

001473

DATE ISSUED: August 27, 2008 REPORT NO.: CCDC-08-24
CCDC-08-13

ATTENTION: Honorable Chair and Members of the Redevelopment Agency
Council President and City Council
Docket of September 2, 2008

ORIGINATING DEPT.: Centre City Development Corporation

SUBJECT: San Diego Quiet Zone Project (Fifth Avenue to Laurel Street) –
Request to Bid Construction -- Areawide

COUNCIL DISTRICT: 2

REFERENCE: None

STAFF CONTACT: Scott A. Johnson, Senior Project Manager – Construction
(619) 533-7108

REQUESTED ACTION:

That the Redevelopment Agency of the City of San Diego (“Agency”) authorize the Centre City Development Corporation to advertise and receive bids for construction of the San Diego Quiet Zone Project and that the Agency and City Council of the City of San Diego (“City Council”) make certain findings with regards to the proposed improvements.

STAFF RECOMMENDATION:

That the Agency:

- Authorize the Centre City Development Corporation (“Corporation”), on behalf of the Agency, to advertise and receive bids for the construction of the San Diego Quiet Zone Project (“Project”), from Fifth Avenue to Laurel Street in the Centre City Redevelopment Project;
- Make certain findings that the proposed improvements benefit the Centre City Redevelopment Project (“Project Area”) or the immediate neighborhood in which the Project is located; that no other reasonable means of financing the improvements are available to the community; that the payment of funds of such improvements will assist in the elimination of blighting conditions inside the Project Area; and that the proposed improvements are consistent with the Implementation Plan adopted for the Project Area pursuant to Health and Safety Code 33490; and
- Finds and determines and restates for the record that it has previously reviewed and considered information contained in the Final Mitigated Negative Declaration (MND),

001474 SCH No. 2007021121, dated April 3, 2007, and concluded that the proposed Project and the associated roadway and/or crossing changes would not have a significant impact on the environment with implementation of the mitigation measures identified in the Mitigation Monitoring and Reporting Program.

And, that the City Council:

- Make certain findings that the proposed improvements benefit the Project Area or the immediate neighborhood in which the Project is located; that no other reasonable means of financing the improvements are available to the community; that the payment of funds of such improvements will assist in the elimination of blighting conditions inside the Project Area; and that the proposed improvements are consistent with the Implementation Plan adopted for the Project Area pursuant to Health and Safety Code 33490; and
- Finds and determines and restates for the record that it has previously reviewed and considered the Final MND, SCH No. 2007021121, dated April 3, 2007, and concluded that the proposed Project would not have a significant impact on the environment with implementation of the mitigation measures identified in the Mitigation Monitoring and Reporting Program.

SUMMARY:

The federal government, through the Federal Railroad Administration (FRA), has addressed the quality of life issue of train horn noise in urban areas, in the Final Rule for the Use of Locomotive Horns at Highway-Rail Crossings. In this rule, the FRA set out the regulatory procedures and technical requirements necessary for the implementation of a quiet zone in which train horn noise is reduced. In order to qualify for a quiet zone designation, additional safety enhancements at the crossings are required to be constructed.

The Corporation is requesting authorization to advertise and receive bids on behalf of the Agency for the Project and requests that the Agency and City Council make certain findings that the proposed improvements benefit the Project Area.

FISCAL CONSIDERATIONS:

Redevelopment Agency funds in the amount of \$17.9 million are available in the Fiscal Year 2009 Quiet Zone Project line item, in the Centre City Redevelopment Project Budget.

CENTRE CITY DEVELOPMENT CORPORATION RECOMMENDATION:

On July 30, 2008, the Corporation Board of Directors voted unanimously in favor of the staff recommendation.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

On June 14, 2005, the Agency, by a 7-0 vote, approved the Project's Conceptual Design.

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On November 14, 2006, the Agency, by a 7-0 vote, approved the Memorandum of Understanding with North County Transit District (NCTD) to reimburse NCTD for Design Services (Phase Two).

On July 31, 2007, the Agency, by a 6-0 vote, approved the conversion of G Street to a one-way street from Pacific Highway to Front Street, and the City Council reviewed and considered the Final MND SCH No. 2007021121, dated April 3, 2007, and directed the City Clerk to file a Notice of Determination with the Clerk of the Board of Supervisors for the County of San Diego relating to the Project.

On July 23, 2008, the Centre City Advisory Committee, by a 20-0 vote, and the Project Area Committee, by a 19-0 vote, approved the staff recommendation.

