CITY HEIGHTS REDEVELOPMENT
PROJECT AREA COMMITTEE MINUTES
Monday, June 9, 2008

The members of the City Heights Project Area Committee (PAC) held their meeting at the Metro Career Center Office Building.

The following members were present:

Karen Bucey	Astrid Cybulskis	Valentina Hernandez
Fred Lindahl 6:25	Tony LoPresti	David Nelson
Juan Pablo Sanchez	Joe Sciarreta	Elizabeth Tate
Jim Varnadore	Andrea Zinko	

The following members were absent: David Bowen, Rudy Burlin, Aide Rodriguez, David Taylor, and Patty Vaccariello.

Also Present: Melissa Garcia (Redevelopment), Karina Danek (Redevelopment) and James Davies (Redevelopment).

I. Call to Order: The meeting was called to order at 6:15 p.m. Roll call was conducted. A quorum was established.

II. Agenda:
Jim Varnadore motioned to approve the agenda, seconded by Astrid Cybulskis. Motioned passed 10-0-0.

III. Minutes:
David Nelson motioned to approve the minutes from May 12, 2008 seconded by Andrea Zinko. Motioned passed 9-0-1.

IV. Public Comment, PAC Members Comment and Staff Announcements

Public Comment
The following members of the Public made comments:
Linda Pennington
Alfred Ilginis
Pam Ison
Gilberto Ginis

PAC Members Comment
The following members of the PAC made public comments:
Tony LoPresti
Astrid Cybulskis
David Nelson
Valentina Hernandez
Jim Varnadore

Staff Announcement

Melissa Garcia announced Kenia Rivera is no longer with the Agency. Melissa announced the Agency budget was approved on May 20, 2008 and Janice Weinrick will provide the first update on the Redevelopment Agency Restructuring on June 17, 2008. Melissa mentioned an announcement was mailed out for the City Heights PAC's three open seats including seats for Community Organization-at-Large, Residential Owner Occupant and Residential Tenant. Applications have been received for the Residential Owner Occupant and Residential Tenant open seats. An item will be placed on July's PAC Meeting agenda to allow for PAC Members to vote on the appointments of the candidates. Lastly, Melissa provided an update on the City Heights Paseo project. The Agency met with Robert Ito and his development team to inform them the Agency will not be moving forward with the project due to the uncertainty of Central Elementary School and the potential opportunity for a larger project. The Agency is still moving forward with the purchase of the vacant site from the City.

V. New Business

A. Foreclosed Properties-Information Item- Norma Medina and Diane Silva - Martinez from the City of San Diego presented on the City of San Diego's Vacant Properties Program and how the program may assist in addressing vacant foreclosed properties throughout City Heights. PAC members had questions about the program and suggested potential alternatives. Members of the PAC will continue to look into the issue vacant foreclosed properties.

B. City Heights CDC-Information Item- Representatives from City Heights CDC presented the proposed mixed-use project (with affordable housing) located on Fairmount Ave between Myrtle Avenue & Thorn Street. They have been meeting with community members and integrating ideas into their project. The project will include 26 units of affordable rental housing, 5,000 s.f. of commercial space, and an Economic Opportunities Center. The project also features two work/live lofts. PAC members had comments on the design of the project and affordability component of the project. The CDC was exploring the idea of placing market rate units into the project.

VI. Old Business

A. City Heights Square-Information Item- Representative from Price Charities presented their final plans for City Heights Square. The new proposed project includes four stories of housing over ground floor retail and office space on the second level. There will be 92 1, 2, and 3 bedroom rental units; 14 of these units will affordable. Total development costs for the project will be $44,200,000. Price Charities anticipates construction will begin in April 2009. PAC Members provided comments on the project.

B. Aquatic Adventures-Action Item- Shara Fisler presented an updated project proposal for the restoration of Swan Canyon which includes eradication of *arundo* and other invasive species, restoration of 2 acres in Swan Canyon, and maintenance through the friends of Swan Canyon. Total funding request from the Agency is $104,620. Melissa Garcia informed PAC Members the Agency is seeking legal counsel to confirm permissible use of Redevelopment funds for this type of project. She mentioned that the City Attorneys are concerned

about the liability to the Agency in the event there is flooding or landslides. She mentioned an alternative which would require the Agency to repay debt to the City and in return, the City would dedicate the funds to the Swan Canyon project. David Nelson motioned to approve the use of $104,620 in redevelopment funds for the removal of invasive species and the restoration of Swan Canyon. Jim Varnadore seconded and added a friendly amendment to make the funding contingent upon obtaining matching funds from the California Coastal Commission. David Nelson accepted the amendment to the motion. Motion passed 10-0-1.

C. **I-15 Properties-Action Item-** Melissa Garcia gave an update on the purchase of 5 parcels located along I-15 from the City. The two parcels located on the NW corner of 40th St. and El Cajon Blvd are the least contaminated parcels and Agency staff have been working to purchase those parcels prior to the others.. A Phase I and Phase II have been completed and show both parcels have lead contamination at levels classified as California Hazardous waste; site remediation has been estimated at $160,000 for both parcels. The purchase terms with the City indicate the Agency will deduct half of the site remediation costs from the purchase price as follows:

Parcel 447-202-32 appraised at ($70 per sf)
$843,747.80 (purchase price) - $93,408.70 (remediation cost) = $750,339.10

Parcel 447-202-31 appraised at ($70 per sf)
$601,690.60 (purchase price) - $66,611.30 (remediation cost) = $535,079.30

Tony LoPresti expressed concerns about the possibility of placing residential use near the freeway. Melissa Garcia stated that the Agency has not committed to a development for the parcels but was not limiting the options at this point. Jim Varnadore motioned to recommend approval of the purchase of the two parcels located on the NW corner of 40th St. and El Cajon Blvd. from the City of San Diego. Seconded by Astrid Cybulskis. Motion passed 7-3-0.

VII. Chair and Subcommittee Reports

A. **Chair's Report-** Karen reported the I-15 Bus Rapid Transit committee is down to 4 different alternatives, which will be looked at in more detail.

B. **Ad-hoc Committee Foreclosed Properties-** No report.

C. **Housing Subcommittee** – David reported Agency staff are beginning to standardize the guidelines for the Housing Rehabilitation Loan Program. The Housing Subcommittee will be working on the guidelines in August.

VIII. Next Meeting Agenda - PAC discussion and action on next meeting's agenda.

A. Election appointments for open seats
B. DDA for City Heights Square
C. PAC Member Absences

IX. Adjournment – The meeting adjourned at 8:45 p.m.

(This information will be made available in alternative format upon request. To make

requests for alternative format, interpreters, listening devices, or other accommodations, please contact us at least 5 days in advance. All special requests should be directed to Melissa Garcia at (619) 236-6547 or email: magarcia@sandiego.gov