

CITY OF SAN DIEGO COUNCIL DOCKET



COUNCIL PRESIDENT

Sherrí Lightner • First District

COUNCIL PRESIDENT PRO TEM

Marti Emerald • Ninth District

COUNCILMEMBERS

Lorie Zapf • Second District
Todd Gloria • Third District
Myrtle Cole • Fourth District
Mark Kersey • Fifth District
Chris Cate • Sixth District
Scott Sherman • Seventh District
David Alvarez • Eighth District

Andrea Tevlin
Independent
Budget Analyst

Jan Goldsmith
City Attorney

Liz Maland
City Clerk

Council Chambers, 12th Floor, City Administration Building

Tuesday, March 10, 2015

**AGENDA FOR THE
REGULAR COUNCIL MEETING OF
TUESDAY, MARCH 10, 2015, AT 10:00 AM
CITY ADMINISTRATION BUILDING
COUNCIL CHAMBERS – 12TH FLOOR
202 “C” STREET
SAN DIEGO, CA 92101**

This information will be made available in alternative formats upon request, as required by the Americans with Disabilities Act (ADA), by contacting the City Clerk at (619) 533-4000 or <mailto:cityclerk@sandiego.gov>. Requests for disability-related modifications or accommodations required to facilitate meeting participation, including requests for auxiliary aids, services or interpreters, require different lead times, ranging from five business days to two weeks. Please keep this in mind and provide as much advance notice as possible in order to ensure availability. Assistive Listening Devices (ALDs) are available in Council Chambers upon request.

Pursuant to California Senate Bill 343 (Section 54957.5(b) of the Brown Act), late-arriving documents related to City Council meeting agenda items which are distributed to the legislative body prior to and during the Council meeting are available for public review in the Office of the City Clerk on the second floor of the City Administration Building, 202 C Street, San Diego, CA 92101. This relates to those documents received after the agenda is publicly noticed and during the 72 hours prior to the start of the meeting. Please note: Approximately one hour prior to the start of the Council Meeting, the documents will be available just outside Council Chambers in the lobby of the 12th floor of the City Administration Building in a binder labeled “SB 343.” Late-arriving materials received during the City Council meeting are available for review by making a verbal request of City Clerk staff located in Council Chambers.

NOTE: The public portion of the meeting will begin at 10:00 a.m. The City Council will meet in Closed Session this morning from 9:00 a.m. – 10:00 a.m. Copies of the Closed Session agenda are available in the Office of the City Clerk.

OTHER LEGISLATIVE MEETINGS

The **SAN DIEGO HOUSING AUTHORITY** is scheduled to meet today in the Council Chambers. A separate agenda is published for it, and is available in the Office of the City Clerk. For more information, please contact the Housing Authority Secretary at (619) 578-7564. Internet access to the agenda is available at:
<http://www.sdhc.org/Media-Center/SDHC-Meetings/Housing-Authority-Meetings/>

ROLL CALL

PLEDGE OF ALLEGIANCE

APPROVAL OF COUNCIL MINUTES

The Council Minutes of the following meetings will be approved by Unanimous Consent unless pulled for discussion:

01/26/2015
01/27/2015-Adjourned
02/02/2015
02/03/2015

PROCLAMATIONS/CEREMONIAL ITEMS

NOTE: The following Proclamations will be presented in Council Chambers and approved by Unanimous Consent unless pulled for discussion.

ITEM-30: Bird Rock Elementary Day.

PRESENTED BY COUNCIL PRESIDENT LIGHTNER:

Proclaiming March 10, 2015, to be "Bird Rock Elementary Day" in the City of San Diego, for their efforts to engage students in civic participation.

ITEM-31: Multiple Myeloma Awareness Day.

PRESENTED BY COUNCIL PRESIDENT LIGHTNER AND COUNCILMEMBER SHERMAN:

Proclaiming March 10, 2015, to be "Multiple Myeloma Awareness Day" in the City of San Diego.

ITEM-32: Pacific Beach Woman's Club 120th Anniversary Day.

PRESENTED BY COUNCILMEMBER ZAPF:

Proclaiming March 10, 2015, to be "Pacific Beach Woman's Club 120th Anniversary Day" in the City of San Diego.

SPECIAL ORDERS OF BUSINESS

None.

