CIVIC CORE ECONOMIC DEVELOPMENT SUB-COMMITTEE Stephen P. Cushman, Chair · Jack McGrory · Michael Zucchet · Tony Young

- 1. Goals of the task force
 - a. Primary goal should be building a new City Administration Building (CAB).
 - b. Secondary goal is Housing: affordable and workforce.
- 2. Given the current downtown workforce and the potential for future growth, the new City Administration Building should be between approximately 500,000 and 600,000 square feet.
- 3. The new CAB should be paid for through a combination of revenues generated by the results of the SLA process, existing City revenues and the redeployment of savings realized by the consolidation of the City's downtown workforce into a new City Hall.
- 4. A singular Notice of Availability should be used for five of the six blocks, excluding one block for the new CAB.
- 5. The new CAB should be built in conjunction with a fee developer on the existing site that currently houses the City Operations Building. Thus, no NOA would be necessary for this project as it would be retained for governmental use and not subject to the Surplus Land Act.
- 6. Outside consultant should be hired by City to advise and recommend development and disposition to Mayor and Council for the NOA. They would work on financing options for their response including P3, and other possible structures including sale and lease options.
- 7. Work to maintain a theatre presence within the Civic Core as a desired development outcome of the NOA. Any theatre development should be in collaboration with San Diego Theatres and philanthropists, not primarily funded by the developer or the City.
- 8. The JLL contract approved by Council should look at public facing services and what services are appropriate Downtown. The timeliness of the JLL findings and report is important.
- 9. The Committee received a presentation from State representatives regarding the Surplus Land Act. The State made it clear that affordable housing is the primary goal of the Act but emphasized that "additional local requirements" are also relevant and appropriate. According to the State, "deference will be given to a local agency determination" to select a bidder that does not provide the highest raw number of units affordable at 80% AMI. Other considerations could include:
 - a. Provision of workforce housing at 80–120% AMI
 - b. Provision of other types of affordable housing (e.g., replacement of "SRO" units at various AMI levels)
 - c. Type of financing for affordable units (units funded by the developer from for-profit aspects of project are preferred over units funded by vouchers and tax credits because that actually *creates* more affordable housing units rather than just proscribing where those units will be located)

The Committee recommends that the City include this type of direction in the NOA and include these considerations in the ultimate selection.