

CITY OF SAN DIEGO COUNCIL DOCKET



COUNCIL PRESIDENT

Sherr 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, October 6, 2015

**AGENDA FOR THE
REGULAR COUNCIL MEETING OF
TUESDAY, OCTOBER 6, 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. 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.

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:

08/17/2015 - Adjourned
08/17/2015 - Special
08/18/2015 - Adjourned
08/24/2015 - Adjourned
08/25/2015 - Adjourned

PROCLAMATIONS/CEREMONIAL ITEMS

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

ITEM-30: Arch Academy Zombie Patrol Day.

PRESENTED BY MAYOR FAULCONER AND COUNCILMEMBER CATE:

Proclaiming October 6, 2015, to be "Arch Academy Zombie Patrol Day" in the City of San Diego.

ITEM-31: Robert A. Collins Day.

PRESENTED BY COUNCIL PRESIDENT LIGHTNER:

Proclaiming October 6, 2015, to be "Robert A. Collins Day" in the City of San Diego.

ITEM-32: San Diego Gulls Day.

PRESENTED BY COUNCILMEMBER ZAPF:

Proclaiming October 10, 2015, to be "San Diego Gulls Day" in the City of San Diego.

NOTE: The following Proclamations will NOT be presented in Council Chambers. They will be approved by Unanimous Consent unless pulled for discussion.

ITEM-33: Cyber Security Awareness Month.

MAYOR FAULCONER'S AND COUNCIL PRESIDENT LIGHTNER'S RECOMMENDATION:

Proclaiming October 2015, to be "Cyber Security Awareness Month" in the City of San Diego

ITEM-34: 7th Annual La Jolla Art & Wine Festival Days.

COUNCIL PRESIDENT LIGHTNER'S RECOMMENDATION:

Proclaiming October 10 and 11, 2015, to be "7th Annual La Jolla Art & Wine Festival Days" in the City of San Diego.

ITEM-35: AIDS Walk San Diego Day.

COUNCILMEMBER GLORIA'S RECOMMENDATION:

Proclaiming September 26, 2015, to be "AIDS Walk San Diego Day" in the City of San Diego.

ITEM-36: Julie Ashton-Gray Day.

COUNCILMEMBER GLORIA'S RECOMMENDATION:

Proclaiming June 6, 2015, to be "Julie Ashton-Gray Day" in the City of San Diego.

ITEM-37: Betty Peabody Day.

COUNCILMEMBER GLORIA'S RECOMMENDATION:

Proclaiming September 24, 2015, to be "Betty Peabody Day" in the City of San Diego.

ITEM-38: Kids' Turn San Diego Day.

COUNCILMEMBER GLORIA'S RECOMMENDATION:

Proclaiming September 26, 2015, to be "Kids' Turn San Diego Day" in the City of San Diego.

ITEM-39: Breast Cancer Awareness Month.

COUNCIL PRESIDENT PRO TEM EMERALD'S RECOMMENDATION:

Proclaiming October 2015, to be "Breast Cancer Awareness Month" in the City of San Diego in order to raise awareness about breast cancer and educate the public on the importance of early detection.

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)

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.

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: Second Amendment to the Agreement for As-Needed Construction Management Services with Harris & Associates (Contract No. H084402). (Citywide.)

ITEM DESCRIPTION:

This action is to authorize a Second Amendment to extend the services of Harris & Associates in providing professional construction management services on an as-needed basis at no additional cost. The Second Amendment will extend the contract duration by two (2) years for a total of seven (7) years.

STAFF'S RECOMMENDATION:

Introduce the following ordinance:

(O-2016-23)

Introduction of an Ordinance authorizing the Mayor, or his designee, to execute, for and on behalf of the City, the Second Amendment to the Agreement with Harris & Associates, for as-needed professional construction management services in Capital Improvement Program (CIP) projects, 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 Mayor, or his designee, to extend the Agreement for an additional two (2) years not to exceed a total of seven (7) years;

Authorizing the Chief Financial Officer, upon advice from the administering department, to transfer excess funds, if any, to the appropriate reserves.

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

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

The total contract amount for as-needed professional construction management services is \$7,000,000. There is no cost associated with this two (2) year extension. Funding of \$2,500,000 was previously authorized by Council R-305339. Additional funding of \$4,500,000 for the First Amendment to the Agreement with the Harris & Associates was previously authorized by Council R-306986. Funding will be available in various CIP Projects requiring these services, contingent upon the adoption of the Appropriation Ordinance for the applicable fiscal year. The minimum contract compensation requirements of \$1,000 have already been met by the original contract.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

On October 27, 2009, Council R-305339 executed an Agreement with Harris & Associates in the amount of \$2,500,000.

On August 4, 2011, Council R-306986 executed a First Amendment to the Agreement with Harris & Associates in the amount of \$4,500,000 for a total amount not to exceed \$7,000,000.

This item was heard at the Infrastructure Committee meeting on September 16, 2015.

ACTION: Motion by Councilmember Emerald, second by Vice-Chair Cole, with a recommendation Council adopt the resolution and agreement.

VOTE: 4-0; Kersey-yea, Zapf-yea, Cole-yea, Emerald-yea.

Gibson/LoMedico

Primary Contact\Phone: Myrna Dayton\858-627-3201, MS 18

Secondary Contact\Phone: Julie Ballesteros\858-573-5012, MS 18

City Attorney Contact: Mercer, Mark M.

* ITEM-51: State Route 163 and Friars Road Interchange - Sixth Amendment to Agreement with Dokken Engineering. (Mission Valley Community Area. District 7.)

ITEM DESCRIPTION:

The Council actions will authorize the execution of the Sixth Amendment to Agreement with Dokken Engineering and expenditure of funds to provide for design services in the preparation of plans, specifications, and estimate for the construction of State Route 163 and Friars Road Interchange Project- Phase 1.

STAFF'S RECOMMENDATION:

Introduce the following ordinance:

(O-2016-12)

Introduction of an Ordinance authorizing the Mayor, or his designee, to execute a Sixth Amendment to the Agreement for design services with Dokken Engineering, Inc., for CIP S-00851, State Route 163/Friars Road, in an amount not to exceed \$668,319;

Authorizing the Chief Financial Officer to expend an amount not to exceed \$668,319 from CIP S-00851, State Route 163/Friars Road, Fund 400169, TransNet for the purposes of executing this Sixth Amendment to the Agreement;

Authorizing the Chief Financial Officer, upon advice from the administering department, to transfer excess funds, if any, to the appropriate reserves.

