

(R-91-494)

RESOLUTION NUMBER R- 276732

ADOPTED ON OCT 16 1990

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO PERTAINING TO THE PROPOSAL TO THE PORT DISTRICT FOR THE REOPENING OF E, F, AND G STREETS AND THE DEVELOPMENT OF A MAJOR OPEN SPACE AT THE FOOT OF BROADWAY, IN CONJUNCTION WITH THE DEVELOPMENT OF THE NAVY BROADWAY COMPLEX.

BE IT RESOLVED, by the Council of The City of San Diego, that the Mayor is authorized to sign the attached letter to Port Commission Chairman Portwood requesting that the Port Commission approve the proposal as outlined in the correspondence and direct its staff to negotiate a specific agreement with the Redevelopment Agency committing to the construction of certain public improvements, including a significant park at the foot of Broadway.

APPROVED: JOHN W. WITT, City Attorney

By

  
Allisyn I. Thomas  
Deputy City Attorney

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10/02/90  
Or.Dept:CCDC  
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THE CITY OF  
**SAN DIEGO**

MAUREEN O'CONNOR  
MAYOR

October 17, 1990

Mr. Milford W. Portwood  
Port Commission Chairman  
SAN DIEGO UNIFIED PORT DISTRICT  
P.O. Box 488  
San Diego, CA 92112

Dear Chairman Portwood:

The purpose of this letter is to request the Port District's specific cooperation and financial commitment to an extraordinary project - the development of a major park at the foot of Broadway.

BACKGROUND

The Port has long recognized the Broadway axis as the most important link between the harbor (and tidelands) and the heart of San Diego's downtown. The major restoration now underway of the Broadway pier is a symbol of that recognition.

The proposed development of "Bayfront Park" is an idea several years in evolution. The concept has been approved by the City of San Diego with its recent adoption of the Preliminary Centre City San Diego Community Plan. The concept was endorsed by the Board of Port Commissioners with its approval on December 5, 1989 of a Memorandum of Understanding which included as Points of Understanding:

- "° Port and City agree to cooperate in design of improvements and identification of resources needed to develop the significant public plaza area at the foot of Broadway.
- ° The parties to this Memorandum agree that it is a common objective to create a significant public plaza at the foot of Broadway. The public plaza should consist of lands made available by the Navy, by the Port, and reduction in the width of Harbor Drive and closing of Broadway (subject to appropriate studies and required public hearing).

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- ° Port and City recognize that Navy may require assistance to compensate for loss of Building 1 area as a contribution to the public plaza. Port and City agree to cooperate in negotiations with Navy to identify acceptable assistance to offset this loss."

Centre City Development Corporation, on behalf of the City and Redevelopment Agency of the City of San Diego, is now negotiating Owner Participation and Development Agreements with the United States Navy for the redevelopment of the Navy Broadway Complex located between Broadway, Market Street, Harbor Drive, and Pacific Highway within the Marina and Columbia redevelopment areas of downtown. The City authorized negotiations toward a Development Agreement with its signing of a Memorandum of Understanding with the Navy in June, 1987. The Broadway Complex Coordinating Group, consisting of representatives of various interested agencies, including the Port, City, Redevelopment Agency, and Navy, was formed to work with the Navy in developing its program for the redevelopment of the Broadway Complex. It was in this forum, and with the work of the Navy's consultants, that the "Bayfront Park" concept began to take shape. It is this concept that the City and Redevelopment Agency, relying on the critical lead-agency role of the Port, would like to bring to fruition.

The key public objectives of negotiations with the Navy are to reopen the streets through the Broadway Complex site (E, F, and G Streets) and to provide sufficient land for a significant Bayfront Park. The Navy is willing to accommodate these requests for land for streets and open space if financially capable of supporting its redevelopment program. In other words, only if the property is redeveloped will the Navy be able to give up Building 1 for its demolition and redevelopment as a portion of the Bayfront Park and to reopen E, F, and G Streets.

