



**DIANNE JACOB**  
SUPERVISOR, SECOND DISTRICT  
SAN DIEGO COUNTY BOARD OF SUPERVISORS

**AGENDA ITEM**

**DATE:** March 21, 2007

**TO:** San Diego County Redevelopment Agency Board of Directors

**SUBJECT:** CONTINUATION OF THE UPPER SAN DIEGO RIVER IMPROVEMENT PROJECT (DISTRICT: 2)

**SUMMARY:**

**Overview:**

The Upper San Diego River Improvement Project (USDRIP) is a redevelopment project area that was established by the County of San Diego Board of Supervisors in 1989 to provide, among other things, flood control improvements, establish an industrial business park, and implement recreation and environmental protection measures for an approximately 529-acre Project Area in the unincorporated community of Lakeside. The project is scheduled to end in 2009.

Today's action embodies the voice of the Lakeside community and the recommendations of a consultant's study on the viability of the project. It will direct the Chief Administrative Officer (CAO) to prepare an ordinance to extend the Upper San Diego River Improvement Project. In addition, it will direct the CAO to appoint a Project Manager that will be the County's key person working on this project. Funding for this Project Manager will be from redevelopment funds generated by the Upper San Diego River Improvement Project. The Project Manager will work with a redevelopment consultant, and receive input from the following entities: Lakeside Fire Protection District, Lakeside Union School District, Grossmont Union High School District, the largest public land owner within the redevelopment area, the largest private land owner within the redevelopment area, Lakeside Community Planning Group, Lakeside Water District, and the Lakeside Design Review Board to develop and implement a business plan for the Redevelopment Area.

**Recommendation(s):**

**SUPERVISOR JACOB**

1. Direct the Chief Administrative Officer to prepare an ordinance to extend the Upper San Diego River Improvement Project by eliminating the debt incurrence time limit as detailed in the 2006 Viability Study.
2. As discussed in the 2006 Viability Study, direct the CAO to appoint a Project

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Manager to ensure that the project area receives the necessary resources from the County.

3. Direct the CAO to select and enter into a contract with a redevelopment consultant.
4. Direct the CAO to work with the redevelopment consultant to develop a business plan that follows the guidance of the 2006 Viability Study and receive input on this plan from the following entities: Lakeside Fire Protection District, Lakeside Union School District, Grossmont Union High School District, the largest public land owner within the redevelopment area, the largest private land owner within the redevelopment area, Lakeside Community Planning Group, Lakeside Water District, and the Lakeside Design Review Board.
5. Direct the CAO to bring the business plan back to the Board of Supervisors within 180 (one hundred and eighty) days.
6. Direct the CAO to include in the business plan as their top priority project, a new fire station.
7. Direct the CAO to look at ways to reduce or eliminate the Transportation Impact Fee within the redevelopment area with USDRIP tax increment, if feasible, and create expedited permit processing times for projects within the Redevelopment Area.

Direct the CAO to come back to the Agency Board with any necessary Agency Board approvals

**Fiscal Impact:**

County of San Diego Redevelopment Agency funds will be used for project area administration and for contract consulting costs.

**Business Impact Statement:**

N/A

**Advisory Board Statement:**

N/A

**BACKGROUND:**

The Upper San Diego River Improvement Project (USDRIP) was established by the County of San Diego Board of Supervisors in 1989 to provide, among other things, flood control improvements, establish an industrial business park, and implement recreation and environmental protection measures for an approximately 529-acre Project Area in the unincorporated community of Lakeside. The project currently has no on-going projects and is scheduled to end in 2009.

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Lately, there has been much discussion over the future of USDRIP, and whether to continue with it. In June 2006, the County contracted with a redevelopment consulting firm to assess the viability of continuing with USDRIP. The study, completed in November 2006, concluded that if USDRIP were to remain active it could:

- Repay all existing senior lien debt obligations
- Issue a series of tax allocation bonds to fund qualified public improvements in the project area
- Fund other future projects, programs, and activities that the Redevelopment Agency may desire to implement
- Fund low and moderate income housing projects, programs, and activities.

The consultant conservatively projected that continuation of USDRIP could generate \$85 million that would be available for the above listed activities. Additionally, the consultant provided a number of recommendations for continuation of the project related to its management and implementation.

On February 26, 2007, I hosted a community meeting to get a sense from the property owners and the community affected by this project area what their priorities are, and if they would like to see this project continue. What I saw was overwhelming support for the continuation of the project and of the 2006 Viability Study's recommendations. There was a strong desire to take advantage of the \$85 million that the Redevelopment Agency could generate and to reinvest this money back into the community. After asking the many attendees at the meeting to give their input, over 94% stated that they would like to see it continued.

In order for USDRIP to thrive, the County and the community need to work together. Therefore, this action directs the Project Manager to work with the redevelopment consultant, and representatives from the following entities: Lakeside Fire Protection District, Lakeside Union School District, Grossmont Union High School District, the largest public and private land owners within the redevelopment area, Lakeside Community Planning

Group, Lakeside Water District, and the Lakeside Design Review Board to undertake the recommendations of the 2006 Viability Study. First, they will develop and implement a business plan. This plan will have as its top priority to give the community of Lakeside a fire station. In addition, the business plan will look at ways to reduce or eliminate the Transportation Impact Fee within the redevelopment area with USDRIP tax increment, if feasible, and expedite County permit processing times for development projects within the Redevelopment Area. This can be done in a Redevelopment Area because of the additional funding source available to the project area and because its intent is to encourage development of the remaining properties.

Today's action will direct the Chief Administrative Officer (CAO) to prepare an ordinance to extend the Upper San Diego River Improvement Project. In addition, it will direct the CAO to appoint a Project Manager that will be the County's key person working on this project. These two actions are also included in the 2006 Viability Study's recommendations and are fundamental to the continuation and success of the project. Funding for this Project Manager, as

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well as the consultant and other administrative costs, will be from redevelopment funds generated by the Upper San Diego River Improvement Project. The Project Manager will work with the redevelopment consultant, and the following entities: Lakeside Fire Protection District, Lakeside Union School District, Grossmont Union High School District, the largest public and private land owners within the redevelopment area, Lakeside Community Planning Group, Lakeside Water District, and the Lakeside Design Review Board to develop a business plan for the Redevelopment Area.

Respectfully submitted,

DIANNE JACOB  
Supervisor, Second District

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**AGENDA ITEM INFORMATION SHEET**

**CONCURRENCE(S)**

<b>COUNTY COUNSEL REVIEW</b>	<input checked="" type="checkbox"/> Yes	
Written Disclosure per County Charter Section 1000.1 Required	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>GROUP/AGENCY FINANCE DIRECTOR</b>	<input type="checkbox"/> Yes	<input type="checkbox"/> N/A
<b>CHIEF FINANCIAL OFFICER</b>	<input type="checkbox"/> Yes	<input type="checkbox"/> N/A
Requires Four Votes	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>GROUP/AGENCY INFORMATION TECHNOLOGY DIRECTOR</b>	<input type="checkbox"/> Yes	<input type="checkbox"/> N/A
<b>COUNTY TECHNOLOGY OFFICE</b>	<input type="checkbox"/> Yes	<input type="checkbox"/> N/A
<b>DEPARTMENT OF HUMAN RESOURCES</b>	<input type="checkbox"/> Yes	<input type="checkbox"/> N/A

**Other Concurrence(s):**

**ORIGINATING DEPARTMENT:** Board of Supervisors, District Two

**CONTACT PERSON(S):**

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