REQUEST FOR COUNCIL ACTION
CITY OF SAN DIEGO

TO: CITY COUNCIL
FROM (ORIGINATING DEPARTMENT): Office of the Mayor
DATE: 3/28/2017

SUBJECT: Consideration of a Proposed Ballot Measure to Increase the Transient Occupancy Tax (TOT) up to 1, 2 and 3% to Fund a Contiguous Phase III Convention Center Expansion, Initiatives to Reduce Homelessness and Road Repairs

PRIMARY CONTACT (NAME, PHONE): Jessica Lawrence, 619-236-7156
SECONDARY CONTACT (NAME, PHONE): Mike Hansen, 619-533-3983

COMPLETE FOR ACCOUNTING PURPOSES

FUND
FUNCTIONAL AREA
COST CENTER
GENERAL LEDGER ACCT
WBS OR INTERNAL ORDER
CAPITAL PROJECT No.

AMOUNT 0.00 0.00 0.00 0.00 0.00 0.00

COST SUMMARY (IF APPLICABLE):

ROUTING AND APPROVALS

CONTRIBUTORS/REVIEWERS: APPROVING AUTHORITY APPROVAL SIGNATURE DATE SIGNED
ORIG DEPT. Hansen, Mike 03/29/2017
CFO
COO
CITY ATTORNEY
COUNCIL PRESIDENTS OFFICE

PREPARATION OF: [ ] RESOLUTIONS [X] ORDINANCE(S) [ ] AGREEMENT(S) [ ] DEED(S)
Direct the City Attorney’s Office to work with the Mayor’s Office to prepare a draft ordinance for consideration by the City Council in June to place on the ballot for a special election in November of 2017.

<table>
<thead>
<tr>
<th>STAFF RECOMMENDATIONS:</th>
<th>Approve Requested Actions</th>
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SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION)

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<th>COUNCIL DISTRICT(S):</th>
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<tr>
<td>COMMUNITY AREA(S):</td>
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<tr>
<td>ENVIRONMENTAL IMPACT:</td>
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<td>CITY CLERK INSTRUCTIONS:</td>
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COUNCIL ACTION
EXECUTIVE SUMMARY SHEET
CITY OF SAN DIEGO

DATE: 3/28/2017
ORIGINATING DEPARTMENT: Office of the Mayor
SUBJECT: Consideration of a Proposed Ballot Measure to Increase the Transient Occupancy Tax (TOT) up to 1, 2 and 3% to Fund a Contiguous Phase III Convention Center Expansion, Initiatives to Reduce Homelessness and Road Repairs
COUNCIL DISTRICT(S): Citywide
CONTACT/PHONE NUMBER: Jessica Lawrence/619-236-7156

REQUESTED ACTION:
Direct the City Attorney’s Office to work with the Mayor’s Office to prepare a draft ordinance for consideration by the City Council in June to place on the ballot for a special election in November of 2017.

STAFF RECOMMENDATION:
Approve Requested Actions

EXECUTIVE SUMMARY OF ITEM BACKGROUND:
The City is responsible for managing, operating, maintaining and promoting the San Diego Convention Center per the Management Agreement with the San Diego Unified Port District (Port District). The City and the Port District have engaged in extensive efforts over the past decade to advance a Contiguous Phase III Expansion to the Convention Center to meet global demand. Phase III of the San Diego Convention Center build-out has been approved by the California Coastal Commission, Port of San Diego, City of San Diego and San Diego Convention Center board. The next step in realizing this landmark civic project is to pursue a financing for the Phase III Contiguous Expansion. As such, the Mayor is proposing a ballot measure to increase the lodging revenue that the City collects from tourists to fund the expansion through voter approved debt, and is proposing to leverage this opportunity to address two more of San Diego’s biggest issues – the growing homeless crisis and repairing our roads.

Given the rising costs for construction of the proposed Convention Center expansion, increasing at $3.6 million per month, as well as the urgent need to address the homeless crisis and repair roads, placing this measure on the ballot as soon as possible is in the best financial interest of the City and in the best civic interest of San Diego’s neighborhoods. As such, staffs requesting the Committee direct the City Attorney’s Office to work with the Mayor’s Office to prepare a draft ordinance for consideration by the City Council in June to place on the ballot during a special election in November 2017.