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

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

Funding for these actions in an amount not to exceed \$668,319 is available in Fund 400169, Transnet, S-00851, State Route 163/Friars Road.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

RR-298019 dated June 3, 2003, Original Agreement; RR-300220 dated March 14, 2005, First Amendment; RR-301928 dated September 26, 2006, Second Amendment; OO-19729 dated February 19, 2008, Third Amendment; OO-19937 dated March 9, 2010, Fourth Amendment; OO-20115 dated December 6, 2011, Fifth Amendment.

This item was heard at the Infrastructure Committee meeting on September 16, 2015.

ACTION: Motion by Councilmember Emerald, second by Vice-Chair Cole, with a recommendation Council adopt the resolution and agreement.

VOTE: 4-0; Kersey-yea, Zapf-yea, Cole-yea, Emerald-yea.

Gibson/Gomez

Primary Contact\Phone: Richard Leja\619-533-5112, MS 908A
Secondary Contact\Phone: Luis Schaar\619-533-7492, MS 908A
City Attorney Contact: Palmucci, Raymond C.

- * ITEM-52: First Amendment to Agreement with Brown and Caldwell for Design of Tierrasanta Pump Station (Contract No. H115441). (Tierrasanta Community Area. District 7.)

ITEM DESCRIPTION:

Council authorization to execute the First Amendment to the Contract Agreement with Brown and Caldwell for design and construction support services for the replacement of the Tierrasanta (Via Dominique) Pump Station Design (H115441), located in the Tierrasanta Community at 4701 Seda Drive. This Amendment provides additional funds to the existing scope of work for additional design services related to security design components, weather monitoring equipment, revisions to the Building Code and Title 24 that were not part of the Original Contract Agreement. The additional funds will allow Brown and Caldwell to continue the design and construction support of the new Tierrasanta Pump Station.

STAFF'S RECOMMENDATION:

Introduce the following ordinance:

(O-2016-6)

Introduction of an Ordinance authorizing the Mayor, or his designee, to execute, for and on behalf of the City, a First Amendment to the Agreement with Brown and Caldwell for the design and construction support services in CIP S-12040, Tierrasanta (Via Dominique) Pump Station, in an amount not to exceed \$146,436 with a maximum total contract duration extended from five years to seven years, contingent upon the adoption of the Appropriation Ordinance for the applicable fiscal year, under the terms and conditions set forth in the Agreement;

Authorizing the Chief Financial Officer to expend an amount not to exceed \$146,436 from CIP S-12040, Tierrasanta (Via Dominique) Pump Station, Fund 700010, Utility CIP for the purpose of executing this First Amendment to the Agreement, contingent upon the City Chief Financial Officer first certifying funds are available providing funds for the above referenced Project;

Authorizing the Chief Financial Officer to expend an amount not to exceed \$146,436 to the existing scope, as defined in the original contract, bringing the total contract amount to \$1,126,436, provided that the Chief Financial Officer first furnishes one or more certificates demonstrating that the funds necessary for expenditure are, or will be, on deposit with the City Treasury;

Authorizing the Chief Financial Officer, upon advice from the administering department, to transfer excess budgeted funds, if any, to the appropriate reserves.

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

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

The total estimated consultant design cost for this project is \$1,126,436. Funding of \$980,000 was previously authorized. Funding for the additional \$146,436 will be available in CIP S-12040, Tierrasanta (Via Dominique) Pump Station, Fund 700010, Water Utility CIP for this purpose.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

On July 5, 2012, the City of San Diego executed the subject Agreement which was approved by City Council Resolution RR-307437, dated May 15, 2012, in the amount of \$980,000.

The subject item was presented to the Infrastructure Committee meeting on September 16, 2015.

ACTION: Motion by Councilmember Emerald, second by Vice-Chair Cole, with a recommendation Council adopt the resolution and agreement.

VOTE: 4-0; Kersey-yea, Zapf-yea, Cole-yea, Emerald-yea.

Gibson/Gomez

Primary Contact\Phone: Mark Nassar\619-533-6600, MS 908A

Secondary Contact\Phone: Hossein Azar\619-533-4102

City Attorney Contact: Mercer, Mark M.

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

* ITEM-53: Consideration of the Annual Compensation of the Independent Budget Analyst.

ITEM DESCRIPTION:

Adopt the ordinance and set the Annual Salary and Compensation of the Independent Budget Analyst to \$224,099, plus fringe benefits.

CITY COUNCIL'S RECOMMENDATION:

Adopt the following ordinance which was introduced on 9/15/2015, Item 50. (Council voted 9-0):

(O-2016-15)

Declaring that upon the effective date of this Ordinance, the Annual Salary of the Independent Budget Analyst is set at \$224,099, plus fringe benefits, consistent with those benefits received by officers and employees in the Executive IV classification of the Unclassified Service, as established by the Council, by adopting San Diego Ordinance O-20484, on April 21, 2015.

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

- * ITEM-54: Successor Agency to the Redevelopment Agency of the City of San Diego, Tax Allocation Refunding Bonds, Series 2015A (Tax Exempt) and 2015B (Taxable). (Citywide.)

ITEM DESCRIPTION:

Authorize the issuance of the Successor Agency to the Redevelopment Agency of the City of San Diego Tax Allocation Refunding Bonds, Series A (Tax Exempt) and Series B (taxable) (the "Series 2015 Bonds"), and the related financing documents to refund various outstanding bonds (as identified in the Staff Report) of the former Redevelopment Agency. Also, authorize the City Attorney to retain Stradling, Yocca, Carlson & Rauth, a Professional Corporation, as Bond and Disclosure Counsel and the Chief Financial Officer to establish special interest-bearing account(s) for the proceeds of the Series 2015 Bonds.

CITY COUNCIL'S RECOMMENDATION:

Adopt the following ordinance which was introduced on 9/15/2015, Item 330. (Council voted 8-1. Councilmember Alvarez voted nay): (Rev. 10/2/15)

(O-2016-14)

Acting in its capacity as the governing board of the successor agency to the Redevelopment Agency of the City of San Diego, (i) authorizing the issuance and sale of Tax Allocation Refunding Bonds, (ii) approving the Form of an Indenture of Trust, Bond Purchase Contract and related documents, and (iii) authorizing certain related actions.

