SAMPLE BALLOT & VOTER INFORMATION PAMPHLET

Gubernatorial General Election

Tuesday, November 6, 2018
Polls open 7am » close 8pm





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COUNTY OF SAN DIEGO GUBERNATORIAL GENERAL ELECTION Tuesday, November 6, 2018

CITY	STATE
CITY OF SAN DIEGO MEMBER, CITY COUNCIL DISTRICT NO. 2 Vote for One JENNIFER CAMPBELL Medical Doctor/Professor LORIE ZAPF San Diego City Councilmember	PROP 2 AUTHORIZES BONDS TO FUND EXISTING HOUSING PROGRAM FOR INDIVIDUALS WITH MENTAL ILLNESS. LEGISLATIVE STATUTE. Amends Mental Health Services Act to fund No Place Like Home Program, which finances housing for individuals with mental illness. Ratifies existing law establishing the No Place Like Home Program. Fiscal Impact. Allows the state to use up to \$140 million per year of county mental health funds to repay up to \$2 billion in bonds. These bonds would fund housing for those with mental illness who are homeless.
MEASURES SUBMITTED TO THE VOTERS	
STATE	YÉS
PROP 1 AUTHORIZES BONDS TO FUND SPECIFIED HOUSING ASSISTANCE PROGRAMS. LEGISLATIVE STATUTE. Authorizes \$4 billion in general obligation bonds for	D NO
existing affordable housing programs for low-income residents, veterans, farmworkers, manufactured and mobile homes, infill, and transit-oriented housing. Riscal Impact Increased state costs to repay bonds averaging about \$170 million annually over the next 35 years.	PROP 3 AUTHORIZES BONDS TO FUND PROJECTS FOR WATER SUPPLY AND QUALITY, WATERSHED, FISH, WILDLIFE, WATER CONVEYANCE, AND GROUNDWATER SUSTAINABILITY AND STORAGE. INITIATIVE STATUTE. Authorizes \$8.877 billion in state general obligation bonds for various infrastructure projects. Fiscal Impact: Increased state costs to repay bonds averaging \$430 million per year over 40 years. Local government savings for water-related projects, likely averaging a couple hundred million dollars annually over the next few decades.
,	YES
	O NO

F485C1BB 1033 00506 07 N SD 534-014



JENNIFER CAMPBELL, MD Medical Doctor Professor

The doctor on call to FIX city hall!

ENDORSED BY

Congressman Scott Peters State Senator Toni Atkins Assemblyman Todd Gloria Councilmember Barbara Bry Planned Parenthood Action Fund Sierra Club

Dr. Jen Campbell strengthens our community and has the experience to succeed.

- Respected family physician and educator.
- Volunteer dedicated to equal rights, treating homeless vets, and community representation.
- Past Executive Board Member of the Clairemont Town Council and the San Diego Human Dignity Foundation.

Dr. Jen is running because San Diego needs <u>accountability and action</u> instead of indifference and delay.

- Downtown interests push through costly pet projects while ignoring our neighborhoods.
- Our city was unprepared for the Hepatitis A outbreak and a deadly flu season.
- Housing affordability and skyrocketing rents are driving away our next generation.

Dr. Jen will fight for the residents of District 2.

- Ensure vacation rental regulation is fully enforced.
- Tackle our crumbling infrastructure and getting our fair share of city services.
- Implement nationally proven programs to reduce homelessness.
- Protect the beauty of our beaches and bays and safeguard their accessibility.

"I'm here to provide the greatest care for our communities. District 2 needs responsible, intelligent leadership to secure our future."

-Dr. Jen Campbell

www.DrJen2018.com

CS-0720-1 N SD 534-037



LORIE ZAPF
San Diego City Councilmember

Independent Leadership

I am proud of my City Council record as a leader committed to fiscal discipline, expanded city services and protecting neighborhoods.

ACCOMPLISHMENTS

- Repaired 109 miles of streets, filled over 20,000 potholes, 2,399 sidewalk repairs and 2,631 street lights fixed in District 2.
- Balanced city budget while increasing critical neighborhood services, including expanded recreation center and library hours.
- First elected official to bring attention to the deadly Hepatitis A virus in San Diego.
- Led the effort to restore over 200 law enforcement officers to increase public safety.
- Leader in adoption of landmark legislation to protect communities against out-of-control short-term vacation rentals.
- Cleaned our beaches, bays and canyons with I Love a Clean San Diego and San Diego River Park Foundation.
- Named Humane Hero of the Year by San Diego Humane Society.
- Legislator of the Year Award from San Diego River Park Foundation for environmental leadership.

PRIORITIES

- Support effective solutions to address our homeless population
- Oppose any effort to allow oil drilling off our coast
- Protect the 30-foot height limit for our Beach and Bay views
- Enforce our laws to protect residents' quality-of-life

Endorsed by Father Joe Carroll and San Diego Police Officers Association.

www.LorieZapf.com

CS-0720-2 N SD 534-038

COUNTY OF SAN DIEGO GUBERNATORIAL GENERAL ELECTION Tuesday, November 6, 2018

CITY	STATE
CITY OF SAN DIEGO MEMBER, CITY COUNCIL DISTRICT NO. 4 Vote for One MYRTLE COLE City Council President MONICA MONTGOMERY Attorney/Civil Rights Advocate	PROP 2 AUTHORIZES BONDS TO FUND EXISTING HOUSING PROGRAM FOR INDIVIDUALS WITH MENTAL ILLNESS. LEGISLATIVE STATUTE. Amends Mental Health Services Act to fund No Place Like Home Program, which finances housing for individuals with mental illness. Ratifies existing law establishing the No Place Like Home Program. Fiscal Impact Allows the state to use up to \$140 million per year of county mental health funds to repay up to \$2 billion in bonds. These bonds would fund housing for those with mental illness who are homeless.
MEASURES SUBMITTED TO THE VOTERS	
STATE	YÉS
PROP 1 AUTHORIZES BONDS TO FUND SPECIFIED HOUSING ASSISTANCE PROGRAMS. LEGISLATIVE STATUTE. Authorizes \$4 billion in general obligation bonds for	(No)
existing affordable housing programs for low-income residents, veterans, farmworkers, manufactured and mobile homes, infill, and transit-oriented housing. Riscal Impact Increased state costs to repay bonds averaging about \$170 million annually over the next 35 years. YES NO	PROP 3 AUTHORIZES BONDS TO FUND PROJECTS FOR WATER SUPPLY AND QUALITY, WATERSHED, FISH, WILDLIFE, WATER CONVEYANCE, AND GROUNDWATER SUSTAINABILITY AND STORAGE. INITIATIVE STATUTE. Authorizes \$8.877 billion in state general obligation bonds for various infrastructure projects. Fiscal Impact: Increased state costs to repay bonds averaging \$430 million per year over 40 years. Local government savings for water-related projects, likely averaging a couple hundred million dollars annually over the next few decades.
-	YES
	O NO

85B344D8 1033 00058 07 N SD 571-014



MYRTLE COLE City Councilmember

ALL AROUND US IMPROVEMENTS ARE HAPPENING!

Public Safety

- We are the 3rd safest council district in San Diego!
- I've greatly improved emergency response times.
- I'll continue to prioritize public safety and community partnerships for crime prevention.

Infrastructure

- We've filled over 5,000 potholes, paved streets, built sidewalks, replaced water and sewer lines and added streetlights and bike lanes.
- I acquired millions of dollars to ease traffic congestion in our communities.

Parks, libraries and recreation centers

- I acquired \$5.5 million to make our community's dream of a senior center in "Tooma Park" a reality. We break ground this fall!
- I brought our community a new Skyline Hills Branch Library, opened the Charles Lewis III Memorial Park, and funded a \$1.5 million Teen Center at the Malcolm X Library.

Jobs and housing

- I helped create hundreds of jobs through construction of affordable housing, market rate homes and mixed-use development.
- As Council President, I'm working to get homeless individuals off streets, out of canyons and into permanent homes.

I voted to protect immigrants by supporting California's sanctuary state law!

Endorsed by
San Diego and Imperial Counties Labor Council
San Diego City Firefighters
Senate President Pro Tempore Toni Atkins
Assemblymember Todd Gloria

VOTE MYRTLE COLE FOR CITY COUNCIL!

www.myrtlecole.com

CS-0740-1 N SD 571-037



MONICA MONTGOMERY Attorney Civil Rights Advocate

Received the most votes in Primary Election: Monica Montgomery is the community's choice.

"Monica Montgomery is strong, smart, capable and will serve us well." – Cecil Steppe, Probation Chief (ret.)

As your elected representative, **Monica Montgomery** will put District Four residents first. **Monica Montgomery** will give us a voice downtown and fight for the resources our community needs. **Monica Montgomery** is a corporate-free candidate and is not controlled by special interests.

Monica Montgomery's Priorities:

- <u>Economic Opportunity for All</u>: Improve the quality of life for residents through access to local middle class jobs and business growth.
- <u>Safe and Healthy Communities</u>: Strengthen neighborhood services and fight to house the homeless population.
- <u>Criminal Justice Reform</u>: Push for policies that will promote accountability and improve law enforcement and community relations.
- Transparency in Government: Lead with openness, accountability, and honesty.

Monica Montgomery's Record:

- Helped save families homes from foreclosure during economic downturn
- Served as Senior Policy Advisor for three elected officials at city hall
- Led the local campaign on money bail reform
- 30 year resident of District Four

ENDORSED BY:

SEIU Local 221, San Diego County Employees Earl B Gilliam Bar Association La Raza Lawyer's Association San Diego Progressive Alliance

www.voteformonica.org

CS-0740-2 N SD 571-038

COUNTY OF SAN DIEGO GUBERNATORIAL GENERAL ELECTION Tuesday, November 6, 2018

CITY	STATE
CITY OF SAN DIEGO MEMBER, CITY COUNCIL DISTRICT NO. 6 Vote for One CHRIS CATE Councilmember/Council Committee Chair TOMMY HOUGH Broadcaster/Environmental Advocate	PROP 2 AUTHORIZES BONDS TO FUND EXISTING HOUSING PROGRAM FOR INDIVIDUALS WITH MENTAL ILLNESS. LEGISLATIVE STATUTE. Amends Mental Health Services Act to fund No Place Like Home Program, which finances housing for individuals with mental illness. Ratifies existing law establishing the No Place Like Home Program. Fiscal Impact Allows the state to use up to \$140 million per year of county mental health funds to repay up to \$2 billion in bonds. These bonds would fund housing for those with mental illness who are homeless.
MEASURES SUBMITTED TO THE VOTERS	
STATE	YÉS
PROP 1 AUTHORIZES BONDS TO FUND SPECIFIED HOUSING ASSISTANCE PROGRAMS. LEGISLATIVE STATUTE. Authorizes \$4 billion in general obligation bonds for	(No)
existing affordable housing programs for low-income residents, veterans, farmworkers, manufactured and mobile homes, infill, and transit-oriented housing. Riscal Impact Increased state costs to repay bonds averaging about \$170 million annually over the next 35 years.	PROP 3 AUTHORIZES BONDS TO FUND PROJECTS FOR WATER SUPPLY AND QUALITY, WATERSHED, FISH, WILDLIFE, WATER CONVEYANCE, AND GROUNDWATER SUSTAINABILITY AND STORAGE. INITIATIVE STATUTE. Authorizes \$8.877 billion in state general obligation bonds for various infrastructure projects. Fiscal Impact: Increased state costs to repay bonds averaging \$430 million per year over 40 years. Local government savings for water-related projects, likely averaging a couple hundred million dollars annually over the next few decades.
,	YES
	O NO

4E0F397A 1033 00469 07 N SD 408-014



CHRIS CATE

A proven, independent leader

Reforms at city hall have allowed us to move from the pension crisis to increasing city services. While we are on steadier ground, we need to hire more law enforcement officers to keep our communities safe and increase investments in our roads and infrastructure.