FISCAL CONSIDERATIONS:
Per Municipal Code Section 27.0506, after the matter is placed on the ballot the Mayor, Independent Budget Analyst, and the City Auditor will prepare a fiscal impact analysis.

Costs associated with a special election are estimated at $5 million and will be included in the Mayor’s Proposed Budget to be released in April.
EQUAL OPPORTUNITY CONTRACTING INFORMATION (IF APPLICABLE): N/A

PREVIOUS COUNCIL and/or COMMITTEE ACTION (describe any changes made to the item from what was presented at committee): N/A

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:
The Phase III Contiguous Convention Center Expansion has been approved by the California Coastal Commission, Port of San Diego, and San Diego Convention Center Corporation Board. Preliminary outreach to stakeholder groups regarding this proposed measure has been conducted with the tourism and business industry. Additional outreach to citywide community groups and stakeholders will be conducted prior to Council action in June.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:
The TOT increase will expand the San Diego Convention Center to create thousands of jobs, retain and attract large conventions, and fund programs and projects that reduce homelessness and repair roads in neighborhoods across San Diego. Additionally, the expansion will generate significant economic benefit to the City, providing more revenue to the City for core services.

Hansen, Mike
Originating Department
The City of San Diego

Report to the City Council

DATE ISSUED: March 29, 2017

ATTENTION: Honorable Members of the City Council Rules Committee

SUBJECT: Consideration of a Proposed Ballot Measure to Increase the Transient Occupancy Tax (TOT) up to 1, 2 and 3% to Fund a Contiguous Phase III Convention Center Expansion, Initiatives to Reduce Homelessness and Road Repairs

REFERENCE: N/A

REQUESTED ACTION:
Direct the City Attorney's Office to work with the Mayor's Office to prepare a draft ordinance for consideration by the City Council in June to place on the ballot for a special election in November of 2017.

STAFF RECOMMENDATION:
Approve staff recommendation and forward to City Council for consideration.

EXECUTIVE SUMMARY OF ITEM BACKGROUND:

San Diego Convention Center Expansion
The City is responsible for managing, operating, maintaining and promoting the San Diego Convention Center per the Management Agreement with the San Diego Unified Port District (Port District). The City and the Port District have engaged in extensive efforts over the past decade to advance a Contiguous Phase III Expansion to the Convention Center to meet global demand. The San Diego Convention Center hosts on average more than 50 primary events each year and more than 780,000 attendees annually. In 2016, 66 citywide conventions were held with a projected $1.2 billion in regional impact. However, the Convention Center has reached maximum occupancy and a lack of available space is the number one reason clients are not able to bring business to San Diego. As a result, these conventions go to other cities and San Diego loses significant economic benefit.

The proposed Phase III Contiguous Convention Center Expansion will:
- Add another 400,000 square feet of rentable exhibit, ballroom and meeting space to the existing facility (the total current space is 816,091 square feet);
- Allow the Convention Center to retain large conventions – the Center's top five largest conventions have a regional economic impact of approximately $397 million annually;
- Allow the Convention Center to attract approximately 50 more annual events and 334,000 attendees, bringing the average total attendance to over 1.1 million;
- Generate $509 million in direct spending at local businesses, and have a regional impact of $860 million;
Generate over 380,000 new hotel room nights annually for the San Diego market from convention attendees, providing approximately $15 million annually in additional TOT to the City's General Fund for critical public benefits and core city services like public safety, parks and libraries;

- Generate thousands of construction jobs and nearly 7,000 permanent jobs; and
- Provide numerous public benefit features including a sustainably designed 5-acre rooftop public park with views of the City and Bay, increased public access to the waterfront, and the rerouting of truck traffic away from pedestrians and visitor vehicles along the waterfront.

Phase III of the San Diego Convention Center build-out has been approved by the California Coastal Commission, Port of San Diego, City of San Diego and San Diego Convention Center Corporation Board. The project is currently included in the Port Master Plan, per the Port District's Board approval of the Port Master Plan Amendment in 2012. The project also received unanimous approval by the California Coastal Commission in 2013. On January 25, 2017, the San Diego Superior Court issued a ruling denying San Diego Navy Broadway Complex Coalition’s legal challenge to the California Coastal Commission’s approval of the Convention Center contiguous expansion under the California Coastal Act and the California Environmental Quality Act. This ruling is expected to be entered as a formal judgment in April of 2017.

