

MINUTES
REGULAR MEETING
OF THE
PROJECTS AND DEVELOPMENT COMMITTEE
JUNE 14, 2010



Southeastern
Economic
Development
Corporation

T 619.527.7345
F 619.262.9845
www.sedcinc.com

Present Chair Champion-Cain, Committee Members Geisler, Williams, and Ayala.

Absent None

Item 1 **Call to Order**

Chair Champion-Cain called the meeting to order at 12:15 p.m.

Item 2 **Approval of the Minutes from the Agenda of March 10, 2010**

MOTION BY COMMITTEE MEMBER GEISLER TO APPROVE THE MINUTES OF MARCH 10, 2010, AS SUBMITTED.

Seconded by Committee Member Williams.

Motion carried.

Item 3 **Communications**

None.

Item 4 **Request for Continuance**

None.

Item 5 **Consent Agenda Item(s)**

None.

Item 6a **Community Garden – 1) Approval of a Short Term Lease to Allow a Community Garden on Agency Owned Property located at 4261-4271 Market Street (APN's 547-102-02; 547-102-03; 547-102-04; 547-102-38). The Lease is with Project New Village, a Non-profit Organization; and 2) Authorization to Spend up to \$50,000 for Purposes of Improving the Site with Garden Materials, Fencing and Signage for Community Gardening Purposes (#10-006)**

Staff member Chris Jones presented the staff report as submitted informing the Committee that staff is seeking a recommendation of a 3 year Short Term Lease with mutual renewal options of one year increments for a community garden on Agency owned property located

at 4261 Market Street in the Mount Hope Redevelopment Project Area. He also noted that in FY2010, SEDC budgeted \$50,000.00 for the demo community garden, which will be beneficial for the underutilized land. Mr. Jones noted that recently SEDC was presented with an opportunity to collaborate with Project New Village to proceed with a community garden. He informed the Committee that staff and Project New Village explored alternative sites including private property, but no alternative arose.

Detailed discussion followed.

MOTION BY COMMITTEE MEMBER WILLIAMS TO RECOMMEND TO THE BOARD OF DIRECTORS APPROVAL OF A SHORT TERM LEASE TO ALLOW A COMMUNITY GARDEN ON AGENCY OWNED PROPERTY.

Seconded by Committee Member Jimmy Ayala.

Motion carried unanimously.

Item 6b

5003 Imperial Avenue – Consideration of Request form Robert Ito to Retro-actively Re-instate Expired Exclusive Negotiating Agreement for Site and Recommendation to SEDC Board (#10-007)

Staff member Sherry Brooks presented the staff report as submitted informing the Committee that staff is seeking approval for retroactive reinstatement and 6 months extension of the former Exclusive Negotiating Agreement (ENA) for a mixed use development of sixty-four for-sale condominiums at market rate prices on the property located at 5003 Imperial Avenue. She also noted that on April 4, 2006, the Redevelopment Agency of the City of San Diego (Agency) approved entering into an ENA, the Agency did subsequently acquired the property, however the ENA expired while SEDC was going through some major transitions in 2008.

Ms. Brooks noted that the original development proposal was for 64 townhomes, but subsequently during the ENA negotiating period after reviewing the Performa's it was revised to 35 townhomes reflecting more of a horizontal mix-use and mixed-income. The development coincides with SEDC Strategic Plan and would be a potential to moving the Imperial Avenue Master Plan along.

The developer, Ito-Girard, & associates have acquired funding, the land use and zoning are completed, and therefore he is requesting retroactive reinstatement of the ENA.

MOTION BY COMMITTEE MEMBER AYALA TO RECOMMEND TO THE SEDC BOARD OF DIRECTORS APPROVAL FOR REINSTATEMENT AND A SIX MONTH EXTENSION OF THE EXCLUSIVE NEGOTIATING AGREEMENT FOR THE DEVELOPMENT OF THE 5003 IMPERIAL AVENUE SITE.

Seconded by Committee Member Derryl Williams.

