

Southeastern
Economic
Development
Corporation

MEMORANDUM

Date Issued: September 21, 2007 Report No. 07-026
Meeting of September 26, 2007
To: Chair and Members of the Board of Directors
From: Carolyn Y. Smith, President
Subject: Update of the Selection Process for Development of the Hilltop and Euclid Property
Reference: Approval of a Request For Proposals for a Development Opportunity at Hilltop Drive and Euclid Avenue by the SEDC Board of Directors on April 25, 2007

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SUMMARY

Staff Recommendation – This item is informational therefore, no formal action is required.

BACKGROUND

In 2005, SEDC, on behalf of the Redevelopment Agency of the City of San Diego (Agency) completed, 1) the purchase of an 8.54 acre site; 2) the relocation of the existing residents; and 3) the demolition of the existing structures. The site is currently vacant and zoned SF-5000 which allows for single-family residential with a minimum 5,000 square foot lot.

On April 25, 2007, the SECD Board of Directors approved the distribution of a Request For Proposals (RFP) for Development of the property. The process was administered by Keyser Marston Associates Inc., on behalf of SEDC. The RFP was distributed on March 23, 2007, with an original due date of July 20, 2007, which was subsequently extended to July 31, 2007, at the request of a potential respondent. It should be noted that the RFP did not indicate a preference for the ultimate use of the site.

DISCUSSION

There were nine entities that requested the complete developer package. On August 20th and 21st the Section Committee interviewed seven development teams and selected three teams to continue in the process. The next step in the process included additional questions and a presentation to the Central Imperial Project Area Committee on September 19, 2007. The Chollas View Neighborhood Council was invited to attend the meeting. The following are the final two firms that have been short-listed:

Pacific Scene Homes

- 1) Pacific Scene Homes has developed residential, commercial and industrial properties for 35 years. They have developed in numerous cities throughout California and representative developments include Liberty Station, Marketplace – A retail development anchored by Von's grocery store, The Meadows Redevelopment Project – 33 affordable single family homes in the City of Poway, and Southcrest Park Estates I & II; 99 single family homes built on the abandoned 252 Corridor in the Southcrest Redevelopment Project Area in southeastern San Diego.

The Pacific Scene proposal includes 47 single-family detached homes with some neighborhood serving commercial and office uses. The homes range from 1,600 to 1,850 square feet and are priced from the mid \$400,000's. Pacific Scene believes that the site lends itself to a product which is move-up housing. This allows the existing homeowner to move-up providing an opportunity for a first-time homebuyer to enter the market by purchasing the recently vacated resale house. They have indicated the willingness to provide some affordable units on-site.

Western Devcon

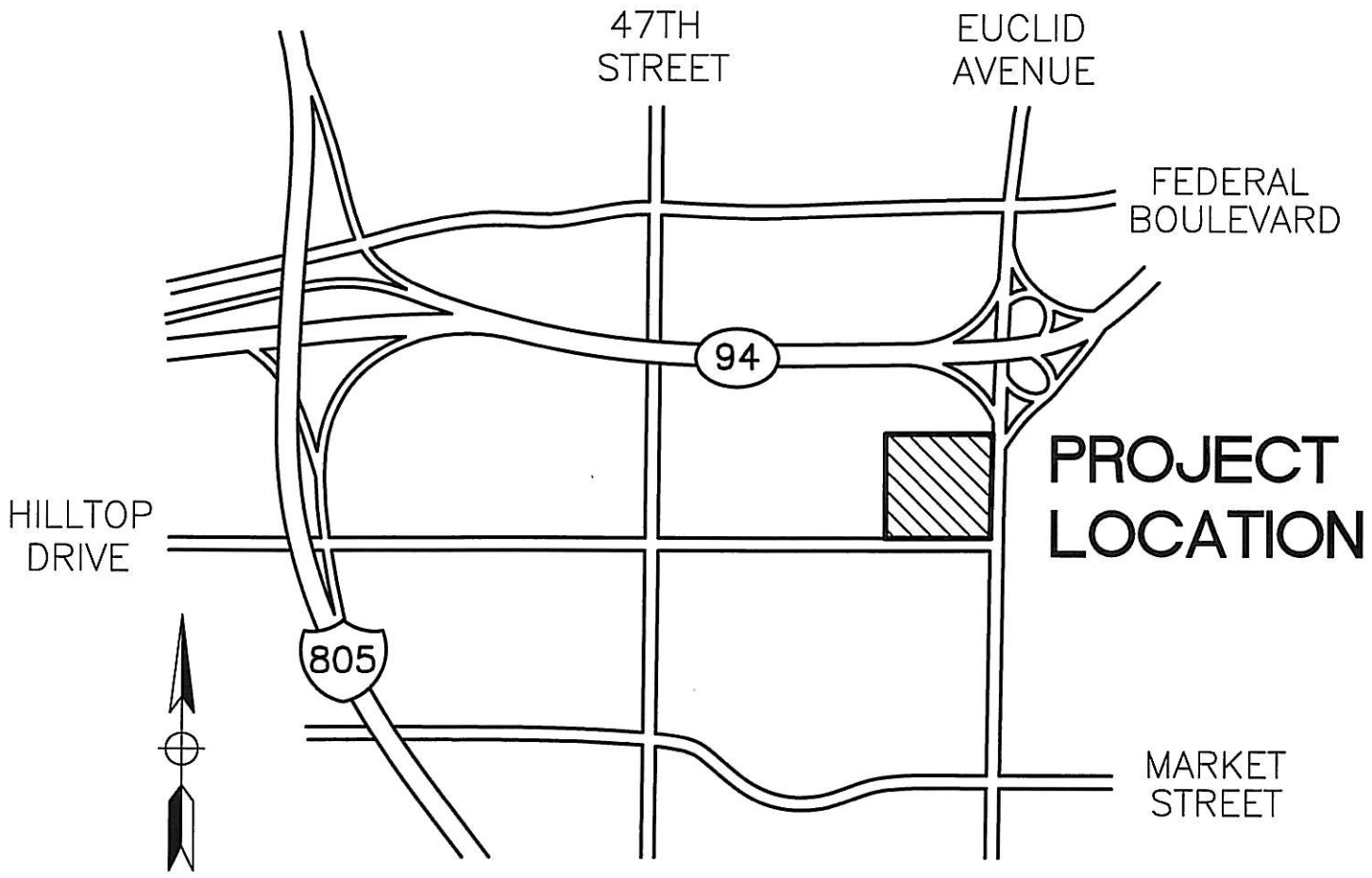
- 2) Western Devcon, Inc. is a privately held development company that builds, owns, and manages commercial and industrial facilities. Specializing in public and governmental facilities they have constructed and leased various facilities for the Federal Bureau of Investigation (FBI), the Drug Enforcement Administration (DEA), Municipal Court System and Social Security to name a few. Their portfolio includes properties in California, Arizona, Nevada, Arkansas, Pennsylvania and Florida.