In 2012, the City Council approved the formation of the Convention Center Facilities District to allow the levying of a special tax under the Mello-Roos Community Facilities Act of 1982 to finance the Phase III Contiguous Expansion, and then authorized the issuance of special tax bonds to finance a portion of the contiguous expansion. However, in 2014, the Court of Appeal, Fourth District, Division One issued a decision invalidating the Convention Center Facilities District special tax on the basis that two-thirds of registered voters, not two-thirds of landowners on which a hotel is located, were required to approve the special tax.

As such, the next step in realizing this landmark civic project is to pursue financing for the Phase III Contiguous Expansion. The Mayor is proposing a ballot measure to increase the lodging revenue that the City collects from tourists to fund the expansion through voter approved debt, and is proposing to leverage this opportunity to address two more of San Diego’s biggest issues – homelessness and repairing our roads.

**Reducing Homelessness**

According to the 2016 Point-in-Time Count, 8,692 homeless individuals and families live in the San Diego region, an estimated 4,940 of them unsheltered. The City has taken action to help address this challenge through (1) a region-wide collaborative approach with the County, the SD Housing commission and the Regional Task Force on the Homeless; (2) implementation of policies and best practices; (3) and the dedication of personnel and financial resources to programs, services and access to housing opportunities. Despite these efforts, homelessness remains a regional crisis due to a number of major policy changes and significant events, including:

- The State's elimination of the redevelopment program in 2012 which drastically cut a needed funding stream for the construction of affordable housing;
- The Great Recession, which left many low-income earners and those already homeless with a host of new financial, health, housing and transportation obstacles;
- The rising cost of housing in the San Diego region, coupled with historically low vacancy rates;
• The loss of Single-Room Occupancy (SRO) housing units as properties were renovated for other purposes; and
• Limited federal funding due to an outdated formula – San Diego County has the 4th largest homeless population in the nation yet the amount of federal funding for this region is 22nd in the United States.

The proposed measure will create the City’s first dedicated revenue stream to address homelessness, helping to offset these limited resources. Funding will support long-term regional efforts to address homelessness as well as immediate interventions for some of our most vulnerable homeless families and individuals and efforts to reach and prevent those at-risk of becoming homeless, including but not limited to:
• Increasing affordable housing and permanent supportive housing inventory through leverage of private development dollars, tax credits, bond financing and other public, private and philanthropic revenue sources;
• Creation of Support Services Assessment Center(s), immediate temporary beds for our most vulnerable individuals, triage and assessment, and bridge housing opportunities;
• Prevention and diversion initiatives;
• Rental assistance, landlord incentive payments and security deposits;
• Rapid re-housing initiatives;
• Homeless outreach, housing and case navigation services;
• Programs and services for homeless individuals experiencing substance abuse and mental health challenges;
• Support for an overarching regional ecosystem that maps out clear centralized homeless services delivery using the Regional Task Force on the Homeless’ Coordinated Entry System and the Homeless Management Information System.

Repairing Roads
The City’s highest infrastructure priority remains street repair. Since taking office, Mayor Faulconer has worked with the City Council to more than double the City’s funding for road repair. The City is currently on track to repair roughly one-third of the City’s entire street network – 1,000 miles – over a five year period. The first full assessment of the City’s street conditions was conducted in 2011, which resulted in an Overall Condition Index (OCI) of 59 or fair status. In September 2016, the Transportation and Storm Water Department released an updated condition survey that determined that 60 percent of the City streets are in good condition, 34 percent are in fair condition and 6 percent are in poor condition. This resulted in an improved OCI of 72, exceeding the Mayor and City Council’s goal of OCI 70. One of the primary methods to maintain an average OCI 70 is slurry seal, which has traditionally been funded via Gas Tax and Proposition 42 Replacement Funds. However, with the decline in fuel prices over the past few years, reduced vehicle miles traveled statewide, and the increase of fuel efficient vehicles, these sources of revenue have declined, yet there is an ongoing need to repair and maintain hundreds of miles of streets each year. As a result, the City must identify a new source of noncapital funding for slurry seal and other street maintenance activities to maintain and exceed the OCI 70.

