

**NORTH PARK REDEVELOPMENT
PROJECT AREA COMMITTEE (PAC)
REGULAR MEETING MINUTES**

Tuesday, July 13, 2010

San Diego National Bank (6th Floor), 3180 University Avenue, San Diego, CA
92104

Comments and PAC actions relating to items on today's agenda are noted herein.

I. ROLL CALL & INTRODUCTIONS

The vice-chair convened the meeting at 6:00 p.m.

Kirsten Clemons	Present (7:15)	Judi O'Boyle	Present
Patrick Edwards	Present	Lachlan Oliver	Present
Don Leichtling	Present	Robert Steppke	Present
Roger Lewis	Present	Mark Stern	Present
Valerie Loy	Present	James Tinsky	Present
Lucky Morrison	Present	Mary Wilkinson	Present

II. ADOPTION OF AGENDA

Motion (Oliver/Leichtling): *To adopt the agenda with the revision of moving original Item B to last item under 'Action Items'.*

Passed (11-0-0)

III. APPROVAL OF MINUTES

Motion (Leichtling/Wilkinson): *To adopt the Special meeting minutes as presented*

Passed (10-0-1) Abstaining: Steppke (did not attend)

Motion (Leichtling/Oliver): *To adopt the July meeting minutes as presented*

Passed (11-0-0)

IV. ELECTED OFFICIALS REPORTS

Anthony Bernal, Council District Three Representative announced an upcoming forum at the City Heights Library as well as the opening of the LGBT exhibit at City Hall.

V. PUBLIC COMMENT

Patrick Stillman, of Media Arts Center San Diego, announced their recent lease acquisition on El Cajon Blvd and noted they were planning on coming before the PAC next month with a request for public assistance with their tenant improvements.

Ross Lopez, noted there are 67 new electrical boxes on a 7 block area on Texas, raising a concern over what controls there are in overseeing the proliferation of these electrical boxes.

Arnie Holt, of Café Calabria, noted he would like to come back before the PAC to revisit a previous request for public assistance with site improvements. Ted Torre-Bueno, a "Green Contractor" associated with the Calabria project, noted certain incentives from the

state which Café Calabria has applied for are time sensitive, (due October). He supported the PAC looking towards the Cal Green standards for its sustainability process while stating his belief that creating other specific criteria would be counterproductive to their effort because of additional requirements and time expended.

Lynn Elliot, representing the NPCA, noted that the third concert of the five concert Bird Park concerts had just occurred, noting the next is July 24th.

VI. CHAIR'S REPORT

No chairs report.

VII. ACTION/DISCUSSION ITEMS

A. Consideration of Agency Assistance for a monument at Shirley Ann Place.

Jerry Kwasek, reintroduced the Shirley Ann Place marker project providing some historical context and presented an artist rendering as well as revised cost/pricing resulting from the review of two contractors. He noted the monument as proposed is not lighted. Mike Lengyel of the agency reaffirmed that prevailing wage for construction would be required as well as multiple bids if the PAC were to recommend public funding.

Public Comment: A question was asked regarding location of the monument. Kwasek noted it is proposed to be located on Monroe at Shirley Ann Place. Ross Lopez spoke to a report he provided to the PAC providing a photo inventory of houses in the historic district and spoke to the requirements of owners receiving Mills Act benefits for historic status. Lopez detailed his finding that a majority of the houses have not observed, or do not observe, the required upkeep and historic features. A separate public comment noted that enforcement of Mills Act requirement for historic status benefits included the local participants paying \$500 for a status survey also noting that owners are being required to correct problems where applicable.

PAC Discussion: Wilkinson spoke against the proposal as the monument itself not being historically relevant and establishing it as designed would dilute the true historical character of the things in the district that are. Stern asked for more details on the historical survey referenced during 'Public Comment' in which it was stated that corrections would have to be done within 3 years to maintain historical status. Stern further noted he would like to see such compliance before the PAC acts. Stern also noted the PAC in general should be considering adding good design in addition to removing blight. Edwards stated his belief the proposal should be run through the NP Historical Society for consideration and input on design. O'Boyle stated the requirement to meet historical status in the past was much less restrictive and less enforced and also noted that the markers currently in Burlingame were paid for by the homeowners. Steppe expressed a concern over the cost itemization as being too ambiguous. Oliver expressed support for concept as means of the PAC supporting these communities, but noted his opposition to the specific design proposed. Oliver also requested a more legitimate cost breakdown. Tinsky noted that photos provided by the citizen during public comment public depicted houses which look like many of the houses all over north park. Lewis expressed appreciation of PAC member's comments about PAC being supportive of local communities, the concerns raised regarding the appropriateness of the proposed design historically and also the recommendation that the design go before the NP historic society.

Motion (Leichtling/Stern): *The Shirley Ann Place group contact the NP Historical Society and also get an itemized bid from a licensed contractor returning to the PAC with a letter of recommendation from the NPHS.*

Passed (9-2) Opposed: Morrision, O'Boyle

B. Consideration of Funding of Design for Double Acorn Lights on El Cajon Blvd.

Michael Lengyel of the redevelopment agency spoke noting that the funding request of the PAC is for half of the cost for design, \$128K of the total \$248K, the remainder to be funded by the City Heights Project Area.