#### THE PROPOSAL FOR REDEVELOPMENT AGENCY/PORT COMMITMENTS

Bayfront Park and the reopening of E, F, and G Streets is illustrated on Exhibit A. Exhibit B illustrates the Navy's provision of the Building 1 site for the park, with an underground parking garage (a part of the Navy's redevelopment program, not a part of the park expense) to be constructed on a portion of the Building 1 site. There are public improvements required as part of the Navy's program and also major improvements required for Bayfront Park. An itemized list of all park, street, and other public improvements with planning cost estimates is

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attached as Exhibit C. Exhibit C also provides an allocation of costs between the Navy, Port, and Redevelopment Agency for these improvements.

Exhibit C assumes a certain development schedule (phasing) for the Navy's redevelopment program (1995, 1997, and 2001), and includes cost escalation for improvements based on this schedule. For example, demolition costs (including asbestos removal) for Building 1 in 1989 dollars are estimated at \$4,388,000; in 1997 - with additional contingencies and time escalation added - the same work is estimated at \$6,484,000. The \$6,484,000 figure is used on Exhibit C. The costs illustrated on Exhibit C are expected to be "worst case," with contingencies added as illustrated.

It should be noted that none of these graphics or costs are intended to direct the Port with respect to the construction of C Street as the northerly boundary of Bayfront Park. It is recognized that the Port may wish to construct B Street through from Harbor Drive to Pacific Highway and that the park's northerly edge may be defined by other than the construction of C Street. It should be noted also that the specific improvements to Bayfront Park have not been determined; it is expected that the Port, City, and Redevelopment Agency would jointly refine the improvements to be installed in the park.

The allocation of public improvement costs between the Redevelopment Agency and the Port illustrated on Exhibit C are based on the assumption that:

- ° the Port would improve E, F, and G Streets (the Navy currently leases E and F Streets from the Port - such leases would be terminated - and the Navy would lease (at \$1/year for 65 years) the G Street right-of-way for street purposes);
- ° the Port would demolish Building 1, permit the Navy or its developer to construct the underground parking, and the Port would then improve and maintain the Building 1 site and the balance of the park area illustrated on Exhibit A, with the Agency contributing 25% toward the cost of demolishing Building 1. The Navy would lease the Building 1 site (at \$1/year for 65 years) to the Port;
- ° the Port would develop the balance of Lane Field generally as illustrated on Exhibit A. If deemed appropriate by the Port, the Port's schedule for constructing Bayfront Park could be tied to the development of the balance of Lane Field;

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- ° the Port and Redevelopment Agency, while assuming the responsibility for the completion of these improvements as between the parties, would reserve the prerogative that these obligations may be implemented by others (such as the developer of Lane Field [for the Port] or other developers within the redevelopment areas [for the Agency]). Again, it should be noted that public improvements north of Broadway (not adjacent to the Navy property) are a part of the Bayfront Park proposal, not the Broadway Complex development;
- ° the allocation of costs between the Agency and Port is generally based on the Port improving Tidelands property and the Agency responsible for other improvements, with the exception that the Navy will undertake those street and sidewalk improvements noted with an asterisk (\*) on Exhibit C which are installed on a combination of Navy and Tidelands property;
- ° the improvements to be undertaken by the Agency or Port District would be phased with adjacent Navy or private development. If the Navy development did not go forward, or if only certain phases were constructed, the Port and Agency's obligations would be dismissed or reduced in scope accordingly. Bayfront Park can only be developed in the contemplated configuration if the Navy's new office space is constructed, triggering the vacation of Building 1 and its demolition.

#### CENTRAL LIBRARY SITE

During the discussion of this proposal by the City Council/Redevelopment Agency, it was also the unanimous request of the City of San Diego that, in addition to the specifics of the above proposal, the Port Commission be asked to consider the designation of the Lane Field site for a central library. The construction and operation of the library would be an obligation of the City of San Diego.

#### STEPS TO PROCEED

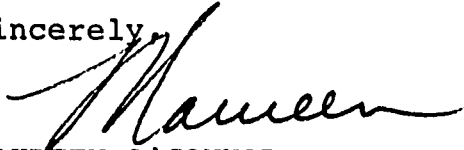
It is requested that the Port Commission approve this program as presented, with the direction to Port Commission staff to negotiate a specific, detailed agreement with Centre City Development Corporation, acting on behalf of the Redevelopment Agency, for the improvements as outlined.