Accomplishments

Since 2014, in District 6 we have:

- Helped launch more than 50 Neighborhood Watch Groups and seen crime drop nearly 7%
- Repaved nearly 100 miles of streets and filled over 13,000 potholes
- Advocated for funding and programs to address homelessness in our neighborhoods and help those in need
- Approved an unprecedented salary increase and marketing plan to bolster staffing for law enforcement

Priorities

If re-elected, I will work to make sure we continue protecting taxpayer dollars by:

- Ensuring we are not overpaying our water bills
- Fixing our streets and filling potholes
- Protecting and maintaining our parks and libraries
- Fully restoring law enforcement staffing to best protect our neighborhoods
- Increase housing stock and address our homelessness crisis

Endorsements

- Kevin Faulconer, Mayor
- San Diego Police Officers Association
- Father Joe Carroll

I am committed to working with everyone to get these things done, and to continue serving the neighborhoods of District 6.

(858) 863-6069 www.chrisjcate.com

CS-0760-1 N SD 408-037



TOMMY HOUGH

Ethical, Effective Leadership

Tommy Hough is the ethical and effective choice for District 6.

Our communities need a trusted neighbor who will never betray your interests and will always protect classified city information.

Tommy isn't afraid to lead on critical issues and has the record to prove it.

Fighting For:

- · Rebuilding roads and vital infrastructure
- Ensure San Diegans have a choice in their energy provider
- Applying innovative approaches to solving our housing crisis
- Stopping the spread of short-term vacation rentals
- Finding long-term, effective, and compassionate solutions to our homeless crisis
- Ensuring public safety by closing our fire station gap
- Preserving and enhancing our parks and open space

Endorsed By:

- Sierra Club
- California Senate President pro tem Toni Atkins
- Assemblymember Lorena Gonzalez Fletcher
- Assemblymember Todd Gloria
- San Diego City Councilmember Barbara Bry
- San Diego City Councilmember David Alvarez
- Former California Senator Christine Kehoe
- Former San Diego City Councilmember Marti Emerald
- · Fire Captain Jeff Griffith, Cal Fire
- SDUSB President Kevin Beiser
- · Community Activist Matt Valenti
- Save Our San Diego Neighborhoods

As a policy advocate, environmentalist and former on-air host at 91X and FM 94/9, I'm ready to serve as your voice on San Diego City Council.

www.votetommy2018.com

CS-0760-2 N SD 408-038

COUNTY OF SAN DIEGO
GUBERNATORIAL GENERAL ELECTION
Tuesday, November 6, 2018

SCHOOL	CITY
MOUNTAIN EMPIRE UNIFIED SCHOOL	CITY OF SAN DIEGO
DISTRICT	MEMBER, CITY COUNCIL
GOVERNING BOARD MEMBER	DISTRICT NO. 8
TRUSTEE AREA NO. 3	Vote for One
Vote for One	ANTONIO MARTINEZ
ROB ROMERO Small Business Owner	School Boardmember/Healthcare Educator
BERYL BUCHANAN	VIVIAN MORENO Council Representative
School Board Trustee, Mountain Empire Unified	DISTRICTS
Write-In	
	GROSSMONT HEALTHCARE DISTRICT
MOUNTAIN EMPIRE UNIFIED COUCO	MEMBER, BOARD OF DIRECTORS
MOUNTAIN EMPIRE UNIFIED SCHOOL	Vote for no more than Two
DISTRICT	GLØRIA A. CHADWICK Registered Nurse
GOVERNING BOARD MEMBER	Troglobaled Hulbe
TRUSTEE AREA NO.4	RANDY LENAC
Vote for One	Grossmont Healthcare District Director
GENE PATTEN Business Owner	ED MARTINEZ Healthcare Consultant
STEPHEN MAURICE GRÉIFZU	Treatment Offsulant
Retired Equiptment Operator	Write-In
Write-In	Write-In
	0

6CA746BB 1033 00326 06 N SD 099-013



ANTONIO MARTINEZ School Boardmember Healthcare Counselor

THE FIGHTER WE NEED AT CITY HALL

"Our community has been ignored for too long.

I'll fight for the fair share our neighborhoods deserve."

— Antonio Martinez

ANTONIO MARTINEZ: PUT OUR NEIGHBORHOODS FIRST

- More funding for our neighborhoods less money for downtown special interests.
- · Safer neighborhoods more community focused public safety.
- Keep pollution/toxic chemicals out of our neighborhoods.
- Better parks, libraries, after-school programs for kids.
- Get the homeless off our streets and into treatment.

ANTONIO MARTINEZ: A PROVEN COMMUNITY CHAMPION

- Delivers affordable healthcare at the Nestor Community Clinic.
- Launched Project Dream to collect 1,500 blankets for homeless children.
- Increased job training in our schools to prepare students for good careers.

ANTONIO MARTINEZ: ONE OF US. FIGHTING FOR ALL OF US.

- Lifelong community resident. First in his family to graduate college.
- Rooted out waste, fraud in our schools.
- Took crooked contractors to court to refund taxpaver dollars.
- Fought downtown politicians for more school funding and won.

Endorsed By:

San Diego Police Officers Association San Ysidro Education Association Congressman Juan Vargas Assemblywoman Lorena Gonzalez Senator Ben Hueso Schools Trustee Paula Hall Mayor Serge Dedina

<u>www.AntonioMartinezSD.com</u> - <u>Antonio@AntonioMartinezSD.com</u> - Antonio's cellphone: 619-806-0828

ANTONIO MARTINEZ - THE FIGHTER WE NEED AT CITY HALL!

CS-0780-1 N SD 099-030



VIVIAN MORENO Council Representative

I have over seven years of experience as a District 8 Council Representative with the City. I know how to fight for our fair share.

ACCOMPLISHMENTS

- New playground at Memorial Park, now under construction
- Comm-22 senior and family housing in Logan Heights
- New San Ysidro Library, under construction and will open by the end of the year
- Hundreds of miles of streets repayed in District 8
- Required City tax dollars generated in by Otay Mesa to be spent in Otay Mesa
- Two new parks in Ocean View Hills Cesar Solis Community Park and Dennery Ranch Neighborhood Park, both under construction
- Secured funding to design Southwest Park in Nestor

PRIORITIES

- · Housing that all members of our community can afford
- Keep our neighborhoods safe-more officers patrolling our streets
- Create jobs and grow our economy by attracting more investment into our communities
- Fix our streets and sidewalks: our streets should be just as good as the streets in La Jolla
- Enforce our laws against street camping and support real solutions to the homelessness crisis
- Build more parks and playgrounds for our kids

Join me as we fight for our neighborhoods!

Endorsed by:
San Diego Councilmember David Alvarez
Chula Vista Mayor Mary Salas
San Diego Firefighters Local 145
Sierra Club of San Diego
619-354-9843 www.vivianmorenosd.com

CS-0780-2 N SD 099-031

COUNTY OF SAN DIEGO

GUBERNATORIAL GENERAL ELECTION Tuesday, November 6, 2018

COUNTY

MEASURE D INITIATIVE MEASURE PROPOSING CHARTER AMENDMENTS REQUIRING ALL ELECTIONS FOR SAN DIEGO COUNTY ELECTIVE OFFICES TO BE HELD AT A GENERAL ELECTION AND REQUIRING ADOPTION OF LOCAL REGULATIONS RELATING TO WRITE-IN CANDIDATES FOR COUNTY ELECTIVE OFFICE Shall this initiative measure, proposing county charter amendments requiring all elections for San Diego County Elective Offices to be held at a general election and requiring adoption of local regulations relating to write-in candidates for county elective office, be adopted?

YES

NO



CITY OF SAN DIEGO MEASURE E MISSION VALLEY STADIUM - SOCCER

CITY INITIATIVE: Shall the City lease Mission Valley stadium property and the San Diego Chargers practice facility on Murphy Canyon Road to a private party for 99 years, with an option to buy some stadium property, consistent with price, terms, and conditions described in the measure: and addot a specific plan

buy some stadium property, consistent with price, terms, and conditions described in the measure; and adopt a specific plan and agreement allowing development of stadium, river park recreational, residential, office, hotel, retail, and other uses; and amend-related land use laws?

yes No

CITY OF SAN DIEGO MEASURE G MISSION VALLEY STADIUM - SDSU WEST

INITIATIVE: Shall the City sell Mission Valley stadium property to San Diego State University or any SDSU auxiliary organization, entity, or affiliate, consistent with price, terms, and conditions described in the measure, to allow the California State University Board of Trustees to determine its development, which may include stadium, recreational, educational, residential, office, hotel, retail, and other uses; and if sold, shall the City set aside adjacent land for a river park?

YES		
NO		

73B4015A 1033 00326 11 N SD 099-018

COUNTY OF SAN DIEGO GUBERNATORIAL GENERAL ELECTION Tuesday, November 6, 2018

CITY SCHOOL

CITY OF SAN DIEGO

MEASURE N REINSTATEMENT OF INDUSTRIAL DISABILITY RETIREMENT BENEFIT FOR POLICE

OFFICERS. Shall the San Diego Municipal Code be amended to reinstate an industrial disability retirement benefit for members of the San Diego Police Officers Association who suffer a violent attack at work resulting in great bodily harm, with the benefit provided when a resulting mental or nervous disorder renders the member incapable of performing normal and customary duties?

YES	
NO	

SCHOOL

SAN DIEGO UNIFIED SCHOOL DISTRICT
MEASURE H CHARTER AMENDMENT ENACTING TERM
LIMITS FOR SCHOOL BOARD MEMBERS. Shall City Charter
section 66 be amended to limit a member of the San Diego Unified
School District Board of Education from serving more than three
four-year terms, beginning in 2020, and not count prior or current
terms for purposes of the term limit for those School Board
members who hold office on the date of the Municipal General
Election in 2020?

members who hold office on the date of the Municipal General
Election in 2020?
YES
O NO

SAN DIEGO UNIFIED SCHOOL ØISTRICT

MEASURE YY San Diego Neighborhood School Repair and Student Safety Measure

To improve Neighborhood and Charter schools by:

- Improving school security, emergency communications, controlled-entry points, door locks;
- Upgrading classrooms/labs for vocational/career, science, technology, math education;
- Repairing foundations, bathrooms/plumbing;
- Removing lead in drinking water and hazardous asbestos:

Shalf San Diego Unified School District issue \$3.5 billion in bonds at legal rates, projecting levy of 6-cents per \$100 of assessed valuation for 39 years, estimating \$193 million average annual repayments, requiring independent annual audits and citizen oversight?

