A $16.4 million funding package to complete the Urban Village redevelopment project in City Heights was approved yesterday by the San Diego City Council. "This is a community success story," said City Councilwoman Christine Kehoe, whose district includes City Heights. "The project will pay dividends not only for City Heights but for the entire city."

Mayor Susan Golding said in approving the financing package that "we are taking a risk but we are also taking a risk if we don't do it."

The money will go toward buying and clearing two blocks of land to make way for a shopping center that would be anchored by a Lucky supermarket and a Sav-On pharmacy.

More than a dozen City Heights residents said the new supermarket and other stores would cap a neighborhood resurgence that began in 1994 when the Urban Village project was proposed.

"City Heights is coming back and we're coming back strong," said neighborhood resident Karen Manley.

City redevelopment director Patricia Hightman said the supermarket and other shops would replace graffiti-marred, run-down buildings that have "lowered property values and diminished community pride."

Already completed portions of the project include a new police station in what had been an abandoned Vons supermarket, a swimming pool and tennis courts, library, outdoor theater and community center.

Urban Village is the city's largest redevelopment project since the construction of Horton Plaza downtown.

So far, public and private entities have invested about $94 million in the Urban Village, including a $5.3 million donation from philanthropist Sol Price.

The project is bounded by University Avenue to the north, Fairmount Avenue to the west, Highland Avenue to the east and Wightman Street to the south.

The final shopping center phase would provide 150 to 230 permanent jobs, Hightman said.
Developer William Jones said construction of the shopping center would reverse failed development policies of public agencies and private firms that sucked investment money and middle-class families out of urban core neighborhoods.

Councilman Byron Wear said, "It's critical that we keep the commitment to the urban core." City Heights has been particularly difficult to revive because it doesn't have the advantage of being near downtown or the waterfront -- locations which have drawn developers to other urban neighborhoods in the city.

"We can't let it fail, there's too much riding on it," Vargas said.

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