

**AGENDA FOR
OVERSIGHT BOARD MEETING
WEDNESDAY, AUGUST 28, 2013, AT 2:00 P.M.
Civic San Diego Board Room (formerly Centre City Development Corporation)
401 B Street, Suite 400, San Diego, CA 92101**

Board Members

Supervisor Ron Roberts, County of San Diego appointee
Peter Q. Davis, County of San Diego appointee
Mark Nelson, City of San Diego appointee
James Davies, City of San Diego appointee
Maureen Stapleton, Special District appointee
Dr. Bonnie Ann Dowd, California Community Colleges appointee
Andra Donovan, Esq., County Board of Education appointee

Adoption Agenda, Consent Items

Any Consent items listed below are considered to be routine. These items are indicated on the agenda by a preceding asterisk (*). Because these items may be handled quickly, if you wish to be heard, submit your Speaker Slip form prior to the start of the meeting.

Non-Agenda Public Comment

This portion of the agenda provides an opportunity for members of the public to address the Board on items of interest within the jurisdiction of the Board. (Comments relating to items on today's docket are to be taken at the time the item is heard.)

Time allotted to each speaker is determined by the Chair; however, comments are limited to no more than three (3) minutes **total per subject** regardless of the number of those wishing to speak. Submit requests to speak to the Recording Secretary **prior** to the start of the meeting. Pursuant to the Brown Act, no discussion or action, other than a referral, shall be taken by the Board on any issue brought forth under "Non-Agenda Public Comment."

To Address Oversight Board on an Agenda Item

Speaker forms are available prior to each meeting. Fill out a Speaker Slip and submit to the Recording Secretary. Speakers will be called by name to address the Oversight Board when the item is heard. Time allotted to each speaker is determined by the Chair and, in general, is limited to three (3) minutes; moreover, collective testimony by those who support or oppose an item shall be limited to no more than fifteen (15) minutes per side.

The numerical order of items on this agenda is for convenience of reference. Items may be taken out of order upon request of the Chair or Board Members.

Members of the public wishing to address the Board must submit a Speaker Slip to the Recording Secretary **prior** to the agenda item being called. Please note that Speaker Slips will **not** be accepted once the item is called. Speaker Slips on any item should be submitted at the **beginning** of each Board meeting.

Assistance for the Disabled

This information is available in alternative formats upon request. To request an agenda in Braille, large print, or cassette or to request a sign language or oral interpreter for the meeting, call Lori Young at 619/533-7106 prior to the meeting to ensure availability.

Order of Business

CALL THE MEETING TO ORDER

CHAIR, BOARD, OVERSIGHT BOARD CONTACT COMMENT

APPROVAL OF BOARD MINUTES

The Board minutes for July 24, 2013 will be approved by Unanimous Consent unless pulled for discussion.

NON-AGENDA PUBLIC COMMENT

Adoption AGENDA, CONSENT ITEMS

ITEM 1 – Report from the Successor Agency regarding ADOPTION OF A RESOLUTION AUTHORIZING THE SUCCESSOR AGENCY TO ALLOW ACCESS TO ITS PROPERTIES FOR COMMUNITY EVENTS FOR UP TO SIX CONSECUTIVE WEEKS

COMMUNICATIONS RECEIVED

ADJOURNMENT

For more information please contact:

Lori Young: 619-533-7106

Email: young@cividsd.com

**OVERSIGHT BOARD FOR CITY OF SAN DIEGO
REDEVELOPMENT SUCCESSOR AGENCY
MINUTES FOR
BOARD MEETING
OF
WEDNESDAY, JULY 24, 2013
AT 2:00 P.M.
IN THE CIVIC SAN DIEGO BOARD ROOM
401 B STREET, SUITE 400, SAN DIEGO, CA 92101**

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ADOPTION AGENDA, CONSENT ITEMS

ITEM 1 – Report from the Successor Agency regarding ADOPTION OF A RESOLUTION ESTABLISHING A SCHEDULE FOR THE DATE, TIME AND LOCATION OF CERTAIN FUTURE PUBLIC MEETINGS OF THE OVERSIGHT BOARD