The Western Devcon proposal is to construct a three building campus for a total of approximately 140,000 square feet on a build-to-suit basis for Cox Communications. This facility would be in addition to the current Cox facility located at Euclid Avenue and Federal Boulevard. Cox Communications would like to accommodate their additional growth within southeastern San Diego and in close proximity to their existing location.

CONCLUSION

Staff will continue the evaluation of the proposals and will forward a final recommendation to the SEDC Board of Directors at its October, 2007 Meeting.


Approved by:
Carolyn Y. Smith
President

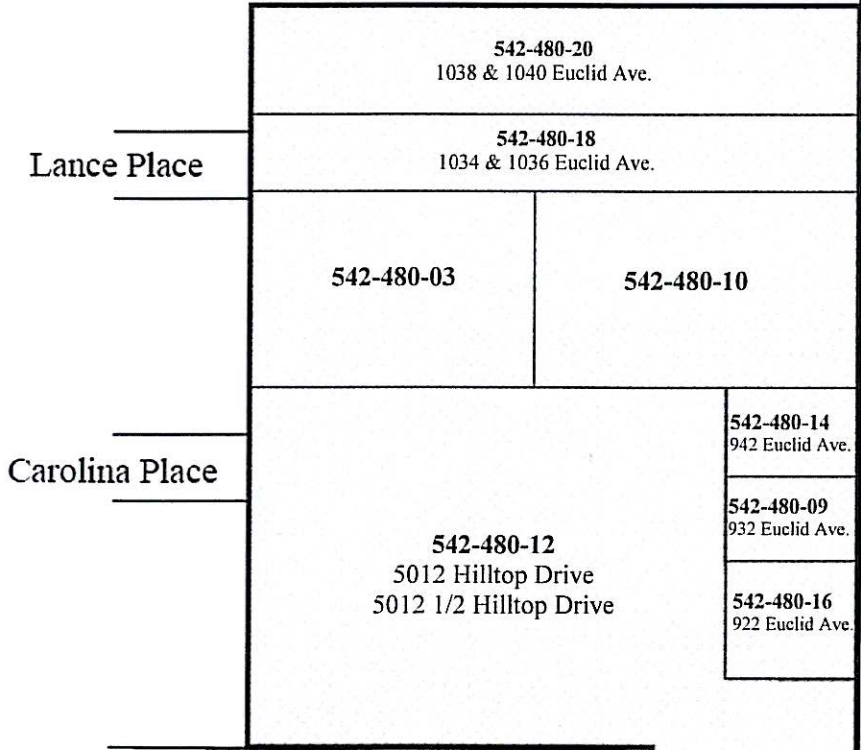


VICINITY MAP

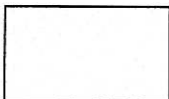
NOT TO SCALE

Martin Luther King Jr. Fwy
(94 Fwy)

Project Site 



No Scale



Under Redevelopment
Agency Ownership

Hilltop & Euclid Project Site



Hilltop Drive & Euclid Avenue

Current Conditions