ADOPTION AGENDA, CONSENT ITEMS

The Consent items listed beginning on the next page are considered to be routine, and the appropriate Environmental Impact Reports have been considered. These items are indicated on the docket by a preceding asterisk (*). Because these items may be handled quickly, if you wish to be heard submit your Request to Speak form prior to the start of the meeting.

NON-AGENDA PUBLIC COMMENT

This portion of the agenda provides an opportunity for members of the public to address the Council on items of interest within the jurisdiction of the Council. (Comments relating to items on today's docket are to be taken at the time the item is heard.)

Per Section 22.0101, Rule 2.6.2, of the San Diego Municipal Code, comments are limited to two minutes per speaker. Speakers may not allocate their time to other speakers. If there are eight (8) or more speakers on a single issue, the maximum time allotted for that issue will be sixteen (16) minutes. Non-Agenda Public Comment is limited to 30 minutes during the Tuesday morning Council session. Any remaining speakers will be given an opportunity to speak after Council concludes the remaining agenda items for that day. Speaker order will generally be decided on a first-come, first-served basis. However, in the event that there are more than 15 Non-Agenda Public Comment speakers on a particular Tuesday, priority may be given to speakers who have not addressed the legislative body during "Non-Agenda Public Comment" at the last regularly scheduled Council meeting.

MAYOR, COUNCIL, INDEPENDENT BUDGET ANALYST, CITY ATTORNEY, CITY CLERK COMMENT

UPDATES ON PENDING LEGISLATION (MAYOR'S OFFICE)

REQUESTS FOR CONTINUANCE

The Council will consider requests for continuance in the morning or afternoon, based on when the item was noticed to be heard.

**ADOPTION AGENDA, CONSENT ITEMS
ORDINANCES TO BE INTRODUCED:**

- * ITEM-50: Exemption of 3.00 Program Manager positions in the Development Services Department from the Classified Service, as approved by the Civil Service Commission on February 5, 2015.

ITEM DESCRIPTION:

This action is to exempt 3.00 Program Manager positions from the Classified Service in the Development Services Department. Under the direction of the Development Services Director, these positions will be responsible for assisting with managing divisions in the department including Engineering, Building Inspection, and Land Development Review.

STAFF'S RECOMMENDATION:

Introduce the following ordinance:

(O-2015-77)

Introduction of an Ordinance receiving and reviewing a Memorandum from Personnel Director Hadi Dehghani, dated February 10, 2015, which documents that, on February 5, 2015, the City's Civil Service Commission reviewed and favorably commented on a proposal from the Department Director to exempt from the City's Classified Service three Program Manager positions in the Department. The Program Managers will be responsible for managing the Engineering, Building Inspection, and Land Development Review sections in the Department. The Program Manager in the Building Inspection section will be responsible for assisting with developing and implementing Department policies and procedures related to building codes and regulations. The Program Manager in the Land Development Review section will be responsible for assisting with developing and implementing department policies and procedures related to the City's Land Development Code and Land Use Plans as well as overseeing and directing environmental and landscape review services. The Program Manager in the Transportation Review and Traffic Safety section will be responsible for assisting with developing and implementing department policies and procedures related to engineering review and development review;

Declaring that pursuant to Charter Section 117(a)(17), with the Civil Service Commission's review and approval, the Council now exempts from the Classified Service, and declares to be in the Unclassified Service of the City, three Program Manager positions in the Department, performing the duties set forth in the February 5, 2015, Memorandum from Personnel Director Hadi Dehghani to the Honorable Council President and City Council.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

Positions added in FY 2016 Budget request.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

None.

Vacchi/Graham

Primary Contact\Phone: Robert Vacchi\619-236-5423, MS 501

Secondary Contact\Phone: Raquel Torres\619-446-5254, MS 401

City Attorney Contact: Dawson, Joan F.

ADOPTION AGENDA, CONSENT ITEMS
ORDINANCES INTRODUCED AT A PREVIOUS MEETING, READY FOR DISPENSING
WITH THE READING AND ADOPTION:

- * ITEM-51: Third Amendment to the Facility Franchise Agreement with San Diego Landfill Systems, Inc., for transportation and beneficial reuse of biosolids. (Citywide.)