O	BONDS - YES
0	BONDS - NO

6AE581E0 1033 00519 13 N SD 587-020

COUNTY OF SAN DIEGO GUBERNATORIAL GENERAL ELECTION Tuesday, November 6, 2018

CITY	CITY
CITY OF SAN DIEGO MEASURE J CHARTER AMENDMENT REGARDING MANDATORY DISCLOSURE OF BUSINESS INTERESTS. Shall the City Charter be amended to: require, for certain contracts, disclosure of the names and identities of all natural persons owning more than 10% of an entity contracting with the City or receiving more than 10% of the contracted amount; require the disclosures to be provided to the Council for contracts requiring Council approval; and exempt public agencies and publicly traded companies from the requirements?	CITY OF SAN DIEGO MEASURE L CHARTER AMENDMENTS REGARDING ETHICS AND COMPENSATION FOR ELECTED CITY OFFICERS: Shall the Charter be amended to: (1) restrict benefits for elected City officers; (2) restrict lobbying and campaign activities of elected City officers; and (3) remove the requirement that Councilmembers set their salaries and those of the May or and City Attorney, providing instead that their salaries be set as percentages of the salary set by the State of California for Superior Court judges?
YES	YÉS
ONO	O NO
CITY OF SAN DIEGO MEASURE K CHARTER AMENDMENT LIMITING CITY COUNCILMEMBERS TO SERVING TWO FOUR-YEAR TERMS. Shall City Charter section 12/c) be amended to remove language regarding a "particular distric" and clarify that a person cannot serve on the City Council after serving two four-year terms, with a partial term for more than two years continuing to count as a full term for purposes of the term limit provision?	CITY OF SAN DIEGO MEASURE M CHARTER AMENDMENT REGARDING REAPPOINTMENT OF AUDIT COMMITTEE PUBLIC MEMBERS. Shall City Charter section 39.1 be amended to allow the City Council to waive a requirement that the Council consider at least two applicants for appointment to a position as a public member of the Audit Committee, when the Council wishes to reappoint a sitting public member who is eligible for another term?
	O
ONO	O NO

7EB81380 1033 00326 12 N SD 099-019

COUNTY OF SAN DIEGO
GUBERNATORIAL GENERAL ELECTION
Tuesday, November 6, 2018

CITY SCHOOL CITY OF SAN DIEGO MOUNTAIN EMPIRE UNIFIED SCHOOL DISTRICT MEASURE JJ To construct, renovate and equip MEASURE N REINSTATEMENT OF INDUSTRIAL DISABILITY RETIREMENT BENEFIT FOR POLICE classrooms, science labs, and school facilities that support OFFICERS. Shall the San Diego Municipal Code be amended to college and career readiness in math, science, engineering, technology and skilled trades; improve school safety/security; reinstate an industrial disability retirement benefit for members of repair deteriorating roofs, plumbing, and electrical systems, shall the San Diego Police Officers Association who suffer a violent Mountain Empire Unified School District ssue \$15,000,000 of attack at work resulting in great bodily harm, with the benefit provided when a resulting mental or nervous disorder renders the bonds at legal interest rates, with estimated repayment amounts averaging \$840,967 annually for approximately 36 years at member incapable of performing normal and customary duties? projected tax rates averaging 3.7 cents per \$100 of assessed value, with annual audits and citizens' oversight? YES BONDS - YES NO BONDS - NO

192CA4B4 1033 00326 13 N SD 099-020

CITY OF SAN DIEGO

(This Measure will appear on the ballot in the following form.)

MEASURE E

MISSION VALLEY STADIUM - SOCCER CITY INITIATIVE: Shall the City lease Mission Valley stadium property and the San Diego Chargers practice facility on Murphy Canyon Road to a private party for 99 years, with an option to buy some stadium property, consistent with price, terms, and conditions described in the measure; and adopt a specific plan and agreement allowing development of stadium, river park, recreational, residential, office, hotel, retail, and other uses; and amend related land use laws?

This measure requires approval of a simple majority (50% plus 1) of those voting on the measure.

OFFICIAL TITLE AND SUMMARY 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.

PR-09L0-E1 N SD 099-051

BALLOT SUMMARY (CONTINUED)

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 studentfocused 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.

PR-09L0-E2 N SD 099-052

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:
 - o 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,
 - o 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.

PR-09L0-E3 N SD 099-053

FISCAL IMPACT ANALYSIS

This measure requires the City to execute a 99-year lease with a qualified lessee for the SDCCU Stadium site and Murphy Canyon Training Facility (properties) upon Mayoral approval if certain conditions are met. The measure also adopts a Specific Plan allowing for prescribed development of the properties. The lessee would be expected to demolish SDCCU Stadium and build an 18,000 to 32,000 seat sports stadium, and be allowed to develop 21 acres of parks and recreation fields, 2.4 million square feet of office space, 740,000 square feet of retail space, 4,800 multi-family residential units, and 450 hotel rooms. The lessee would be required to provide up to \$20 million for a 34-acre river park, to build the park if permitting and approvals are complete within 18 months of the measure's adoption, and to maintain that park.

This measure has direct and indirect fiscal impacts. However, those impacts cannot be precisely quantified as the measure requires future negotiations, and development of the properties is subject to many external factors.

Direct fiscal impacts include the payment a lessee would make for a leasehold interest in the properties. This payment would be based on fair market value as of March 2017, but could be adjusted to account for stadium demolition costs, environmental requirements, and other factors. In June 2017, the properties' appraised value was identified as \$110 million. Precise payments are subject to future negotiation and currently unknown, but total payment cannot fall below \$10,000. The lessee could also purchase up to 79.9 acres of the properties at fair market value. A portion of revenue would go to the City's Public Utilities Department, which owns a portion of the properties.

Other potential direct impacts include City staff time and resources to permit and approve developments, remediate environmental contamination, and to build the river park if the lessee is required to only contribute \$20 million but not actually build the park. Additional infrastructure upgrades may also be required surrounding the properties' developments. Indirect fiscal impacts include expenses and revenues from new economic activity associated with development of the properties. Research commissioned by Initiative proponents suggests full development of the properties could increase the properties' assessed value by \$3.6 billion, which could increase the City's property tax receipts. Upon completion of full development, City expenditures to provide service to the properties could total \$10 million annually. Increased City tax and fee revenue from full development could total \$14 million annually. Full development, however, is not mandatory, would take several years, and would depend on many factors outside the City's control. Initiative proponents believe full development would take seven years, though actual construction could take longer. Delays in construction and occupancy of the properties could reduce City revenues and expenses.

Approval of this measure precludes the City from using the property for other purposes, soliciting proposals to redevelop the property, or otherwise marketing the property for sale or lease. There could also be an unquantifiable fiscal impact if a qualified lessee is not found.

The above statement is a fiscal impact analysis of Measure E. An excerpt of the text of this measure is included in this voter pamphlet. The full text of this measure is available online at www.sandiego.gov/city-clerk and in the City's public libraries. If you would like a copy of the full text of the measure to be mailed to you, please contact the Office of the City Clerk at 619-533-4000 or by e-mail at cityclerk@sandiego.gov and a copy will be mailed at no cost to you.

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ARGUMENT IN FAVOR OF MEASURE E

Vote Yes on Measure E - SoccerCity for ALL San Diegans

BEST FOR TAXPAYERS. An independent study by the San Diego County Taxpayers Association demonstrated that Measure E is \$208 million better than the alternative, Measure G.

BRINGS PROFESSIONAL SPORTS BACK TO SAN DIEGO. A <u>100% privately funded plan</u> to bring Major League Soccer to San Diego and build an exciting new stadium for professional soccer and SDSU football. A sports and entertainment district will include new restaurants, outdoor concerts, youth playing fields and more.

MEETS SDSU'S NEEDS. Measure E's local backers have committed to meet SDSU's long-term expansion goals – including donating the stadium to SDSU, providing land for future academic facilities, and creating student and faculty housing – all without impacting student tuition or fees.

FASTEST. Quickly replacing the existing stadium will <u>eliminate millions of dollars of annual</u> taxpayer subsidies.

ENVIRONMENTALLY FRIENDLY. It is the only plan with detailed commitments for a <u>privately funded River Park</u> and that complies with the City's Climate Action Plan.

BEST FOR OUR SCHOOLS. An independent study concluded Measure E will contribute \$16 million per year in property taxes to K-12 schools.

BEST FOR MISSION VALLEY. It is the only plan that includes \$50 million of infrastructure improvements to fix traffic in Mission Valley and legally limits traffic increases.

PROTECTS TAXPAYERS. Measure E is the only plan that guarantees <u>taxpayers receive full</u> <u>market value for the land</u>, \$110 million based on the City's independent appraisal for both the stadium and training facility.

GROWS THE ECONOMY. It creates 26,000 new jobs and \$2.8 billion in economic activity according to an independent study.

Measure E does all this with no cost to taxpayers.

Vote Yes on Measure E — New Stadium, New Parks, No Cost to Taxpayers

April Boling Steven R. Altman

Taxpayer Advocate Retired President and Vice Chairman

Qualcomm

Landon Donovan Scott Sherman

US Olympian and San Diego City Councilmember

3 times World Cup Veteran

Michael R. Stone Chief Investment Officer, The Rise Fund, Social Impact Fund

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ARGUMENT AGAINST MEASURE E

Measure E is a blank check for the hedge fund speculators who wrote it.

- Gives private developers control of the stadium property for 99 years, a financial windfall worth tens of millions of dollars, at the expense of taxpayers.
- Allows these developers to build what they want, when they want; prohibits public hearings or review by the City Council; and circumvents environmental review required of other major projects.
- Doesn't require the actual development look anything like the plan they are currently promoting.

SoccerCity will create perpetual traffic gridlock in Mission Valley.

- The independent San Diego Association of Governments estimated SoccerCity will generate nearly 100,000 new vehicle trips per day in this already-congested area.
- Doesn't provide necessary funds to improve area roads and reduce the impacts of this
 massive traffic influx.
- Exempt from requirements to mitigate traffic impacts, as required of other developments. Taxpayers could be left holding the bag.

Promoters of Measure E can't be trusted.

- Measure E was developed behind closed doors -- no public input. It was <u>designed to</u> maximize profits for private developers, not the public.
- According to the City Attorney, <u>Measure E doesn't guarantee a professional soccer</u> <u>franchise, a soccer stadium or the promised river park</u>. The <u>San Diego River Park</u> <u>Foundation opposes Measure E</u>.
- Promoters claim their plan accommodates SDSU's expansion needs, but SDSU says that's not true. The City Attorney confirmed Measure E gives no rights to SDSU.
- Promoters claim Measure E's deficiencies can be solved by signing a supplementary agreement with the Mayor, but the City Attorney said such <u>supplementary agreements</u> cannot be enforced.