ITEM 2 – Report from the Successor Agency regarding ADOPTION OF A RESOLUTION TO APPROVE A LOAN AGREEMENT TO ADDRESS THE FUNDING SHORTFALL FOR ADMINISTRATIVE COSTS DURING THE ROPS 3 TIME PERIOD OF JANUARY THROUGH JUNE 2013, AND AUTHORIZING INCLUSION OF THE LOAN AGREEMENT IN FUTURE RECOGNIZED OBLIGATION PAYMENT SCHEDULES

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ITEM 5 – Report (informational only) from the Successor Agency regarding FULL REPAYMENT OF THE CITY HEIGHTS REGIONAL TRANSPORTATION CENTER SECTION 108 HUD LOAN

CHRONOLOGY OF THE MEETING:

The meeting was called to order by Chair Mark Nelson at 2:05 p.m. The meeting was adjourned by Chair Nelson at 2:54 p.m.

ATTENDANCE DURING THE MEETING:

PRESENT:

Mark Nelson, City of San Diego appointee
Dr. Bonnie Ann Dowd, California Community Colleges appointee
Andra Donovan, Esq., County Board of Education appointee
James Davies, City of San Diego appointee
Peter Q. Davis, County of San Diego appointee

ABSENT:

Maureen Stapleton, Special District appointee
Supervisor Ron Roberts, County of San Diego appointee

CLERK:

Lori Young

ROLL CALL:

- (1) Ron Roberts – absent
- (2) Peter Q. Davis – present
- (3) Mark Nelson – present
- (4) James Davies – present
- (5) Maureen Stapleton – absent
- (6) Bonnie Ann Dowd – present
- (7) Andra Donovan – present

CHAIR, BOARD, OVERSIGHT BOARD CONTACT COMMENT

CivicSD President Jeff Graham provided the Board with an update on recent communications between the Successor Agency and the State Department of Finance, speaking to items that had been approved by the Department of Finance. Mr. Graham also discussed the Long-Range Property Management Plan hearing process and responded to Board questions regarding included properties.

Board member Davies introduced Bill Fulton, Development Services Department Director for the City of San Diego. Mr. Fulton addressed the Board.

Approval of Board minutes from May 28, 2013 meeting.

BOARD ACTION

MOTION BY BONNIE ANN DOWD TO APPROVE MINUTES. Second by James Davies.

Yea: Mark Nelson, Andra Donovan, Bonnie Ann Dowd, James Davies, Peter Q. Davis

Nay: None

Recused: None

Not Present: Maureen Stapleton, Ron Roberts

NON-AGENDA PUBLIC COMMENT

Daniel Smith spoke to upcoming Grantville Community Plan updates.

ITEM 1 – Report from the Successor Agency regarding ADOPTION OF A RESOLUTION ESTABLISHING A SCHEDULE FOR THE DATE, TIME AND LOCATION OF CERTAIN FUTURE PUBLIC MEETINGS OF THE OVERSIGHT BOARD

DESCRIPTIVE SUMMARY OF ITEM:

Adopt a resolution establishing a schedule for the date and time of future public meetings of the Oversight Board as follows: Wednesday, August 28, at 2:00 p.m.; Tuesday, September 17, at 2:00 p.m.; and Tuesday, September 24, at 2:00 p.m.

STAFF RECOMMENDATION: Adopt resolution.

BOARD DISCUSSION:

Chair Nelson introduced the item. Board members discussed conflicts with the proposed dates.

Staff advised that two consecutive dates, one week apart, were needed at the end of September for the hearing and approval of the ROPS 13-14B in order for the item to be received by the Department of Finance by October 1, 2013. Chair Nelson confirmed the Board's desire to have two presentations on the matter.

Chair Nelson suggested and Board members concurred to continue the matter to allow for additional scheduling efforts to be made. Chair Nelson proposed and Board members concurred to leave the August 28, 2013 meeting on calendar.

BOARD ACTION

None.

