CROSSROADS REDEVELOPMENT PROJECT AREA PROJECT AREA COMMITTEE

(2nd FINAL) MEETING MINUTES OF THURSDAY, NOVEMBER 14, 2002

The members of the Crossroads Project Area Committee (PAC) held their meeting at Blessed Sacrament Church in the Basement Hall at El Cajon Blvd. at 56th Street and El Cerrito Drive, from 6:34 p.m. to 9:27 p.m.

The following members were present at Roll Call: Shukri Adam-Fara, Kevin Carter, Anthony Frankhauser, Alison Grant-Carlos, Barbara Hutchinson, David Nelson, Laura Riebau, Jody Talbott, Michael Trunzo, Christine Van Spronsen, and Mason Younan (11) The following members arrived after Roll Call: Harry Kattoula, David Parsons (2) The following members were not present: Abdi Mohamoud, Jennifer Wieder Gamez (2) Consultants and CED Staff in attendance: Kathy Rosenow, Tim Gnibus, Tracy Reed, Gary DeBusschere and Michele St Bernard

CALL TO ORDER: Called to order at approximately 6:34 p.m. by Michael Trunzo.

- ROLL CALL: Quorum was established when 11 of the 15 PAC members were present. PAC members Harry Kattoula (6:45 p.m.) and David Parsons (7:25 p.m.) arrived after roll call. Jennifer Wieder Gamez wasn't able to attend because of pregnancy.
- APPROVAL OF AGENDA: for November 14, 2002.
 <u>Motion</u> David N/Allison; approve November 14th agenda; passes (11-0).
- **3. APPROVAL OF MINUTES :** Draft October 24th minutes were mailed to PAC members on November 7th.

David N: I was present. Please revise my statement regarding City Heights and development review authority. "They investigated authority but they didn't obtain this authority."

Barbara: Please revise my statement. I stated that this report is "broad reaching" not "board reaching."

Laura: I think we should revise the response from Kathy regarding the grandfather question. It "does" mean, not "could" mean.

Motion – Laura/Christine: Approve the draft October 24th minutes as revised; passes (11-0).

4. COMMITTEE MEMBER COMMENT ON NON-AGENDA ITEMS:

Laura: When is the Planning Commission meeting? **Tracy:** (synopsis). There will be a workshop with the Planning Commission November 21st, and a hearing on either December 12th or 19th. I was told today that the Planning Commission my not meet on December 19th, then the hearing would be on the 12th.

Barbara: Tracy has distributed the addresses that are associated with the photographs in the Draft Preliminary Plan.

Kevin: (synopsis). Is the revised project calendar, that we have been provided, also the project calendar posted on the Internet Site?

Tracy: No it isn't, it takes time to have updates posted.

Laura: (synopsis). When will the joint public hearing be held?

Tracy: The tentative date for the joint public hearing is late March 2003 (March 25th).

4. PUBLIC COMMENT ON NON-AGENDA ITEMS:

None

5. OLD BUSINESS:

Provide examples of Redevelopment Plans and OP Rules from other Project Areas –
 Distributed: North Park, North Bay, City Heights and College Community.

6. NEW BUSINESS:

- **Kathy Rosenow:** (of RSG) held a discussion on the draft Owner Participation Guidelines (OP Rules). Handouts of the PowerPoint were distributed to the PAC members and the audience.
 - The PAC discussed and commented on the draft OP Rules section by section. <u>The following is only a synopsis of what was said</u>.

Kathy: Mentioned that although it's good to hear input from PAC and audience, she would still like to receive written comments and suggestions.

Barbara: Can people opt out of the project area?

Kathy: Explained that the OP guidelines come into play after a Project Area has been certified. People can "opt out" of participating in Redevelopment of their property, but not out of the project area. There is a conformance certificate process for properties that conform to the plan.

Laura: Need copies of exhibits referenced in the OP guidelines and Plan. I don't have the information to base decisions upon. The language in the OP guidelines and Plan is basic and vague. For example, one document says El Cajon Blvd is going to be widened to 6 lanes, but we have no information on a project that is going to do that.

Tracy: The redevelopment plan does not plan to widen El Cajon Blvd at this point. The EIR mentions that as an example because it is in the community plan. The redevelopment plan is not adding projects that weren't already in a community plan and more than one community plan is relevant to this study area.

Jody: Wouldn't any developer need to go to planning groups, etc?

Kathy/Tracy: The PAC will be involved if individuals need assistance from the Agency. Acquiring property is an agency issue and would be reviewed by PAC. *Discretionary*

developments or projects will continue to be reviewed by the appropriate Community Planning Group.

Jill: (from audience on Wightman Street) I am active in Fox Canyon community. At least one of our neighborhood priorities in is the Crossroads area. Who can we turn to for revenue? Since land is in the project area, how can we apply for funding?

Tracy: That question is more applicable to redevelopment plan. The OP rules don't apply because property owners won't participate in the development of a park.

Jim: (from audience) If the Project Area is adopted, can property owners make storefront improvements?

Barbara: It isn't a project area yet.

Jim: I said if the Project Area is adopted.

Kathy: Either way, the City encourages people to improve their property. So yes, if Project Area is adopted, owners can make storefront improvements.

Michael: What if owner doesn't want to participate but tenant wants to?

Kathy: By law, business or occupant is given a preference for "re-entry" to the project area. It is best if it is a co-operative effort with the property owner.

