#6049 04/24/23 (R-2023-585 REV.)

RESOLUTION NUMBER R- 314764

DATE OF FINAL PASSAGE MAY 01 2023

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO DECLARING THAT CERTAIN CONTIGUOUS PARCELS OF CITY-OWNED REAL PROPERTY LOCATED IN THE CIVIC CORE AREA OF DOWNTOWN SAN DIEGO ARE SURPLUS LAND UNDER THE CALIFORNIA SURPLUS LAND ACT AND WAIVING APPLICATION OF COUNCIL POLICY 700-10.

WHEREAS, the City of San Diego (City) owns various contiguous parcels of real property in the Civic Core area of downtown San Diego (collectively, Civic Core Properties), including: (a) the City Administration Building site located at 202 C Street and designated as a portion of County of San Diego Assessor's Parcel Number (APN) 533-433-28 (CAB Site); (b) the Concourse and Golden Hall site located at 1101 First Avenue and designated as a portion of APN 533-433-28 (Concourse Site); (c) the Evan V. Jones Parkade site located at 1265 First Avenue and designated as a portion of APN 533-433-28 (Parkade Site); (d) the City Operations Building and Fire Station 1 site located at 1222 First Avenue and designated as a portion of APN 533-433-28 (COB Site); (e) the Civic Theater site located at 1100 Third Avenue and designated as a portion of APN 533-433-28 (Civic Theater Site); (f) the Civic Center Plaza site located at 1200 Third Avenue and designated as APNs 533-433-11 and 533-433-13, and the King-Chavez Community High School site located at 201 A Street and designated as APN 533-433-10 (collectively, CCP Site); and (g) the site located at 101 Ash Street and designated as APNs 533-424-11 and 533-424-14 (101 Ash Site); and

WHEREAS, in September 2022, Mayor Todd Gloria created the Civic Center

Revitalization Committee (Revitalization Committee), consisting of individuals representing a

variety of interests and backgrounds, to gather public input and present a vision for revitalization of the Civic Core Properties; and

WHEREAS, on March 20, 2023, after holding several public meetings, the Revitalization Committee presented to the Council of the City of San Diego (Council) a report and recommendation for revitalization of the Civic Core Properties involving: (1) the City's disposition of the CAB Site, the Concourse Site, the Parkade Site, the CCP Site, the Civic Theater Site, and the 101 Ash Site (collectively, Designated Properties) for the construction of a new mixed-use project, including affordable housing and other improvements; and (2) the City's retained ownership of the COB Site, to be used for the construction of a new City Administration Building; and

WHEREAS, based on the Revitalization Committee's recommendation, the Office of the Mayor has determined that the Designated Properties are surplus to the City's needs and no longer required for a municipal use; and

WHEREAS, the California Surplus Land Act (SLA), Government Code sections 54220-54234, requires in Government Code section 54221(b)(1) that the Council take formal action at a regular public meeting to declare the Designated Properties surplus land before the City may take any action to dispose of the Designated Properties; and

WHEREAS, the California Department of Housing and Community Development (HCD) published its 2021 SLA Guidelines, interpreting the SLA to apply to both the sale and lease of surplus land (subject to limited exceptions not applicable in this instance); and

WHEREAS, under Section 202(a)(2)(D)(iv) of the 2021 SLA Guidelines, the City is permitted to impose reasonable development conditions or restrictions on surplus land, so long as the conditions or restrictions are included in a written notice of availability (NOA) to be

distributed to certain governmental entities and affordable housing sponsors identified in the SLA; and

WHEREAS, any person or entity submitting an expression of interest to the City in response to the NOA for the Designated Properties must be able to meet the minimum requirement under the SLA that at least 25 percent of the total residential units constructed on the Designated Properties will be affordable to low-income households earning 80 percent or less of the area median income for San Diego County (Minimum Affordability Requirement); and

WHEREAS, at the City's request before the Council meeting related to this Resolution,
HCD reviewed and approved a preliminary draft NOA of the Designated Properties, which
identified certain development conditions or restrictions recommended by City staff; and