ITEM DESCRIPTION:

This action is for approval of the Third Amendment to the Facility Franchise Agreement with San Diego Landfill Systems, Inc., to collect, transport and dispose of biosolids at Metro Biosolids Center. This Amendment is not-to-exceed a total of \$41,602,790 over the five years of the contract.

CITY COUNCIL'S RECOMMENDATION:

Adopt the following ordinance which was introduced on 2/24/2015, Item 50. (Council voted 8-0. Council President Pro Tem Emerald not present):

(O-2015-70 Cor. Copy)

Authorizing the Mayor, or his designee, to execute, for and on behalf of said City, an amendment to the Facility Franchise Agreement with San Diego Landfill Systems, LLC, under the terms and conditions set forth in the Third Amendment to the Agreement;

Authorizing the expenditure of an amount not to exceed \$2,021,500 from the Metro Sewer Utility Fund 700001, for the purpose of providing funds in Fiscal Year 2015 for the above-referenced Third Amendment;

Authorizing the Chief Financial Officer to expend funds necessary for the Third Amendment in subsequent fiscal years, contingent upon the adoption of the Annual Appropriation Ordinance for the applicable fiscal year and upon the Chief Financial Officer furnishing one or more certificates demonstrating that the funds necessary for expenditure are, or will be, on deposit in the City Treasury.

NOTE: 6 votes required pursuant to Section 99 of the City Charter.

* ITEM-52: Amendment No. 2 with ADS CORP (ADS) for the Sewer Flow Monitoring & Event Notification System, Contract No. 10004692-10-W. (Citywide.)

ITEM DESCRIPTION:

This action is the Second Amendment to the Agreement with ADS CORP (ADS) for Sewer Flow Monitoring and Event Notification Equipment to monitor sewage flows for the City and the Participating Agencies. This Amendment increases the current contract by \$6,932,402 and will extend the contract for an additional five years with an end date of June 23, 2020.

CITY COUNCIL'S RECOMMENDATION:

Adopt the following ordinance which was introduced on 2/24/2015, Item 60, Subitem A. (Council voted 8-0. Council President Pro Tem Emerald not present):

(O-2015-74)

Authorizing the Mayor, or his designee, to execute, for and on behalf of the City, a Second Amendment to the Agreement with ADS CORP (ADS), for a maximum amount of \$6,932,402.40, which will extend the Agreement for up to five years, contingent upon adoption of the Annual Appropriation Ordinance for the applicable fiscal year, and contingent upon the Chief Financial Officer furnishing one or more certificates demonstrating that funds necessary for expenditure are, or will be, on deposit with the City Treasury;

Authorizing the Chief Financial Officer to expend an amount not to exceed \$6,932,402.40 from Muni Sewer Revenue Fund 700000 and Metro Sewer Utility Fund 700001, of which \$1,370,040 is for Fiscal Year 2016, for the purpose of the aforementioned Second Amendment, contingent upon the Chief Financial Officer furnishing one or more certificates certifying that funds necessary for expenditure are, or will be, on deposit with the City Treasury;

Waiving Council Policy 300-7 with respect to execution of the aforementioned Second Amendment.

NOTE: 6 votes required pursuant to Section 99 of the City Charter.

ADOPTION AGENDA, CONSENT ITEMS

RESOLUTIONS:

- * ITEM-100: Sale of City-owned land in City Heights to New Creation Church of San Diego; waive Council Policy 700-06. (City Heights Community Area. District 9.)

ITEM DESCRIPTION:

This item is to authorize the sale of a 14,503 square foot portion of City-owned open space known as Chollas Parkway, to the New Creation Church of San Diego for \$46,000, and waive Council Policy 700-06. This portion of land, which is at the top of the canyon's high slope, has been encroached upon by a part of the church's parking lot for several decades, preventing the City from eventually dedicating the Parkway.

