

**CROSSROADS REDEVELOPMENT PROJECT AREA
PROJECT AREA COMMITTEE
(FINAL) MEETING MINUTES OF THURSDAY, DECEMBER 12, 2002**

The members of the Crossroads Project Area Committee (PAC) held their meeting at Blessed Sacrament Church in the Basement Hall at El Cajon Blvd. at 56th Street and El Cerrito Drive, from 6:35 p.m. to 9:30 p.m.

The following members were present at Roll Call: Kevin Carter, Anthony Frankhauser, Barbara Hutchinson, Harry Kattoula, Abdi Mohamoud, David Nelson, Laura Riebau, Jody Talbott, Michael Trunzo, Christine Van Spronsen, and Mason Younan (11)

The following members were not present: Shukri Adam-Fara, Alison Grant-Carlos, Jennifer Wieder Gamez, David Parsons (4)

Consultants and CED Staff in attendance: Kathy Rosenow, Tracy Reed, Gary DeBusschere, Luis Ojeda and Michele St Bernard

CALL TO ORDER: Called to order at approximately 6:35 p.m. by Michael Trunzo.

1. ROLL CALL: Quorum was established when 11 of the 15 PAC members were present. Jennifer Wieder Gamez wasn't able to attend because of the birth of her new son Xavier and David Parsons wasn't able to attend because of school finals.

2. APPROVAL OF AGENDA: for December 12, 2002.

Motion – Jody/Mason; approve December 12th agenda; passes (11-0).

3. APPROVAL OF MINUTES: Draft November 14, 2002 minutes were mailed to PAC members on December 4th.

Laura: Add into the comments by Kathy/Tracy at the bottom of page 2 that discretionary projects will continue to be reviewed by community planning groups. On page 4 regarding my question on zoning please revise it to say that I wanted a list of light industrial zone uses. On page five regarding private property delete the first sentence, I wouldn't have said that.

Motion – David N/Mason: Approve the draft November 14th minutes as revised; passes (11-0).

4. COMMITTEE MEMBER COMMENT ON NON-AGENDA ITEMS:

Laura: (synopsis). Distributed a copy of the Fifth Amendment and a paper by the Virginia Institute *regarding how important private property rights they have equal*

importance as life and liberty. Due process is not met through the eminent domain process.

Jody: (synopsis). Redevelopment has been reviewed in court and is not unconstitutional.

David N: I believe the State is taking Redevelopment set aside housing funds.

Christine: (synopsis). Eminent domain property is not taken it is purchased.

Barbara: (synopsis). If a property owner rejects the offer to purchase and fights it becomes very expensive.

4. PUBLIC COMMENT ON NON-AGENDA ITEMS:

Josh: (synopsis). Recently read “Redevelopment the Unknown Government”. We need to ensure there isn’t disinvestment in the blvd while the redevelopment adoption process is occurring. The PAC should do something good for the developer of the property at 63rd street, because they will be doing something good for the community.

Laura: We’ve been told 63rd development coming in with or without redevelopment.

Gary: No, not true. The developer interested in 63rd property understands that the community is investing in itself through redevelopment.

Laura: *We have been told something complete different at our Eastern Area Planning Committee meeting two months ago.*

5. OLD BUSINESS:

- **Tracy:** Distributed the five exhibits that are included/referenced in the draft Redevelopment Plan.
- **Kathy Rosenow:** (of RSG) continued her discussion on the draft Redevelopment Plan.
 - The PAC discussed and commented on the draft Redevelopment Plan by article section. The following is only a synopsis of what was said.

Kathy: Lets continue with Section 410, Acquisition of Property. The description of the exclusion should be single-family use within a single-family zone. Owner occupied shouldn’t be part of the description.

Barbara: How much of the project area falls under this exclusion.

Tracy: I will find out. [Calculated after meeting: approximately 20% of the project area; 178 acres; 1,327 dwelling units]

Laura: Can other multiple-family areas be excluded?

Tracy: Yes, if the property owners make a request and the area is consistent with the criteria and characteristics that have been previously established.