NO on Measure E: Empty Promises, Extreme Traffic

www.NoOnSoccerCity.com

Theresa Quiroz, Former Member San Diego Planning Commission

Jack Shaeffer, President San Diego Police Officers Association

Barbara Bry, President Pro Tem San Diego City Council

Paul Robinson, Chairman The Lincoln Club of San Diego County

Michael Beck, San Diego Director Endangered Habitats League

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TEXT OF MEASURE E

NOTICE OF INTENT TO CIRCULATE PETITION

Notice is hereby given by the person whose name appears hereon of her intention to circulate a petition within the City of San Diego for the purpose of proposing, to the voters of San Diego: (1) amendments to the City's General Plan, Zoning Code, Mission Valley Planned District Ordinance, and Mission Valley Community Plan; (2) enactment of new Municipal Code Chapter 6, Article 1, Division 28 regarding "Existing Stadium Site and Auxiliary Property Ground Lease"; (3) enactment of the San Diego River Park, Soccer City and Qualcomm Stadium Redevelopment Specific Plan; and (4) adoption of the San Diego River Park and Soccer City Development Agreement.

THE SAN DIEGO RIVER PARK AND SOCCER CITY INITIATIVE

Be it ordained by the People of the City of San Diego:

SECTION 1. Title.

This initiative measure ("Initiative") shall be known and may be cited as the "San Diego River Park and Soccer City Initiative."

SECTION 2. Findings, Purpose, and Intent.

- A. Findings. The People of the City of San Diego find and declare the following:
 - 1. The People of the City of San Diego (the "City") desire to provide a feasible and fiscally and environmentally responsible path for the development of the existing stadium site located at 9449 Friars Road (the "Existing Stadium Site") for the purposes of providing a river park, transit-oriented mixed-use development, and a professional sports or joint-use professional soccer/San Diego State University ("SDSU") football stadium, with the option for a stand-alone professional football franchise stadium.
 - 2. The cost of maintaining the existing stadium and surrounding lands is very expensive, as is the demolition or dismantling of the existing stadium. In addition, the City has certain lease commitments relating to the existing stadium that exist until approximately 2018. The City is faced with major deferred maintenance and annual operating costs to maintain the existing stadium as well as large unfunded costs for its demolition and removal;
 - 3. The People of the City of San Diego desire to exercise our reserved power of initiative under the California Constitution and the San Diego Municipal Code for the City to establish the San Diego River Park, Soccer City, and Qualcomm Stadium Redevelopment Specific Plan ("Specific Plan"), which shall provide for the orderly redevelopment of the Existing Stadium Site and other property formerly used for professional football, as well as property adjacent to the Existing Stadium Site ("Existing-Adjacent Property") (collectively, "Property") in a manner that provides significant public benefits for the San Diego community:
 - 4. In addition, the People of the City of San Diego desire to exercise our reserved power of initiative under the California Constitution and the San Diego Municipal Code for the City to adopt the Development Agreement Concerning the San Diego River Park and Soccer City Development in Mission Valley, San Diego ("San Diego River Park and Soccer City Development Agreement"), which shall provide for a feasible and fiscally and environmentally responsible path for development of the Property
 - 5. The Specific Plan provides for transit-oriented mixed-use development on the Property, including a 34-acre river park, 12 acres of active use playing fields, 9 acres of neighborhood parks, a sports stadium, approximately 2.4 million square feet of office space, 740,000 square feet of retail space, 4,800 multi-family homes, 450 hotel rooms, and an option for a stand-alone football stadium for a professional football franchise, all with a pedestrian link to the existing Metropolitan Transit System ("MTS") Green Line transit center;

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- 6. Development is designed to create a San Diego River park consistent with past governmental planning efforts which would unify the City's urban setting with the natural environment. An interconnected system of parks linked by open space, multiuse pathways, and green corridors are planned for the Existing Stadium Site to reflect the San Diego River pattern as it weaves its way to the ocean;
- 7. The proposed development on the Existing Stadium Site will provide economic opportunities, including creating construction and permanent jobs in the Mission Valley area and the City, generating new business for local hotels and restaurants through the creation of a sports and entertainment tourism destination, and encouraging the creation of new businesses in the City and the surrounding area;
- 8. The People of the City of San Diego further desire that the athletic training facility located at 4020 Murphy Canyon Road ("Murphy Canyon Training Facility Site"), which has historically been used by the City to support and enhance uses on the Existing Stadium Site, now be used to support a potential professional soccer team's operations on the Existing Stadium Site, including practice facilities, team operations, media, and lodging for visiting teams:
- 9. If a professional soccer team franchise cannot be located on the Existing Stadium Site, the People of the City of San Diego desire that additional professional sports teams also be given the opportunity to obtain leases under the specialized lease standards provided for in this Initiative;
- 10. All of the Property must be utilized in support of the comprehensive plan of development set forth in the Specific Plan, and specialized standards must be applied to ensure that the Property is not developed in a piecemeal fashion inconsistent with the Specific Plan through varying or conflicting lease standards. In order for the Specific Plan to be successful, this Initiative provides a process whereby the City may maintain control over all or a portion of the Property to ensure that none of the land can be used for purposes that conflict with the Specific Plan:
- 11. The People of the City of San Diego desire to utilize the Property in furtherance of San Diego's sporting culture and in a way that offers redevelopment opportunities for Cityowned lands previously utilized for professional football:
- 12. The Existing Stadium Site, although used as a sports and event venue and parking facilities, is currently subject to potential flooding and must be carefully designed, regraded, and reconfigured to address this concern;
- 13. The development of the Existing Stadium Site under this Specific Plan would allow the City to continue its comprehensive plan of environmental restoration of the Existing Stadium Site based on its existing agreements with adjacent responsible parties. Environmental restoration under these agreements pursuant to a plan developed by the City is essential to allow the Existing Stadium Site to be developed consistent with the General Plan City of Villages strategy, create jobs and housing opportunities, minimize taxpayer obligations and restore contaminated City-owned property to provide for an economic, recreational, and planning benefit to the City and its citizens;
- 14. The development of the Existing Stadium Site under the Specific Plan would allow for the daily and efficient use of the existing underutilized MTS Green Line transit station, located in the center of the City's regional transit network. Development at an appropriate density near transit stations is essential to accomplish the City's greenhouse gas reduction goals;

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- 15. In light of the significant costs and risks associated with developing the Property, including the costs and risks associated with floodplain improvements and the demolition and removal of the existing stadium, and the substantial up-front private investment required to construct and operate a new stadium on the Property, the People of the City of San Diego desire to establish standards and requirements for the leasing and potential sale of the Property to a qualified lessee or purchaser, all with no payment of taxpayer dollars, and requirements for the development of the Property by entering into a development agreement that will specify the obligations of the ultimate developer of the Property;
- As provided for in this Initiative, current fair market value will be paid for the lease and option rights with respect to the purchase of the Property;
- 17. The People of the City of San Diego desire that the Property shall revert back to the City if the professional sports stadium is not constructed or sufficient financial guarantees are not provided to the City, within the time specified in this Initiative;
- 18. In order for the stadium construction to be undertaken in a financially sound manner that provides long-term economic benefits to the City and its residents, and protects taxpayers, this Initiative establishes guidelines and minimum requirements for the development, construction, operation, maintenance, management, and financing of the sports stadium, including but not limited to: 1) the City shall not pay for any stadium project construction costs or stadium project cost overruns; 2) the City shall not pay for any stadium project operating costs, maintenance, or capital improvement expenses; 3) the City shall be reimbursed for reasonable costs incurred by the City in providing game/event day public safety and traffic management related to stadium events; and 4) a developer shall pay the development fees specified in the Specific Plan to the City:
- 19. The design and development restrictions and environmental mitigation measures set forth in the Specific Plan are intended to address the potential environmental impacts associated with the construction, operation, maintenance, management, and financing of the development of the Property;
- 20. The People of the City of San Diego find that the development of the Property will provide important public recreational uses, and that the private uses of the Property further the City's goals and policies of transit-oriented, mixed use development that implements the City of Villages Strategy and the City's greenhouse gas reduction goals; and
- 21. Implementation of this Initiative will protect the public health, safety, and welfare, and enhance the quality of life for the People of the City of San Diego.
- B. <u>Purpose and Intent</u>. The People of the City of San Diego further find and declare that our purpose and intent in enacting this Initiative is to:
- 1. (a) Adopt the San Diego River Park, Soccer City, and Qualcomm Stadium Redevelopment Specific Plan and San Diego River Park and Soccer City Development Agreement; (b) establish an objective set of legislative standards and a specified process for the lease and sale option of the Property to implement and enforce the Specific Plan; (c) make conforming amendments to the General Plan, San Diego Municipal Code, Mission Valley Planned District Ordinance, and to the Mission Valley and Kearny Mesa Community Plans; and (d) authorize the City, pursuant to an established set of guiding legislative policies and minimum requirements, to take any

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and all actions to permit and implement the development, construction, operation, maintenance, management, and private financing of the proposed stadium and mixed-use development project.

Take all actions described in subsection (1) regardless of whether any provision of the Initiative is found to be invalid.

SECTION 3. City of San Diego General Plan Amendments.

A. Land Use and Community Planning Element Amendments.

The Land Use and Community Planning Element of the General Plan of the City of San Diego is hereby amended as follows (new language to be inserted into the General Plan is shown as <u>underlined text</u>, language to be deleted is shown in <u>strikethrough text</u>, text in regular or bold type reflects the existing General Plan text and is provided for informational/reference purposes):

Figure LU-2, General Plan Land Use and Street System, on page LU-15, is amended to designate the Existing Stadium Site and the Existing-Adjacent Property from "Commercial Employment, Retail, & Services" to "Multiple Use," and the Murphy Canyon Training Facility Site from "Industrial Employment" to "Commercial Employment, Retail, & Services," as depicted on page A-3 of **Exhibit A**.

B. Mobility Element Amendments.

The Mobility Element of the General Plan of the City of San Diego is hereby amended as follows (new language to be inserted into the General Plan is shown as <u>underlined text</u>, language to be deleted is shown in <u>strikethrough text</u>, text in regular or bold type reflects the existing General Plan text and is provided for informational/reference purposes):

Figure ME-1, Transit Land Use Connections, on page ME-4, is amended to re-designate the Existing Stadium Site and the Existing-Adjacent Property from "Commercial Employment, Retail, & Services" to "Multiple Use," and the Murphy Canyon Training Facility Site from "Single Family Residential and Other Uses" to "Commercial." as depicted on page A-7 of **Exhibit A**.

C. Economic Prosperity Element Amendments.

The Economic Prosperity Element of the General Plan of the City of San Diego is hereby amended as follows (new language to be inserted into the General Plan is shown as <u>underlined text</u>, language to be deleted is shown in <u>strikethrough text</u>, text in regular or bold type reflects the existing General Plan text and is provided for informational/reference purposes):

Figure EP-1, Kearny Mesa Industrial and Prime Industrial Land, is amended to remove the "Other Industrial Land" designation on the Murphy Canyon Training Facility Site, as depicted on page A-11 of **Exhibit A**.

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D. Recreation Element Amendments.

The Recreation Element of the General Plan of the City of San Diego is hereby amended as follows (new language to be inserted into the General Plan is shown as <u>underlined text</u>, language to be deleted is shown in <u>strikethrough text</u>, text in regular or bold type reflects the existing General Plan text and is provided for informational/reference purposes):

Figure RE-1, Community Plan Designated Open Space and Parks Map, on page RE-4, is amended to remove the "Community Park" designation on the eastern side of the Existing Stadium Site, as depicted on page A-15 of **Exhibit A**.