WHEREAS, during the Council meeting related to this Resolution, the Council opted to include additional development conditions or restrictions, which will need to be included in the NOA of the Designated Properties and submitted to HCD for its review and approval; and

WHEREAS, in total, the Council-approved development conditions or restrictions for the NOA of the Designated Properties (collectively, Development Conditions) include: (a) the City's desire to preserve a community-serving theater presence, if practical, at a precise location to be determined on the Designated Properties, which could include either retaining the current theater on the Civic Theater Site or providing space for a new community-serving theater to be built through philanthropy, and the City's desire that development proposals guarantee the continued employment of all Civic Theater workers; (b) the City's prioritization of development proposers who will facilitate strong labor agreements related to construction and operation of their proposed development project on the Designated Properties; (c) the City's prioritization of development proposers who propose a plan to maximize mobility options and climate benefits;

(d) the City's desire that development proposals include significant philanthropic support in such a way that maximizes desired public benefits and minimizes dependence on government-funded housing vouchers; (e) a condition that any development project involving the Designated Properties must incorporate, either on-site or at another location within the Downtown Community Planning Area, housing affordable to extremely low income households earning 30 percent or less of the area median income for San Diego County, including, but not limited to, the construction of permanent supportive housing or affordable housing without supportive services, or the creation or preservation of single-room occupancy housing (only on-site affordable housing units will count toward the Minimum Affordability Requirement); and (f) the City's preference for a development project on the Designated Properties that, in addition to meeting the Minimum Affordability Requirement, serves a range of income levels, including housing affordable to "middle-income" households earning more than 80 percent and no greater than 150 percent of the area median income for San Diego County; and

WHEREAS, the Council intends that the City include the Development Conditions in the NOA of the Designated Properties; and

WHEREAS, given that the City's retained ownership of the COB Site will provide an ample opportunity for development of a new City Administration Building to replace the current City-serving buildings within the Civic Core Properties, the Council intends to waive the requirement in Council Policy 700-10 that the Designated Properties be circulated to City departments for review to determine if there is a municipal use for the Designated Properties before the City disposes of the Designated Properties; and

WHEREAS, the Office of the City Attorney has drafted this Resolution based on the information provided by City staff (including information provided by affected third parties and

verified by City staff), with the understanding that this information is complete, true, and accurate; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, as follows:

- 1. The Designated Properties are declared surplus land in accordance with the SLA.
- The Mayor or designee is authorized and directed to issue an SLA-compliant
   NOA of the Designated Properties, subject to the Development Conditions.
- 3. The Council waives the requirement in Council Policy 700-10 that the Designated Properties be circulated to City departments for review to determine if there is a municipal use for the Designated Properties before the City disposes of the Designated Properties.

APPROVED: MARA W. ELLIOTT, City Attorney

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Kevin Reisch

Senior Chief Deputy City Attorney

KJR:jdf 4/13/2023

4/23/2023 REV.

Or. Dept.: Mayor Doc. No.: 3220111 3

Comp. to Reso. R-2023-586 & R-2023-587

meeting of	APR 2 4 2023	as passed by the Council of the City of San Diego, at this  -
		DIANA J.S. FUENTES City Clerk
		By: <u>KMSTULLAUA</u> Deputy City Clerk
Approved:	(date)	CODD GLOR Mayor
Vetoed:	(date)	TODD GLORIA, Mayor

Passed by the Council of The City of San Diego		o on APR <b>2 4</b> 2023		_, by the following vote
Councilmembers	Yeas	Nays	Not Present	Recused
Joe LaCava	16as [7]	ivays □	Not Fresent	Recused
Jennifer Campbell	Δ) Έι	. U .		
Stephen Whitburn	[7]			
Monica Montgomery S	tenne [/]			
Marni von Wilpert				
Kent Lee	[ <u>/</u> ]			
Raul A. Campillo	<u>(</u> 27)			П
Vivian Moreno		[ <u>7</u>		П
Sean Elo-Rivera	[7]			П
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