

May 5, 2023 *As updated by June 9, 2023

To All Interested Parties:

RE: Notice of Availability/Offer to Sell or Lease Surplus Property 202 C Street, 1100 and 1200 Third Avenue, 1101 and 1265 First Avenue, 201 A Street, and 101 Ash Street (the "Property")

As required by Government Code Section 54220 of the State of California, the City of San Diego (City) is providing notification that the City intends to sell or lease the surplus property listed in the accompanying table.

It is the City's desire to preserve a theatre presence within the Surplus Property area if practical. This could include either the retention of the current Civic Theatre or the providing of space for a new theatre to be built through philanthropy. The City desires proposals that guarantee the continued employment of all current theatre workers.

The City encourages entities to incorporate development of as much affordable housing as possible in their proposals to the City and in addition to the minimum affordable housing requirements of the Surplus Land Act, **the City would like to see a range of income levels served as part of the development, including middle-income housing at the level of 80 percent to 150 percent AMI. Also, the City conditions development on the incorporation of Extremely Low Income (0 percent to 30 percent AMI) affordable housing, either on-site or within the Downtown Community Planning Area, including but not limited to Permanent Supportive Housing at Extremely Low Income AMI, Affordable Housing without services at Extremely Low Income AMI, or the creation or preservation of Single-Room Occupancy Housing. Only on-site affordable housing units will count toward the developer's obligation under the Surplus Land Act to** develop and operate at least 25 percent of housing units as affordable to lower income households (80 percent AMI or less).

In addition to the number of affordable housing units, the City will also prioritize bidders that have strong labor agreements and bidders that propose a plan to maximize mobility options and climate benefits. Finally, the City desires proposals that include significant philanthropic support in such a way that maximizes desired public benefits and minimizes dependence on government-funded housing vouchers.

In accordance with Government Code Section 54222, you have sixty (60) days from the date this offer was sent via certified mail or electronic mail to notify the City of your interest in acquiring the development rights to said property. This offer, however, shall



not obligate the City to sell or lease the property to you. Instead, the City would enter into a negotiating period of at least ninety (90) day with you pursuant to Government Code Section 54223. If no agreement is reached on sales price and terms, or lease terms, the City may market the property to the general public.

As required by Government Code Section 54227, if the City receives more than one letter of interest during this 60 day (now 90 day) period, it will give first priority to entities proposing to develop housing where at least 25 percent of the units will be affordable to lower income households. If more than one such proposal is received, priority will be given to the proposal with the greatest number of affordable units. If more than one proposal specifies the same number of affordable units, priority will be given to the proposal that has the lowest average affordability level.

Entities responding to this Notice of Availability are also encouraged to reach out to the San Diego Unified School District which is interested in locating a Performing Arts High School and teacher housing downtown and may be a viable partner.

In the event your agency or company is interested in leasing or purchasing the property, you must notify the City in writing within 90 days of the date this notice (by August 4, 2023) was sent via certified mail or electronic mail. Electronic/email submissions of interest to <u>cbibler@sandiego.gov</u> should include the following text in the subject line: "Interest in Civic Center Revitalization Project" Notice of your interest in acquiring the property by certified mail shall be delivered to Christina Bibler, Economic Development Director, at 1200 Third Avenue, Suite 1400, San Diego, CA 92101. You may also direct your questions to <u>cbibler@sandiego.gov</u> or jgoldstone@sandiego.gov</u> or by calling 619-236-6421.

Entities proposing to submit a letter of interest are advised to review the requirements set forth in the Surplus Land Act (Government Code Section 54220-54234).

Entities are encouraged to incorporate the Business Cooperation Program in their development. Further information can be accessed at: <u>https://www.sandiego.gov/business-resource/business-cooperation-program</u>

In addition to the requirements of the Surplus Land Act, potential proposers should review the work of the Mayor's Civic Center Revitalization Committee. This Committee was established to develop a vision for the Property and has prepared a Report that has been presented to the City Council. This vision is not a condition to any development proposal, however, it should serve as a guiding principle. Information about the Committee and its final report can be accessed at: <u>https://www.sandiego.gov/mayor/ccrc</u>