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The Port's lead-agency role in creating Bayfront Park is another key step toward downtown and the harbor becoming the vital heart of the San Diego region. Your favorable and timely consideration of this request is critical to the negotiations underway, and your early response would be greatly appreciated.

Sincerely,



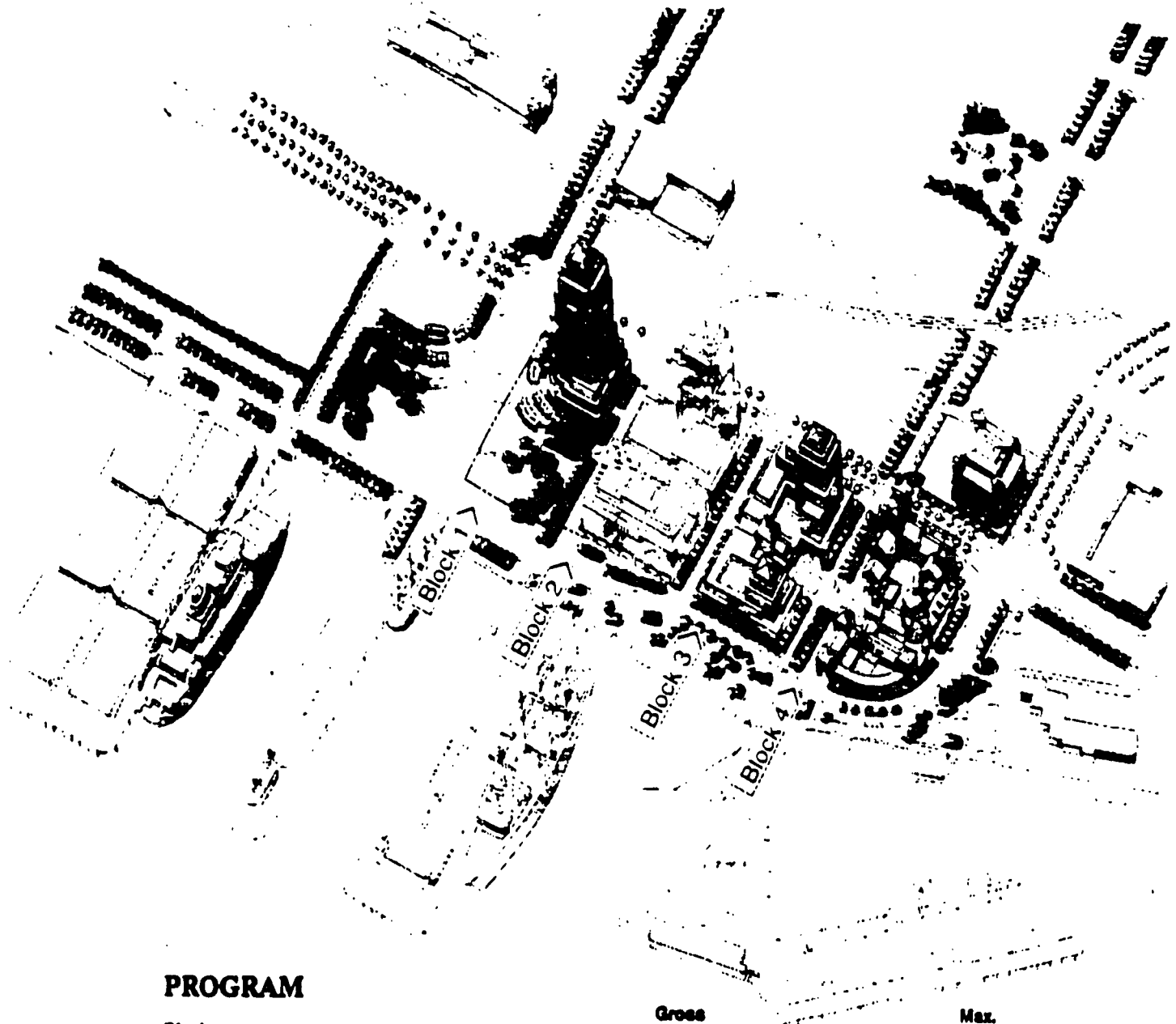
MAUREEN O'CONNOR  
MAYOR, CITY OF SAN DIEGO AND  
CHAIRMAN, REDEVELOPMENT AGENCY OF  
THE CITY OF SAN DIEGO

