

**CITY HEIGHTS REDEVELOPMENT
PROJECT AREA COMMITTEE MINUTES
Monday, May 11, 2009
DRAFT**

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:

Astrid Cybulskis 6:25pm	Fred Lindahl	Irasema Garcia
Tony LoPresti	David Nelson	Liz Avalon
Georgette Gomez	Ellee Igo 6:30pm	Larry Hofreiter
Jim Varnadore	Andrea Zinko	Valentina Hernandez 6:25pm
Elizabeth Tate 6:25pm	David Bowen	Joe Sciarreta 6:10pm
David Taylor 6:15pm	Patty Vaccariello	

The following members were absent: Daisy Gonzalez.

Also Present: Karina Danek (Redevelopment), Melissa Garcia (Redevelopment), Krissy Toft (Redevelopment), Michele St. Bernard (Redevelopment), and Ulysses Panganiban (Redevelopment).

I. Call to Order:

The meeting was called to order at 6:05 p.m. Roll call was conducted. A quorum was established.

II. Agenda:

Jim Varnadore made a motion to change item VB from an information item to an action item seconded by Larry Hofreiter. Motioned passed 11-1-0.

III. Minutes:

David Nelson made a motion to approve the April 13, 2009 meeting minutes seconded by David Bowen. Motioned passed 11-0-2.

IV. Public Comment, PAC Members Comment and Staff Announcements

Public Comment

The following members of the Public made comments:

Linda Pennington
Mary Otero
Pam Ison, District 3

PAC Members Comment

The following members of the PAC made public comments:

Valentina Hernandez

Staff Announcement

Melissa Garcia provided the following updates:

Euclid Tower- The Euclid Tower ribbon cutting event took place April 20, 2009. Melissa thanked everyone who attended the event and Astrid Cybulskis for speaking on behalf of the City Heights PAC.

ENA Request- The Agency received an Exclusive Negotiation Agreement

(ENA) request from Wakeland Housing in partnership with Price Charities, for a mixed use project located on the eastern block of Fairmount Avenue, between Polk Avenue and University Avenue. Two development options were submitted. Proposal A would include 86 units, 78 affordable units and 8 market rate units with 29,000 SF of retail space for an Old World Market. This proposal would extend from the NE corner of Fairmount Avenue and University Avenue to Polk Avenue and half the block to the east. The proposal also entails swapping City Park Property for a property on the NE corner of University Avenue and Fairmount Avenue. Proposal B would include 69 units and 29,000 SF of retail space for an Old World Market. This proposal would extend from the NE corner of University Avenue and Fairmount Avenue and end at the City Park Property. Agency staff will send out Owner Participation letters to the affected property owners. Property owners have 60 days to respond; after the 60 days Agency staff may recommend entering into an ENA with the development team. The PAC would be asked to make a recommendation for the Agency to enter into an ENA with the development team prior to taking the item to the Agency Board for approval.

City Heights Square- Agency staff has become aware that Price Charities is reevaluating how to proceed with the City Heights Square project considering the current economic conditions. The Agency has an approved DDA with Price Charities for the development of City Heights Square and the developer is not in default of the DDA. Agency staff will continue to update the PAC as more information becomes available.

Krissy Toft provided the following updates:

ERAF Payment- The one-time ERAF payment of \$11.4 million in redevelopment funds from the Redevelopment Agency of the City of San Diego to the County of San Diego has been suspended.

Jack in the Box Restaurant- the old Jack in the Box restaurant was been demolished; the only item remaining on the site is the SDG&E transformer.

I-15 Opportunity Parcels- Agency staff is waiting to enter into escrow on the two properties located on El Cajon Boulevard, just west of Interstate 15. The Agency Board approved the purchase of these two properties on April 14th, 2009.

Sally Wong Building-Agency staff toured the Sally Wong building along with Nasland Engineering and an environmental consultant to evaluate the building's environmental conditions prior to demolition.

Bus Shelters- The agreement with the City Heights Business Association to fund the purchase and installation of 20 bus shelters and benches has been executed. The City Heights Business Association can proceed with the purchase and installation of 20 new bus shelters and benches at 20 locations along University Avenue within the City Heights Redevelopment Project Area.

V. New Business

A. Refinancing and Rehabilitation of Five Properties Owned by City

Heights Community Development Corporation-Action Item- Jay Powell and Larry Graff, City Heights Community Development Corporation: City Heights Community Development Corporation (CHCDC) completed a Physical Needs Assessment for 10 of its apartment communities and two NOFA applications were submitted to the San Diego Housing Commission (SDHC) for funding to make improvements on these properties. The SDHC determined that the first five properties are eligible for HOME funding but is required to obtain a recommendation from the community prior to providing funding to CHCDC. The range of funding being requested by CHCDC is between \$1.2 million and \$2 million. Jim Varnadore made a motion to recommend use of SDHC funds to refinance and rehabilitate five properties owned by the City Heights Community Development Corporation seconded by Patty Vaccariello. Motion passed 14-1-2.