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

* ITEM-55: Amendment to the Land Development Code and Local Coastal Program for the Rooming House Ordinance. (Citywide.)

ITEM DESCRIPTION:

Approve Amendments to the San Diego Municipal Code Chapter 11, Article 3, Division 1, and amending Chapter 13, Article 1, Divisions 1 and 4, of the San Diego Municipal Code and the City's Local Coastal Program, both relating to the definition of a rooming house.

CITY COUNCIL'S RECOMMENDATION:

Adopt the following ordinance which was introduced on 9/15/2015, Item 333, Subitem B. (Council voted 9-0):

(O-2015-163)

Amending Chapter 11, Article 3, Division 1, of the San Diego Municipal Code by amending Section 113.0103; by amending Chapter 13, Article 1, Division 1 by amending Section 131.0112; and by amending Chapter 13, Article 1, Division 4, by amending Section 131.0422, relating to the definition and regulation of rooming houses.

ADOPTION AGENDA, CONSENT ITEMSRESOLUTIONS:

- * ITEM-100: Awarding Agreement with Arcadis for Business Process Consulting Services for the Enterprise Asset Management (EAM) Project.

ITEM DESCRIPTION:

Council authorization to award a contract for business process consulting services for the Enterprise Asset Management (EAM) Project. The services are needed to: document existing businesses practices and systems; provide guidance to the City about best practices and methods for moving from current departmental systems into one unified, EAM system; and identify impediments, gaps, and challenges for smooth transition to a "to be" EAM system.

CHIEF OPERATING OFFICER'S RECOMMENDATION:

Adopt the following resolution:

(R-2016-138)

Authorizing the Mayor, or his designee, to execute a phase-funded Agreement with Arcadis for business process consulting services in WBS S-14000, Enterprise Asset Management (EAM) ERP Implementation Project, and General Fund 100000 and Muni Sewer Utility Fund 700000, Metro Sewer Utility Fund 700001 and Water Utility Fund 700011 in an amount not to exceed \$2,486,163, over a three year period;

Authorizing the Chief Financial Officer to expend funds in an amount not to exceed \$1,323,857 for Fiscal Year 2016, of which \$293,416 is from Fund 100000, General Fund, for Public Works - Infrastructure operational costs; \$684,637 is from Fund 700000 (Muni Sewer Revenue), Fund 700001 (Metro Sewer Utility), and 700011 (Water Utility Operating); and \$345,798 is from CIP S-14000 EAM ERP Implementation, Funds 700008 (Muni Sewer Utility CIP), Fund 700009 (Metro Sewer Utility CIP), Fund 700010 (Water Utility CIP), and Fund 200610 (OneSD Support Fund);

Authorizing the Chief Financial Officer to expend an amount not to exceed \$1,162,307 for the completion of the contract, contingent upon the adoption of the Annual Appropriation Ordinance for the applicable fiscal years, and contingent upon the Chief Financial Officer furnishing one or more certificates certifying that funds necessary or expenditure are, or will be, on deposit with the City Treasurer.

SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

The total estimated cost for the business process consultant contract is \$2,486,163 over three Fiscal Years (FY 2016-2018). The total for FY 2016 is \$1,323,857 with the remaining \$1,162,306 being phase-funded in FY 2017 and FY 2018.

The contract will be funded via CIP S-14000 and Operations and Maintenance (O&M) Funds from the General Fund and Public Utilities Enterprise Funds. The total CIP amount for FY 2016 is \$345,798, and is available within S-14000. The remaining CIP amount of \$745,306 is available within S-14000 and will be phase funded in FY 2017 and FY 2018. The total O&M for FY 2016 of \$978,058 is available in the General Fund and Public Utilities' Enterprise Funds. The remaining O&M Funds in the amount of \$417,000.00 will be phase funded in FY 2017 and FY 2018.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

Previous updates on the EAM Project were provided to Infrastructure Committee on July 22, 2015 and December 9, 2013.

This item was heard at the Infrastructure Committee on September 16, 2015.

ACTION: Motion by Councilmember Emerald, second by Vice-Chair Cole, to recommend Council adopt the resolution and agreement.

VOTE: 4-0; Kersey-yea, Zapf-yea, Cole-yea, Emerald-yea.

Chadwick/Gomez

Primary Contact\Phone: Erin Noel\619-533-3640, MS 614C
City Attorney Contact: Leone, Christine M.

- * ITEM-101: Car Share Program Agreement with car2go for up to Five Years. (Point Loma, Ocean Beach, Pacific Beach, Mission Beach, Bay Park, Morena, Midway, Downtown, Little Italy, Old Town, Middletown, North Park, Hillcrest, Mission Hills, Mission Valley, Barrio Logan Community Areas and new opportunity area to be defined.) (Districts: Current: 2, 3, and 7. Potential: Opportunity areas in other Council Districts.)

ITEM DESCRIPTION:

This action is to authorize a Car Share Agreement between the City of San Diego and car2go for a three (3) year term with a two (2) year renewal option.

STAFF'S RECOMMENDATION:

Adopt the following resolution:

(R-2016-149 Cor. Copy)

Authorizing the Mayor, or his designee, to execute, for and on behalf of the City, a three (3) year Agreement with a two (2) year renewal option with car2go for the implementation, management, and operation of a car share system under the terms and conditions set forth in the Agreement;

Authorizing the Chief Financial Officer to establish an interest-bearing fund to be used to offset car share program expansion costs such as satellite locations, memberships, outreach, and other program expansion support;

Determining that the Project is categorically exempt from California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301 and no exception to the exemption, as set forth in CEQA Guidelines Section 15300.2, has been determined to apply.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

This action before the City Council has a positive net fiscal impact of the Program Participation funds and potentially Car Share Expansion Fund depending on the type of vehicles in the CSO fleet. Administrative and general program funds will also be covered by the operator through program participation. Funds are allocated at 50% to EDD and 50% to GF. Consistent with San Diego City Council Policy 100-05, it is the intent of the City to incur no expense associated with its involvement in this program. All of the costs associated (e.g. parking stall reconfigurations, parking metered revenues, etc.) with the program are to be covered by the operator.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

On September 28, 2011, Resolution No. R-307015, established the City of San Diego's All-Electric Vehicle Car Share Pilot Program.