BACKGROUND

This proposed Project advances the Visions and Goals of the Downtown Community Plan and the Objectives of the Centre City Redevelopment Project by:

- Providing safe and efficient transportation systems;
- Improving the railroad and street right-of-way grade crossings to the latest standards to maximize public and train safety;
- Increasing the quality of life for downtown residents and businesses by reducing the noise associated with train horns; and
- Minimizing the conflict between pedestrians, vehicles, trains and trolleys.

EQUAL OPPORTUNITY

The Project will utilize the City's Subcontracting Outreach Program (SCOPE). The purpose of SCOPE is to maximize opportunities for all qualified and available firms and to provide equal opportunity for all subcontractors. SCOPE creates mandatory subcontractor outreach and utilization requirements for contractors. The mandatory subcontracting outreach percentage for this Project will be determined by the City's Engineering and Capitals Projects Department.

Bid solicitation identifying subcontracting and vendor opportunities will be advertised in the *San Diego Daily Transcript*, *Filipino Press*, *El Latino*, and *San Diego Voice and Viewpoint*. Also, the Corporation will use its extensive data base of certified contractors, eBidboard, the Daily Transcript Online Plan Room, Blue Hornet, CCDC's website, the Green Sheet, Contractor News and Views, community/trade and ethnic organizations, and the Public Agency Consortium.

DISCUSSION

Project Description – The federal rules governing the implementation of quiet zones apply to public right-of-way railroad crossings for vehicles and pedestrians. The San Diego Quiet Zone's physical limit of work consists of all 13 of the public right-of-way railroad crossings north of the railroad freight yard that are in the downtown redevelopment area: Park Boulevard, Fifth and

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First avenues, Front and Market streets, Kettner Boulevard and G Street, Broadway, Ash, Beech, Cedar, Grape, Hawthorn, and Laurel streets (Attachment A). Park Boulevard will be designed and constructed as a separate Agency project.

Project Budget and Financing – Redevelopment Agency funds in the amount of \$17.9 million are available in the Fiscal Year 2009 Quiet Zone Project line item, in the Centre City Redevelopment Project Budget.

Participation by Agency – The Agency proposes to fund the total cost of the Project in the amount of \$17.9 million.

Project Design – The design consists of a mixture of improvements to the crossings such as four quadrant gates (added exit gates), pedestrian gates, pre-signals (traffic signals) on the approach crossings, the conversion of G Street to a one-way eastbound street with diagonal parking on the north side of G Street, sidewalk “popouts” at Kettner Boulevard and G Street, safety striping, median islands, American with Disabilities Act sidewalk improvements, and additional fencing and barrier railing. The design removes and replaces the existing grade-crossing controller cabinets and equipment with new cabinets and equipment.

Proposed Schedule of Performance – The bid response time will be 45 days. After bid award, Project construction is estimated at 12 months.

Project Benefits – The proposed Project will maximize public and train safety and improve the quality of life for downtown residents and visitors by reducing the noise associated with train horns.

Environmental Impact – This activity (Request to Bid Construction) is covered under the Final MND SCH No. 2007021121, dated April 3, 2007. The activity is adequately addressed in the environmental document and there is no change in circumstance, additional information, or project changes to warrant additional environmental review. Therefore, this activity is not a separate project for purposes of the California Environmental Quality Act (“CEQA”) review pursuant to State CEQA Guidelines Section § 15060(c)(3).

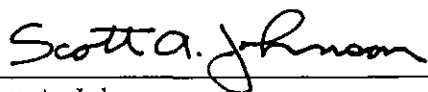
Findings – State Law requires that certain findings be made by the City Council and Agency prior to the expenditure of Agency funds for public facilities/improvements. Attachment B recites the proposed findings with respect to the benefits of the proposed improvements in the Little Italy and East Village Redevelopment Districts of the Expansion Sub Area, and the Columbia, Gaslamp Quarter and Marina Sub Areas of the Centre City Redevelopment Project, the unavailability of other means to finance the proposed improvements, how the proposed improvements will assist in the elimination of blighting conditions inside the Project Area, and that the proposed improvements are consistent with the Implementation Plan adopted for the Project pursuant to Health and Safety, Code 33490.

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CONCLUSION

The proposed Project will improve and enhance the safety of the downtown railroad crossings for vehicles, trains, trolleys, and pedestrians, and significantly reduce the noise impact of train horns on the residents, visitors, and businesses of downtown San Diego to improve the quality of life. The Corporation recommends that authorization be given to advertise and receive bids for construction of the Project.