ITEM 2 – Report from the Successor Agency regarding ADOPTION OF A RESOLUTION TO APPROVE A LOAN AGREEMENT TO ADDRESS THE FUNDING SHORTFALL FOR ADMINISTRATIVE COSTS DURING THE ROPS 3 TIME PERIOD OF JANUARY THROUGH JUNE 2013, AND AUTHORIZING INCLUSION OF THE LOAN AGREEMENT IN FUTURE RECOGNIZED OBLIGATION PAYMENT SCHEDULES

DESCRIPTIVE SUMMARY OF ITEM: The Oversight Board is respectfully requested to approve the following two actions:

- 1) Approve the loan agreement between the City of San Diego (“City”) and the Successor Agency, in the form included as Attachment D to this Report (“Loan Agreement”), in an amount not to exceed \$1,638,792 to cover the funding shortfall for the Successor Agency’s administrative costs during the time period of January through June 2013 related to the third Recognized Obligation Payment Schedule (“ROPS 3”); and,
- 2) Approve the Successor Agency’s inclusion of the Loan Agreement on the fifth ROPS covering the period of January through June 2014 (“ROPS 13-14B”), or any subsequent ROPS, as a method of enabling the City to be repaid fully on the loan amount from monies in the Redevelopment Property Tax Trust Fund (RPTTF).

STAFF RECOMMENDATION: Approve the proposed actions and adopts a resolution.

BOARD DISCUSSION:

CivicSD Chief Financial Officer/COO Andrew Phillips introduced the item and, utilizing a PowerPoint presentation, provided background information and discussed the reasons for the loan agreement, as well as the terms.

BOARD ACTION

MOTION BY JAMES DAVIES TO APPROVE RESOLUTION. Second by Andra Donovan.
Passed by the following vote:

Yea: Mark Nelson, Andra Donovan, Bonnie Ann Dowd, James Davies, Peter Q. Davis

Nay: None;

Recused: None;

Not Present: Maureen Stapleton, Ron Roberts

ITEM 3 – Report from the Successor Agency regarding ADOPTION OF A RESOLUTION TO APPROVE THE FIRST AMENDMENT TO THE GRANT DEED FOR EAST VILLAGE SQUARE LEFT FIELD – LEGEND AND THE SUCCESSOR AGENCY’S ACCEPTANCE OF A RELATED PAYMENT

DESCRIPTIVE SUMMARY OF ITEM: A proposed First Amendment to the Grant Deed (“First Amendment”) to revise the use restriction to provide for more lease flexibility and allow the Owner to lease the ground-floor space to commercial tenant(s) other than Active Commercial Uses. The former Redevelopment Agency of the City of San Diego (“Former RDA”) can no longer amend or modify existing agreements, obligations, or commitments, including the proposed First Amendment. The Oversight Board is authorized under Health and Safety Code to address some contracts through termination and/or amendment.

STAFF RECOMMENDATION: That the Oversight Board adopts a resolution for the approval of the proposed First Amendment to Grant Deed – East Village Square Left Field – Legend to revise the use restriction in the Grant Deed requiring that the Legend property contain

approximately 29,550 square feet of retail space; and finds and determines that such approval would be in the best interests of the taxing entities.

BOARD DISCUSSION:

Senior Project Manager Eli Sanchez presented the item. Referencing a PowerPoint presentation, Mr. Sanchez provided background information and discussed commercial active uses, access limitations and economic considerations. Mr. Sanchez also explained a revision to the resolution language.

Mr. Sanchez responded to Board questions regarding use restrictions, property tax revenue and sales taxes.

BOARD ACTION

MOTION BY ANDRA DONOVAN TO APPROVE RESOLUTION. Second by Bonnie Ann Dowd.

Passed by the following vote:

Yea: Mark Nelson, Andra Donovan, Bonnie Ann Dowd, James Davies, Peter Q. Davis

Nay: None;

Recused: None;

Not Present: Maureen Stapleton, Ron Roberts

ITEM 4 – Report from the Successor Agency regarding ADOPTION OF A RESOLUTION TO APPROVE THE FIRST AMENDMENT TO THE GRANT DEED FOR EAST VILLAGE SQUARE PARCEL 5 – CANDY FACTORY AND THE SUCCESSOR AGENCY’S ACCEPTANCE OF A RELATED PAYMENT

DESCRIPTIVE SUMMARY OF ITEM: Proposed First Amendment to the Grant Deed (“First Amendment”) to remove the use restriction to provide more lease flexibility and allow the Owner to lease the ground-floor space to commercial tenant(s) other than Active Commercial Uses. The former RDA can no longer amend or modify existing agreements, obligations, or commitments, including the proposed First Amendment. The Oversight Board is authorized under Health and Safety Code to address some contracts through termination and/or amendment.