STAFF'S RECOMMENDATION:

Adopt the following resolutions:

Subitem-A: (R-2015-442)

Declaring that approximately 14,503 square feet of City-owned real property in City Heights (a portion of APN 477-240-11), may be sold by direct negotiation to a contiguous owner to correct a site deficiency;

Authorizing and directing the Mayor, or his designee, to execute and deliver the Purchase and Sale Agreement on file in the Office of the City Clerk;

Authorizing and directing the Mayor, or his designee, to sell approximately 14,503 square feet of City-owned real property in City Heights (a portion of APN 477-240-11), to the New Creation Church of San Diego, pursuant to the terms and conditions of that certain Purchase and Sale Agreement on file in the Office of the City Clerk, for the price of Forty Six Thousand Dollars (\$46,000);

Authorizing the Mayor, or his designee, to execute and deliver all such Agreements and all other instruments to effect and complete the transaction contemplated by this Resolution;

Waiving Council Policy 700-06, Encroachments on City Property;

Authorizing the Chief Financial Officer to accept and deposit the proceeds of the sale of the property, net of escrow costs related to the sale, into the Capital Outlay Fund 400002.

Subitem-B: (R-2015-443)

Determining that the Project is categorically exempt from California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Section 15312, and that an exception to the exemption as set forth in CEQA Guidelines Section 15300.2 does not apply.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

The \$46,000 proceeds from the sale of the property, net of escrow costs and expenses in IO 13001746, 3115 Altadena Avenue, related to the sale, will be deposited into the Capital Outlay Fund 400002 as per City Charter Article VII.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

This item was heard at the Smart Growth and Land Use Committee on February 4, 2015.

ACTION: Motion by Councilmember Gloria, second by Councilmember Alvarez, to recommend approval of staff's recommendation.

VOTE: 4-0; Zapf-yea, Gloria-yea, Sherman-yea, Alvarez-yea.

Thompson/Villa

Primary Contact\Phone: Barry Sloten\619-236-6724, MS 51A

Secondary Contact\Phone: April McCusker\619-236-6987, MS 51A

City Attorney Contact: Mendoza, Hilda R.

NOTE: This item 101 has been moved to Item 335 discussion on today's agenda. (Rev. 3/5/15)

NOTE: This item 101 has been moved to Item 335 discussion on today's agenda. (Rev. 3/5/15)

* ITEM-102: Grant Funding for Bridge Preventative Maintenance Program. (Citywide.)

ITEM DESCRIPTION:

This item is to accept Federal funds for the Bridge Preventative Maintenance Program through the California State Department of Transportation (Caltrans). The objective of this bridge program is to identify effective preventative maintenance measures and a preventative maintenance routine to extend the life of all vehicular bridges that are locally maintained.

STAFF'S RECOMMENDATION:

Adopt the following resolutions:

Subitem-A: (R-2015-391)

Authorizing the Mayor, or his representative, to make an application to California State Department of Transportation (Caltrans), and to take all necessary actions to secure funding for an amount not to exceed \$799,334, in Bridge Preventive Maintenance Program Grant Funds for performing repair and rehabilitation on various bridges;

Authorizing the Chief Financial Officer, to accept, appropriate, and expend an amount not to exceed \$799,334, if the Grant Funding is secured, contingent upon the Chief Financial Officer furnishing one or more certificates certifying that funds necessary for expenditure are, or will be, on deposit with the City Treasurer;

Authorizing the Chief Financial Officer to establish a special interest-bearing account for the Grant, if required;

Authorizing the Chief Financial Officer to increase the Capital Improvements Program Budget in CIP Annual Allocation, A-IE.00001, Bridge Rehabilitation, and to appropriate and expend an amount not to exceed \$799,334, Bridge Preventive Maintenance Program Grant Funds, for the purpose of performing repair and rehabilitation on various bridges, contingent upon the receipt of a fully executed Grant Agreement, and the Chief Financial Officer furnishing one or more certificates certifying that funds necessary for expenditure are, or will be, on deposit with the City Treasurer.

Subitem-B: (R-2015-392)

Declaring that the Bridge Preventive Maintenance Program with California State Department of Transportation (Caltrans), is categorically exempt from California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Section 15301;

Determining that an exception to the exemption as set forth in CEQA Guidelines Section 15300.2 does not apply.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

This action will authorize the acceptance and expenditure of the total Grant of \$799,334. The City's match of the Grants \$91,684, is available in CIP Annual Allocation A-IE.00001, Bridge Rehabilitation.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

R-307912, the City authorized acceptance of Federal Grant Funds for the City of San Diego Bridge Preventative Maintenance Program in the amount of \$34,844.