Respectfully submitted,

Concurred by:



Scott A. Johnson
Senior Project Manager – Construction

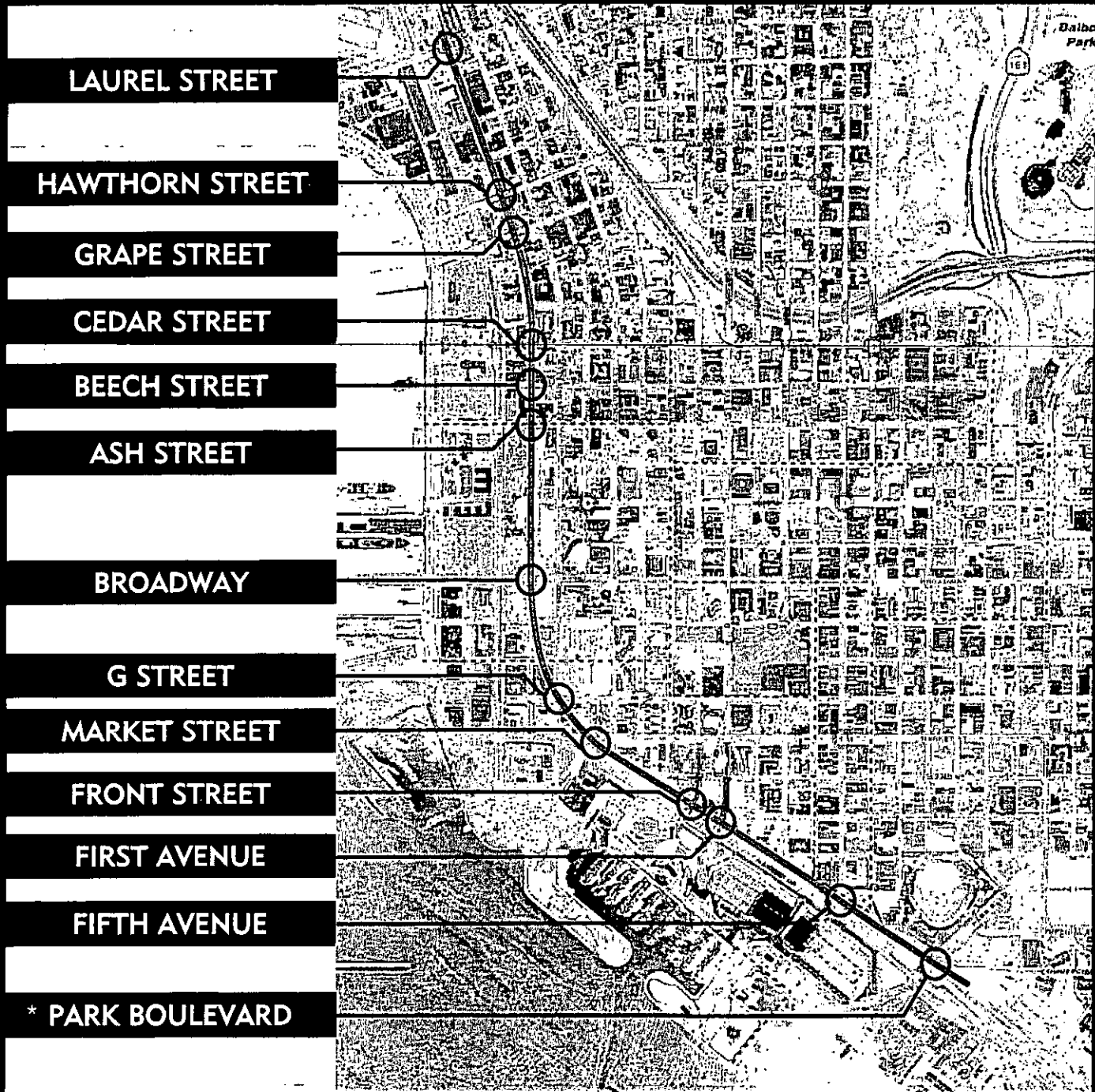


Barbara A. Kaiser
Vice President – Real Estate Operations

Attachments: A – Map
B – Findings of Determination

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San Diego Quiet Zone



* To be designed & constructed as a separate Agency project.