This action was heard at the Smart Growth and Land Use Committee meeting on September 23, 2015.

ACTION: Motion by Councilmember Gloria, second by Councilmember Zapf, to recommend Council adopt the resolution and agreement.

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

Collura/LoMedico

Primary Contact\Phone: Natasha Collura\619-533-3822, MS 610
Secondary Contact\Phone: Jacques Chriazi\619-236-6326, MS 56D
City Attorney Contact: Verdugo, Marco A.

* ITEM-102: Public Utilities Department Fiscal Year 2016 CIP Appropriation Adjustments.
(Citywide.)

ITEM DESCRIPTION:

The Public Utilities Department is requesting authority to reallocate appropriations among various projects within Water and Wastewater Capital Improvements Program (CIP) Budgets; de-appropriate funds in existing Water and Wastewater Projects; increase appropriations for CIP S-14000, EAM ERP Implementation; close three canceled CIP projects; and to expend additional funds related to City Forces Work that exceeded the approved \$100,000 threshold for four CIP projects.

STAFF'S RECOMMENDATION:

Adopt the following resolution:

(R-2016-113) (Rev. 9/30/15)

Authorizing the Chief Financial Officer (CFO) to reduce the Capital Improvements Program (CIP) Budget by de-appropriating \$14,503,924.87 from various Wastewater CIP projects as reflected on the attached CIP Appropriation Adjustment Summary, which is attached as Exhibit 1;

Authorizing the Chief Financial Officer to transfer appropriations of \$7,840,000 among various Wastewater CIP projects as reflected on the attached CIP Appropriation Adjustment Summary, which is attached as Exhibit 1;

Authorizing the Chief Financial Officer to transfer appropriations of \$18,873,533 among various Water CIP projects as reflected on the attached CIP Appropriation Adjustment Summary, which is attached as Exhibit 1;

Authorizing the Chief Financial Officer to transfer an amount of \$720,000 from Fund 700011, Water Utility Operating Fund to Fund 700010, Water Utility CIP; \$684,000 from Fund 700000, Muni Sewer Revenue to Fund 700008, Muni Sewer Utility CIP; and \$396,000 from Fund 700001, Metro Sewer Utility to Fund 700009, Metro Sewer Utility CIP;

Authorizing the Chief Financial Officer to increase the Capital Improvements Program Budget in CIP S-14000, EAM ERP Implementation and to appropriate and expend \$720,000 from Fund 700010, Water Utility CIP, \$684,000 from Fund 700008, Muni Sewer Utility CIP, and \$396,000 from Fund 700009, Metro Sewer Utility CIP;

Authorizing the Chief Financial Officer to add CIP S-16027, Morena Pipeline, to the Capital Improvements Program and to expend \$196,014 from Fund 700010, Water Utility CIP for the purpose of replacing and building new pipelines;

Authorizing the Chief Financial Officer to reduce the Capital Improvements Program Budget by de-appropriating \$50,000 in Fund 700010, Water Utility CIP, CIP S-12017, Del Mar Heights East Segment, for the purpose of closing the Project;

Authorizing the Chief Financial Officer to close CIP S-12017, Del Mar Heights East Segment;

Authorizing the Chief Financial Officer to reduce the Capital Improvements Program Budget by de-appropriating \$212,804.87 in Fund 700008, Muni Sewer Utility CIP, CIP S-00326, East Mission Gorge Force Main Rehab, for the purpose of closing the Project;

Authorizing the Chief Financial Officer to close CIP S-00326, East Mission Gorge Force Main Rehab;

Authorizing the Chief Financial Officer to close CIP S-10013, Barrett Flume Cover;

Authorizing the Mayor, or his designee, to expend funds not to exceed \$120,000 from CIP B-00018, Water Group 616, Fund 700010, Water Utility CIP, for City Forces Work related expenses;

Authorizing the Mayor, or his designee, to expend funds not to exceed \$240,000 from CIP B-00081, Sewer & Water Group 685 (W) (Group 3014), Fund 700010, Water Utility CIP, for City Forces Work related expenses;

Authorizing the Mayor, or his designee, to expend funds not to exceed \$170,000 from CIP B-11006, Water Group Job 936, Fund 700010, Water Utility CIP, for City Forces Work related expenses;

Authorizing the Mayor, or his designee, to expend funds not to exceed \$450,000 from CIP S-11027, Otay 1st/2nd PPL East of Highland Avenue, Fund 700010, Water Utility CIP, for City Forces Work related expenses;

Authorizing the Chief Financial Officer, upon advice from the administering department, to transfer excess budgeted funds, if any, to the appropriate reserves.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

These actions will reallocate \$18.9 million in Water CIP projects and \$7.8 million in Wastewater CIP projects; reduce the Fiscal Year 2016 CIP Budget by \$14.5 million in Wastewater CIP projects; transfer \$1.8 million from Public Utilities operating funds and increase CIP S-14000, EAM ERP Implementation by \$1.8 million; and close three canceled CIP projects. In addition, these actions request authority to expend additional funds related to City Forces Work that exceeded the approved threshold for four CIP projects.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

This item was heard at the Infrastructure Committee meeting on September 16, 2015.

ACTION: Motion by Councilmember Emerald, second by Councilmember Zapf, to recommend Council adopt the resolution to approve staff's recommendation.

VOTE: 4-0; Kersey-yea, Zapf-yea, Cole-yea, Emerald-yea.

Jones-Santos/Gomez

Primary Contact\Phone: Seth Gates\858-614-4030, MS 901A

Secondary Contact\Phone: Mark Gonzalez\858-614-4005, MS 901A

City Attorney Contact: Mercer, Mark M.

* ITEM-103: Final Approval of the City of San Diego Flexible Benefits Plan for FY 2016.

ITEM DESCRIPTION:

Final approval of the Flexible Benefits Plan for Fiscal Year 2016 (Plan). This is to submit the complete and final version of the Plan with the correct and final version.

STAFF'S RECOMMENDATION:

Adopt the following resolution:

(R-2016-115)

Adopting the Flexible Benefits Plan attached to this Resolution as Attachment A, for all designated eligible employees for Fiscal Year 2016, effective July 1, 2015.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS: Not applicable.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

City Council approved the Flexible Benefits Plan on April 21, 2015, with Resolution No. R-309630.