E. Official Zoning Map of the City of San Diego Amendments.

Grid 23 of the Official Zoning Map of the City of San Diego, a copy of which is attached for informational purposes only at page B-2 of **Exhibit B** hereto, is amended to change the zoning of the Murphy Canyon Training Facility Site (Assessor's Parcel Numbers ("APNs") 421-391-01, 421-391-02, 421-392-01, 421-392-02, 421-392-03, and 421-392-04), the Existing Stadium Site (APNs 433-250-16, 433-250-19, 433-250-13, and 433-250-14), and the Existing-Adjacent Property (portions of APNs 433-240-19 and 433-240-23), as set forth on page B-3 of Exhibit B hereto. By adopting the San Diego River Park, Soccer City, and Qualcomm Stadium Redevelopment Specific Plan CC-1-3 zoning for the Murphy Canyon Training Facility Site, the voters intend to rescind, and do hereby rescind, the existing IL (industrial) zoning for the Murphy Canyon Training Facility Site, and to replace that zoning with the San Diego River Park, Soccer City, and Qualcomm Stadium Redevelopment Specific Plan CC-1-3 zoning. By adopting the Mission Valley Planned District-Mission Valley-Multi-Use/Specific Plan ("MVPD-MV-M/SP") zoning for the Existing Stadium Site, the voters intend to rescind, and do hereby rescind, the existing Mission Valley Planned District-Mission Valley-Commercial Visitor ("MVPD-MV-CV") zoning for the Existing Stadium Site, and to replace that zoning with the San Diego River Park, Soccer City, and Qualcomm Stadium Redevelopment Specific Plan MVPD-MV-M/SP zoning.

Grid 19 of the Official Zoning Map of the City of San Diego, a copy of which is attached for informational purposes only at page B-5 of **Exhibit B** hereto, is amended to change the zoning of the Existing Stadium Site from MVPD-MV-CV to MVPD-MV-M/SP, as set forth on page B-6 of **Exhibit B** hereto.

SECTION 4. Amendments to Mission Valley Community Plan.

The Mission Valley Community Plan is hereby amended as follows (new language to be inserted into the Mission Valley Community Plan is shown as <u>underlined text</u>, language to be deleted is shown in <u>strikethrough text</u>, text in regular or bold type reflects the existing Community Plan text and is provided for informational/reference purposes):

Mission Valley Community Plan Amendments table on page ii is amended to include a reference to the Specific Plan, as depicted on page C-4 of **Exhibit C**.

Planned Elements Section, Land Use Residential at page 39 is amended as follows:

The Plan (Concept 5) projects a planning area horizon year residential capacity of 15,159 dwelling units or 24,558 residents based upon the 1984 occupancy ratio of 1.62 residents per dwelling unit. Current population density and development intensity are provided for in each Specific Plan.

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Planned Elements Section, Land Use Development Guidelines at page 42 is amended as follows:

Residential development should be in the form of generally self-contained areas. The following proposals are intended to achieve this concept:

3. Employ the Planned Development Permit (PDP) approach to residential and/or commercial development to encourage a mix of housing types and densities, integration of commercial uses, and flexibility in site arrangement. Residential use will be allowed to occur without the use of PDP permit as specified by a Specific Plan or up to a maximum density of 14 dwelling units to the acre. However, higher densities of up to 73 dwelling units may be obtained through the Planned Development approach. This approach will ensure residents that higher density development will provide open space and recreational facilities

. . .

- 13. Permit medium- to medium-high density residential developments (up to 73 units per acre) in conjunction with commercial facilities, through the utilization of PRD/PCD permits, or as specified by a Specific Plan.
- Figure 4, Existing Zoning at page 44 is amended to include the Specific Plan zoning on the Existing Stadium Site and Existing-Adjacent Property, as depicted on page C-5 of **Exhibit C**.

Figure 5, Land Use at page 45 is amended to change the Existing Stadium Site and Existing-Adjacent Property zoning designation from "Commercial Recreation" and "Visitor Commercial" to "Multi-use," as depicted on page C-9 of **Exhibit C**.

Planned Elements Section, Land Use Re-Use Development Proposals at page 56 is amended as follows:

2. Environmental Problems

Environmentally sensitive issues should be addressed in each precise
development plan or Specific Plan. These should include but not be limited to
the following: air quality; flood hazards; high quality habitats and adjacent open
space systems; hillside preservation and conservation; carrying capacity of the
local street system and the impact of Jack Murphy San Diego Stadium.

Figure 10, Specific Plan/Multiple Use Areas at page 66 is amended to include the San Diego River Park, Soccer City, and Qualcomm Stadium Redevelopment Specific Plan, as depicted on page C-12 of **Exhibit C**.

Planned Elements Section, Transportation Development Guidelines at page 78 is amended to include the following footnote:

DEVELOPMENT GUIDELINES²

Regional Highways

 Complete SR-52 and SR-125 to provide an alternate route from East San Diego County to North San Diego County, and from Southeast San Diego County to Downtown San Diego (relieving SR-94), and to points north (relieving I-8).

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...

² Specific Plans should provide their own circulation guidelines.

Figure 20, Consolidated Parking Areas at page 97 is amended to remove the Existing Stadium Site as a potential consolidated parking area, as depicted on page C-14 of **Exhibit C**.

Plan Elements Section, Open Space Development Guidelines at page 121 is amended as follows:

- Design of the wetland buffer and habitat adjacent to the river shall be consistent with the Land Development Code, Section 142.0101, Environmentally Sensitive Lands and the Design Guidelines of the San Diego River Park Master Plan, or as addressed by a Specific Plan.
 - The San Diego River Pathway for pedestrians and bicyclists should be included as
 part of the design for all development along the river. The San Diego River
 Pathway location and design to be in accordance with the Mission Valley Planned
 District Ordinance and be consistent with the meet the San Diego River Park
 Master Plan Design Guidelines.
 - All new structures built adjacent to the River should be design to be in accordance
 with the Mission Valley Planned District Ordinance and be consistent with the
 meet the San Diego River Park Master Plan Design Guidelines, or as otherwise
 regulated by a Specific Plan.

Plan Elements Section, Development Intensity at page 138 is amended as follows:

The purpose of this element is to establish guidelines for intensity of development in Mission Valley. The basis for regulating the intensity of development is the finite traffic capacity on the projected circulation system (freeways and surface streets). This capacity was determined by a series of traffic forecast studies which established the maximum feasible vehicular capacity for every freeway, street, intersection and interchange in Mission Valley.

The San Diego River Park, Soccer City, and Qualcomm Stadium Redevelopment Specific Plan is exempt from this section of the Community Plan. The San Diego River Park, Soccer City, and Qualcomm Stadium Redevelopment Specific Plan includes a traffic impact study and ADT caps which regulates development within the San Diego River Park, Soccer City, and Qualcomm Stadium Redevelopment Specific Plan Area.

The proposed development intensities are the levels at which the future acceptable amount of building square footage or number of dwelling units will be determined for any given parcel. A given number of trips are assigned to each increment of floor area for each land use. This formula is applied to the various uses listed in the Mission Valley Vehicle Generation Rates by Land Use Table (Table 3).

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Plan Elements Section, Community Facilities at page 153 is amended as follows:

PUBLIC FACILITIES

San Diego Jack Murphy Stadium

Although San Diego Jack Murphy Stadium may be categorized as a commercial-recreational use, it is worthy of separate discussion as a public facility because of its function, uniqueness, size and impact on the Mission Valley.

The stadium was constructed in 1967 on its 158-acre site at a cost of \$27,500,000. It currently (1984) has a seating capacity of about 60,000. Parking is available for approximately 17,000 private vehicles and 300 buses. The recent expansion (1984) of the stadium's seating capacity and any future expansion of the seating capacity will require, at the very minimum, an increased emphasis on the use of buses and a demphasis on private automobiles in order to reduce problems of traffic congestion and poor air quality. Any expansion or addition of commercial activities other than those related to normal stadium events, must comply with the development intensity limitations described in the traffic forecast and the **Development Intensity Element** of this plan.

An economic feasibility study is being conducted by the City of San Diego Property Department to determine how City-owned property (the stadium as well as other properties located between Stadium Way and I-15) might be developed or redeveloped in the future. For purposes of this Plan, all publicly owned properties must be retained for the needed community facilities, until it can be shown that these properties are no longer required. In the event there is a surplus of publicly-owned land after all of the needed community facilities have been provided, the findings and recommendations of this study should be considered, provided they comply with the goals of this Plan and the development intensity and land uses proposed for this area.

Plan Elements Section, Community Facilities Development Guidelines at page 155 is amended as follows:

Before publicly-owned land is used for non-public activity, it should be reviewed
and determined to be not necessary for public use, or such non-public activity
otherwise determined to be in furtherance of the City's goals and policies.

Plan Elements Section, Conservation Noise at page 159 is amended as follows:

The freeways crossing and extending the length of the Valley contribute significantly to the noise levels there. Events held in San Diego Jack Murphy Stadium also contribute to noise levels in the eastern section of the community. Currently, only stadium concerts and firework displays have noise related regulations unless otherwise authorized pursuant to a Specific Plan or permit. Each of these events may not exceed a 95 decibel average (measured at the - press level) and must end at a prescribed time unless otherwise authorized by a Specific Plan or permit. Average noise levels (hourly) for sporting events (football games and motorcycle racing) have been measured at between 93 and 95 decibels. The noise generated by I-15 between Friars Road and I-8 is 76 decibels at 50 feet from the center of the outside lane, based on a daily traffic count of 57,800. Future modification to the stadium should take into consideration additional noise abatement measures. The recent seating expansion project which partially enclosed the southeastern portion should provide some noise attenuation of stadium events.

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Plan Elements Section, Urban Design Landmarks at page 185 is amended as follows:

C. LANDMARKS

Community landmarks such as the Presidio (Serra Museum), Mission San Diego de Alcala, San Diego Jack Murphy Stadium and the Jack Schrade Bridge (I-805) establish areas that require special design considerations. These landmarks provide a community identity and, as such, they should remain highly visible.

Plan Elements Section, Urban Design, Design Guidelines for Landmarks at page 186 is amended as follows:

- Development near the Jack Schrade Bridge should use the bridge to frame the project, perhaps even incorporating some of its form into the design of new buildings.
- Development surrounding the San Diego stadium should maintain view corridors and landscaped areas to enhance the views into this major civic and architectural landmark.
- The gateways, or entrances into the community are another type of landmark. Being crisscrossed by regional freeways, Mission Valley has many of them. Each should provide a clear view into, as well as through the community. New development located at these entrances will also become community landmarks, and should be designed with that thought in mind.