McFadden/Heinrichs

Primary Contact\Phone: Gary Chui\619-533-3770

Secondary Contact\Phone: Linda Marabian\619-533-3082

City Attorney Contact: Gerrity, Ryan P.

* ITEM-103: Appointments to the Senior Affairs Advisory Board.

MAYOR FAULCONER'S RECOMMENDATION:

Adopt the following resolution:

(R-2015-426)

Council confirmation of the following appointments by the Mayor of the City of San Diego, to serve as members of the Senior Affairs Advisory Board, for terms expiring as indicated:

<u>NAME</u>	<u>CATEGORY</u>	<u>TERM ENDING</u>
Paul Downey (El Cajon) (Filling the vacancy in the seat previously held by Evie Kosower)	Senior Service Delivery Professional/Expert	May 31, 2016
Sheryl Harris (Bay Park, District 2) (Filling the vacancy in the seat previously held by David Wallace)	Senior Service Delivery Professional/Expert	May 31, 2015

* ITEM-104: Reappointment to the San Diego Housing Commission.

MAYOR FAULCONER'S RECOMMENDATION:

Adopt the following resolution:

(R-2015-437)

Council confirmation of the following reappointment by the Mayor of the City of San Diego, to serve as a member of the San Diego Housing Commission, for terms expiring as indicated:

<u>NAME</u>	<u>CATEGORY</u>	<u>TERM ENDING</u>
Francisco Urtasun (Coronado) (Reappointment)	General member	January 2, 2019

- * ITEM-105: Declaring a Continued State of Emergency Due to Severe Shortage of Affordable Housing in the City.

TODAY'S ACTION IS:

Adopt the following resolution:

(R-2015-178)

Declaring a continued state of emergency due to severe shortage of affordable housing in the City of San Diego, pursuant to California Government Code Section 8630;

Declaring that the measures previously taken by the City Council in Resolution Number R-296982 shall continue to have full force and effect.

- * ITEM-106: Declaring a Continued State of Emergency Regarding the Discharge of Raw Sewage from Tijuana, Mexico.

TODAY'S ACTION IS:

Adopt the following resolution:

(R-2015-211)

Declaring a continued state of emergency to persist relative to the escalated discharge of raw sewage from Tijuana, Mexico, pursuant to California Government Code Section 8630;

Authorizing the Mayor, or his designee, to execute all necessary contracts for the diversion, treatment, and disposal of international raw sewage;

Declaring that the measures previously taken in accordance with Resolution Number R-282544 shall continue to have full force and effect.

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS

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

ITEM-330: City Auditor's Performance Audit of the Park and Recreation Department's Golf Division. (Citywide.)

CITY AUDITOR'S RECOMMENDATION:

Receive the City Auditor's Performance Audit of the Park and Recreation Department's Golf Division.

SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS: N/A

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

The report was presented to the Audit Committee on February 11, 2015.

ACTION: Motion by Councilmember Zapf, second by Committee Member Schreiner, to accept the report and forward it to the City Council.

VOTE: 5-0; Sherman-yea, Zapf-yea, Hebrank-yea, Schreiner-yea, Valdivia-yea.

No changes have been made to the report since it was presented to the Committee.

Luna

Primary Contact\Phone: Matthew Helm\619-533-3016

Secondary Contact\Phone: Kyle Elser \619-533-3007

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS

RESOLUTIONS:

The following item will be considered in the morning session which is scheduled to begin at 10:00 a.m.

ITEM-331: Annual Report on Internal Controls 2014.

ITEM DESCRIPTION:

This item is to present the Annual Report on Internal Controls 2014, prepared in accordance with Municipal Code Section 22.0708 as an informational item.

CITY COMPTROLLER'S RECOMMENDATION:

Adopt the following resolution:

(R-2015-390)

Accepting the Chief Financial Officer's Annual Report on Internal Controls.

SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

None.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

This item was heard by the Audit Committee on January 21, 2015, and forwarded to the full City Council.

ACTION: Motion by Committee member Hebrank, second by Councilmember Zapf, to accept and file the report.

VOTE: 5-0; Sherman-yea, Zapf-yea, Schreiner-yea, Valdivia-yea, Hebrank-yea.

Charvel/Chadwick

Primary Contact\Phone: Sarah Mayen\619-236-6852, MS 6A

Secondary Contact\Phone: Gerard Lonergan\619-236-6744, MS 6A

City Attorney Contact: Will, Brant C.