FINDINGS

SUBJECT IMPROVEMENTS: SAN DIEGO QUIET ZONE – AREA WIDE

I. FINDINGS OF BENEFIT

The subject improvements for which the Redevelopment Agency of the City of San Diego (“Agency”) proposes to pay will benefit the Centre City Redevelopment Project (“Project Area”) or the immediate neighborhood in which the project is located in that:

- A. The subject improvements are Areawide - within the Little Italy and East Village Redevelopment Districts of the Expansion Sub Area and the Columbia, Gaslamp and Marina Sub Areas of the Centre City Redevelopment Project, adjacent to underdeveloped properties and/or properties that have been designated as historic and will not likely be redeveloped in the near future.
- B. The installation of improvements as required for the San Diego Quiet Zone (“Quiet Zone”) and the designation of a “Quiet Zone” per the Federal Railroad Administration (“FRA”) legislation per the “Final Rule” are planned for 13 railroad crossings in downtown San Diego, from south to north: Park Boulevard, Fifth and First avenues, Front and Market streets, Kettner Boulevard and G Street, Broadway, Ash, Beech, Cedar, Grape, Hawthorn, and Laurel streets. The improvements will enhance portions of the above-mentioned redevelopment districts for the benefit of nearby users as well as residents, businesses, and visitors to downtown San Diego. Park Boulevard will be designed and constructed as a separate Agency project.
- C. The installation of the Quiet Zone improvements will correct adverse health and safety conditions related to the 13 railroad crossings.
- D. The improvements will act as a catalyst providing an incentive for private investment in the rehabilitation of the areas.
- E. The improvements will provide safe and efficient transportation systems.
- F. The improvements will upgrade the railroad and street right-of-way grade crossings to the latest standards to maximize public and train safety.
- G. The improvements will increase the quality of life for downtown residents and visitors by reducing the noise associated with train horns.
- H. The improvements will minimize the conflict between pedestrians, vehicles, trains and trolleys.

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II. NO OTHER REASONABLE MEANS OF FINANCING

There are no other reasonable means available to the community for financing the subject improvements for which the Agency proposes to pay in that:

City of San Diego

- A. The Fiscal Year 2009 Budget for the City of San Diego ("City") increased approximately 13% from \$2.916 billion to \$3.295 billion. Over the last several years, as the City's Capital Improvement Program ("CIP") has grown and revenues have leveled off, the City has developed phase funding to use available cash and minimize the issuance of bond proceeds. This is a means whereby large projects may be budgeted and contracted for in an efficient manner that maximizes the City's use of available funds. The Fiscal Year 2009 Budget reflects General Fund Revenues and expenditures of \$1.19 billion, representing an increase of \$82.3 million or a 7.4% increase over the Fiscal Year 2008 Budget. The General Fund Budget also includes 7,477 positions, an increase of 219 positions over the Fiscal Year 2008 Budget. The net increase is due to the restructuring of the Engineering and Capital Projects Department from the Enterprise and Internal Service Funds to the General Fund.
- B. The City's Capital Improvement Budget is funded primarily with water and sewer fees, developer impact fees, grant funds, enterprise fund revenues, Facility Benefit Assessment funds, Gas Tax and Transnet funds. The Fiscal Year 2009 Capital Improvement Program Budget totals \$574 million, an increase of \$82.3 million from Fiscal Year 2008. The increase is primarily due to an increase in funding for capital projects addressing deferred maintenance needs. Despite the increase in the City's CIP Budget, it is estimated that the City's deferred maintenance and capital needs from Fiscal Year 2008, is \$800 million to \$900 million. The Fiscal Year 2009 CIP Budget provides for the sewer upgrade of the City's Metropolitan and Municipal Wastewater System, water projects, Parks and Recreation projects, library projects, transportation projects and special projects.

The Agency's Fiscal Year 2009 Program Budget was adopted on May 20, 2008. The CIP and the Agency's Budget were developed in accordance with City and Council Policy, and each project activity was evaluated and incorporated in the respective budgets. Projects are funded based on need and the availability of appropriate funding sources.

On June 9, 2008, during the Fiscal Year 2009 City Budget deliberations, the City Council voted to increase the receipt of Agency repayments to the City to facilitate funding certain City budget recommendations made by the Independent Budget Analyst (Report #08-57, May 30, 2008).

III. ELIMINATION OF BLIGHTING CONDITIONS

The payment of funds toward the cost of the design and construction of the subject improvements will assist in the elimination of one or more blighting conditions within the Little Italy and East Village Redevelopment Districts of the Expansion Sub Area and the Columbia, Gaslamp and Marina Sub Areas of the Centre City Redevelopment Project, and the proposed improvements are consistent with the Implementation Plan adopted for the Project pursuant to Health and Safety Code 33490, in that:

- A. The improvements will enhance user safety and access at the south and west sides of the entire downtown, and enhance desirability of adjacent land for full-capacity development and the elimination of blight.
- B. The improvements will act as a catalyst providing an incentive for private investment, thereby contributing to the removal of economic blight.
- C. "Improvements to existing water and sewer lines, streets, sidewalks, parkways, and lighting in the public right-of-way; continued participation in the enhancement of the public transit system" as a means to contribute to blight removal is included on page 4 of the work program of the Implementation Plan adopted June 15, 2004 pursuant to Health and Safety Code 33490.