Implementation, Transportation Improvements Phasing at page 207 is amended as follows:

Equivalent Dwelling Units (EDU) have been selected to translate different type of development into a common denominator. The EDU factor for each type of land use in Mission Valley is listed in Appendix A. In order to monitor the EDU's in Mission Valley, the Valley was divided into twelve sectors, basically along the San Diego River and the north-south freeways (see Figure A-1, Appendix Section). These sectors were grouped together according to which street or ramp improvements will be required because of development in those areas (Table A-2 and Figure A-2, Appendix Section). Table A-2 indicates the maximum amount of EDU's that can be developed within a group of sectors before certain street improvements are necessary. These EDU totals exclude any projects that are underway or have approved tentative or final maps or are within the San Diego River Park, Soccer City, and Qualcomm Stadium Redevelopment Specific Plan. If a new project replaces an existing land use, only the difference in EDU's between the new and old use should be counted in monitoring total EDU's. Notice that some of the groups have several levels of development that require different road improvements.

Implementation, Legislative Implementation at pages 207-208 is amended as follows:

Zoning legislation in the form of a Development Intensity District ordinance will be formulated which will regulate the intensity of new development and redevelopment by establishing relationships with traffic generation factors. <u>Such zoning legislation may also be formulated through a Specific Plan applicable to a designated area rather than zoning legislation.</u>

Transfer of Development Rights legislation will be formulated and implemented as part of the Development Intensity District legislation program or by a Specific Plan.

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SECTION 5. Amendment to the Kearny Mesa Community Plan.

The Kearny Mesa Community Plan is hereby amended as follows (new language to be inserted into the Kearny Mesa Community Plan is shown as <u>underlined text</u>, language to be deleted is shown in <u>strikethrough text</u>, text in regular or bold type reflects the existing Community Plan text and is provided for informational/reference purposes):

Figure 4, Recommended Land Use at page 10 is amended to rezone the Murphy Canyon Training Facility to General Commercial, as depicted on page D-3 of **Exhibit D**.

Provisions for Hotel/Motel Development on page 39 are amended as follows:

Hotel/Motel Facilities will require a Planned Commercial Development (PCD) permit to implement the design recommendations of this Plan and ensure compatibility with the development regulations of the Montgomery Field Master Plan and the Airport Land Use Compatibility Plans for Montgomery Field and MCAS Miramar, except those areas located within the San Diego River Park, Soccer City, and Qualcomm Stadium Redevelopment Specific Plan Area, which shall allow Hotel development by right. If the property is industrially zoned, a rezone to an appropriate commercial zone will be necessary.

Figure 8, Recommended Commercial Land Use on page 40 is amended to designate the Murphy Canyon Training Facility Site as General Commercial, as depicted on page D-5 of **Exhibit D**.

Figure 29, Proposed General Plan Land Use Designations on page 110 is amended to designate the Murphy Canyon Training Facility Site as General Commercial, as depicted on page D-7 of **Exhibit D**.

SECTION 6. Amendment to the Mission Valley Planned District Ordinance.

The Zoning Map of the Mission Valley Planned District Ordinance, a copy of which is attached for informational purposes only at page E-2 of **Exhibit E** hereto, is amended to change the zoning of the Existing Stadium Site and the Existing-Adjacent Property, as set forth on page E-3 of **Exhibit E** hereto. By adopting the MVCP-MV-MVSP zoning for the Existing Stadium Site and the Existing-Adjacent Property, the voters intend to rescind, and do hereby rescind, the existing zoning for the Existing Stadium Site and the Existing-Adjacent Property, and to replace that zoning with the San Diego River Park, Soccer City, and Qualcomm Stadium Redevelopment Specific Plan for MVCP-MV-M/SP zoning.

The Mission Valley Planned District Ordinance is hereby amended as follows (new language to be inserted into the Mission Valley Planned District Ordinance is shown as <u>underlined text</u>, language to be deleted is shown in <u>strikethrough</u> text, text in regular or bold type reflects the existing Ordinance text and is provided for informational/reference purposes):

Article 14, Division 1, section 1514.0103(b) is amended as follows:

(b) Exemptions (1)

Projects submitted pursuant to Council adopted specific plans are exempt from the Mission Valley Planned District Ordinance when the submittal is found to be in substantial conformance with the approved specific plan (see Section 1514.0202).

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- (2) Notwithstanding any other provision to the contrary, the City Manager may waive the permit requirements for an activity regulated under the Mission Valley Planned District Ordinance when it is determined that the proposed activity is necessary to avoid or abate a hazardous or other unsafe condition.
- (3) Public projects that have approved permits to conduct maintenance work in the Special Flood Hazard Areas are exempt from the requirements of the River Park Subdistrict.
- (4) The San Diego River Park, Soccer City, and Qualcomm Stadium Redevelopment Specific Plan Area shall be exempt from the Mission Valley Planned District Ordinance.

SECTION 7. Amendment to the San Diego Municipal Code.

The San Diego Municipal Code is hereby amended to add Division 28 to Article 1, Chapter 6 as follows (new language to be inserted into the San Diego Municipal Code is shown as <u>underlined text</u>, language to be deleted is shown in <u>strikethrough text</u>, text in regular or bold type reflects the existing Municipal Code text and is provided for informational/reference purposes):

Article 1: Public Improvement and Assessment Proceedings

<u>Division 28: Existing Stadium Site and Auxiliary Property Ground Lease</u>

§ 61.2801 Purposes

§§2801

The following are the purposes of this Division.

(a) This Division is intended to further the City's goal of providing a feasible and fiscally and environmentally responsible path for the redevelopment of the Existing Stadium Site and the Murphy Canyon Leased Property, including construction of a Joint Use Stadium, practice fields, ancillary development, and supporting transit-oriented development without any expenditure or subsidy from the City. To attract private investment on these properties that would finance and construct all of the planned development solely at private expense as set forth in the Specific Plan, this Division is intended to provide a clear objective set of requirements applicable to potential lessees or purchasers of the Existing Stadium Site and the Murphy Canyon Leased Property, which has historically been used by the City to support the uses on the Existing Stadium Site. Furthermore, this Division is intended to provide a swift, accurate, and centralized process for the City to review, consider, approve, or reject any application for a Lease of the Existing Stadium Site and the Murphy Canyon Leased Property, so that potential lessees can obtain a decision on their application in a predictable period of time.

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- The Existing Stadium Site and the Murphy Canyon Leased Property have (b) unique constraints, challenges, and costs associated with future rehabilitation, reconstruction, and reuse which make them unlike other City-owned properties in other areas of the City. Among these constraints are the desire by the City to: (a) provide an option for the return of a professional football franchise: (b) accommodate a San Diego State University ("SDSU") college football program: (c) provide public community park uses; (d) provide for the cleanup of the Existing Stadium Site using any applicable settlement agreements that the City has reached with adjacent landowners: (e) address flood control issues involving a majority of the Existing Stadium Site; (f) provide for the demolition of the antiquated Existing Stadium; and (g) provide attractive legislative standards for a Lease that may be issued by the City to attract a new award of a professional major league soccer franchise for San Diego. These constraints. challenges, and costs require the City to approach potential Lease applications with unique and objective standards to ensure that the City maximizes the number of potential applications from prospective lessees and the City does not enter into agreements that address these challenges in a piecemeal or incomplete manner.
- (c) This Division is also necessary to ensure that all of the environmental considerations and mitigation measures intended to avoid or lessen any potential environmental impacts contained in the Specific Plan are fully and accurately reflected in the standards for any Lease of the Property, without the necessity for the City to repeat the analysis already contained in the Specific Plan, or the possibility that conflicting environmental measures would be contained in any Lease that would conflict with the adopted Specific Plan.
- At the time of adoption of this Division, the City faces difficulty in attracting and (d) retaining major league sports teams due in part to existing complex, uncertain. and lengthy approval processes for land use decisions and leasing decisions. The Existing Stadium Site has a history of several unsuccessful reuse and redevelopment proposals. This Division, combined with the Specific Plan, is intended to provide a detailed set of legislative standards and procedures that are available for the consideration of Lease applications for a potential site for such uses. It is also necessary for the City to reduce uncertainty and delay in determining the potential legislative standards that may be applied by City decision makers in reviewing Lease applications, and that may be provided by the City to prospective developers, lessees, or purchasers to incentivize private risk capital to pursue acquiring new franchises for major league sports teams, and to provide an appropriate site for collegiate football and football bowl games. Providing objective detailed requirements for Lease applications will also establish an open, public, and transparent process to allow any party to submit an application meeting a fixed set of standards. These standards are intended to replace and supersede, with respect to the leasing of the Property, any existing legislative standards, procedures, and policies that the City has previously adopted for the leasing of City property.

Furthermore, this Division is intended to provide detailed legislative provisions for the objective requirements that must be contained in any Lease agreement to protect the City from any expenditures or risks associated with the leasing of the Existing Stadium Site and the Murphy Canyon Leased Property, and ensure that all of the environmental mitigation measures and planning requirements of the Specific Plan are met by any potential lessee or purchaser. This Division

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provides fixed standards and objective measurements that shall be applied to the proposed approval or rejection of an application for any Lease within the Specific Plan area, so that the City's decision-making in considering such application shall be free of personal subjective judgment and allow for a ministerial decision to be made based on objective standards.

The legislative standards set forth in this Division are intended to ensure that any Lease approved by the Mayor will contain provisions that protect the City's interest and ability to obtain the expected Lease benefits, and ensure that the lessee, sublessees, and potential purchasers of property under any Lease Option are each required to comply with the standards for development contained in the Specific Plan. Such legislative standards include the remedies for default that must be contained in any Lease. These legislative standards are also intended to ensure that any Lease provides for commercially reasonable requirements for additional commercial and residential development in compliance with the Specific Plan, which facilitates the lessee's ability to generate sufficient funds to pay for its performance of any Lease obligations to the City.

A key policy for the development of the *Property* is to assure that no public subsidy or expenditure is required for development. These requirements for potential *Leases* of the Property have been established by this Division so that the City will not provide subsidies, or be required to make new expenditures, under the standards of any *Lease* which the City may subsequently approve under this Division.

§ 61.2802 Definitions

Each word that is defined in this Division appears in the text of this Division in italicized letters. Terms defined in the remainder of the *Initiative* but not defined in this Division have the meaning given to them in the other portions of the *Initiative*. For the purpose of this Division, the following definitions shall apply:

Development means the development allowed and contemplated in the Specific Plan.

Execution Date shall refer to the date that any Lease approved under this Division has been executed, both by all required officers of the City and by the Qualified Lessee.

Existing-Adjacent Property means the three (3)-acre parcel located immediately north of Friars Road from the Existing Stadium Site, as described more particularly and depicted in the Specific Plan.

Existing Stadium shall refer to the stadium building located on the Existing Stadium Site as of the Initiative Effective Date.

Existing Stadium Site means the property located at or near 9449 Friars Road, San Diego, California 92108, as described more particularly and depicted in the Specific Plan, including the Existing-Adjacent Property.

<u>Football Property means a sixteen (16) acre portion of the Existing Stadium Site, the location of which shall be selected by the Qualified Lessee.</u>

Football Qualified Entity means a professional football team to be located in San Diego.

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Initiative means the "San Diego River Park and Soccer City Initiative" adopted on the Initiative Effective Date.

Initiative Effective Date means the date that the Initiative has become effective.

Initiative Notice Date means the date the Notice of Intent is filed to circulate the Initiative.