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

ITEM-332: Mayberry Townhomes (4328-4490 Mayberry Street) - New Promissory Note and Amended Agreement Affecting Real Property. (Southcrest Community Area. District 9.)

ITEM DESCRIPTION:

The Mayberry Townhomes are located at 4328-4490 Mayberry Street in the Southcrest Community of San Diego. Mayberry Townhomes was constructed in 1984 and consists of 70 units in 18 buildings - 35 two-bedroom units and 35 three-bedroom units - on approximately three acres. Sixty-nine of the units are restricted to be rented to very-low, low- and moderate-income families. Currently, seven units are restricted to 50 percent of Area Median Income (AMI), 21 units restricted to 60 percent AMI and 42 units are restricted to 80 percent AMI. The Current Owner purchased the property in 2003, utilizing funding from tax exempt bonds, a second mortgage from redevelopment housing funds, and assumption of a San Diego Housing Commission (SDHC) loan in the amount of \$670,000. The Current Owner also infused short-term commercial loans and its own funds, for a total of approximately \$5.5 million in initial financing on the project.

STAFF'S RECOMMENDATION:

Adopt the following resolutions:

Subitem-A: (R-2015-440)

Finding and determining that all recitals set forth in this Resolution are true and correct and fully incorporated herein by this reference;

Approving the Agreement, including all attachments and exhibits thereto;

Authorizing and directing the Mayor, or designee, to execute the Agreement, including all attachments and exhibits thereto requiring the City's signature;

Authorizing and directing the Mayor, or designee, to sign all documents necessary and appropriate to carry out and implement the Agreement and to administer the City's obligations, responsibilities, and duties to be performed under the Agreement, including all attachments and exhibits thereto;

Authorizing and directing the City Comptroller to accept, on the City behalf, all payments received under the Agreement and the Amended and Restated Promissory Note and to deposit such payments in the Low and Moderate Income Housing Asset Fund;

Declaring that Council findings, consistent with Code Section 33334.14(a)(4), that an economically feasible alternative method of financing, refinancing, or assisting the Project on substantially comparable terms and conditions as the New Senior Loan, but without subordination, is not reasonably available.

Subitem-B: (R-2015-441)

Declaring that the Project is categorically exempt from California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301;

Declaring that an exception to the exemption as set forth in CEQA Guidelines Section 15300.2 does not apply.

STAFF SUPPORTING INFORMATION

FISCAL CONSIDERATIONS:

The recapitalization of Mayberry Townhomes will result in approximately \$390,000 in loan proceeds, which will be paid to the City's Low and Moderate Housing Asset Fund (LMHAF) and will be used for future affordable housing purposes.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION: N/A

Phillips\Graham

Primary Contact\Phone: Stephanie Shooks\619-533-7119
City Attorney Contact: Reid, Michael T.

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

ITEM-333: Mayberry Townhomes - Loan Modification and Preliminary Bond Items.
(District 9.)

ITEM DESCRIPTION:

Approve a sale, loan transfer, assumption, and modification to the terms of an existing San Diego Housing Commission loan to Mayberry Townhomes L.P., and take initial steps to issue Housing Authority of the City of San Diego tax-exempt multifamily housing mortgage revenue bonds to facilitate the acquisition with rehabilitation and preservation of 70 rental units at Mayberry Townhomes.

SAN DIEGO HOUSING COMMISSION'S RECOMMENDATION:

Adopt the following resolution:

(R-2015-433 Cor. Copy)

Declaring the City Council of the City of San Diego, as the applicable elected representative under Section 147(f) of the Code, approves the issuance of the Bonds by the Housing Authority of the City of San Diego (Authority);

Declaring that the City does not warrant the creditworthiness of the Bonds or guarantee, in any way, the payment of the Bonds. No moneys of the City will be pledged or applied to the repayment of the Bonds;

Declaring that the Project is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15301 of the State CEQA Guidelines because it is an existing facility and the proposed actions do not involve expansion of the existing use. The Project meets the criteria set forth in CEQA Section 15301(a), which allows for exterior and interior alterations of existing facilities. Processing under the National Environmental Policy Act is not required, as no federal funds are involved in this action.

SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

The proposed funding sources and uses approved by this action were approved by the Housing Authority in the Fiscal Year 2015 Housing Commission Budget. Approving this report's proposed actions will increase fee revenue by \$24,460 and provide reimbursement of \$25,000 in attorney costs to the Fiscal Year 2015 total budget. No Housing Commission new direct cash loan funds are proposed with this report's actions.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

- On October 30, 2007, the Housing Authority approved revisions to the terms of a previously approved loan to allow for a loan refinance by Southeastern Economic Development Corp.
- On October 3, 2003, the Housing Commission approved a change of ownership as well as an assumption and repositioning of a Housing Commission residual receipts loan for Summit Crest Apartments.
- On October 30, 2001, the Housing Authority approved final steps to issue tax-exempt and taxable housing revenue bonds for Summit Creek Apartments.
- On February 16, 1999, the Housing Authority approved a loan to Southwest Crest, L.P., for the acquisition and rehabilitation of Mayberry Apartments.
- This item was approved at the February 13, 2015, Housing Commission meeting.

Davis/Graham

Primary Contact\Phone: Ann Kern\619-578-7582

City Attorney Contact: Bartolotta, Bret L.

NOTE: See the Housing Authority Agenda of March 10, 2015, for a companion item.

NOTE: This is a TEFRA public hearing.

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

ITEM-334: Trolley Residential - Loan Recommendation and Preliminary Bond Items.
(District 4.)

ITEM DESCRIPTION:

Approve a proposed \$3,120,000 residual receipts loan to Trolley Residential CIC, L.P., and take initial steps to issue tax-exempt multifamily mortgage revenue bonds to facilitate new construction of 52 units in a transit-oriented, affordable rental housing development to be located at 4981 Market Street, 92102.

SAN DIEGO HOUSING COMMISSION'S RECOMMENDATION:

Adopt the following resolution:

(R-2015-413 Cor. Copy)

Declaring the City Council of the City of San Diego, as the applicable elected representative under Section 147(f) of the Code, approves the issuance of the Bonds by the Housing Authority of the City of San Diego (Authority);

Declaring that the City does not warrant the creditworthiness of the Bonds or guarantee, in any way, the payment of the Bonds. No moneys of the City will be pledged or applied to the repayment of the Bonds;

Declaring that the Project is covered under the Final Environmental Impact Report for the Central Imperial Redevelopment Project Area (as amended, the Final EIR) and the Environmental Secondary Study for the Southeastern San Diego Merged Redevelopment Project Area certified by the Redevelopment Agency on October 27, 2010. Addendum No. 345460 to the Final EIR finalized on August 1, 2014, has been prepared for the Project in accordance with California Environmental Quality Act (CEQA) guidelines, addressing potential impacts in the following area(s): Transportation/Circulation, Historical Resources, Paleontological Resources, and Air Quality;

Additionally, requirements of the adopted Final Mitigation, Monitoring and Reporting Program for the Final EIR will be applied at the time of project review and permitting. HOME Investment Partnerships Program (HOME) funds will constitute a part of the funding for the Trolley Project and a final reservation of HOME funds will occur only upon satisfactory completion of the environmental review and receipt by the City of a release of funds from the U.S. Department of Housing and Urban Development under 24 CFR Part 58 of the National Environmental Policy Act.

SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

The proposed funding sources and uses proposed for approval by this action will be included in the proposed Fiscal Year 2016 Budget. Approving this action will result in the development of 51 affordable housing units. Funding sources approved by this action will be as follows: HOME Investment Partnerships Program funds - up to \$2,000,000 Inclusionary Housing funds - up to \$1,120,000 Total Funding Sources - up to \$3,120,000 Please refer to staff report for further information.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

- On March 22, 2010, the San Diego City Council approved (Resolution No. R-305689), Planned Development Permit No. 648152.
- On June 20, 2013, the San Diego City Planning Commission approved Site Development Permit No. 649661, which received Extension of Time No. 1096513 to March 22, 2016.
- This item was approved at the February 13, 2015, Housing Commission meeting.

Davis/Graham

Primary Contact\Phone: Ann Kern\619-578-7582

City Attorney Contact: Bartolotta, Bret L.

NOTE: See the Housing Authority Agenda of March 10, 2015, for a companion item.

NOTE: This is a TEFRA public hearing.