Additionally, the City relies on debt financing for a majority of its capital road repair work and general road infrastructure. A dedicated and sustainable revenue stream for road repair will be critical as the City’s capacity to issue debt is limited and prioritizing streets for our debt financing reduces capacity to finance other critical infrastructure needs. The proposed measure will create a new fund dedicated to repairing roads to meet or exceed an OCI of 70 in every San Diego neighborhood and for addressing critical road infrastructure, including but not limited to:
- Slurry seal;
- Asphalt paving/overlay/inlay;
- Concrete replacement;
- Street reconstruction; and
- General road infrastructure and right-of-way improvements.

**Proposed TOT Measure:**
The City’s current Transient Occupancy Tax (TOT) assessment is levied at 10.5 cents per dollar on taxable rent for a transient’s stay of less than one month. An additional 2.00% Tourism Marketing District (TMD) assessment is applicable to lodging businesses with 70 or more rooms. TOT applies to all properties located within the City of San Diego that are rented to transients, defined as any person who exercises occupancy or is entitled to occupancy for less than one month. The Office of the City Treasurer is responsible for the administration and collection of the TOT and TMD assessment.

In order to fund the Phase III Convention Center Expansion, reduce homelessness and repair roads, the proposed measure would incrementally increase TOT up to 3% by tax boundary using the following anticipated “3–2–1” taxing structure:

- **Proposed Tax Boundary 1** – All lodging businesses Citywide would be subject to a 1% TOT increase (1% total increase)
- **Proposed Tax Boundary 2** – All lodging businesses located south of HWY 56 and north of HWY 44 would be subject to an additional 1% TOT increase in addition to Tax Boundary 1 rate (2% total increase)
- **Proposed Tax Boundary 3** – All lodging businesses located in the downtown area would be subject to a further additional 1% TOT increase in addition to Tax Boundary 1 and Tax Boundary 2 rates (3% total increase)

The proposed TOT increase would remain in effect up to 40 years from the issuance of long-term bonds to finance the Convention Center expansion. Funds will be deposited into separate dedicated funds for homelessness, streets and the Convention Center.

To ensure these funds are deployed responsibly, ballot language will include projected uses for initiatives to reduce homelessness and road repair funding that allow flexibility as the City’s needs change over time, as well as provide the opportunity to bond against these revenues. Funding will also be allocated for the Convention Center’s net capital and operating and maintenance costs.

Updated cost estimates for this Coastal Commission–approved Phase III expansion project range from a low of $630 million to a high of $685 million. Financing for all eligible expansion project capital costs utilizing these TOT revenues is expected to include short term notes and a long term bond with an anticipated 30-year term, as well as the anticipated contribution agreed upon from the Port District.

If the ballot measure (a special tax) is approved by two-thirds of the voters in November of 2017, the TOT increase would be levied and funds would be collected for homelessness, road repair and the Convention Center project beginning in the second half of FY 2018. Based on this preliminary timeline, short term notes would be issued in FY 2019 to begin project work for the Phase III Expansion, and bonds would be issued in FY 2020. Construction is anticipated to begin in July of 2019 and last approximately 44 months.
Projected Revenue:
The current growth rate for TOT during this recent period of strong economic growth in San Diego is 5 to 6%. Future TOT growth over the long term is difficult to project. Based on preliminary estimates, and a moderate annual growth rate assumption of 3%, the proposed increase would:

- Support debt service for a Phase III expansion estimated $630 to $685 million in project size for design and construction;
- Provide additional revenue to support capital needs and operating and maintenance at the entire Convention Center facility over the life of the levy.
- Provide more than three times the amount of General Funds the City spends on homeless programs annually in the first year alone;
- Generate revenues exceeding $150 million for homelessness and $150 million for road repair over 10 years, increasing to approximately $900 million in total revenues for homeless programs and approximately $900 million in total revenues for street repair over 40 years;
  - If City Council wanted to issue bonds from the above discussed revenue capacity, approximately $20 million in annual revenue could leverage to generate $140 million in FY 2019 for homeless programs (taxable bonds assumed) and/or $150 million in FY 2019 for street repair (tax-exempt bonds assumed).

These preliminary revenue estimates do not anticipate new hotels expected to come online after Fiscal Year 2018.