<u>Joint Use Stadium means a highest level or premier men's or women's outdoor professional soccer league stadium or other outdoor professional sports stadium, which may under certain circumstances be a joint use facility with collegiate football, as described in the Specific Plan.</u>

<u>Lease means any lease entered into between a Qualified Lessee and the City in accordance with this Division.</u>

Murphy Canyon Training Facility Site means the property located at or near 4020 Murphy Canyon Road, San Diego, California 92123, as described more particularly and depicted in the Specific Plan.

Murphy Canyon Leased Property means the up to twenty (20) acre portion of the Murphy Canyon Training Facility Site that the Qualified Lessee leases pursuant to any Lease. The location and size of the Murphy Canyon Leased Property shall be determined by the Qualified Lessee (but in no event shall exceed twenty (20) acres).

Option means the Qualified Lessee's option, as provided under any Lease, to purchase up to 79.9 acres of land on the Existing Stadium Site for Joint Use Stadium uses or for the development of a highest level or premier professional league soccer or other professional sports stadium or other uses allowed under the Specific Plan.

<u>Property is comprised of the Murphy Canyon Leased Property, Existing-Adjacent Property, and the Existing Stadium Site.</u>

Professional Soccer League means a highest level or premier men's or women's professional outdoor soccer league that exists with an active schedule of games among the franchises, which has generated an aggregate ticket sales during league-qualifying play in the United States of at least \$100 million during the five-year period prior to the Initiative Effective Date.

<u>Professional Sports League means a highest level or premier professional sports league</u> such as football, basketball, soccer, or other sport.

Qualified Lessee means an entity that meets the following requirements: the entity shall be an interested prospective ownership group for the San Diego market (a) who has submitted an application for a franchise to be located in San Diego from a *Professional Soccer League* as part of any such league's expansion process, and (b) for whom the governing body of a *Professional Soccer League* has confirmed that such entity is under active consideration by any such league for an award of a franchise for San Diego as of the *Initiative Effective Date*. In the alternative, a *Qualified Lessee* may also be any entity that has been awarded a *Professional Soccer League* franchise to be located in the San Diego market. A *Qualified Lessee* may also be any entity that owns or controls an entity that meets the definition of *Qualified Lessee* described in the preceding sentences of this definition.

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Reverter Date means seven (7) years from the Execution Date.

Reverter Right means the right of the City to cancel any Lease under this Division and take further actions to regain occupancy or ownership of the Property if the Qualified Lessee fails to complete the construction of the Joint Use Stadium on the Existing Stadium Site by the date which is seven (7) years from the Execution Date, subject to, and as further defined within, the provisions of this Division.

River Park means approximately thirty-four (34) acres of open space land at the southern portion of the Existing Stadium Site that a Qualified Lessee shall set aside for a San Diego River park/community park, subject to the conditions of this Division.

SDSU means San Diego State University, a public, State of California university.

Specific Plan means the San Diego River Park, Soccer City, and Qualcomm Stadium Redevelopment Specific Plan.

<u>Stadium Land means the portion of the Existing Stadium Site on which the Joint Use Stadium will be constructed.</u>

Term means the period between any Lease's commencement on the Execution Date and its expiration, on the ninety-ninth anniversary of the Execution Date, unless any Lease is terminated prior to that date.

§ 61.2803 Required standards for ground Leases for stadium and ancillary development approved under this Division

Legislative standards for any Lease of the Property that may be reviewed and approved by the Mayor based on any application submitted to the Mayor under this Division have been set forth in this Division to provide a public, organized, and reliable process for applicants to submit Lease applications under these standards. This Division also provides legislative standards so that the public may determine whether such applications meet these Lease standard requirements prior to the execution of any Lease.

The legislative standards and requirements listed in this Division for review, approval and execution of *Lease* applications and *Leases* shall be applicable only to applications made to the City pursuant to this Division for the *Property*. Any *Lease* of the *Property* approved by the Mayor under the procedure set forth in this Division shall meet all of the provisions of this Division.

(a) Qualified Lessee.

(1) Any Lease shall provide that the lessee must be a Qualified Lessee to assure that the Property is developed in a manner that will increase the opportunity for a new professional sports team to locate in San Diego using the resources, unique location, and characteristics of the Property.

(b) Lease Term

(1) The Term of any Lease shall be 99 years to provide a Qualified Lessee with sufficient time to develop and finance the allowed improvements on the Property, and to allow the City to enjoy the continued benefits of the completed development under the Specific Plan. No Lease shall contain any renewal options.

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- (c) Applicable Requirements for Lease and Redevelopment of Existing Property
 - (1) The Mayor shall ensure that any Lease includes both the Existing Stadium Site and the Murphy Canyon Leased Property on a combined basis to assure a unified approach in addressing all of the issues and constraints for the overall Property. The location and size of the Murphy Canyon Leased Property shall be specified by the applicant for a Lease in any Lease application, but in no event shall the Murphy Canyon Leased Property exceed twenty (20) acres.
 - (2) Any Lease must provide for a comprehensive multi-use development that provides for: (a) the redevelopment of the Property; and (b) the construction, operation, and support of a Joint Use Stadium and other uses allowed under the Specific Plan, all to support the goals of the Specific Plan for the comprehensive re-use of the Property. No Lease may be approved which fails to provide for each of these requirements.
 - (3) Any Lease shall require the Qualified Lessee to construct the Joint Use Stadium to meet the City's goal of attracting and retaining professional sports teams without a public subsidy.
 - (4) Any Lease shall provide the Qualified Lessee the right to the exclusive use of the Property, except for the continued temporary use of the Existing Stadium as described in this Division to protect the City's existing leases and agreements for use of the Existing Stadium.
 - (5) Any Lease shall require that the Qualified Lessee design, construct, and pay for improvements along the street frontages along the perimeter of and within the Property, including but not limited to curbs, gutters, sidewalks, street trees, and street lighting to then-current City standards to provide for adequate access to development and parks or recreational uses on the Property, as set forth in the Specific Plan. This requirement shall ensure that all such improvements meet City standards without any City expenditure, and the opportunity, without any obligation, for the City to accept such improvements as public streets and sidewalks.
 - (6) To meet the City's important goal of providing additional land that can be used for local and regional park purposes in the Existing Stadium Site's unique location adjacent to the San Diego River, any Lease shall require that the Qualified Lessee set aside approximately thirty-four (34) acres of open space land at the southern portion of the Existing Stadium Site for the River Park. Any Lease shall also require that the Qualified Lessee or an association of private property owners, lessees, or sublessees established or organized by the Qualified Lessee shall manage (subject to the City's ongoing review), and pay for the ongoing maintenance of the River Park, so that the City shall not be required to make expenditures to maintain such land provided for public park purposes. Any Lease shall require that the River Park be open for public recreational uses during daylight hours or scheduled public events, in accordance with the Specific Plan.

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- (7) To address the need to obtain necessary permits that the City as owner of the *Property* requires from other government agencies for the construction and modification of land to be used for *River Park* purposes in an expeditious manner without an expenditure by the City, any Lease approved shall meet the following requirements:
 - (A) The Lease shall require the Qualified Lessee, and the City as owner of the Property, to both diligently pursue any state and federal permits necessary to construct the River Park, subject to any applicable restrictive use agreement with the United States.
 - (B) Such pursuit by the City shall not require any expenditure by the City, and the Qualified Lessee shall advance any funds reasonably required by the City to perform such pursuit.

 Qualified Lessee shall submit applications for any required permits within 120 days of the Execution Date.
 - (C) If such permits are obtained within eighteen (18) months of the Execution Date, then the Qualified Lessee or Qualified Lessee's designee shall construct the River Park as contemplated in the Specific Plan, provided, however, that Qualified Lessee shall not be required to expend more than \$40,000,000 (subject to reduction pursuant to Section 61.2804 below) for the permitting, grading, and construction of such River Park.
 - (D) If such permits are not obtained within eighteen (18) months of the Execution Date, then the Qualified Lessee shall, at the City's option, deposit the funding for the River Park with the City, in an amount no greater than \$40,000,000 (subject to reduction pursuant to Section 61.2804 below), and shall retain the River Park area as open space until such time as construction of the River Park may commence.
 - (E) The City may, in its sole discretion, elect to utilize such funds at any time after such funds are deposited to construct the River Park on the Existing Stadium Site.
 - (F) If the City elects to construct the River Park, the City shall enter into an appropriate agreement with the Qualified Lessee to provide for appropriate access and indemnity to allow for the City's construction without disturbing other development on the Existing Stadium Site.
- (8) To ensure that the additional parks specified in the Specific Plan are constructed without expenditure or subsidy by the City, any Lease shall also require the construction of approximately twelve (12) acres of active use fields and neighborhood parks that will be maintained and operated through a joint agreement with the City and the Qualified Lessee, or a Qualified Lessee's assignee or designee.

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- (9) To ensure that no City funds are required to be expended for maintenance of the *Property*, any *Lease* shall require the *Qualified Lessee* to maintain, or cause others to maintain, the *Property*, with the exception of the *Existing Stadium* during the City's temporary usage period, any infrastructure or equipment installed by the City or third parties pursuant to the existing third party settlement agreements that the City may have for cleanup of contamination on the *Property*, and any City-owned or operated utilities. To also accomplish the legislative policy of ensuring that the City shall not be obligated to expend funds for maintenance, any *Lease* shall also require the *Qualified Lessee* to maintain all streets and utilities on the *Property*, unless the City in is sole discretion has accepted them for dedication or ownership.
- (10) Any Lease shall require the Qualified Lessee to pay prevailing wages for construction of the Joint Use Stadium to further the City's policy goal of having major sports facilities built with the payment of prevailing wage.
- (11) To implement the City's policy goal of providing affordable housing, any Lease shall require the Qualified Lessee to construct and provide for: (i) the greater of ten (10) percent of dwelling units on the Existing Stadium Site or eighty (80) dwelling units as affordable to and occupied by "targeted rental households" (as used in San Diego Municipal Code Chapter 14, Article 2, Division 13); or (ii) equivalent for-sale affordable residential units. To further this goal of providing affordable housing, the Qualified Lessee under any Lease shall take all other steps necessary to satisfy San Diego Municipal Code Chapter 14, Article 2, Division 13, including consenting to the recordation of any required Declaration of Covenants, Conditions, and Restrictions. This requirement shall apply from and after the tenth anniversary of the effective date of any Lease.
- (12) Any Lease shall require the payment of development and building permit fees in compliance with the Specific Plan.
- (13) Any Lease shall require the Qualified Lessee to provide a pedestrian connection to the existing light rail transit center at the southern portion of the Existing Stadium Site, as described in the Specific Plan.
- (14) Any Lease shall require the Qualified Lessee to provide accommodation for a potential future alignment of the proposed "Purple Line" trolley in the eastern portion of the Existing Stadium Site, as described in the Specific Plan.
- (15) Any Lease shall provide that the City shall at all times retain ownership of the land underneath designated access routes and private streets located within the Property as they are established under the Specific Plan. The costs of constructing any street and utilities on the Property to serve the Property shall be paid solely by the Qualified Lessee, and all improvements shall be inspected by the City to ensure that they meet City standards. Qualified Lessee shall pay for its share of off-site improvements as provided in the Specific Plan. The Qualified Lessee shall construct any private streets on the Existing Stadium Site in

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accordance with City standards. The City may, in its sole discretion, accept for dedication or dedicate the designated access routes and private streets constructed by the *Qualified Lessee* on the *Existing Stadium Site* as public streets.