Montoya/Chadwick

Primary Contact\Phone: Estella Montoya\ 619-533-6107, MS 51B

Secondary Contact\Phone: Nancy Stadille\ 619-236-6575, MS 51B

City Attorney Contact: Story Parks, Roxanne

- * ITEM-104: Approving the release of 9 (nine) monument bonds associated with various subdivision maps located throughout the City of San Diego. (Districts 1 through 9.)

ITEM DESCRIPTION:

This is a request to release bonds associated with property monument markers for projects previously approved by the City through Final and Parcel maps. Monuments are used for marking property boundaries and right-of-ways.

STAFF'S RECOMMENDATION:

Adopt the following resolutions:

Subitem-A: (R-2016-143)

Confirming that the monuments for the following maps have been set to the satisfaction of the City Engineer and payment of the land surveyor or engineer. Authorizing the release of the bonds pursuant to Section 66497 of the Subdivision Map Act (SMA) to the associated depositors listed below:

<u>Depositor</u>	<u>Project Name</u>	<u>Map Number</u>	<u>PTS No.</u>	<u>Work Order No.</u>	<u>Amount</u>
McMillin Land Development	Sycamore Estates Phase II Unit 7	15129	18178	422005	\$19,250
McMillin Land Development	Sycamore Estates Phase II Unit 6	15128	10320	23421585	\$5,075
Carmel Partners	Carmel Luxury Apts ROW/EMRA/PM	21029	288825	24002839	\$4,500
McMillin Land Development	Sycamore Estates Phase II Unit 10	15132	11963	421669	\$6,650
THC/13th and Market, LLC	13th & Market - PM	20952	254389	24002098	\$1,500
Worsch Way 11, LLC	Worsch Way	15954	322271	24003748	\$6,000

Lennar Homes of California	Ziani Grading	15939	307150	24003478	\$1,500
EV LLC	Market Street Village PM	20152	47706	421543	\$1,000
City Mark Development, LLC	VW Site	19896	69227	424357	\$2,891

Subitem-B: (R-2016-144)

Determining that the release of nine monument bonds associated with various subdivision maps located throughout the City of San Diego is exempt from California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3).

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

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS: None.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION: None.

Vacchi/Graham

Primary Contact\Phone: Cassie Maslowski\619-236-5335, MS 501

Secondary Contact\Phone: Greg Hopkins\619-236-5291, MS 501

City Attorney Contact: Thomas, Shannon M.

* ITEM-105: Authorization for Operation Stonegarden, Department of Alcohol Beverage Control (ABC) Grant Assistance, and the DNA Backlog Reduction Grant Programs.

ITEM DESCRIPTION:

Authorize the Police Department to apply for, accept, appropriate, expend, and continue administering grant funds from the Operation Stonegarden, Alcohol Beverage Control (ABC) Grant Assistance, and the DNA Backlog Reduction Grant Programs for a period of up to five years, each. These funds will continue to be used to address border-related crimes, reduce and prevent violations of ABC laws, and reduce DNA forensic casework backlogs, respectively.

STAFF'S RECOMMENDATION:

Adopt the following resolutions:

Subitem-A: (R-2016-132)

Authorizing the Mayor, or his designee, to apply for and accept funding authorized by the San Diego Sheriff's Office for Operation Stonegarden, including any amendments, extensions, or renewals of the Grant, for a period of up to five years from October 19, 2015, through October 18, 2020, provided funding is secured and made available;

Authorizing the Chief Financial Officer to appropriate and expend grant funding authorized by the San Diego Sheriff's Office for Operation Stonegarden (Grant 1000006, Fund 600000), including any additional funding made available through any amendments, extensions, or renewals of the Grant, for a period of up to five years from October 19, 2015, through October 18, 2020, provided funding is secured and made available;

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

Authorizing the Chief of Police to continue to administer and operate the Operation Stonegarden Grant Program.

Subitem-B: (R-2016-133)

Authorizing the Mayor, or his designee, to apply for and accept funding authorized by the Department of Alcohol Beverage Control (ABC) Grant Assistance Program, including any amendments, extensions, or renewals of the Grant, for a period of up to five years from November 16, 2015, through November 15, 2020, provided funding is secured and made available;

Authorizing the Chief Financial Officer to appropriate and expend grant funding authorized by the Department of Alcohol Beverage Control Grant Assistance Program (Grant 1000052, Fund 600001), including any additional funding made available through any amendments, extensions, or renewals of the Grant, for a period of up to five years from November 16, 2015, through November 15, 2020, provided funding is secured and made available.;

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

Authorizing the Chief of Police to continue to administer and operate the ABC Grant Assistance Program.

Subitem-C: (R-2016-134)

Authorizing the Mayor, or his designee, to apply for and accept funding authorized by National Institute of Justice DNA Backlog Reduction Grant Program, including any amendments, extensions, or renewals of the Grant, for a period of up to five years from November 16, 2015, through November 15, 2020, provided funding is secured and made available;

Authorizing the Chief Financial Officer to appropriate and expend grant funding authorized by the National Institute of Justice DNA Backlog Reduction Grant Program (Grant 1000013, Fund 600000), including any additional funding made available through any amendments, extensions, or renewals of the Grant, for a period of up to five years from November 16, 2015, through November 15, 2020, provided funding is secured and made available;

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

Authorizing the Chief of Police to continue to administer and operate the National Institute of Justice DNA Backlog Reduction Grant Program.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

All expenses resulting from this action are grant-funded. There is no requirement for matching funds, and no requirement for continued expenditures or services once grant funding is fully expended.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

Sub-Item A: Resolution No. R-306205 was adopted on October 18, 2010, which authorized the City to apply for, accept, appropriate, and expend funds from the Operation Stonegarden Grant Program for a period of five years.

Sub-Item B: Resolution No. R-306275 was adopted on November 16, 2010, which authorized the City to apply for, accept, appropriate, and expend funds from the Department of Alcohol Beverage Control (ABC) Grant Assistance Program for a period of five years.

Sub-Item C: Resolution No. R-306276 was adopted on November 16, 2010, which authorized the City to apply for, accept, appropriate, and expend funds from the National Institute of Justice DNA Backlog Reduction Grant Program for a period of five years.