David: There are a lot of non-conforming uses within the City Heights area that is excluded. A majority of that area was previously multiple-family zoned and is

currently zoned single-family.

Kathy: Redevelopment of those types of properties would cause upside down development.

Tracy: The current map excludes two areas from eminent domain that are not single-family zoned or designated. Those areas are; a multi-family parcel east of Collwood and three multi-family parcels south of University. Staff excluded these parcels because of the age and/or density of the development. Per a previous PAC recommendation several multiple-family parcels south of El Cajon Blvd along 54th street will be excluded from eminent domain on the revised redevelopment map.

Kathy: The PAC can take a formal position regarding eminent domain.

Tracy: Staff recommendation is to exclude single-family designated and zoned property from eminent domain authority. That is throughout the project area.

Motion – David N/Laura: Approve staff recommendation regarding eminent domain language revisions and remove owner occupied from description; passes (9-0-1).

Christine: What about the language regarding crime and code enforcement problem properties being excluded from the exemptions?

Laura: Code enforcement can force the sale of property; it is within their power.

Kathy: Sounds like you're looking for an exception to the exemption. You want agency to have eminent domain authority in single-family designated and zoned property with historical code enforcement violations. The exemption is for single-family zoned and designated.

David N: This is not a black and white issue.

Harry: There is a renter issue here.

Barbara: This is the job for the police, not us.

Christine: The hotel a cross the street from us is a good example of how code enforcement wasn't able to address the problem since ownership kept changing.

Steve L: CACC opposes the change regarding single-family exemption.

Motion – Christine/Tony: Include City Heights eminent domain language regarding exclusion for single-family if they are a crime or code enforcement problem [per language read by Tracy] fails (2-6-2).

Kevin: How does and why would an agency acquire just the structure on the property?

Kathy: Any agency may acquire a building in order to move it because of redevelopment; an example that I know of was an airport expansion. Could we review Exhibit 3, which is a list of proposed public improvements and facilities projects?

Jody: would this exhibit cover the replacement of crumbling curbs?

Kathy: Yes, but we can not get too specific regarding the improvements on the list since it applies to the life of the redevelopment plan.

Tracy: We will address this a little further when we talk about the five-year implementation plan later.

Tracy: We recently got some feedback from the agency's special counsel regarding the PAC's revisions to the owner participation rules. We need to address or clarify what is a "business tenant" regarding the noticing. Staff is recommending that we define tenant as someone with the city business license.

Kathy: Property owner will and must have a higher standing than a tenant for reuse of the property. Business tenant means you will receive a notice.

Mason: How would a lease be handled?

Kathy: It would be included in the acquisition process.

Kathy: Disposition of property section, public bid and performance time.

David N: I'd like to see section 450.12 reworded. How can application go to the Agency and not go to the PAC? If PACs can go away, there is no PAC to review application.

Laura: Why is North Park Project Area having problems?

Tracy: They have a PAC and just one Planning/Community Group. We have multiple Planning/Community groups in our area.

Barbara: What authority would we have to yea or nea? None. It's not our in authority to review these applications.

Tracy: We will look at this section further.

David N: Report application, can you clarify? The comparable rent statement should be clarified.

Kathy: I believe the inclusion of Section 460.4 is required (CRL).

Kevin: Is section 470.1 talking about displacement?

Kathy: No, it's talking about low and moderate housing.

The PAC took a 5-minute break at 8:05 p.m.

Tracy: Regarding the blank at section 500.2 (f), "prohibited uses" that section will refer to the city's land development code regarding prohibited uses.

Kevin: What about the blank at section 510.4 regarding number of buildings?

Kathy: We are working on that number. We have some questions regarding this and how we would address commercial development.

Christine: What about non-conforming signage and section 510.5?

Note: There was a brief discussion of historic designations and the ability to demolish and/or salvage.

Kathy: The redevelopment plan cannot be less restrictive than the city code but it can be more restrictive.

Harry: Are there any historical buildings within the project area?

Danielle: The EIR states that there are some historical sites in Chollas Park.