Patrick: Given hypothetical example of El Cajon Blvd 56th through 59th street, and developer wants to establish a mixed-use project, of say 14 stories. A group of small businesses own the property and are interested in redeveloping the property. What is the likelihood that the property owners will be awarded the agreement over the professional developer?

Kathy: It is feasible that property owners could receive the contract. But contracts are usually awarded to the entity with most experience and where-with-all to complete project. **Patrick:** So feasible but not likely?

David P: A similar situation recently happened in the College Area; two competing entities for the same project/property. The existing businesses hired a developer/consultant and they are

being looked upon more favorably because they are existing businesses in the area.

Kathy: Lets discuss owner and tenant issues. Property owners are given preference for redevelopment (by law), tenants are given a preference for "re-entry" (by law.) It is difficult to make the preferences for owners apply to tenants. One problem - it is often difficult to locate the tenants. The definition of "tenant" becomes burdensome. It could mean only those with leases? What about someone with a sublease? What if there is more than one tenant in a space? There are no records of leases like there is with property owners where we can look to tax assessor records.

Barbara: Lets talk about the Laundromat issue from South Bay. Will Agency reimburse businesses for lost income when redevelopment project falls through? What happens when redevelopment project fails?

Kathy: Usually there is a contractual provision between Redevelopment Agency and developer that addresses what happens if there is a default.

Audience member: Is there a way to appeal conformance certificate? **Kathy:** There is no appeal process defined in the OP Guidelines.

David P: I am handing out a copy of my revision to the draft OP Rules. I have included the term tenant with the term property owner and I have extended the times.

David N: I am concerned with section 600. I understand the difficulty of adding "tenant" but I am concerned with the time frame to respond. We need something in the guidelines if there is no response from property owner.

Audience: What about posting a notice on the property as a supplement to mailing?

Kathy: I think we are confusing the RFP process, which may be of interest to tenants, with the Statement of Interest, which may not be appropriate to submit to tenants.

David P: Maybe tenant information can simply be addressed to "occupant of property". The least sophisticated "developers" will need the greatest amount of time to prepare. Address tenants or residents named on the lease only. Businesses must have a business license. There needs to be more time for responses to the RFP's.

David N: I would like to see guidelines for "if you don't receive response within a specific amount of time." Need a minimum amount of notice time and a maximum amount of time. Developers may lose interest if too long of time frame allowed.

Barbara: 26 businesses in City Heights evicted.

David N Most did not wish to stay or couldn't afford to stay.

Barbara: What happened to them?

David N: Most moved a couple of blocks away, some retired. All were paid to purchase property and/or relocate.

David N: So what is the short version of this process? Project-notice-response? What is definition of preference? Is it, when there are two equally qualified proposals, preference is given to the entity already in the project area?

Kathy: We will bring proposed revisions back to the PAC.

- **Kathy Rosenow:** (of RSG) held a discussion on the draft Redevelopment Plan. Handouts of the PowerPoint were distributed to the PAC members and the audience.
 - The PAC discussed and commented on the draft Redevelopment Plan article by article. The following is only a synopsis of what was said.

David N: There is no provision for the existence of the PAC after three years. Can we add that in?

Laura: Would like a list of *light industrial zones* for the Project Area.

Tracy: The Central Urbanized PDO governs the commercial and multiple family areas, which is in the municipal code.

Audience: Do the revisions requested by the CACC change or are they contrary to other existing community plans for the project area?

Tracy: They appear to clarify issues.

Kathy: Discussion of the definition of moderate/low/very-low income. Moderate is 120% of median income (family of 4 about \$60k), low is 80% of median income (family of 4 about \$48k) and very low is 50% of median income (family of 4 about \$30,500).

Laura: How much low and very low are currently in the area?

Michael: We have quite a bit since there are so many students in the area.

Kathy: Refer to table B1 in the Preliminary Report for additional information. Also, for each unit added in the project area, .15 low-moderate housing units must be added.

Barbara: I am against eminent domain. I will not vote for anything as a PAC member that will authorize eminent domain under any circumstance.

David N: Although my opinion is different from Barbara and Laura's, I want to go on record in favor of eminent domain. It is a useful redevelopment tool.

Christine: I also favor eminent domain.

Laura: The constitution says private property cannot be taken for public *good only for public use.*

Tracy: The edits provided by David P. are a good example of what input we need. You may want to download the documents from the Internet and modify them with your edits and suggestions. We'll continue our discussion of the Redevelopment Plan next meeting.

7. NEXT MEETING DATES AND PRELIMINARY AGENDA ITEMS:

No comments.

8. ADJOURNMENT:

<u>Motion</u> – Laura/Mason: Adjourn meeting; passes (13-0) @ 9:27 p.m. Note: Discussion on Draft Redevelopment Plan will continue next month.

Prepared: 11/18/02 Revised: 12/15/02 Revised: 01/09/03

Draft Approved on: 12/12/02 Motion was by: As amended (*italic's*) David N/Mason Revised Draft Approved on: 01/09/03 Motion was by: As revised (*italic's & <u>underlined</u>*) Laura/Adbi 2nd Final Approved on: 01/23/03 Motion was by: David P/Laura Revisions Approved on: 01/09/03 PAC vote was: 10-0-1c Revisions Approved on: n/a PAC vote was: 08-0-1c Revisions Approved on: n/a PAC vote was: 11-0-1c