissors and owner of Art Produce introduced herself and provided a packet of information about her request. She noted her ongoing community activism within North Park and her involvement and support of the local arts community. She stated it is a sustainable project and noted her feeling that reducing the carbon footprint is relevant just as reducing use of wattage is even if it is harder to quantify. She passed estimates for Photo Voltaic panels to the PAC for review. She

noted her intent is to open the building, inside and out, for public arts, sustainability (including community gardens), and cultural use. She noted the problems that the surrounding buildings without windows, etc. have presented to her in the process of improving the site. Susholtz noted she was the first community arts program to locate in North Park and called attention to recent programs coming into the district. She noted she has gotten a wide range of bids for changing the lighting from prevailing Wage contractors and also noted her feeling that it is just not feasible to build out the whole Photo Voltaic array based upon such low energy savings, giving a couple of examples. She noted she had hoped that SDG&E would use her electrical improvements as a design model which has not happened.

Public Comment: Lynn Elliot, Arne Holt, Chris Chandler expressed support for the request. Liz Studebaker representing North Park Main Street noted Main Street's support for all the projects and that the letter of support to the PAC should not be inferred as preferential support for this project.

PAC Discussion: Stern asked for clarification on her proposed personal input. Susholtz noted \$17.3K on this specifically in addition to \$87 K spent in the last 18 months. Edwards, Wilkinson and O'Boyle noted their support for the project and the long term commitment she's given to the community.

C. Recommendation by the Green Subcommittee on Selection of a Green Pilot Project and Agency Assistance for Commercial Applicants:

Café Calabria at 3922 30th St.

Media Arts Center San Diego at 2921 El Cajon Blvd.

Stone Paper Scissors at 3139 University Ave.

Queen Bee's Art & Cultural Center at 3925 Ohio St. (10 minutes).

Mark Stern and Jim Tinsky, co-chairs of the Sustainability Subcommittee, reported the recommendations. Tinsky passed around the current related budget showing available funding. He noted that sustainability criteria is measurable but that other factors such as community benefits, blight removal, arts and culture, and job creation are important less easily measureable factors as well. Stern addressed the weighting issue of sustainability in relation to these other factors as considered in the subcommittees work. Tinsky went through each project discussing all factors, such as its project description, its green impact including adaptive reuse, arts and cultural impacts if they exist, social and community services and benefits as they are understood and recommending up to the \$67K requested. Tinsky stated the panel thought the proposal by Queen Bee was strongest in the community social services benefit. He noted Arts Produce adaptive reuse and green component in addition to addressing blight and providing cultural benefits and funding of up to the requested \$100K. Tinsky stated MACSD is a good example of adaptive reuse in a blighted area and also the social benefit in terms of training of future workers and its bringing arts to the community and recommend full funding of up to \$367K subject to some small reordering of specific line items. Stern noted although it was not highest scoring sustainable element its strong across the board benefits warranted this. Stern continued that the Café Calabria project aggressively addresses carbon impacts noting that it is a larger for profit business project that will provide a good blueprint for sustainability. Tinsky noted that based upon this consideration, expected job creation and some measure of cultural benefit to the community the subcommittee recommendation is for funding up to \$350K.

Public Comment: Holt, owner of Café Calabria, spoke noting his initial/previous investment was done with personally inherited money and described his project as a 'Landmark Project'. Ted Torre-Bueno, consultant to Café Calabria, spoke expressing his appreciation of the North Parks arts elements and his feeling that Holt is an artist at what he does and this project could have a global impact. An unidentified supporter of Café Calabria noted that Holt put money into reserving state sponsored incentive money that now has less value. Susholtz noted she had been a long proponent for the district to

establish itself as an 'Arts and Culture District', that property owners need to concentrate more on improving their property, and noted that a consultant should be acquired to establish professional standards for arts projects and requests. The executive director of MACSD provided some printed updated info on their project. Anthony Bernal expressed his thanks to subcommittee for its work. The executive director of Queen Bee expressed her thanks to the PAC. A representative of MACSD noted they chose to be conservative in what they expressed they intend to do and will look to accomplish higher.

PAC Discussion: Tinsky noted again the detailed effort put in by the board to provide a template for future use and noted it is a learning process. Stern noted the time approximate of prior construction cost and how that should be considered in the future decisions (prior skin in the game) and the highly social oriented projects to help determine a future way to better assess that impact. Oliver noted the detailed and intense nature of the discussions, and also spoke against a concern of bias against for-profit businesses. He also expressed that the PAC should give more consideration to businesses that have existed long term in North Park in relation to that given new businesses coming in. Morrison asked for validation regarding the number of jobs Café Calabria proposes to provide and Holt noted they still expect that to be the case. Leichtling raised concern over the entire ability of the PAC to see the base criteria assessed and further about the fact that all four were approved. Edwards supported the diligence of the committee's effort and his concern over getting the funding out there timely. Wilkinson noted her approval of the effort given by the subcommittee. Lewis noted the committee's consideration of the "Score" letters particularly as related to the amount recommended for Café Calabria, and he reiterated the importance of the fiduciary responsibility when providing public funding, and drew attention to the previous APC motion giving the mandate to the committee to go forward and do the detailed work and provide a recommendation. O'Boyle expressed the work done getting it done on time, and with consideration of all aspects giving weight to social and community benefit. Tinsky noted committee would like to have provided more detail and even perhaps lengthened out the process, but decide it was important to keep to the timeline because of need to move forward as well as get funding out. Morrison noted he will support the subcommittee recommendation and wants to move forward.

