

**CITY COUNCIL OF THE CITY OF SAN DIEGO
SUPPLEMENTAL DOCKET NUMBER 3
FOR THE REGULAR MEETING OF
TUESDAY, MARCH 25, 2014
CITY ADMINISTRATION BUILDING
COUNCIL CHAMBERS – 12TH FLOOR
202 “C” STREET
SAN DIEGO, CA 92101**

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ADOPTION AGENDA, CONSENT ITEMS
RESOLUTIONS:

NOTE: This item may be heard in the morning session if time permits.

* ITEM-S501: Appointment of Councilmembers to Outside Organization for the remainder of Calendar Year 2014.

COUNCIL PRESIDENT GLORIA'S RECOMMENDATION:

Adopt the following resolution:

(R-2014-575)

Council confirmation of the following appointments of elected officials as representatives, alternates, and liaisons to outside boards, commissions, committees, and governmental agencies, to serve through December 2014, and until a successor is duly appointed and confirmed:

SANDAG Board of Directors (revised)

- Mayor Kevin Faulconer – Representative (filling vacancy)

SANDAG Shoreline Preservation Working Group (new)

- Councilmember Lorie Zapf – Representative

- Vacant – Alternate

League of Cities, Board of Directors (new)

- Councilmember Marti Emerald – Representative

League of Cities, San Diego County Division Executive Committee (new)

- Councilmember Marti Emerald – Representative

City-County Reinvestment Task Force (new)

- Councilmember Myrtle Cole

Los Peñasquitos Canyon Preserve Task Force (new)

- Council President Pro Tem Sherri Lightner – Representative
- Councilmember Mark Kersey – Representative

Mission Trails Regional Park (new)

- Councilmember Scott Sherman – Representative
- Councilmember Mark Kersey – Representative

San Diego Consortium Policy Board (revised)

- Councilmember Scott Sherman – Second Representative
(replacing Councilmember Marti Emerald)
- Councilmember Marti Emerald – Alternate to First Representative
(replacing Councilmember Scott Sherman)

San Diego Metropolitan Transit System Board (revised)

- Council President Todd Gloria – Representative, Executive Committee
(replacing Council President Pro Tem Sherri Lightner)
- Councilmember Lorie Zapf – Alternate
(replacing Council President Todd Gloria)

San Diego River Conservancy (revised)

- Mayor Kevin Faulconer – Representative (filling vacancy)

Council confirmation of the following appointments to the North Embarcadero Visionary Plan Joint Powers Authority, to serve until a successor is duly appointed and confirmed:

North Embarcadero Visionary Plan Joint Powers Authority

- Council President Todd Gloria – Representative
(replacing Mayor Kevin Faulconer)
- Councilmember David Alvarez – Alternate

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS

RESOLUTIONS:

The following item will be considered in the afternoon session which is scheduled to begin at 2:00 p.m.

ITEM-S502: City Heights/Crossroads Professional Service Agreement with O’Day Consultants, Inc. - City Heights and Crossroads Redevelopment Project Areas. (District 9.)

ITEM DESCRIPTION:

The City Heights projects considered under this contract are located between Euclid Avenue to the east, 54th Street to the west, El Cajon Boulevard to the north, and University Avenue to the south. The Crossroad Project on El Cajon Boulevard ranges from 54th Street to 73rd Street. The proposed Colina Del Sol, East Euclid Avenue, and El Cajon Boulevard Sidewalk and Street Lighting Projects will repair and install sidewalks and streetlights within the community boundaries. The Crossroads and City Heights/Colina Del Sol neighborhoods are located in the Mid-City area of the City.

STAFF'S RECOMMENDATION:

Adopt the following resolutions:

Subitem-A: (R-2014-580)

Authorizing and directing the City’s Chief Financial Officer to close CIP S-12023 for the 50th/53rd and Meade Colina Park Sidewalks Project;

Authorizing and directing the City’s Chief Financial Officer to close CIP S-12024 for the Altadena/52nd Colina Park Sidewalks Project;

Authorizing and directing the City’s Chief Financial Officer to close CIP S-12025 for the Colina Park Neighborhood Street Lights Project;

Authorizing and directing the City’s Chief Financial Officer to close CIP S-12027 for the Euclid – Dwight to Isla Vista Sidewalks Project.