Ramirez/Chadwick

Primary Contact\Phone: Alex Castanares\619-531-2803, MS 715
Secondary Contact\Phone: Marta Sullivan\619-531-2662, MS 715
City Attorney Contact: Folkman, Paige A.

- * ITEM-106: U.S. Department of Housing and Urban Development (HUD) and U.S. Environmental Protection Agency (EPA) Grant Funding and Related Grant Agreements for the Pay for Success (PfS) San Diego Healthy Homes Sustainable Financing Strategy.

ITEM DESCRIPTION:

The Environmental Services Department's Healthy Homes Program is launching a Pay for Success (PfS) Project for children with asthma in October 2015, called the San Diego Healthy Homes Sustainable Finance Strategy (SDHHSFS). This project will serve as the basis for scaling-up asthma management through Healthy Homes using a PfS financing strategy. The project funding is provided by U.S. Environmental Protection Agency (EPA) and the U.S. Department of Housing and Urban Development (HUD).

STAFF'S RECOMMENDATION:

Adopt the following resolutions:

Subitem-A: (R-2016-145)

Authorizing the Mayor, or his designee, for and on behalf of the City, to execute a Grant Agreement with U.S. Department of Housing and Urban Development (HUD) Contractor QuanTech, Inc., in the amount of \$75,000, for the period of its Effective Date through February 11, 2016, under the terms and conditions set forth in the Agreement, for the purpose of developing a Pay for Success (PfS) San Diego Healthy Homes Sustainable Financing Strategy (SDHHSFS);

Authorizing the Mayor, or his designee, for and on behalf of the City, to negotiate and execute a First Amendment to the Grant Agreement with HUD Contractor QuanTech, Inc., for the period of February 12, 2016, through February 11, 2017, in the amount of \$75,000, for the purpose of developing a PfS San Diego Healthy Homes Sustainable Financing Strategy, contingent upon the availability of additional HUD Grant Funds for the term of the First Amendment;

Authorizing the Mayor, or his designee, for and on behalf of the City, to negotiate and execute a Grant Agreement with U.S. Environmental Protection Agency (EPA), in the amount of \$60,000, for the purpose of developing a PfS San Diego Healthy Homes Sustainable Financing Strategy;

Authorizing the Chief Financial Officer to accept, appropriate, and expend \$75,000 in Grant Funds from HUD from Fund No. 600000, Grant Fund Federal, for the purpose of developing a PfS San Diego Healthy Homes Sustainable Financing Strategy, contingent upon receipt of a fully executed Grant Agreement with HUD Contractor QuanTech, Inc.;

Authorizing the Chief Financial Officer to accept, appropriate, and expend \$75,000 in Grant Funds from HUD from Fund No. 600000, Grant Fund Federal, for the purpose of developing a PfS San Diego Healthy Homes Sustainable Financing Strategy, contingent upon receipt of a fully executed First Amendment to the Grant Agreement with HUD Contractor QuanTech, Inc.;

Authorizing the Chief Financial Officer to accept, appropriate, and expend \$60,000 in Grant Funds from EPA from Fund No. 600000, Grant Fund Federal, for the purpose of developing a PfS San Diego Healthy Homes Sustainable Financing Strategy, contingent upon receipt of a fully executed Grant Agreement with EPA;

Authorizing the Mayor, or his designee, to take all necessary action to administer, monitor and manage the Grant Agreements, and to develop, advertise, negotiate, award and execute contracts with third parties to implement the Grant Agreements.

Subitem-B: (R-2016-146)

Determining that the Project is categorically exempt from California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15306;

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

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

U.S. Department of Housing and Urban Development (HUD) is providing \$75,000 in initial Grant Funding, with an additional \$75,000, upon extension of their Grant Agreement, and U.S. Environmental Protection Agency (EPA) is providing \$60,000, for a total anticipated Project Budget of \$210,000. Of those funds, it is anticipated that approximately \$195,000, will be contracted out and the remaining balance of \$15,000, will pay for City labor costs associated with overall project management responsibility. No additional City staff will be required for this project.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION: N/A

Sierra

Primary Contact\Phone: Alan Johanns\858-573-1262, 1103A

Secondary Contact\Phone: Michael Thompson\858-573-1275, 1103A

City Attorney Contact: Guy, Amanda L.

* ITEM-107: Settlement of personal injury claim of Joann Pezdek, Risk Management File No. 8720.

ITEM DESCRIPTION:

This is a complaint for personal injuries suffered by Joann Pezdek as the result of a vehicle v. SDPD patrol vehicle accident at the intersection of El Cajon Boulevard and Interstate 15 southbound off-ramp. The proposed settlement would resolve all claims brought by Joann Pezdek and Ruben Diaz.

CITY ATTORNEY'S RECOMMENDATION:

Adopt the following resolution:

(R-2016-13)

Authorizing the Mayor, or his designee, to pay the sum of \$375,000 from the Public Liability Fund No. 720045, in settlement of each and every claim for damages, interest, costs, and fees of any type, including attorney fees, against City of San Diego, its agents and employees, arising from the personal injury damage claim of *Joann Pezdek and Ruben Diaz v. City of San Diego*, San Diego Superior Court Case No. 37-2014-00015514-CU-PO-CTL;

Authorizing the Chief Financial Officer to appropriate and expend \$375,000 from the Public Liability Fund No. 720045, contingent upon the Chief Financial Officer first furnishing one or more certificates certifying that the funds necessary for expenditure are, or will be, on deposit with the City Treasurer;

Authorizing the City Comptroller to issue a check in the amount of \$375,000, made payable to Thorsnes Bartolotta McGuire Client Trust Account re Joann Pezdek.

SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

Settlement amount of \$375,000 will be paid from Public Liability Fund No. 720045.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

The item was approved in Closed Session on July 21, 2015.

Bamberg

Primary Contact\Phone: Rayna A. Stephan\619-533-5818, MS 59

City Attorney Contact: Stephan, Rayna A.

* ITEM-108: Appointments and Reappointment to the Ethics Commission.