STAFF RECOMMENDATION: That the Oversight Board adopts a resolution for the approval of the proposed First Amendment to Grant Deed – East Village Square Parcel 5 – Candy Factory to remove the use restriction to develop and maintain a minimum of 6,500 square feet of restaurant or retail uses on the ground floor of the site; and finds and determines that such approval would be in the best interests of the taxing entities.

BOARD DISCUSSION:

Senior Project Manager Eli Sanchez introduced the item. Utilizing a PowerPoint presentation, Mr. Sanchez presented background information and explained commercial active uses, access limitations and economic considerations. Mr. Sanchez also explained a revision to the resolution language.

In response to Board members, Mr. Sanchez addressed the approval process and timing, as well as the frontage appearance.

MOTION BY BONNIE ANN DOWD TO APPROVE RESOLUTION. Second by James Davies.

Passed by the following vote:

Yea: Mark Nelson, Andra Donovan, Bonnie Ann Dowd, James Davies, Peter Q. Davis

Nay: None;

Recused: None;

Not Present: Maureen Stapleton, Ron Roberts

ITEM 5 – Report (informational only) from the Successor Agency regarding FULL REPAYMENT OF THE CITY HEIGHTS REGIONAL TRANSPORTATION CENTER SECTION 108 HUD LOAN

STAFF RECOMMENDATION: That the Oversight Board receives an informational presentation regarding the repayment of the RTC Section 108 HUD loan from RTC 1, LLC (“Developer”), and the reconveyance of the deed of trust to the Developer by City of San Diego as Successor Agency.

BOARD DISCUSSION:

CivicSD President Jeff Graham discussed the eventual loan payoff after providing background information.

BOARD ACTION

None.

ADJOURNMENT:

The meeting was adjourned by Chair Mark Nelson at 2:54 p.m.

ITEM 1

OVERSIGHT BOARD FOR CITY OF SAN DIEGO REDEVELOPMENT SUCCESSOR AGENCY

DATE ISSUED: August 20, 2013

SUBJECT: Proposed extended access by community organizations to Successor Agency properties

CONTACT/PHONE NUMBER: Chris Jones, (619) 533-7140

STAFF RECOMMENDATION: That the Oversight Board approves the proposed actions and adopts a resolution.

DESCRIPTIVE SUMMARY OF ITEM:

Adoption of a Resolution:

1. Authorizing the Successor Agency (SA) to allow temporary access to its properties for proposed community events to be held intermittently, each with a duration not to exceed six consecutive weeks, subject to the terms and conditions of a Right of Entry Agreement (ROE) which shall include standard requirements for the benefit and protection of the Successor Agency's financial interests, until the Long-Range Property Management Plan is approved by the Oversight Board (OB) and the Department of Finance (DOF).
2. Making the SA authority to grant access to its properties for proposed community events subject to each event organizer first obtaining all approvals and permits required by law for each event. Such authority shall expire as to any properties that are transferred by the SA to the City of San Diego or any other entity pursuant to the Long-Range Property Management Plan, after that plan has been approved by the OB and the DOF.

DISCUSSION:

Civic San Diego has been recently approached by various local community groups in various neighborhoods with wishes to hold events on SA properties. Proposed events include, food and beverage tasting festivals, an ice rink, winter-themed outdoor movies and many other collaborative community-serving uses up to six consecutive weeks.

Oversight Board Resolution No. 2012-34 ("OB Resolution"), was adopted on November 20, 2012 by the OB, and ultimately approved by DOF on March 5, 2013. The OB Resolution generally allows temporary access to SA properties for special events. The terms "temporary access" and "special events" are not expressly defined in the OB Resolution, but a reasonable interpretation of the OB Resolution is that it is intended to allow events of the type described in the staff report accompanying the OB Resolution on SA properties for a limited duration of approximately one-to-two days per event. The events proposed by local community

organizations would be brief duration events authorized under the OB Resolution and would exceed the scope of the special events described in the staff report and therefore the SA is requesting this additional authorization from the OB.