Sub-Items B thru F of this item are being presented to the Council in its capacity as the board of the local redevelopment successor agency, officially known as “the City of San Diego, solely in its capacity as the designated successor agency of the Redevelopment Agency of the City of San Diego, a former public body, corporate and politic” (Successor Agency).

Subitem-B: (R-2014-581)

Authorizing the City's Chief Financial Officer to appropriate and expend an amount not to exceed \$222,760 for civil engineering services for the Colina Del Sol Neighborhood Sidewalks Project in the City Heights Redevelopment Project Area from funds identified in Line Item 552 of the applicable ROPS of the Successor Agency;

Approving the Professional Services Agreement with O'Day Consultants, Inc., for civil engineering services for the Colina Del Sol Neighborhood Sidewalks Project in an amount not to exceed \$222,760;

Authorizing the City's Chief Financial Officer to appropriate and expend an amount not to exceed \$91,979 for civil engineering services for the Colina Del Sol Neighborhood Street Lighting Project in the City Heights Redevelopment Project Area from funds identified in Line Item 552 of the applicable ROPS of the Successor Agency;

Approving the Professional Services Agreement with O'Day Consultants, Inc., for civil engineering services for the Colina Del Sol Neighborhood Street Lighting Project in an amount not to exceed \$91,979;

Authorizing the City's Chief Financial Officer to appropriate and expend an amount not to exceed \$31,680 for civil engineering services for the East Euclid Avenue Pedestrian Improvements Project in the City Heights Redevelopment Project Area from funds identified in Line Item 550 of the applicable ROPS of the Successor Agency;

Approving the Professional Services Agreement with O'Day Consultants, Inc. for civil engineering services for the East Euclid Avenue Pedestrian Improvements Project in an amount not to exceed \$31,680;

Authorizing the City's Chief Financial Officer to appropriate and expend an amount not to exceed \$103,581 for civil engineering services for the El Cajon Boulevard Pedestrian Improvements Project in the Crossroads Redevelopment Project Area from funds identified in Line Item 560 of the applicable ROPS of the Successor Agency;

Approving the Professional Services Agreement with O'Day Consultants, Inc., for civil engineering services for the El Cajon Boulevard Pedestrian Improvements Project in an amount not to exceed \$103,581.

Subitem-C: (R-2014-578)

Declaring that the Colina Del Sol Neighborhood Sidewalk is categorically exempt from California Environmental Quality Act pursuant to California Environmental Quality Act (CEQA) Guidelines 15301;

Declaring an exception to the exemption as set forth in CEQA Guidelines 15300.2 has been determined not to apply.

Subitem-D: (R-2014-577)

Declaring that the Colina Del Sol Neighborhood Street Light Project is categorically exempt from California Environmental Quality Act pursuant to California Environmental Quality Act (CEQA) Guidelines 15301;

Declaring an exception to the exemption as set forth in CEQA Guidelines 15300.2 has been determined not to apply.

Subitem-E: (R-2014-579)

Declaring that the East Euclid Avenue Pedestrian Improvements Project is categorically exempt from California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines 15301;

Declaring an exception to the exemption as set forth in CEQA Guidelines 15300.2 has been determined not to apply.

Subitem-F: (R-2014-583)

Declaring the El Cajon Boulevard Pedestrian Improvements Project is categorically exempt from California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines 15301;

Declaring an exception to the exemption as set forth in CEQA Guidelines 15300.2 has been determined not to apply.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

ROPS funding in the amount of \$565,000 is currently available for the El Cajon Boulevard Pedestrian Improvement Project in line item #560 of ROPS 13-14B, in 2010A (TE) Bond Proceeds - Fund 400696. Funding of \$230,000 is pending approval by the DOF for the East Euclid Avenue Projects City Heights Project in line item #550 of ROPS 14-15A, in 2010A (TE) Bond Proceeds - Fund 400694. Funding of \$3,300,000 is pending approval by the DOF for the Colina Del Sol Neighborhood Sidewalk Projects and Colina Del Sol Neighborhood Street Lighting Projects in City Heights in line item #552 of ROPS 14-15A, in 2010A (TE) Bond Proceeds – Fund 400694. CivicSD has been approved for a \$500,000 CDBG grant for the Colina Del Sol Neighborhood Sidewalk Projects.