MAYOR FAULCONER'S RECOMMENDATION:

Adopt the following resolution:

(R-2016-128)

Council confirmation of the following appointments and reappointment by the Mayor of the City of San Diego, to serve as members of the Ethics Commission, for terms expiring as indicated:

<u>NAME</u>	<u>CATEGORY</u>	<u>TERM ENDING</u>
William "Bill" Baber (La Mesa) (Filling the seat previously held by John O'Neill)	Attorney/Republican	June 30, 2019
Deborah Cochran (Bankers Hill, District 3) (Reappointment)	Attorney/Democrat	June 30, 2019
David Potter (Bay Park, District 2) (Filling the vacancy in the seat previously held by Andrew Poat)	Decline to state	June 30, 2017
Sid Voorakkara (Bankers Hill, District 3) (Filling the seat previously held by Faye Detsky-Weil)	Former Candidate/Democrat	June 30, 2019

Declaring that pursuant to Council Policy 000-13, for purposes of deliberation and consideration of this appointment, it is determined that William Baber is a resident of San Diego County, but not the City of San Diego, and has unique qualifications to serve on the Ethics Commission; therefore, a conscious exception to Council Policy 000-13 is declared.

- * ITEM-109: Excusing Councilmember Myrtle Cole from attending the June 24, 2015, Infrastructure Committee meeting and the June 25, 2015, Economic Development and Intergovernmental Relations Committee meeting.

COUNCILMEMBER COLE'S RECOMMENDATION:

Adopt the following resolution:

(R-2016-137)

Excusing Councilmember Cole from attending the June 24, 2015, meeting of the Council's Committee on Infrastructure and the June 25, 2015, meeting of the Council's Economic Development and Intergovernmental Relations Committee meeting due to her participation in an economic development trip to Philadelphia, Pennsylvania, to meet with the President and CEO of a national grocery retailer.

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

- * ITEM-110: Declaring a Continued State of Emergency Regarding the Discharge of Raw Sewage from Tijuana, Mexico.

TODAY'S ACTION IS:

Adopt the following resolution:

(R-2015-718)

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.

- * ITEM-111: 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-2016-103)

Declaring a continued state of emergency to exist 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.

**ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS
ORDINANCES TO BE INTRODUCED:**

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

ITEM-330: Proposed Amendments to Election Campaign Control Ordinance.

ITEM DESCRIPTION:

Amend the City's campaign laws to: (1) require committees formed to support/oppose an initiative or referendum to file a Form 497 within 10 days after petition circulation begins, to disclose contributions of \$100 or more received since January 1 or closing date of most recent campaign statement; (2) require committees formed to support/oppose an initiative or referendum to file Forms 497 within 24 hours during the signature-gathering phase to disclose contributions of \$1,000 or more; and (3) require committees that make independent expenditures to support/oppose an initiative or referendum to file Forms 496 within 24 hours during the signature gathering phase to disclose expenditures and funding sources.

ETHICS COMMISSION'S RECOMMENDATION:

Introduce the following ordinance:

(O-2016-21)

Introduction of an Ordinance amending Chapter 2, Article 7, Division 29, of the San Diego Municipal Code by amending Section 27.2930, relating to the City of San Diego Election Campaign Control Ordinance.

SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

City Clerk staffing and potential upgrades to electronic filing system.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

On May 14, 2015, the Charter Review Committee approved the amendments in concept and directed the Commission to return to the City Council with proposed amendments to the Municipal Code.

Fulhorst

Primary Contact\Phone: Stacey Fulhorst\619-533-3477, MS 615E
Secondary Contact\Phone: Stephen Ross\619-533-3494, MS 615E
City Attorney Contact: Spivak, Sharon B.

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-331: Pass Through Payments from City Heights Project Area Redevelopment Property Tax Revenues pursuant to Section 33676 of the Health and Safety Code. (City Heights Community Area. District 9.)

ITEM DESCRIPTION:

Adopt a resolution to rescind prior Resolution No. (R-291104) in order to resume the City's receipt of eligible Pass Through Payments of City Heights Redevelopment Property Tax Revenues pursuant to Section 33676 of the California Health and Safety Code.

STAFF'S RECOMMENDATION:

Adopt the following resolutions:

Subitem-A: (R-2016-152 Cor. Copy)

Rescinding Paragraph 3 of Resolution No. R-291104 and reinstating the City of San Diego's election in Resolution No. R-279727 to receive certain pass-through property tax revenue from the City Heights Redevelopment Project Area under California Health and Safety Code Section 33676.

Subitem-B: (R-2016-151)

Authorizing the retention of Stradling Yocca Carlson & Rauth, a Professional Corporation, as outside counsel to provide legal services with respect to the City of San Diego's receipt of certain pass-through property tax revenue from the City Heights Redevelopment Project Area.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

By the proposed rescission of the 1998 resolution, the City could resume receipt of the 33676 Amounts from the Project Area as early as January 2016, paid by the County Auditor-Controller, directly benefitting the City's General Fund. The estimated aggregate collection over the remaining life of the Project Area (estimated FY 2040-41) is approximately \$50 million which equates to average annual receipts of \$2 million. These estimates are based on an assumed 2% inflation rate, which is the annual cap on the increase in property tax assessments under Proposition 13. Actual receipts are adjusted to the actual inflation rate. The City will pay for Stradling's legal fees, anticipated to be \$25,000 or less, using the first installment of the 33676 Amounts to be received by the City in Fiscal Year 2016.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

- (1) Resolution R-279727, adopted April 6, 1992, by which the City Council elected to have the City receive the 33676 Amounts from the Project Area.
- (2) Resolution R-291104, adopted December 8, 1998, by which the City Council approved the Former RDA's issuance of the 1999 Bonds and temporarily suspended the City's receipt of the 33676 Amounts from the Project Area.

Kommi/Lewis

Primary Contact\Phone: Lakshmi Kommi\619-236-6928

Secondary Contact\Phone: Richard Eyre\619-236-6899

City Attorney Contact: Reisch, Kevin

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

ITEM-332: Ballpark Village Owner Participation Agreement - Transfer of Housing Assets and Approval of Amended and Restated Affordable Housing Agreement (Parcel C - 3.9 acres bounded by Park Boulevard, Imperial Avenue, 12th Avenue and Library Circle). (East Village Neighborhood of the Downtown Community Plan Area. District 3.)

ITEM DESCRIPTION:

Transfer of housing assets and approval of Amended and Restated Affordable Housing Agreement for Ballpark Village LLC and the former Redevelopment Agency of the City of San Diego as identified in the Owner Participation Agreement.