cc: Port Commissioners

/pb

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# Alternative A



## PROGRAM

Block Number	Land Use	Gross Square Footage	Parking	Max. Height (Feet)
1	Commercial Office	650,000	650 below-grade	400
2	Navy Office: - Bldg. 12 - New Museum	331,000 669,000 55,000	430 below-grade 800 above-grade	350
3	Above-Grade Parking Hotel	300,000 745,000	750 below-grade	250
4	Hotel Retail	475,000 25,000	375 100 below-grade	150
<b>Total</b>		<b>3,260,000</b>	<b>3,108</b>	

Site Density = 5.48 Gross FAR

## Navy Broadway Complex Project

Prepared for the United States Navy by ROMA Design Group in Association with Williams Kuehnelbeck & Associates and Michael Brandman Associates

Exhibit A

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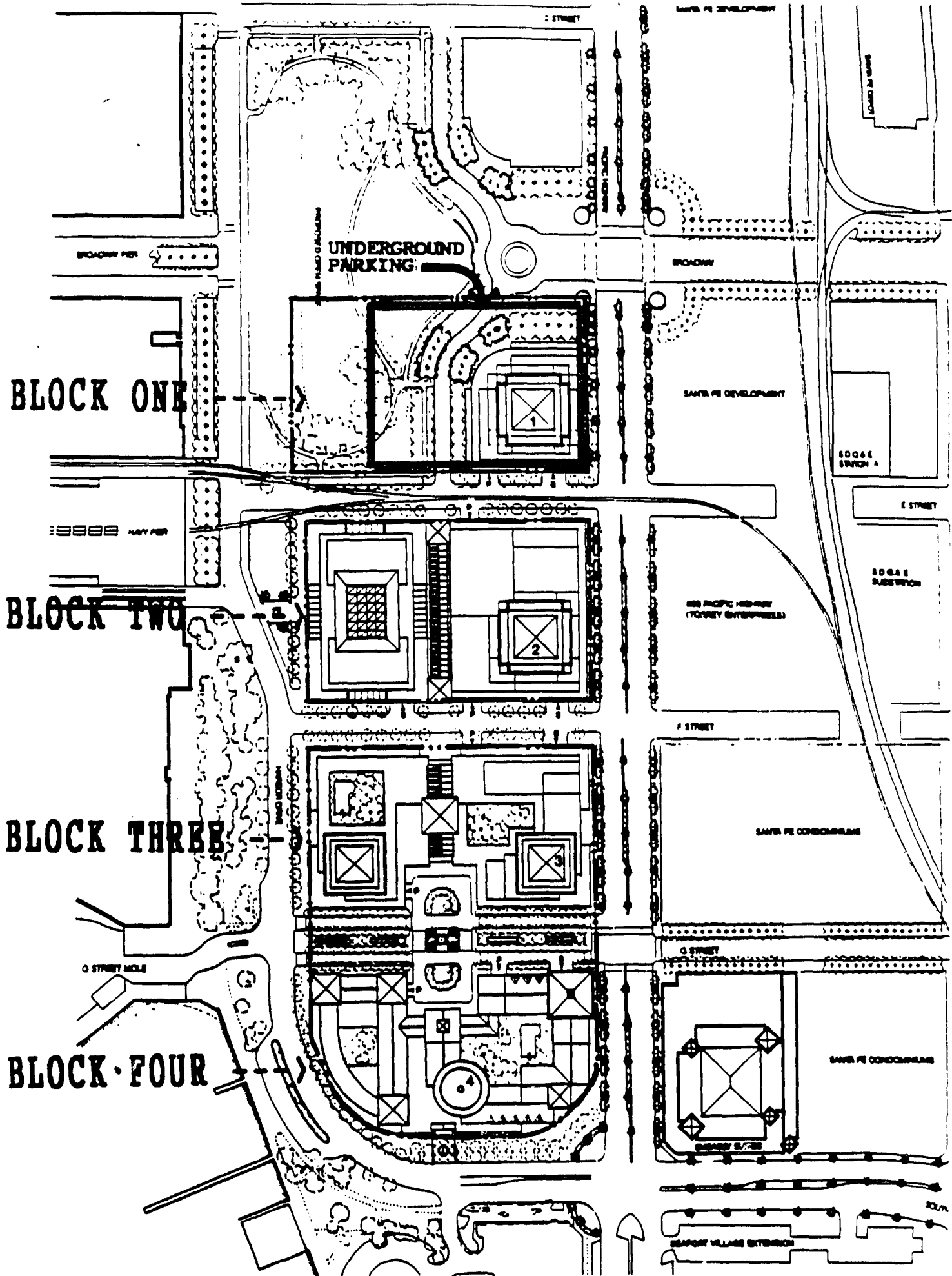