Conclusion:
Given the rising costs for construction of the proposed Convention Center expansion, increasing at $3.6 million per month, as well as the urgent need to address the homeless crisis and repair roads, placing this measure on the ballot as soon as possible is in the best financial interest of the City and in the best civic interest of San Diego's neighborhoods. As such, staff is requesting the Committee direct the City Attorney's Office to work with the Mayor's Office to prepare a draft ordinance for consideration by the City Council in June to place on the ballot during a special election in November 2017.

CITY STRATEGIC PLAN GOAL(S)/OBJECTIVE(S):
Goal # 2: Work in partnership with all of our communities to achieve safe and livable Neighborhoods
Objective #3: Invest in infrastructure
Objective #4: Foster services that improve quality of life

Goal 3: Create and sustain a resilient and economically prosperous City
Objective #1: Create dynamic neighborhoods that incorporate mobility, connectivity, and sustainability
Objective #3: Diversify and grow the local economy
Objective #5: Enhance San Diego’s global standing
FISCAL CONSIDERATIONS:
Per Municipal Code Section 27.0506, after the matter is placed on the ballot the Mayor, Independent Budget Analyst, and the City Auditor will prepare a fiscal impact analysis.

Costs associated with a special election are estimated at $5 million and will be included in the Mayor's Proposed Budget to be released in April.

EQUAL OPPORTUNITY CONTRACTING INFORMATION (if applicable): N/A

PREVIOUS COUNCIL and/or COMMITTEE ACTIONS: N/A

COMMUNITY PARTICIPATION AND OUTREACH EFFORTS: The Phase III Contiguous Convention Center Expansion has been approved by the California Coastal Commission, Port of San Diego, and San Diego Convention Center Corporation Board. Preliminary outreach to stakeholder groups regarding this proposed measure has been conducted with the tourism and business industry. Additional outreach to citywide community groups and stakeholders will be conducted prior to Council action in June.

KEY STAKEHOLDERS AND PROJECTED IMPACTS: The TOT increase will expand the San Diego Convention Center to create thousands of jobs, retain and attract large conventions, and fund programs and projects that reduce homelessness and repair roads in neighborhoods across San Diego. Additionally, the expansion will generate significant economic benefit to the City, providing more revenue to the City for core services.

Office of Mayor Kevin Faulconer

Originating Department

Deputy Chief/Chief Operating Officer

Attachment(s): 1. Memorandum to Scott Chadwick, Chief Operating Officer – San Diego Convention Center Phase III Expansion Project Potential Construction Delay Costs, March 27, 2017
THE CITY OF SAN DIEGO

MEMORANDUM

DATE: March 27, 2017

TO: Scott Chadwick, Chief Operating Officer

FROM: Paz Gomez, Deputy Chief Operating Officer, Infrastructure/Public Works

SUBJECT: San Diego Convention Center Phase III Expansion Project Potential Construction Delay Costs

This memorandum is to summarize potential costs associated with delay in completion of construction of the San Diego Convention Center (SDCC) Phase III Expansion.

Background
Current square footage (SF) of existing SDCC building is 1,763,876 SF, which includes 525,701 SF of exhibit space, 90,000 SF of special events area, 123,408 SF of meeting rooms, and 80,706 SF of ballroom space for a total of 819,815 SF in customer-use area.

Proposed Project
Proposed SDCC Phase III expansion would add 220,150 SF of exhibit space, 101,500 SF of meeting rooms, and 78,470 SF of ballroom space for a total of 400,120 SF additional customer-use area space plus 42,500 SF of retail space. Estimated total project cost (including design, construction, equipment, and soft costs) is $685 million, projected to August 2021, which is the construction midpoint.

Proposed schedule, pending voter approval of project in November 2017, is:
- Start design/build portion in July 2019
- Complete construction by March 2023.

Total design/build duration is estimated at 44 months. Assumptions include SDCC will remain operational throughout construction when needed, construction will be phased, and the expanded SDCC would become operational in April/May 2023.

Construction Project Delay Costs
In August 2013, Clark/Hunt Joint Venture provided an estimate of $518 million to construct SDCC Phase III expansion, using a construction midpoint of October 2017. In March 2017, Fentress Architects provided a cost estimate of $685 million (assuming the same design provided by Clark/Hunt), using a construction midpoint of August 2021. The project cost estimate increased by $167 million over 46 months (October 2017 to August 2021), which is an average increase of $3.6
million per month. Any additional construction project delay beyond an estimated completion date of March 2023 could result in a continuing increase in construction costs of $3.6 million per month.