Barbara: There is a shortfall in state budget of billions of dollars. How do we

get TI revenue if there is no revenue in state budget?

Tracy: David mentioned earlier the possibility of the state using redevelopment low/mod housing dollars.

Someone: State taxes are different than tax increment.

Audience Member: If substantial rehabilitation takes place, is there a possibility of tax increase.

Tracy: Yes

Audience Member: What are we going to do about the water issues?

Mike: Not of our concern or the purpose of this meeting.

Kevin: What about the blank for section 620.6 regarding bonding?

Kathy: We are considering that being \$100 million, we want it to be high because of the life of the redevelopment plan.

Someone: What is the relationship of bonding and debt?

Kathy: Normally an agency will issue bonds to incur debt to be eligible to receive tax increment. Bonds are not required but are usual. An agency may also get loans, have projects funded solely by developers, etc. I would like to clarify that these bonds are not general obligation (city general funds) they are tax increment bonds. The 1994 law revisions established a limitation of time. 30 years and tax increment can be received for an additional 10 years.

Barbara left at 8:30 p.m.

David N: Referred to the history of City Heights redevelopment plan and PAC. We need to have a PAC for the duration of the redevelopment plan. Also the City Heights redevelopment plan spells out the involvement of the PAC and the planning group. The issue is control of where the revenue goes.

Tracy: Anything regarding the PAC is addressed in the PAC formation procedures. I will review the City Heights plan regarding responsibilities for the PAC and planning group.

Someone: We need to remember the purpose of a PAC is to represent people of low and moderate income that could be displaced by redevelopment.

David N: I would recommend that the PAC exist for the life of the plan and tax increment. I wouldn't recommend approval of the redevelopment plan without such assurances.

Kathy: The issues regarding a PAC are address in the PAC formation procedures and are not addressed in the redevelopment plan. One of the issues regarding a PAC is staff expense and community interest.

Tracy: The agency has experienced some problems regarding what are the responsibilities of the PAC and the community planning groups. The PAC will only be included if the agency is or becomes involved in the development project, some type of assistance.

David N: I would like to see some type of wording in the redevelopment plan that

addresses the PAC existence and tax increment availability.

Someone: Decisions cannot be just a planning group decision because there is more than one planning group in this project area. PAC could act as the overseeing agency.

Kathy: We will do our best to relay and help the PAC with there recommendations regarding the redevelopment plan.

- **6. NEW BUSINESS: Kathy Rosenow:** (of RSG) held a discussion on the draft Five Year Implementation Plan. Handouts of the PowerPoint were distributed to the PAC members and the audience.
 - The PAC discussed and commented on the draft document by section. The following is only a synopsis of what was said.

Kathy: You will see that the table included in the five-year implementation plan indicates that we are projecting that the project could receive \$12 million for non-housing and \$3.2 million of housing. These are estimates based on assumptions.

Danielle: Can we add “infrastructure” improvements to 2nd Year of the plan?

David N: Goal is to front load development which will increase TI at the beginning so funds are available later for infrastructure improvements.

Tracy: Gave North Bay example.

David N and Michael: The 5 Year Plan is so broad and general it is hard to have a problem with it.

Laura: I don’t understand how you can have an incompatible use in a mixed-use zone. Is incompatible use really a problem in our area? Light industrial zoning on University doesn’t abut single-family zone.

Tracy: There is a difference regarding incompatibility and mixed use. Mixed use means you would have commercial with residential above or behind. The incompatibility issue involves auto repair and others uses which encroach into the adjoining single-family zone.

7. NEXT MEETING DATES AND PRELIMINARY AGENDA ITEMS:

No comments.

8. ADJOURNMENT:

Motion – Christine/Anthony: Adjourn meeting; passes (10-0) @ 9:30 p.m.

Prepared: 12/15/02 twr

Revised: 01/10/03 twr

Approved with Revisions on: 01/09/03

Motion was by: With revisions (*italic's*) Laura/Adbi
Final Approved on: 01/23/03
Motion was by: David P/Laura

PAC vote was: 08-0-1c

PAC vote was: 11-0-1c