These funds will be applied to the Project and replace the funds from the ROPS line item #552 if not required for contingency or cost escalation.

The current proposed actions involve the Council's approval of contracts for design and engineering work related to the four projects. At a future date, the Council will be asked to approve the use of redevelopment bond proceeds for the construction phase of the projects. At that time, the Council will be required to make certain determinations in accordance with California Health and Safety Code Section 33445, which

pertains to the use of redevelopment bond proceeds to pay for the cost of public improvements. Those determinations include: the improvements are of benefit to the redevelopment project area or the immediate neighborhood in which the project is located; no other reasonable means of financing the improvements are available to the City; and the payment of funds for construction of the improvements will assist with the elimination of blighting conditions inside the redevelopment project area and is consistent with the most recent five-year implementation plan.

Also, in order for the Projects to move forward at this time as enforceable obligations of the Successor Agency utilizing excess bond proceeds, the Council must authorize and direct the City's Chief Financial Officer to close the various Capital Improvement Programs (CIPs) that currently identify the contemplated Sidewalk and Street Lighting Projects, including: (1) CIP S-12023 for the 50th/53rd & Meade Colina Park Sidewalks Project, (2) CIP S-12024 for the Altadena/52nd Colina Park Sidewalks Project, (3) CIP S-00125 for the Colina Park Neighborhood Street Lights Project, and (4) CIP S-00127 for the Euclid - Dwight to Isla Vista Sidewalk Project. These CIPs were created in late 2011 by Council resolutions that were, in part, based on an assumption that the City would have available funds to complete these projects under a Cooperation Agreement between the City and the former Redevelopment Agency, dated February 28, 2011, as subsequently amended (Amended Cooperation Agreement).

The City assumed funding would be available because the Amended Cooperation Agreement, among other things, provided that the Former RDA would transfer specified funds to the City for the City's use in implementing various redevelopment projects, activities and programs on the former RDA's behalf throughout the City's redevelopment project areas. However, the Amended Cooperation Agreement was retroactively invalidated by the operation of the Dissolution Laws and the City was required to return Amended Cooperation Agreement funds to the Successor Agency.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

- In October/November 2011, the former Redevelopment Agency and the City Council approved the City Heights Projects.

- On October 11, 2011, the City Council approved the Crossroads Project. The Projects have been delayed due to the dissolution of redevelopment. The projects are a result of a recommendation by the City Heights Project Area Committee to invest in the City Heights Neighborhood.

Phillips/Villa

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City Attorney Contact: Reisch, Kevin and Reid, Michael T.

The following item will be considered in the afternoon session which is scheduled to begin at 2:00 p.m.

ITEM-S503: Agreement with Respect to Historic Rehabilitation Loan for the Armed Services YMCA/500 West Hotel, 500 West Broadway, Columbia Neighborhood of the Downtown Community Plan Area. (District 3.)

ITEM DESCRIPTION:

Agreement with Respect to Historic Rehabilitation Loan for the Armed Services YMCA/500 West Hotel, 500 West Broadway, Columbia Neighborhood of the Downtown Community Plan Area.

STAFF'S RECOMMENDATION:

Adopt the following resolution:

(R-2014-572)

Approving the Agreement with 500 West Broadway, L.P., granting a conditional exemption from the replacement requirements of the City's SRO Hotel regulations and making related findings.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

If successful, the Agreement would result in full repayment of the Rehabilitation Loan and, potentially, additional payments to the City. The funds would be deposited to the Low and Moderate Income Housing Asset Fund (LMIHAF). State law requires that funds in the LMIHAF be used towards production and preservation of affordable housing. Without the Agreement there is a greater risk of Borrower default under the Ground Lease posing a substantial risk to the City's security interest in the Ground Lease and to the restrictions pursuant to the AARP.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

The proposed Agreement was discussed in Closed Session with the City Council on December 17, 2013.

Phillips/Villa

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City Attorney Contact: Slegers, Nathan