STAFF'S RECOMMENDATION:

Adopt the following resolutions:

SUB-ITEM A is 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-A: (R-2016-135)

Declaring that the Council of the City of San Diego, acting in its capacity as the board of the Successor Agency, as follows:

Authorizing the Mayor, or designee, to execute and record, on the Successor Agency's behalf, the conveyance instruments necessary to accomplish the Successor Agency's transfer of the Parcel C Housing Assets (collectively, the Conveyance Instruments) to the City, as Housing Successor. A copy of all Conveyance Instruments, when executed (and recorded in the San Diego County Recorder's Office, where appropriate), shall be placed on file with the City Clerk;

Authorizing the Mayor, or designee, on the Successor Agency's behalf, to take all reasonable and necessary actions and to execute and record all reasonable and necessary documents to implement and carry out the purposes of this Resolution, including without limitation the Successor Agency's transfer of the Parcel C Housing Assets to the City, as Housing Successor, utilizing the appropriate Conveyance Instruments, and on such other terms and conditions deemed by the Mayor, or designee, to be in the best interests of the Successor Agency, subject to the approval of the City Attorney.

Subitem-B: (R-2016-136)

Authorizing the Mayor, or designee, to execute and record, on the City's behalf, the conveyance instruments necessary to accomplish the City's acceptance of the Parcel C Housing Assets (collectively, the Conveyance Instruments) from the Successor Agency. A copy of all Conveyance Instruments, when executed (and recorded in the San Diego County Recorder's Office, where appropriate), shall be placed on file with the City Clerk;

Authorizing the Mayor, or designee, on the City's behalf, to take all reasonable and necessary actions and to execute and record all reasonable and necessary documents to implement and carry out the purposes of this Resolution, including without limitation the Successor Agency's transfer of the Parcel C Housing Assets to the City, as Housing Successor, utilizing the appropriate Conveyance Instruments, and on such other terms and conditions deemed by the Mayor, or designee, to be in the best interests of the City, subject to the approval of the City Attorney;

Approving the First Amendment;

Authorizing the Mayor, or designee, to execute the First Amendment and sign all documents necessary and appropriate to carry out and implement the First Amendment.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

None with this action.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION: N/A

Jarrett/Graham

Primary Contact\Phone: Jeff Zinner\619-533-7122

City Attorney Contact: Reisch, Kevin\Malcolm, Katherine Anne

ADOPTION AGENDA, DISCUSSION, HEARINGS

NOTICED HEARINGS:

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

ITEM-333: Market Street Square Purchase and Sale Agreement (606 Third Avenue) - PUBLIC HEARING. (Marina Neighborhood of the Downtown Community Plan Area. District 3.)

ITEM DESCRIPTION:

Purchase and Sale Agreement for Market Street Square located at 606 Third Avenue.

STAFF'S RECOMMENDATION:

Adopt the following resolution:

(R-2016-147)

Declaring that the Council finds and determines that all recitals set forth in this Resolution are true and correct and fully incorporated herein by this reference;

Declaring that the Council has received and heard any and all oral and written objections relating to the proposed Agreement, and all such oral and written objections are overruled;

Declaring that the Council finds and determines that the consideration to be received by the City for the sale of the Property is not less than fair reuse value at the use and with covenants and conditions required under the Agreement for, among other reasons, the reasons set forth in the Summary Report;

Declaring that the Council finds and determines that the sale of the Property in accordance with the Agreement will assist in providing housing for very low income households for, among other reasons, the reasons set forth in the Summary Report;

Approving the sale of the Property to the Purchaser in accordance with the Agreement;

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;

Authoring 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 the Chief Financial Officer, as delegated, to accept and deposit funds in the amount of \$15,570,000 in Low and Moderate Income Housing Asset Fund (LMIHF) 200708, Account No. 423016.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

An appraisal of the City's leased fee interest in the Property was completed on January 20, 2014. The appraisal concludes a value of \$15,570,000 assuming the affordable apartments remain in place.

Keyser Marston Associates (KMA), economic consultants to the City, undertook an in-depth financial analysis of the potential value associated with a potential future rezone of the Property for high-rise development. KMA concluded that the Year 2040 high-rise development land value (inclusive of the Affordable Restrictions) is not likely to exceed the value of the existing improvements in place at that time. Therefore, no upward adjustment in the proposed sales price of \$15,570,000 between the City and Developer is warranted (see Attachment B).

Net proceeds from the sale (\$15,570,000 less customary escrow closing costs) will be deposited into the Low and Moderate Income Housing Asset Fund (LMIHAF) to be used for affordable housing purposes in conformance with state law (Health & Safety Code Section 34176.1).

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION: N/A

Jarrett/Graham

Primary Contact\Phone: Eli Sanchez\619-533-7121, MS 51D

City Attorney Contact: Slegers, Nathan

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

ITEM-334: Appeal of the Environmental Determination for the FY 2003 Underground Utility Districts, Project No. 4833. (Citywide.)

ITEM DESCRIPTION:

Approve or deny the appeal of the California Environmental Quality Act (CEQA) Exemption for the FY 2003 Underground Utility Districts – Project No. 4833, pursuant to CEQA State Guidelines, Section 15302 (Replacement or Reconstruction).

TODAY'S ACTION IS:

Take the following actions:

According to San Diego Municipal Code Section 112.0520(d) Power to Act on Appeal, the City Council shall consider the appeal and may take action as follows:

- (1) By a majority vote, deny the appeal, and approve the *environmental determination*; or
- (2) By a majority vote, grant the appeal and set aside the *environmental determination*, in accordance with San Diego Municipal Code Section 112.0520(e);

Directing the City Attorney to prepare the appropriate resolutions according to Section 40 of the City Charter;

If the City Council grants the appeal, the lower-decision maker's decision to approve the project shall be held in abeyance. The City Council shall retain jurisdiction to act on the revised environmental document and associated project at a subsequent public hearing.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS: N/A

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

The underground utility districts associated with the above action were established in 2003 per City Council Resolutions R-297711 and R-297712.

Tomlinson/Graham/mh

Primary Contact\Phone: Myra Hermann\619-446-5372, MS 501

Secondary Contact\Phone: Dayue Zhang\619-533-7409, MS 908A

City Attorney Contact: Jung, Jeremy

NON-DOCKET ITEMS

ADJOURNMENT IN HONOR OF APPROPRIATE PARTIES

ADJOURNMENT