001485 DOCKET SUPPORTING INFORMATION
CITY OF SAN DIEGO
EQUAL OPPORTUNITY CONTRACTING PROGRAM EVALUATION

DATE: 333
August 18, 2008 09/02

SUBJECT: San Diego Quiet Zone Project (Fifth Avenue to Laurel Street) – Request to Bid Construction - Areawide

GENERAL CONTRACT INFORMATION

Recommended Consultant: Not yet identified
Amount of this Action: Not yet identified
Funding Source: City

SUBCONSULTANT PARTICIPATION

There is no subconsultant activity associated with this action.

EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE

Equal Opportunity: Required

This agreement is subject to the City's Equal Opportunity Contracting (San Diego Ordinance No. 18173, Section 22.2701 through 22.2702) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517)

ADDITIONAL COMMENTS

This action is to request Authorization to advertise and receive bids for the construction of the San Diego Quiet Zone Project.

JLR 

001487

REQUEST FOR COUNCIL ACTION
CITY OF SAN DIEGO

1. CERTIFICATE NUMBER
(for auditor's use only) N/A 333
09/02

TO:
CITY ATTORNEY

2. FROM: (ORIGINATING DEPARTMENT)
CENTRE CITY DEVELOPMENT CORPORATION

3. DATE
August 5, 2008

4. SUBJECT:
San Diego Quiet Zone Project (Fifth Avenue to Laurel Street) – Request to Bid Construction - Areawide
(Companion to Redevelopment Agency)

5. Primary Contact: (Name, Phone & Mail Sta.)
Scott A. Johnson, Senior Project Manager –
Construction, (619) 533-7108, MS 51D

6. Secondary Contact (Name, Phone & Mail Sta.)

7. Check BOX if REPORT TO COUNCIL IS ATTACHED

X

8. COMPLETE FOR ACCOUNTING PURPOSES

FUND			
DEPT.			
ORGANIZATION			
OBJECT ACCOUNT			
JOB ORDER			
C.I.P. NUMBER			
AMOUNT			

9. ADDITIONAL INFORMATION/ESTIMATED COST:

Fiscal Impact:

10. ROUTING AND APPROVALS

ROUTE (#)	APPROVING AUTHORITY	APPROVING SIGNATURE	DATE SIGNED	ROUTE (#)	APPROVING AUTHORITY	APPROVING SIGNATURE	DATE SIGNED
1	Acting CCDC Vice President Real Estate Dept	Barbara A. Kaiser <i>[Signature]</i>	8/5/08	9	EOC	<i>[Signature]</i>	8/18/08
2	CCDC Vice President/CFO	Frank Alessi <i>[Signature]</i>	8/5/08	10	EAS	<i>[Signature]</i>	8/19/08
3	Environmental Review	Dean Coker <i>[Signature]</i>	8/5/08	11	City Attorney	<i>[Signature]</i>	8/20/08
4	Asst. Dir., CPCI, Redevelopment	Janice L. Wehrick <i>[Signature]</i>	8/5/08	12	Originating Department	Project Manager Scott A. Johnson	8/5/08
5	Deputy Chief Operating Officer, Executive Director of City Planning and Development	William Anderson <i>[Signature]</i>	8/13/08	13			
6				14			
7	Chief Operating Officer	Jay Goldstone <i>[Signature]</i>	8/13/08	15	Docket Coord.	<i>[Signature]</i>	8/20/08
8	Auditor	Rolando Charvel <i>[Signature]</i>	8/18/08		COUNCIL PRESIDENT	<i>[Signature]</i>	

Spob CONSENT ADOPTION
 REFER TO _____ COUNCIL DATE: 9/2/08

11. PREPARATION OF: RESOLUTION(S) ORDINANCE(S) AGREEMENT(S) DEED(S)

DOCKET OF: September 2, 2008

11a. STAFF RECOMMENDATIONS:

That the City Council of the City of San Diego ("City Council"):

- Make certain findings that the proposed improvements benefit the Centre City Redevelopment Project ("Project Area") or the immediate neighborhood in which the San Diego Quiet Zone Project ("Project") is located; that no other reasonable means of financing the improvements are available to the community; that the payment of funds of such improvements will assist in the elimination of blighting conditions inside the Project Area; and that the proposed improvements are consistent with the Implementation Plan adopted for the Project Area pursuant to Health and Safety Code 33490; and
- Finds and determines and restates for the record that it has previously reviewed and considered the Final MND, SCH No. 2007021121, dated April 3, 2007, and concluded that the proposed Project would not have a significant impact on the environment with implementation of the mitigation measures identified in the Mitigation Monitoring and Reporting Program.