Lost Hotel Room Bookings
San Diego Tourism Authority is required to book 860,000 total projected room nights per year. Assuming that increasing the available exhibit space, meeting rooms and ballrooms by ~50% (increasing 819,815 SF of customer-use area by 400,120 SF for a new total of 1,219,935 SF) would result in a proportional 50% increase in room bookings, bookings could increase from 860,000 total projected room nights per year by 430,000 for a new total of 1,290,000 projected room nights per year.

San Diego Tourism Authority projects an average daily room rate (ADR) of $178 in 2020. They use a 3.5% growth rate, which the City also uses. Grossing the 2020 ADR to 2023 gives an ADR of $197. Using this rate, 430,000 additional room nights at $197 per night = $84.7 million per year or $7.1 million per month. Therefore, any delay in construction past the estimated construction completion date of March 2023 could result in lost hotel room bookings of $7.1 million per month. Seasonal fluctuations in hotel room bookings were not considered.

Another approach to estimating lost hotel room bookings is to use an estimated additional 25 major conventions per year per Charles Black, in an article on Multi-Housing News dated October 14, 2011 (Attachment 1), and estimating an average of 10,000 attendees per convention (based on a phone call with SDCC General Manager), which would result in an increase in annual attendance of 250,000. Assuming a conservative 70% of an additional 250,000 attendees would book hotels at $197 per night, lost hotel room bookings could be 250,000 x 0.70 x $197 = $34.5 million per year or $2.9 million per month. Seasonal fluctuations in hotel room bookings were not considered.

Lost Transient Occupancy Tax (TOT) Revenue
Lost TOT revenue is 10.5% of the lost hotel room booking revenue.

Summary
For every month that the SDCC Phase III Expansion project is delayed past March 2023 (estimated completion date), the following delay costs could occur:

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<th>Proportional approach</th>
<th>25 conventions approach</th>
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<td>Construction project delay costs</td>
<td>$3.6 million</td>
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<td>Lost hotel room bookings</td>
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<td><strong>Total Potential Construction Delay Costs</strong></td>
<td><strong>$11.4 million per month</strong></td>
<td><strong>$6.8 million per month</strong></td>
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</tbody>
</table>

Using the more conservative estimate, total potential construction delay costs beyond March 2023 could be $6.8 million per month.

Paz Gomez, PE, CEM, GBE
Deputy Chief Operating Officer, Infrastructure/Public Works

cc: Stacey LoMedico, Assistant Chief Operating Officer
    Mary Lewis, Chief Financial Officer
    David Graham, Deputy Chief Operating Officer, Neighborhood Services
    Ronald H. Villa, Deputy Chief Operating Officer, Internal Operations
City Council Approves Plan to Support the Expansion of the San Diego Convention Center

By Gabriel Cicciog, Associate Editor The City Council of San Diego has unanimously approved the plan that aims to gather most of the funds needed to pay for the $550 million expansion of the San Diego Convention Center. Signor San Diego […]

The City Council of San Diego has unanimously approved the plan that aims to gather most of the funds needed to pay for the $550 million expansion of the San Diego Convention Center. Signor San Diego reports the plan aims to create a special district and tax on local hotel owners. The tax would be applicable to hotel property owners and hotel operators carrying out their activity on leased public land. Officials are expecting to generate between $28 million and $33 million a year, edging closer to the target $40 million needed to pay off 30-year bonds. The tax will be incremental depending on the proximity of the property to downtown, thus a 3 percent charge on hotel room revenue will be applicable to downtown properties, 2 percent for Mission Bay and Mission Valley establishments and 1 percent for the others. The city will create a facilities district similar to the Mello-Roos community facilities district.

Councilman Lorie Zapf raised questions regarding the public’s confusion over a perceived link between the future convention center and a new Chargers stadium. City officials specified that hotel taxes for the expansion of the center can’t be used on the stadium and assured the public that the legal language will be revised to make the restriction clear.

Ultimately, according to project manager Charles Black, the expansion is expected to attract 25 major new conventions each year to San Diego which will represent $121 million in extra hotel business as well as a $700 million economic impact and $15 million in new city revenue.

Supporters are hoping the new 750,000-square-foot facility can open by 2016.

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