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

NOTE: Item 335 was previously Item 101 on today's agenda. (Rev. 3/5/15)

ITEM-335: Old Otay Mesa Road -Westerly Project - Eminent Domain. (Otay Mesa Community Area. District 8.)

ITEM DESCRIPTION:

This action is to authorize adoption of a Resolution of Necessity for the permanent acquisition and temporary acquisition of seven portions and three portions, respectively, of a protective conservation easement owned by the State of California and encumbering City-owned land, all necessary for the construction of the Old Otay Mesa Road-Westerly Project, CIP No. S00870 [Project]. The Project will bring Otay Mesa Road up to current City standards for a two-lane collector street through the installation of infrastructure, including: new roadway sections, sidewalks, curbs, gutters, street lighting, guardrails, a new storm water drainage system and traffic calming facilities between Hawken Drive and Crescent Drive.

STAFF'S RECOMMENDATION:

Adopt the following resolution:

(R-2015-438)

Declaring that the public interest and necessity require acquisition of the property interests as set forth in Exhibit A to complete the Project;

Declaring that the Old Otay Mesa Road-Westerly Project (Project) is planned or located in a manner most compatible with the public good and least private injury;

Declaring that Acquisition Area is necessary for the Project and that such use is a public use authorized by law (inter alia, Charter Section 220, California Code of Civil Procedure Sections 1240.010, 1240.020, 1240.030, 1240.040, 1240.110, 1240.120, 1240.140, 1240.510, 1240.610 and 1255.410; California Government Code Sections 5023.1 and 7267.2, Fish & Game Code Section 1348.3);

Declaring that an offer to acquire the Acquisition Area, pursuant to California Government Code Section 7267.2, at the appraised fair market value, has been made to each party claiming an ownership interest in the Acquisition Area;

Declaring that the City has complied with California Fish & Game Code Section 1348.3(b);

Authorizing and directing the City Attorney of the City of San Diego to commence an action in the Superior Court of the State of California, in and for the County of San Diego, in the name of and on behalf of the City of San Diego, against all claimants with any interest(s) in the real property interests sought, and to seek immediate possession of the real property interests sought pursuant to the California Code of Civil Procedure Section 1255.410;

Authorizing the Chief Financial Officer to expend funds in the amount of \$66,500 from CIP S-00870, Fund 400093, Otay Mesa Facilities Benefit Assessment (FBA) West, to acquire the property interests found necessary for the Project, and for deposit into the State Treasury's State Condemnation Fund, as necessary, to obtain possession of the Acquisition Area. This is the probable amount of compensation to be paid by the City for the necessary real property interests to be acquired;

Authorizing the Mayor, or his designee, to execute and deliver all such Agreements and all other instruments to effect and complete the acquisition of the Acquisition Area as contemplated by this Resolution.

NOTE: This item is not subject to the Mayor's veto.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

The appraised fair market value of the portions of the Conservation Easement to be acquired is \$66,500. This is the probable amount of compensation to be paid for the portions of the Conservation Easement to be acquired. All funds necessary for the acquisition of the required portions of the Conservation Easement are currently available within the existing CIP budget; specifically, in Fund No. 400093, Otay Mesa Facilities Benefit Assessment (FBA) - West.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

The Consultant Agreement was approved by the City Council on March 26, 2010, by Resolution No. R-305678.

At its Meeting of September 16, 2014, the City Council: certified and adopted Mitigated Negative Declaration No. 287806 and adopted the Mitigation Monitoring and Reporting Program by Resolution No. R-309226; adopted findings with respect to, and approved and granted, Site Development Permit No. 1013229 by Resolution No. R-309227; ordered Open Space Easement Vacation No. 1322903 by Resolution No. R-309228; and, introduced an Ordinance setting aside a portion of certain dedicated City Parkland located in the Otay Mesa Community for the opening and maintenance of a City street pursuant to San Diego Charter Section 55.

The Ordinance that was introduced on September 16, 2014, was adopted by the City Council as Ordinance No. O-20411 on September 30, 2014, to take effect and be in force on the thirtieth day from and after its final passage.

Tomlinson/Villa

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NON-DOCKET ITEMS

ADJOURNMENT IN HONOR OF APPROPRIATE PARTIES

ADJOURNMENT