Exhibit B

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NAVY BROADWAY COMPLEX PROJECT  
Public Improvement Cost Allocation  
(OCO's Omitted)

Block 4	1995 Total	Navy	Redevelopment Agency	Port
Pacific Hwy Streetscape G St. to Harbor Dr. (west side only)	145		145	
G Street Improvements	1,430			1.4
New Signal at G St. & Pacific Hwy.	228			2
* Harbor Drive Imprvmts G St. to Pacific Hwy.	836	836		
Pacific Highway Widening:				
West Half / Broadway to C Street	402			4
East Half / Broadway to C Street	402		402	
Broadway to Harbor Drive	1,963		1,963	
	5,406	836	2,510	2.0
Additional Contingency of 15%	811	125	377	
<b>Total Block 4</b>	<b>6,217</b>	<b>961</b>	<b>2,887</b>	<b>2.1</b>

Block 1 and western half of Block 2	1997 Total	Navy	Redevelopment Agency	Port
Signal at F Street & Pacific Highway	251			
Harbor Drive Improvements C to F St.	2,572			2.
Signal at E/Pacific Highway & Mode to Pacific Hwy/Broadway Signal	427			
Signal at E Street & Harbor Drive	251			
Pacific Hwy Streetscape Broadway to E St. (west side only)	160		160	
Park Improvements incl. Brdwy Extension	4,039			4.
Demo Building	6,484		1,621	4.
E Street Improvements	864			
F Street Improvements	749			
	15,797	0	1,781	14.
Additional Contingency of 15%	2,369	0	267	2.
<b>Total Block 1 and western half of Block 2</b>	<b>18,166</b>	<b>0</b>	<b>2,048</b>	<b>16.</b>

Block 3 and eastern half of Block 2	2001 Total	Navy	Redevelopment Agency	Port
Pacific Highway Streetscape E-G Streets (west side only)	389		389	
* Harbor Drive Improvements F to G Streets	575	575		
	964	575	389	
Additional Contingency of 15%	144	86	58	
<b>Total Block 3 and eastern half of Block 2</b>	<b>1,108</b>	<b>661</b>	<b>447</b>	
<b>Grand Total - Including 15% Contingency and Cost Escalation</b>	<b>25,491</b>	<b>1,622</b>	<b>5,382</b>	<b>18.</b>

\*See text of letter

EXHIBIT C

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Passed and adopted by the Council of The City of San Diego on.....  
by the following vote:

Council Members	Yeas	Nays	Not Present	Ineligible
Abbe Wolfsheimer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ron Roberts	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
John Hartley	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
H. Wes Pratt	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Linda Bernhardt	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
J. Bruce Henderson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Judy McCarty	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bob Filner	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mayor Maureen O'Connor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

MAUREEN O'CONNOR

Mayor of The City of San Diego, California.

(Seal)

CHARLES G. ABDELNOUR

City Clerk of The City of San Diego, California.

By *Linda Sugaw*, Deputy.

Office of the City Clerk, San Diego, California

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Adopted OCT 16 1990

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