Public Comment: Mathew Cirullo noted support for a solar lighting component. Jay Turner, former executive director of NP Main Street, expressed a concern over project previously approved for funding out in the 'pipe line' coming up against projects being considered now, under a limited budget expressly as it relates to the NP Theater mini-park is.

PAC Discussion: Leichtling noted support for lighting especially of better quality Acorn light proposed but noted his support for seeing some improvements being proposed for residential areas as well. Steppke asked for information about further incurred PAC costs. Lengyel noted El Cajon BID believes they will get project construction funded through block grant. Oliver raised the issue of the overall costs and what happens if the outside construction funding does not come through. Lengyel answered that the final cost can not be firmly estimated until the design provides final specs and hard costs and a that time the BID can then go for block grant funding. Edwards asked why this issue hasn't yet come up before the MAD and asked further about the cost of powering them. O'Boyle expressed feeling the double acorn light are not historical for El Cajon Blvd and her recollection that MAD put a limit on the number of lights they would power. She noted it would be appropriate to be considered in future balloting of new MAD. Lewis expressed caution that the PAC consider the number of projects coming before us in addition to those for already approved given this fixed funding pot.

Motion (Oliver/Edwards): *The El Cajon BID to return to a future PAC meeting with support from the MAD for lighting and city Council/City for CDBG funding.*

Passed (7-4) *Opposed: Morrison, Loy, Wilkinson, O'Boyle*

C. Consideration of Increase in Funding for the Housing Enhancement Loan Program

Lengyel, of the redevelopment agency, asked the PAC to consider increasing the amount of the Housing Enhancement Loan Program (HELP) set-aside.

Public Comment: none

PAC Discussion: Stern asked, given the 10 year loan is forgivable, what happens when an owner sells the property before that term. Lengyel explained there are constraints with the loan which are due on sale, that the forgivable loan terms are proportionally adjusted over last five years of the ten year term. Edwards raised a concern about impact from loss of project area funds to the ERAF last year and asked if there was any legal issue if funds were used outside the PAC area. Lengyel answered no. Wilkinson, Morrison, Leichtling, O'Boyle and Oliver expressed support for program and an increase in the funding. Steppke asked if there is any data indicating how many applicants are turned away. Lengyel noted all appropriated funds are currently encumbered and that all funds could be quickly distributed if the appropriation was even doubled. Stern asked if a similar program were established for multi-family properties if that funding would come out of same HELP pot and also asked if there was follow up on the individual projects. Lengyel answered that funding would come out of the collective low-moderate housing set aside pool but likely a new program specific to multi-family residential would need to be created. He also noted there is verification of work completion. Tinsky asked if there is a way to see how the money specifically has been used in the past. Lengyel noted he could provide a report from the city on the existing loan projects. Wilkinson asked about

any prevailing wages being required. Lengyel noted there is no prevailing wage requirement for work contracted for under low-moderate funding.

Motion (Edwards/Steppeke): *To raise the Housing Enhancement Loan Program funding an additional \$250K for FY 2010 and continue in FY 2011 at \$500K.*

Passed (12-0)

D. Recommendation on Implementation of an Interim Program to Assess Levels of Sustainability of Various Projects Presented to the PAC and Initiation of pilot Program (table from June 8th) (Clemons chairing)

Stern noted the proposed program may not be representative of the final product by the time of the January 1st city Cal Green implementation. Alison Whitelaw, of Platt Whitelaw Assoc. contracted by the PAC, noted that the sub-committee undertook a very comprehensive approach to assessing sustainability for coming developments. She noted that the assessment program included indicators of success which will serve as a measuring stick for future projects coming before the committee. She noted it seemed that the most efficient implementation would be to align with the Cal Green mandatory standards coming into effect in January 2011. She noted the City of San Diego is looking at Cal Green as a basis for their permitting process allowing for special processing but this will not likely be adopted by council until Cal Green itself is approved. It was suggested we use these overall criteria eventually but as we cannot vote on that now, the interim proposal comes forward. In the interim the committee recommends using LEED silver certification on projects. As North Park has special conditions the effort to contour it to meet these special conditions can be added as "conditions for approval" added to the base criteria with a minimum threshold set at projects of higher than \$100K. Whitelaw noted that the 'indicators for success' is the form that the applicant submits for PAC review such that the PAC can better assess multiple projects being considered. Tinsky noted that numerous issues including 'gaming the system' have been considered in the subcommittees formation of the criteria and that the assessment process can be recalibrated in the future after some experience and under changing factors. Stern also noted that other issues such as historic significance, the nature of the business, site location, blight, etc. are to be included additionally in the overall consideration of projects.