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12. SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION.)

COUNCIL DISTRICT(S): 2

Community Planning Area(s): N/A

Environmental Impact: This activity (Request to Bid Construction) is covered under the Final MND SCH No. 2007021121, dated April 3, 2007. The activity is adequately addressed in the environmental document and there is no change in circumstance, additional information, or project changes to warrant additional environmental review. Therefore, this activity is not a separate project for purposes of the California Environmental Quality Act ("CEQA") review pursuant to State CEQA Guidelines Section § 15060(c)(3).

HOUSING IMPACT: N/A

Other Issues: N/A

City Clerk Instruction: Please send copies of the resolution(s) to Lori Young, MS 51D and Project Manager, MS 51D

RECEIVED
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CITY CLERKS OFFICE
SAN DIEGO, CA

001489

EXECUTIVE SUMMARY

DATE ISSUED: August 27, 2008 REPORT NO.: CCDC-08-24
CCDC-08-13

ATTENTION: Honorable Chair and Members of the Redevelopment Agency
Council President and City Council
Docket of September 2, 2008

ORIGINATING DEPT.: Centre City Development Corporation

SUBJECT: San Diego Quiet Zone Project (Fifth Avenue to Laurel Street) –
Request to Bid Construction -- Areawide

COUNCIL DISTRICT: 2

STAFF CONTACT: Scott A. Johnson, Senior Project Manager – Construction
(619) 533-7108

REQUESTED ACTION:

That the Redevelopment Agency of the City of San Diego (“Agency”) authorize the Centre City Development Corporation to advertise and receive bids for construction of the San Diego Quiet Zone Project and that the Agency and City Council of the City of San Diego (“City Council”) make certain findings with regards to the proposed improvements.

STAFF RECOMMENDATION:

That the Agency authorize the Centre City Development Corporation (“Corporation”), on behalf of the Agency, to advertise and receive bids for the construction of the San Diego Quiet Zone Project (“Project”) from Fifth Avenue to Laurel Street in the Centre City Redevelopment Project; and that the Agency and City Council make certain findings that the proposed improvements benefit the Centre City Redevelopment Project (“Project Area”) or the immediate neighborhood in which the Project is located; that no other reasonable means of financing the improvements are available to the community; that the payment of funds of such improvements will assist in the elimination of blighting conditions inside the Project Area; that the proposed improvements are consistent with the Implementation Plan adopted for the Project Area pursuant to Health and Safety Code 33490; and find and determine and restate for the record that they have previously reviewed and considered the Final Mitigated Negative Declaration, SCH No. 2007021121, dated April 3, 2007, and concluded that the proposed Project would not have a significant impact on the environment with implementation of the mitigation measures identified in the Mitigation Monitoring and Reporting Program.

EXECUTIVE SUMMARY:

The federal government, through the Federal Railroad Administration (FRA), has addressed the quality of life issue of train horn noise in urban areas, in the Final Rule for the Use of Locomotive Horns at Highway-Rail Crossings. In this rule, the FRA set out the regulatory procedures and technical requirements necessary for the implementation of a quiet zone in which train horn noise is reduced. In order to qualify for a quiet zone designation, additional safety enhancements at the crossings are required to be constructed.

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The Corporation is requesting authorization to advertise and receive bids on behalf of the Agency for the Project and requests that the Agency and City Council make certain findings that the proposed improvements benefit the Project Area.

FISCAL CONSIDERATIONS:

Redevelopment Agency funds in the amount of \$17.9 million are available in the Fiscal Year 2009 Quiet Zone Project line item, in the Centre City Redevelopment Project Budget.

CENTRE CITY DEVELOPMENT CORPORATION RECOMMENDATION:

On July 30, 2008, the Corporation Board of Directors voted unanimously in favor of the staff recommendation.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

On June 14, 2005, the Agency, by a 7-0 vote, approved the Project's Conceptual Design.

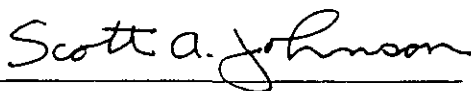
On November 14, 2006, the Agency, by a 7-0 vote, approved the Memorandum of Understanding with North County Transit District (NCTD) to reimburse NCTD for Design Services (Phase Two).

On July 31, 2007, the Agency, by a 6-0 vote, approved the conversion of G Street to a one-way street from Pacific Highway to Front Street, and the City Council reviewed and considered the Final MND SCH No. 2007021121, dated April 3, 2007, and directed the City Clerk to file a Notice of Determination with the Clerk of the Board of Supervisors for the County of San Diego relating to the Project.