Motion (Tinsky/Lewis): *The PAC recommends the redevelopment agency fund up to the full requests of Queen Bee and Arts Produce, and up to the full request of MACSD including the entire 15% prevailing wage cost but excluding flooring costs, and funding of up to \$350K for Café Calabria. All projects accepting funding are subject to agency review for adherence to redevelopment funding law and will participate in providing feedback to the PAC improve the application and review process. All projects receiving in excess of \$100K will have to meet LEED Silver certification.*

Discussion: Oliver asked for an increase in the amount to Café Calabria to \$500K based upon the previous amount the applicant has invested. Lewis spoke drawing a distinction between private lending to businesses given the lender's ability to hold a lien to cover its risk as opposed to the granting of public funding with no ties or restitution and the related fiduciary responsibility of the PAC and the precedent set for other projects.

Denied (3-6-0) Supporting: Wilkinson, O'Boyle, Lewis

Motion (Edwards/Leichtling): *The PAC recommends the redevelopment agency fund up to the full requests of Queen Bee and Arts Produce, and up to the full request of MACSD including the entire 15% prevailing wage cost but excluding flooring costs, and funding of up to \$500K for Café Calabria. All projects accepting funding are subject to agency review for adherence to redevelopment funding law and will participate in providing feedback to the PAC improve the application and review process. All projects receiving in excess of \$100K will have to meet LEED Silver certification.*

Passed (8-1-0) Opposed: O'Boyle

D. PAC Representative to Review Responses to the Request for Qualifications/Proposals for 3067 University Ave. (Time specific)

Michael Lengyel detailed the duties of those taking part in the review process and asked the PAC to consider appointing representatives.

Public Discussion:

PAC Discussion: Edwards restated his willingness to represent the PAC. Wilkinson expressed the review process would benefit from having a resident or tenant participating.

Motion (Tinsky/Wilkinson): *Nominate Edwards, Morrison and Wilkinson to jointly serve on RFP review committee.*

Passed (9-0-0)

E. Recommendation on Amendment to PAC Bylaws to Change the Annual Meeting from February to May and Hold the Annual Election in May 2011. (10 minutes)

Lengyel, of the redevelopment agency, noted the agency would like to align all PAC elections.

Public Discussion:

PAC Discussion: Tinsky raised concerns that initiated a discussion over the possibility of members being asked to extend service potentially into July if the Mayor's office were not to ratify the new election in a timely fashion.

Motion (Edwards/Wilkinson): *Recommend a change to the bylaws to move the annual meeting from February to May as well as the annual election to May.*

Discussion:

Failed (5-4-0) Opposed: Leichtling, Oliver, Stern, Tinsky (the PAC Bylaws may only be amended upon the affirmative vote of at least two-thirds (2/3) of the total membership of the PAC qualified and eligible to vote)

VIII. SUBCOMMITTEE/LIAISON REPORTS

A. Maintenance Assessment District (MAD)

No report.

B. Project Area Improvements

Leichtling reported that two subcommittee members meet with city and designers at the site and will bring back what was discussed to the full subcommittee. Wilkinson asked about possibility of removing the irrigation element.

C. North Park Community Plan Update

Lewis reported upon the first Charrette that took place on Saturday October 2nd and encourages attendance to the Transportation and Public Space related Charrette Wednesday October 13th at 5:30pm at the Sunset Temple on Kansas St. and the final Charrette on Saturday October 16th at 8:30am at the Sunset Temple.

D. Green/Sustainability Initiatives

Discussion held under action items.

E. Multi-Family Development

ML drafted initial guidelines based upon subcommittee's recommendations and has housing commissions review and support and is having the city attorney review.

IX. STAFF REPORTS/PROJECT UPDATES

A. Garage Art Project

Blair Thornley will have final art to Larry Stein by mid-month and he expects it will be a couple of more months before its finally up.

B. North Park Mini-Park

No update.

C. Eminent Domain Extension Blight Analysis

Lengyel noted blight study is still 3 months away.

D. Other

Lengyel passed out the monthly project status spreadsheet and staff update on parking garage. Attention was drawn again to Five Star using signs bought for the parking garage being used at other Five Star lots.

X. REQUESTS FOR NEXT AGENDA

A. PAC review of Bylaws

B. Discussion of safety and security and other issues on lot behind the theater.

C. Discussion of including JIB lot upcoming blight analysis for purpose of including into the project area.

ADJOURNMENT

Motion (Stern/Tinsky): *To adjourn at 8:57 p.m.*

Passed (9-0-0)