Public Discussion: Jay Turner, past executive director of NP Main Street proposed additional project criteria be considered such as: how much funding is available for the program, how long is the money available both over all and for individual projects given constraints of when the next refunding-bonding source is available, consideration of a cap on individual projects, an understanding of the ratio of public funding requested against the private capital, and how other funding sources will be brought to bear (e.g. such as façade improvement program funding). Turner also suggested so many projects could be coming forward that the PAC should be using this money as an incentive for future development not necessarily to facilitate a single project. Rene Vidales noted LEED comes before council where Cal Green becomes a code that the city reviews and suggested it is a different review process. Whitelaw agreed it is a different process through both plan check and the review process. Ted Torre-Bueno, a green consultant, noted that the sub-committee and the consultant have steered the PAC in a good clear and understood direction and cautioned being more specific in developing criteria could create a disincentive to development. A member of the public asked if process was applicable to both business and homeowners and asked about a project threshold. Bob Bauer, expressed an idea that projects coming in the short term of smaller cost, where LEED certification is the standard, should maybe should be deferred until the less costly city verified standards. Whitelaw noted unless city adopts 'Tier 1 & 2' on top of the base 'Cal Green' the PAC cannot be assured of the adoption and needs something in place to do the evaluation of compliance

PAC Discussion: Tinsky noted a floor but no ceiling at present on project funding and that would be up to the PAC to determine. O'Boyle noted that the inference is that smaller projects might be held to a lesser standard and that they really should be equal given the amount of latitude given in the consideration process. Whitelaw noted the LEED certification is costly and could be an impediment to smaller projects hence the committee's recommendation of holding LEED certification in the interim to project of \$100K or more. Oliver noted his participation in the process as well as support but wanted to note that we will still be considering projects not going green. Additionally he noted other measures such as how things as water consumption are being handled and that a concern for small businesses is the application process can be costly. Morrison noted his support given the process is a dynamic one and we as a PAC will be reviewing the final recommendations. Steppke liked the idea of the program being used as an incentive. Stern noted that subcommittee recognized the importance of incentivizing a smaller projects to the benefit of the entire area.

Motion (Lewis/Stern): *To adopt the Green/Sustainable project assessment criteria developed by the sub-committee.*

Discussion: O'Boyle noted that when redevelopment funds something there has to be the important function of the project providing distinct public benefit. Clemons noted the importance for any project receiving public funding to provide something back to the community in public benefit. A member of the public, an artist, noted the need for a sign that announced North Park as an arts district. This comment was echoed by another artist. Torre-Bueno, noted that a real pilot project will help substantially in making this work. Oliver noted that it is unfortunate that some past businesses have fallen through the cracks and also that some have gotten approval. There was confusion over what was approved regarding the Wang's Proposal. Tinsky supported the pilot project concept to consider all aspects including sustainability. Stern noted that Whitelaw, depending upon available hours under contract, will be available to work with project proponent to fine tune their project. JO noted her strong support for the program and project and the value of going through the pilot program process.

Passed (12-0)

Motion (Clemons/Lewis): *Staff to notify applicants who have come before the PAC and have not received final funding as well as any other interested parties of the pilot project and invite them to submit proposal within 30 days. The "Green Sub-Committee" will evaluate and return with recommendations within 90 days.*

Discussion: General group discussion centered on forming the motion with time frames, return dates, and the submittal process. Edwards noted he would only support just putting an RFP out from agency. Oliver argued that it he could provide an example exercise to test the process and that business submitting should just use the criteria. Tinsky responded that working out the numbers through the process was essential. Morrison noted he would like to see a project go through the trial of fire. RL noted the past motion in July supporting the pilot project and the officer's decision to hear this project as informational. DL and LM noted unhappiness with the way the officers moved forward. MS noted understanding of unhappiness but noted time isn't hindered because application process is out and only has 14 days to go and the diligence of the

Passed (9-3) Opposed: Steppke, Edwards, Leichtling.

VIII. SUB-COMMITTEE/LIAISON REPORTS

A. Maintenance Assessment District (MAD)

Steppke reported the proposed range of \$15-30K a year (10%) for the proposed Boundary Project maintenance the MAD considered too high and rejected support.

B. Project Area Improvements

Leichtling reported the sub-committee was waiting on feedback from the city attorney on the question of ad-hoc operation of the committee and suggested that joint meeting occur between the MAD and sub-committee to try and resolve the maintenance funding issue.

C. North Park Community Plan Update

Steppeke noted a change in direction the operation of the CPUAC process addressing participants concerns.

D. Green/Sustainability Initiatives

Covered under Item D.

E. Multi-Family Development

Committee was re-confirmed to be Liechtling, Loy, Wilkinson and Stern.

IX. STAFF REPORTS/PROJECT UPDATES

A. Florida St Apartments

B. Community Enhancement Program

C. Garage Art Project

Blair provided final art but copies needs to be passed on when completed to be scanned. Frames are going up.

D. North Park Mini-Park

Todd Schmidt to be asked, again, to provide update at next meeting.

E. Eminent Domain Extension Blight Analysis

Traffic study consultant still in the works.

X. REQUESTS FOR NEXT AGENDA

- A. Potential park project within embroidery building
- B. Sign for arts district
- C. Arts and Culture Center @ 3925 Ohio St store front improvement.
- D. Media Arts center
- E. Mini-park update

ADJOURNMENT

Motion (Steppeke/Stern): *To adjourn at 8:45 pm.*

Passed (12-0-0)