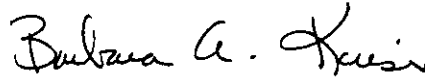
On July 23, 2008, the Centre City Advisory Committee, by a 20-0 vote, and the Project Area Committee, by a 19-0 vote, approved the staff recommendation.

Respectfully submitted,

Concurred by:



Scott A. Johnson
Senior Project Manager – Construction



Barbara A. Kaiser
Vice President – Real Estate Operations

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RESOLUTION NUMBER R-_____

DATE OF FINAL PASSAGE _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SAN DIEGO AUTHORIZING THE CENTRE CITY
DEVELOPMENT CORPORATION TO ADVERTISE, AND
RECEIVE BIDS FOR CONSTRUCTION OF THE SAN DIEGO
QUIET ZONE PROJECT FROM FIFTH AVENUE TO LAUREL
STREET IN THE CENTRE CITY REDEVELOPMENT
PROJECT AREA.

WHEREAS, the Redevelopment Agency of the City of San Diego [Agency] is engaged in activities necessary to carry out and implement the Redevelopment Plan for the Centre City Redevelopment Project [Project Area]; and

WHEREAS, the Centre City Development Corporation [Corporation] is responsible for implementing redevelopment projects within the Project Area; and

WHEREAS, in order to carry and implement the Redevelopment Plan, the Agency approved the Implementation Plans for the period of July 2004 – June 2009 for the Centre City and Horton Plaza Redevelopment Projects; and

WHEREAS, the Implementation Plan identifies the need to improve public safety by implementing a Quiet Zone [Project]; and

WHEREAS, the federal government, through the Federal Railroad Administration has addressed the quality of life issue of train horn noise in urban areas, in the Final Rule for the Use of Locomotive Horns at Highway-Rail Crossings which sets out regulatory procedures and technical requirements necessary for the implementation of a Quiet Zone; and

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WHEREAS, in order to qualify for a Quiet Zone designation, additional safety enhancements at the crossings are required to be constructed; and

WHEREAS, the City Council has duly considered all conditions of the proposed payments for implementation of a Quiet Zone in the 13 public right-of-way railroad crossings north of the railroad freight yard that are in the downtown Redevelopment Area, Fifth and First avenues, Front Street, Kettner Boulevard, G and Market streets, Broadway and Ash, Beech, Cedar, Grape, Hawthorn and Laurel streets, and believes that the payment by the Agency of all or part of the cost of the safety, morals, and welfare of its residents are in accord with the public purpose and provisions of applicable state and local law requirements; NOW, THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego, as follows:

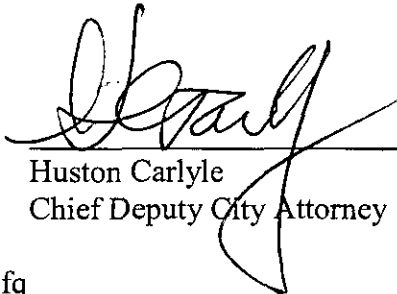
1. That the City Council finds and determines that the proposed improvements for which the Agency proposes to pay is of benefit to the Project Area or in the immediate neighborhood in which the Project is located; and

2. That the City Council finds and determines that no other reasonable means of financing the proposed improvements are available to the community; and

3. That the payment of funds of such improvements will assist in the elimination of one or more blighting conditions inside the Project Area; and that the proposed improvements are consistent with the Implementation Plan adopted for the Project Area pursuant to Health and Safety Code 33490 (all of the above listed findings are more fully described in Attachment A).

4. That the City Council finds and determines and restates for the record that it has previously reviewed and considered the Final Mitigated Negative Declaration SCH No. 2007021121, dated April 3, 2007, and concluded that the proposed Project would not have a significant impact on the environment with implementation of the mitigation measures identified in the Mitigation Monitoring and Reporting Program.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By 
Huston Carlyle
Chief Deputy City Attorney

HC:cfq
08/13/08
Or.Dept:CCDC
R-2009-154
Companion: RA-2009-13
MMS#6641

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of _____.