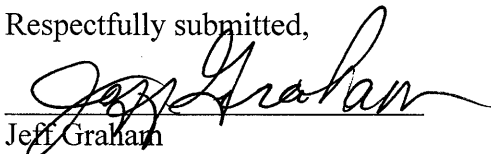
Pursuant to the proposed authorization, access to SA property for approved proposed events would only be allowed for up to six weeks, subject to the terms and conditions of a ROE Agreement executed by the SA and the applicant. A separate ROE Agreement would be required for each event. The terms and conditions of each ROE Agreement would include standard provisions for the Successor Agency's benefit and protection, such as insurance, indemnification and defense, and payment of a use or processing fee as appropriate for each event. No ROE Agreement will be executed until the applicant has obtained all other approvals, permits, and authorizations required by law for each event.

This authorization would protect the financial interests of the SA while making possible valuable community events that attract visitors, support area businesses, and enhance quality of life for area residents.

CONCLUSION:

For the reasons set forth above, the OB is respectfully requested to adopt a resolution authorizing the SA to allow access to SA property for multiple proposed community events for terms not to exceed six consecutive weeks, subject to the terms and conditions of a ROE Agreement which shall include standard requirements for the benefit and protection of the Successor Agency's financial interests, provided that the applicant first obtains all approvals and permits required by law for each event, until the Long-Range Property Management Plan is approved by the OB and the DOF.

Respectfully submitted,



Jeff Graham
President, Civic San Diego

OVERSIGHT BOARD RESOLUTION NUMBER OB-2013-11

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE CITY OF SAN DIEGO REDEVELOPMENT SUCCESSOR AGENCY AUTHORIZING THE SUCCESSOR AGENCY TO ALLOW ACCESS TO ITS PROPERTIES FOR COMMUNITY EVENTS FOR UP TO SIX CONSECUTIVE WEEKS

WHEREAS, the former Redevelopment Agency of the City of San Diego (Former RDA) administered the implementation of various redevelopment projects, programs, and activities within designated redevelopment project areas throughout the City of San Diego (City); and

WHEREAS, in accordance with Assembly Bill x1 26 (AB 26), the Former RDA dissolved as of February 1, 2012, at which time the City of San Diego, solely in its capacity as the designated successor agency to the Former RDA (Successor Agency), assumed the Former RDA's assets and obligations; and

WHEREAS, the Successor Agency is required to administer the winding down of the Former RDA's operations and to ensure compliance with the Former RDA's obligations in accordance with AB 26, as amended by Assembly Bill 1484; and

WHEREAS, local community groups have requested permission to use various Successor Agency-owned properties within redevelopment project areas for community events, and Successor Agency staff expect to receive additional requests of this nature in the future; and

WHEREAS, the use of Successor Agency properties for these community events would be subject to a Right of Entry Agreement between the Successor Agency and the community group specific to each event; and

WHEREAS, the Right of Entry Agreement for each event shall contain standard provisions in the Successor Agency's favor, such as provisions related to indemnification and insurance, may require the event operator to pay a non-refundable fee of One Thousand Dollars

(\$1,000) to the Successor Agency as appropriate for the event, and shall limit the use of the Successor Agency Property for each event to a term not to exceed six weeks.

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board as follows:

1. The Successor Agency is authorized to allow temporary access to its properties for proposed community events to be held intermittently, each with a term not to exceed six consecutive weeks, subject to the terms and conditions of a Right of Entry Agreement which shall include standard requirements for the benefit and protection of the Successor Agency's financial interests.

2. The Successor Agency's authority to grant access to its properties for proposed community events shall be subject to each event organizer first obtaining all approvals and permits required by law for each event. Such authority shall expire as to any properties that are transferred by the Successor Agency to the City or any other entity pursuant to the Long Range Property Management Plan, after that plan has been approved by the Oversight Board and the State Department of Finance.

PASSED AND ADOPTED by the Oversight Board at a duly noticed meeting of the Oversight Board held on October ____, 2013.

Chair, Oversight Board