- B. City Heights Redevelopment Project Area Draft Budget- Action Item-** Melissa Garcia: A PowerPoint presentation was facilitated on the City Heights Redevelopment Project Draft Budget for Fiscal Year 2010. The PAC was reminded that the budget has not been finalized and has only been discussed at a joint budget committee meeting on May 7, 2009. The Agency board will take action on the budget at their June 9, 2009 meeting. PAC members asked various questions regarding the proposed budget. Jim Varnadore made a motion to recommend approval of the City Heights Redevelopment Project Area Draft Budget as proposed for Fiscal Year 2010 with a reduction in Redevelopment Division's expenditures from \$834,700 to \$700,000 seconded by Patty Vaccariello. Motion failed 5-12-0. Tony LoPresti made a motion to revisit this item at the next City Heights PAC meeting pending additional budget information and a breakdown of costs associated with the Redevelopment Division's expenditures seconded by David Bowen. Motion passed 16-1-0.

VI. Old Business

- A. Code Enforcement Services- Information Item-** Leslie Diamond, Zoning Investigator, City of San Diego Neighborhood Code Compliance Division: The PAC was presented with a quarterly report on efforts made to address vacant foreclosed properties. A report and before and after photos were handed out.
- B. First Time Homebuyer Loan Program- Action Item-** Michele St. Bernard: Agency staff issued a Request for Proposals (RFP) to solicit firms to administer the Home in the Heights Homebuyer Assistance Program and Community HousingWorks was selected from three consultants. The PAC was presented with the terms and the scope of work proposed to be included in the agreement between the Agency and Community HousingWorks. The Housing Subcommittee made a recommendation for the Agency to enter into an agreement with Community HousingWorks to administer the Home in the Heights First Time Home Buyer Loan Program. Fred Lindahl did not participate in the discussion, moved into the audience, and recused himself from voting. Motioned passed 15-0-0-1.
- C. Community Enhancement Program- Action Item-** Karina Danek: Agency staff issued an Agency-wide Request for Proposal (RFP) to solicit firms to implement the Community Enhancement Program. Urban Corps of San Diego County and Community HousingWorks submitted

proposals for the City Heights Redevelopment Project Area. Both proposals were competitive but Community HousingWorks had a strong local presence and proven success in executing community improvements in City Heights. The PAC was presented with the terms and the scope of work proposed to be included in the agreement between the Agency and Community HousingWorks. The Housing Subcommittee made a recommendation for the Agency to enter into an agreement with Community HousingWorks to implement the Community Enhancement Program in the City Heights Redevelopment Project Area. Fred Lindahl did not participate in the discussion, moved into the audience, and recused himself from voting. Motion passed 14-0-0-1.

- D. Fourth Implementation Plan- Action Item-** Krissy Toft: The PAC reviewed and discussed the draft of the Fourth Implementation Plan for the City Heights Redevelopment Project Area. Elizabeth Tate made a motion to recommend approval of the proposed draft of the Fourth Implementation Plan for the City Heights Redevelopment Project Area seconded by Valentina Hernandez. Motion passed 15-0-0-1.

VII. Chair and Subcommittee Reports

- A. Chair's Report** – A recommendation was made to hold a meeting to review the Fiscal Year 2010 Work Plan. A recommendation was made to create an Ad-hoc Committee to discuss the California Endowment's Building Healthy Communities initiative in City Heights. Andrea Zinko, Georgette Gomez, Ellee Igo and David Bowen volunteered to sit on the Ad-Hoc Committee. An announcement was made regarding the next FaceLift taking place June 6, 2009.
- B. Ad-hoc Committee Foreclosed Properties-** No report.
- C. Ad-hoc Committee Infrastructure** – The Ad-hoc Committee met prior to the PAC meeting. The next meeting will be held May 11, 2009 and will entail looking at the street light map.
- D. Housing Subcommittee** –Representatives from the San Diego Community Land Trust presented on their preliminary plans and efforts in San Diego.

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

- A. Action Plan for the Implementation Plan
- B. City Heights Redevelopment Project Area Draft Budget
- C. Work Plan for Fiscal Year 2010
- D. Affordable Housing Opportunity Fund
- E. Statement of Economic Interests

VIII. Adjournment – The meeting adjourned at 8:40p.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)