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

FINDINGS

SUBJECT IMPROVEMENTS: SAN DIEGO QUIET ZONE – AREAWIDE

I. FINDINGS OF BENEFIT

The subject improvements for which the Redevelopment Agency of the City of San Diego (“Agency”) proposes to pay will benefit the Centre City Redevelopment Project (“Project Area”) or the immediate neighborhood in which the project is located in that:

- A. The subject improvements are Areawide - within the Little Italy and East Village Redevelopment Districts of the Expansion Sub Area and the Columbia, Gaslamp and Marina Sub Areas of the Centre City Redevelopment Project, adjacent to underdeveloped properties and/or properties that have been designated as historic and will not likely be redeveloped in the near future.
- B. The installation of improvements as required for the San Diego Quiet Zone (“Quiet Zone”) and the designation of a “Quiet Zone” per the Federal Railroad Administration (“FRA”) legislation per the “Final Rule” are planned for 13 railroad crossings in downtown San Diego, from south to north: Park Boulevard, Fifth and First avenues, Front and Market streets, Kettner Boulevard and G Street, Broadway, Ash, Beech, Cedar, Grape, Hawthorn, and Laurel streets. The improvements will enhance portions of the above-mentioned redevelopment districts for the benefit of nearby users as well as residents, businesses, and visitors to downtown San Diego. Park Boulevard will be designed and constructed as a separate Agency project.
- C. The installation of the Quiet Zone improvements will correct adverse health and safety conditions related to the 13 railroad crossings.
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- E. The improvements will provide safe and efficient transportation systems.
- F. The improvements will upgrade the railroad and street right-of-way grade crossings to the latest standards to maximize public and train safety.
- G. The improvements will increase the quality of life for downtown residents and visitors by reducing the noise associated with train horns.
- H. The improvements will minimize the conflict between pedestrians, vehicles, trains and trolleys.

II. NO OTHER REASONABLE MEANS OF FINANCING

There are no other reasonable means available to the community for financing the subject improvements for which the Agency proposes to pay in that:

City of San Diego

- A. The Fiscal Year 2009 Budget for the City of San Diego ("City") increased approximately 13% from \$2.916 billion to \$3.295 billion. Over the last several years, as the City's Capital Improvement Program ("CIP") has grown and revenues have leveled off, the City has developed phase funding to use available cash and minimize the issuance of bond proceeds. This is a means whereby large projects may be budgeted and contracted for in an efficient manner that maximizes the City's use of available funds. The Fiscal Year 2009 Budget reflects General Fund Revenues and expenditures of \$1.19 billion, representing an increase of \$82.3 million or a 7.4% increase over the Fiscal Year 2008 Budget. The General Fund Budget also includes 7,477 positions, an increase of 219 positions over the Fiscal Year 2008 Budget. The net increase is due to the restructuring of the Engineering and Capital Projects Department from the Enterprise and Internal Service Funds to the General Fund.
- B. The City's Capital Improvement Budget is funded primarily with water and sewer fees, developer impact fees, grant funds, enterprise fund revenues, Facility Benefit Assessment funds, Gas Tax and Transnet funds. The Fiscal Year 2009 Capital Improvement Program Budget totals \$574 million, an increase of \$82.3 million from Fiscal Year 2008. The increase is primarily due to an increase in funding for capital projects addressing deferred maintenance needs. Despite the increase in the City's CIP Budget, it is estimated that the City's deferred maintenance and capital needs from Fiscal Year 2008, is \$800 million to \$900 million. The Fiscal Year 2009 CIP Budget provides for the sewer upgrade of the City's Metropolitan and Municipal Wastewater System, water projects, Parks and Recreation projects, library projects, transportation projects and special projects.

The Agency's Fiscal Year 2009 Program Budget was adopted on May 20, 2008. The CIP and the Agency's Budget were developed in accordance with City and Council Policy, and each project activity was evaluated and incorporated in the respective budgets. Projects are funded based on need and the availability of appropriate funding sources.

On June 9, 2008, during the Fiscal Year 2009 City Budget deliberations, the City Council voted to increase the receipt of Agency repayments to the City to facilitate funding certain City budget recommendations made by the Independent Budget Analyst (Report #08-57, May 30, 2008).

III. ELIMINATION OF BLIGHTING CONDITIONS

The payment of funds toward the cost of the design and construction of the subject improvements will assist in the elimination of one or more blighting conditions within the Little Italy and East Village Redevelopment Districts of the Expansion Sub Area and the Columbia, Gaslamp and Marina Sub Areas of the Centre City Redevelopment Project, and the proposed improvements are consistent with the Implementation Plan adopted for the Project pursuant to Health and Safety Code 33490, in that:

- A. The improvements will enhance user safety and access at the south and west sides of the entire downtown, and enhance desirability of adjacent land for full-capacity development and the elimination of blight.
- B. The improvements will act as a catalyst providing an incentive for private investment, thereby contributing to the removal of economic blight.
- C. "Improvements to existing water and sewer lines, streets, sidewalks, parkways, and lighting in the public right-of-way; continued participation in the enhancement of the public transit system" as a means to contribute to blight removal is included on page 4 of the work program of the Implementation Plan adopted June 15, 2004 pursuant to Health and Safety Code 33490.