The San Diego City Council yesterday advanced an ambitious plan to develop parks, shops and a town center atop the proposed Interstate 15 extension through East San Diego.

The plan, which calls for 5 1/2 -blocks of the underground freeway to be covered and redeveloped, met with resounding applause from the more than 200 residents who attended a special council meeting held last night in City Heights.

The council directed the city manager to return in two months with recommendations on how to implement the project, which could cost as much as $138 million over and above the $143 million cost of the 2.2-mile freeway extension.

The intent of the proposed design is to transform what many viewed as a destructive and divisive project into one that will encourage investment in a community that long has suffered from high crime and higher-than-average unemployment.

"A freeway doesn't have to destroy a community," said Councilman John Hartley, who represents the City Heights area. "We can use a freeway to rebuild the community and to heal the community."

The nine-block-long freeway project, which will run from Interstate 805 to just south of Interstate 8 through the communities of City Heights, Normal Heights and Kensington, has been planned since 1959. Now that funding is available, preparations for the freeway are accelerating.

Area residents have pressed the city and the California Department of Transportation (CalTrans) to cover the freeway -- which will tunnel 25 feet under 40th Street -- but only in recent months has the community intensified its efforts to transform a dream into reality.

Using a $175,000 federal grant, the City Heights Community Development Corp. hired a team of consultants with experience in freeway covers to develop a plan for the I-15 extension.

As presented yesterday, the heart of the freeway cover would be between University Avenue and El Cajon Boulevard, where a town square with shops, restaurants, a library, post office, police substation and community center are planned. A major market also is envisioned to anchor a center at El Cajon Boulevard that would also include a community college and recreational center.
The proposal also calls for expanded park land, bikeways and walkways, street improvements throughout the neighborhood, an express bus lane and an extension of the San Diego Trolley along Interstate 15.

Several residents from the Kensington area expressed opposition to a proposed park that is planned to cover the freeway north of El Cajon Boulevard. They argued that the park would become a magnet for the homeless and drug dealers.

While funding for the freeway cover is not assured, proponents of the plan say they are confident they can secure a variety of funding, including federal and state monies, as well as new property taxes that are expected to be generated as a result of a redevelopment area in City Heights.

CalTrans and the city already have committed to finance one block each of freeway cover.

"We've never been opposed to freeway covers as long as someone finds the funds to pay for them," said Norm Larsen, CalTrans project director.

CalTrans, which expects to begin construction on the freeway extension next year, has razed 202 homes and buildings along the path of the freeway and has just 49 left to clear. Completion of the freeway is expected by the end of 1997.