

**Office of
The City Attorney
City of San Diego**

**MEMORANDUM
MS 59**

(619) 236-6220

DATE: August 20, 2018

TO: Elizabeth Maland, City Clerk

FROM: City Attorney

SUBJECT: Title, Summary, and City Attorney Impartial Analysis for Ballot Measure – Soccer City Initiative Measure (**Measure E**)

The City Council has directed the City Attorney to prepare a ballot title, summary, and impartial analysis of a citizens' initiative to authorize a lease and partial sale of Mission Valley stadium property and the former Chargers practice facility to allow development included in the specific development plan known as Soccer City, which the City Council voted to place on the November ballot. (*See San Diego Resolution R-311916, adopted July 30, 2018.*)

This measure seeks voter approval to amend the San Diego Municipal Code, the General Plan, the Mission Valley and Kearny Mesa Community Plans, and the Mission Valley Planned District Ordinance, and adopt the San Diego River Park, Soccer City, and Qualcomm Stadium Redevelopment Specific Plan and San Diego River Park and Soccer City Development Agreement.

The City Council adopted San Diego Ordinance O-20966 on July 30, 2018, to submit the measure to the voters on the November 6, 2018 Municipal Special Election ballot. The City Council decided not to adopt the initiative petition in full, and instead adopted a resolution of intention to submit the matter to the voters and placed the measure on the ballot.

BALLOT TITLE

Soccer City Citizens' Initiative

BALLOT SUMMARY

This citizens' initiative measure provides for the leasing and privately funded redevelopment of property owned by the City of San Diego, including demolishing the existing Mission Valley stadium and building a new stadium. The plan covers approximately 233 acres of property, including the existing stadium, and 20 acres of the former San Diego Chargers practice facility on Murphy Canyon Road.

If approved by voters, this measure would amend the San Diego Municipal Code to establish a process for the City to lease the properties for 99 years to an entity that is under consideration for or has been awarded a professional soccer league franchise for the San Diego area. If no such entity applies for a lease within one year of this measure's effective date, the City may also accept applications from an entity with a collegiate football program or one that has been awarded the franchise for a professional sports league team in the San Diego market.

This measure includes required terms for the lease. The Mayor may change the lease terms under certain circumstances. The Mayor would sign the lease, which does not require City Council approval or a public hearing. The lease would allow the lessee to purchase up to 79.9 acres of the stadium property.

The rent must be based on the value of the leasehold interest of the properties as of March 2, 2017. The measure requires the Mayor to determine that value, and identifies some of the factors the Mayor may consider. Total rent for the 99-year term must be at least \$10,000.

If approved by voters, this measure would adopt a development agreement, change the City's planning documents and land development regulations to exempt the development from existing regulations that conflict with this measure, provide new regulations, and create a specific development plan. The development plan allows various residential, commercial, and recreational uses. If the properties are leased, the City would not be responsible for the costs of demolishing the stadium or building a new stadium. The development plan does not guarantee that any specific development will occur or that it will occur in a specific order.

Potential uses of the stadium property include:

- a new stadium with up to 32,000 seats
- a 34-acre river park
- 12 acres of active use fields
- 9 acres of neighborhood parks
- 2.4 million square feet of office space
- 740,000 square feet of retail space
- 4,800 multi-family residential units (including affordable housing and student-focused housing)
- 450 hotel rooms
- a 16-acre stand-alone football stadium for a professional football franchise

Potential uses of the Murphy Canyon property include:

- practice facilities
- full-sized soccer fields
- team operations
- media
- lodging for visiting teams

The maximum amount of development on the stadium property is limited by the number of projected daily traffic trips, which may be increased under specified circumstances. No public hearings are required for development applications that are consistent with the specific development plan.

This measure may not be amended before 2033 without a vote of the people.

CITY ATTORNEY'S IMPARTIAL ANALYSIS

This citizens' initiative measure was placed on the ballot by the City Council after voter signatures qualified the initiative measure for the ballot.

If approved by voters, this measure would control the development and use of the approximately 253-acre Mission Valley stadium property and former San Diego Chargers practice facility for at least 99 years. The development would be privately funded, including demolishing the current stadium and constructing a new stadium. Voter approval of this measure does not guarantee that any specific development would be built or that a professional soccer team would come to San Diego.

Adoption of this measure does the following:

- Amends the San Diego Municipal Code to establish the process for leasing the properties, including:
 - defining who is eligible to lease the properties,
 - setting terms that must be included in the lease, and
 - granting the Mayor authority to approve the lease without City Council approval;
- Adopts a specific plan for development that allows various residential, commercial, and recreational uses to be built without public hearings for development applications that are consistent with the development plan,
 - public hearings may be required for certain other approvals;
 - the plan includes specific environmental mitigation measures;
- Approves a development agreement granting the right to build the facilities included in the development plan; and
- Amends other existing land use regulations and plans to be consistent with the development plan.

This measure does not guarantee development would happen in a certain order. A lease may create requirements addressing the order of development, if they do not conflict with other terms of the measure. The terms of a final lease will not be drafted until a lessee is selected after the election.

The lease would allow the lessee to purchase 79.9 acres of the stadium property, and to assign or sublease the property rights to other parties. A lessee could allow collegiate football

programs to use a new stadium, and the development plan allows for university-related development. This measure does not require the lessee to allow these uses.

Existing law allows the City to lease the properties, adopt a specific development plan, and enter into a development agreement following review under the California Environmental Quality Act (CEQA), a public hearing, and approval by the City Council. This measure would change existing law to allow the City to enter the lease, and adopt the development plan and development agreement, without completing all of those steps. This measure also requires the City to enter a lease with a defined private party under specific terms, if certain conditions are met.

Review under CEQA that would normally be required if the City approved the development is not legally required before voter approval of a citizens' initiative measure. Implementing this measure may involve future decisions requiring CEQA review.

This measure may not be amended before 2033 without a vote of the people. Once a lease and development agreement are signed, the rights granted in those contracts may not be changed by a vote of the people.