Motion carried unanimously.

Item 6c **Update on 53rd and Naranja, Previous Board Direction to Negotiate an OPA with Reese Jarrett for Development Proposal**

Mr. Trotier recalling previous direction from the Board to work with the current owner of the site to acquire the note and restructure noting that there has been no progress. In addition, the lender elected to put the note up for bid, therefore at this time SEDC will not proceed until further notice from property owner/lender.

This being an informational item no action was necessary.

Item 6d **Valencia Business Park – Consideration of Recommendation of the Evaluation Panel to Commence Negotiating an Exclusive Negotiating Agreement (ENA) with St. Stephen’s Valencia Park Development for Site Development and Recommendation to SEDC Board to Approve the same (#10-008)**

Mr. Trotier presented the staff report as submitted recalling previous discussions relative to the re-issuance of the Request for Proposals for Valencia Business Park. He discussed the issues leading up to the re-issuance specifically the termination of the Disposition and Development Agreement with Pacific Development Partners.

He reviewed the make-up of the RFP Review Panel and that after interviewing the proposal, the Panel recommended St. Stephens Valencia Business Park Team. He apprised the Committee of the issues related to the Section 108 Loan and the requirement of HUD to review and approve the DDA and the zoning for the site.

Bishop George McKinney of St. Stephens Church of God in Christ informed the Committee that the development team was a strong joint venture who was motivated to move forward and complete the project.

Mr. Marvin Ferrell of Ferrell Construction Management introduced the balance of the development: Essie Safaie of Dudley Venture; Robert Nathan; Pastor George McKinney and Lew Dominy.

Mr. Trotier also informed the Committee that while St. Stephen has not been involved with commercial developments, they have completed two residential projects. He added that Dudley Ventures has been involved with a number of large scale commercial developments.

Committee member Richard Geisler inquired about the relationship between St. Stephens and Dudley Ventures and the evaluation process. Mr. Trotier responded that the Dudley Ventures has 49% ownership in the project and with respect to the evaluation process, he informed the Committee that the Review Panel reviewed the proposal received on the basis of whether it met the minimum threshold requirement, should the proposal move forward and if the proposal should move forward recommend reissuing the RFP. He pointed out that this was the only proposal that met the threshold test that the Review Panel recommended to the Committee for consideration.

Following additional discussion regarding the number of proposals received, Mr. Trotier noted that the St. Stephens was the only respondent to the RFP. Mr. Geisler also inquired about the proposed development by St. Stephens i.e., office and meeting space. Mr. Trotier stated that the Review Panel discussed whether the proposed uses would be in competition with Jacobs Center and that the financial team has assured staff that the numbers presented were reasonable.

Furthermore, Mr. Trotier discussed the phased development project of the project, the 300 proposed jobs, as well as informing the Committee that the Review Panel heard from some of the prospective tenants for the office space.

Additional discussion followed regarding the development timeline.

MOTION BY COMMITTEE MEMBER AYALA TO RECOMMEND TO THE SEDC BOARD OF DIRECTORS APPROVAL OF TO COMMENCE NEGOTIATING THE TERMS OF AN EXCLUSIVE NEGOTIATION AGREEMENT (ENA) WITH ST. STEPHEN'S VALENCIA BUSINESS PARK DEVELOPMENT JOINT VENTURE.

Seconded by Committee Member Derryl Williams.

Motion carried unanimously.

Item 7

Acting President/CEO Report

Brian Trotier announced SEDC has successfully completed our move into Phase I of SEDC's new office location is completed and Phase II is expected to be completed in

July 2010. In addition, we have completed some Murals one in Southcrest off 43rd street on Alpha Street, and another in Central Imperial Redevelopment Project Area on Imperial Avenue and 62nd street.

Item 8 **Chair's Report**

None.

Item 9 **Committee Announcements, Reports or Referrals**

None.

Item 10 **Adjournment**

There being no further business, the meeting adjourned at 1:14 p.m.