- (16) Any Lease shall provide that the Qualified Lessee shall pay the City the amounts specified in the Specific Plan for the specified off-site planned street and interchange improvements as provided in the Specific Plan, should the City decide, in its sole discretion, to construct the improvements.
- (17) To further the City's policy of having the option in the future to accept access routes and streets as public facilities, any Lease shall include the following requirement. If, during the Term of any Lease, the Qualified Lessee owns any portion of the Property that lies within an access route or street planned and constructed by Qualified Lessee, the Qualified Lessee shall provide an offer of dedication upon the City's request for the designated access route and potential streets to be constructed within such portion of the Property under the provisions of the Specific Plan. If accepted by the City, the Qualified Lessee shall convey the public right-of-way to the City through the recordation of an offer of dedication.
- (18) The development permitted by any Lease may not violate any state or federal regulatory requirements. Should any portion of the development permitted by any Lease require the approval of any state or federal agency, the parties to any Lease shall cooperate in good faith to obtain such approvals, provided that any pursuit by the City shall not require any expenditure by the City, and the Qualified Lessee shall advance any funds reasonably required by the City to perform such pursuit. The Qualified Lessee may at any time proceed with those portions of the Development permitted by any Lease which do not require such approvals.
- (19) Any Lease shall entitle the Qualified Lessee to occupy the Property.

 This requirement is intended to ensure that the Qualified Lessee has the ability to obtain financing for its improvements, and to grant subleases for the Property as otherwise provided in this Division.
- (20) Notwithstanding any other provision of this Division, any Lease shall specify that the Joint Use Stadium shall be privately owned and no City funds shall be utilized, nor shall City bonds be issued, for its construction and operation. It is also a requirement that under any Lease approved pursuant to this Division, the City shall not use any public funds to pay for any:
 - (A) Joint Use Stadium construction costs:
 - (B) <u>Joint Use Stadium cost overruns; or</u>
 - (C) <u>Joint Use Stadium operating costs, maintenance or capital</u> improvement expenses.

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- Any Lease shall not obligate the City to expend municipal funds and shall provide that if an expenditure of funds is required by the City to perform any other obligation that is not otherwise reimbursable to the City from a third party under existing agreements with such third parties for redevelopment or cleanup of the Property, the City shall instead give notice to the Qualified Lessee of the requirement for such funds, and shall request that the Qualified Lessee provide an advance for such funds to prevent the expenditure by the City. If the Qualified Lessee fails to advance such funds within ninety (90) days of written notice from the City, the City shall be relieved of the obligation to perform such obligation under any Lease approved under this Division.
- (22) To prevent any potential for subsidy of operation of the Joint Use Stadium, any Lease approved under this Division shall require that the City be reimbursed for reasonable costs incurred by the City in providing game/event-day public safety and traffic management related to Joint Use Stadium events. At the City's option, the reimbursement may be provided by means of the advancement of a reasonable payment to cover the City's anticipated costs prior to the City's obligation to pay such costs.
- (23) To protect the City from liability and from claims from third parties based on a Lease of the Property, any Lease shall provide that the agreement between the Qualified Lessee and the City does not create a joint venture or partnership, and that there are no third party beneficiaries to the Lease.
- (24) Subject to the City's discretion under state law to modify or vacate easements, any Lease shall provide that the Qualified Lessee and the City may cooperate to modify or vacate easements on the Property (other than easements of the City of San Diego or any utility department of the City of San Diego for which the City retains its full regulatory discretion), so that development may proceed on the Property.
- (25) To assist in financing of the Joint Use Stadium and further the legislative purpose of attracting a new professional sports team to San Diego, any Lease shall require that the City execute such additional documents and provide such additional interests in the Existing Stadium Site as may be requested by the Qualified Lessee to facilitate the sale of personal seat licenses to attendees of professional or collegiate sporting events or other events by the Qualified Lessee, so long as the Mayor determines that such actions by the City do not require the expenditure of City funds and do not subject the City to any additional liability.
- If requested by the Qualified Lessee, the Mayor may, but is not obligated to, depart from any legislative standard and requirements for potential Leases set forth in this Division in order to satisfy the requirements of an applicable professional sports league or otherwise facilitate the development of the Property in accordance with the Specific Plan, provided that the Mayor determines that such modifications shall not prevent the City from receiving fair market value for any Lease pursuant to this Division or require any expenditure by the City. No such modification shall delete, modify, or add to the environmental mitigation measures, standards, and requirements contained in the Specific Plan.

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(d) Option for Professional Football and SDSU Football Uses

- (1) Any Lease shall require the Qualified Lessee to reserve the sixteen (16) acre Football Property, the location of which shall be selected by the Qualified Lessee. This reservation shall support the City's goal of attracting a new professional football team to San Diego. This reservation must be accompanied by specific terms and conditions which protect the interests of the City, the prospective Football Qualified Entity and the Qualified Lessee. Therefore, any Lease shall contain the following requirements to balance these interests.
 - (A) The Qualified Lessee shall (i) offer to sublease the Football Property to a Football Qualified Entity on terms acceptable to the Qualified Lessee or (ii) if the Qualified Lessee and the Football Qualified Entity fail to agree on such terms, subject to the Qualified Lessee's receipt of the value of the termination of any Lease with respect to the Football Property, the Qualified Lessee shall offer to terminate any Lease with respect to the Football Property concurrently with the sale or lease of the Football Property by the City to such Football Qualified Entity.
 - (B) Any option to sublease, lease or purchase the Football Property shall terminate after the date that is five (5) years after the Initiative Effective Date.
 - (C) If the option expires without exercise, the Qualified Lessee shall have no further obligation to reserve the sixteen (16) acre portion, or any other obligations under this subdivision.
- (2) It shall be a requirement of any Lease that any sale described in clause (d)(1) above shall be subject to a public vote. Such public vote shall constitute any public vote required by the City Charter, if applicable. This shall ensure the City's requirement that there be no sale of City property of eighty (80) acres or more at any time during the term of any Lease or otherwise, without a public vote of approval. The City may schedule such a vote at any time, including prior to the exercise of the option for the Football Property.
- (3) It shall be a requirement of any Lease that to utilize the Football Property, (a) the Football Qualified Entity must have received all necessary permits and approvals to construct a stadium and all other improvements intended to be constructed by such Football Qualified Entity and locate a professional football team in San Diego, (b) to the extent SDSU collegiate football games have not been accommodated in the Joint Use Stadium, the City must determine that the professional football franchise has made an appropriate effort to accommodate SDSU collegiate football games in the proposed stadium, and (c) the Football Qualified Entity's development and operation of the Football Property shall not materially and unreasonably interfere with Qualified Lessee's use of the Existing Stadium Site.

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- (4) It shall be a requirement of any Lease that if the Football Qualified Entity has obtained ownership or a sublease of the Football Property, then it shall use the Football Property only for the construction and operation of a football stadium and ancillary uses, such as parking. To further this requirement and to prevent the land from being used for purposes which conflict with the City's goals for the Property, any Lease (and any sublease or deed to the Football Qualified Entity) shall provide that if the land is used for any other purpose, the Football Property shall, at the election of the Qualified Lessee, revert to the Qualified Lessee (or to the City if the Qualified Lessee's Lease has terminated), either by termination of the sublease, or by reversion if the land is purchased (in which case, at the election of the Qualified Lessee, any Lease shall be deemed restored with respect to the Football Property).
- (5)The City must establish in advance the objective economic standards and requirements that will be applied by the City to any submitted application for the potential use of the Property for a professional football team, in addition to the other uses provided for under the Specific Plan. Such specific standards must be established to attract a potential professional football team and to prevent any subsidy or expenditure by the City in connection with such use. Any Lease shall not leave such economic standards at the discretion of the lessee of the Property. In order to provide an objective, clear, and fixed method for the determination of the costs of using the Property for the potential return of a professional football team, any Lease shall set forth the exact standards for determining the costs of a sublease or purchase of the site for such football uses. To implement these legislative goals, the following specific requirements must be included in any Lease approved by the Mayor under this Division:
 - (A) Any Lease shall specify that (i) the Football Property's sublease rent or (ii) the value of the termination of any Lease with respect to the Football Property, as applicable, shall be the fair market rental or termination value, as determined by an independent panel of three appraisers, paid for by the Football Qualified Entity. taking into account the value of the Property's finished condition, any improvements constructed on the Football Property, pro rata obligations for the construction of streets and rights of way, and the development potential for alternative uses of the site set forth in the Specific Plan; provided, however, in no event shall such fair market rental or termination value be less than the aggregate amount expended by the Qualified Lessee to improve the Football Property.
 - (B) The Qualified Lessee and the Football Qualified Entity shall each appoint one appraiser, and such appraisers shall appoint a neutral third appraiser. Upon the consummation of any such sublease or termination of any Lease with respect to the Football Property as part of a purchase by the Football Qualified Entity, an amount equal to such fair market rental or termination value, together with all costs and expenses of the Qualified

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<u>Lessee in connection with any such transaction, shall be</u> paid by the <u>Football Qualified Entity</u> to the <u>Qualified Lessee</u>.

- (e) <u>Continued Operation and Orderly Demolition and Removal of the Existing Stadium</u>
 - (1) The City faces a large unfunded cost for the continued maintenance and operation of the Existing Stadium. The City also faces a large unfunded cost for demolition of the Existing Stadium. The location of the Existing Stadium in the center of the Existing Stadium Site makes any future rehabilitation, grading, and flood control improvements of the Existing Stadium Site extremely difficult and costly. An additional consideration is that the City has existing leases and agreements for use of the Existing Stadium that continue until approximately 2018. The City intends to address these costs and considerations through a comprehensive plan of redevelopment set forth in the Specific Plan, and orderly demolition and removal of the Existing Stadium to allow such redevelopment to occur. At the same time, the City desires to accomplish these goals without subsidy or expenditure by the City. Correspondingly, the City intends to assure that all of these requirements are set forth in an objective manner through legislation, along with requirements that prevent any obligations placed on any Qualified Lessee from rendering development of the Property economically infeasible, burdensome or unattractive to potential lessees.
 - (2) In addition to the other reasons set forth in this Division, the City must remain an owner of all or a portion of the *Property* or a beneficiary of the covenant(s) imposed upon any sale, in order to maintain control of the *Property* for the duration of any *Lease* to assure that the City plans for continued operation and orderly demolition and removal of the *Existing Stadium* are effectuated. The limited *Option* provided in this Division also contains provisions which assure the implementation of the *Specific Plan*. Premature sale or disposition of the *Property* would threaten these goals and requirements. As a result, these standards and requirements must be met by any *Lease* entered into by the City pursuant to this Division.
 - (3) Any Lease shall require that the City shall retain all responsibility for the operation and maintenance of the Existing Stadium until the Qualified Lessee is required to demolish the Existing Stadium under any Lease, subject to reasonable standards and conditions. Such responsibility shall be provided for in any Lease pursuant to this Division in compliance with the following standards:
 - (A) <u>During the City's continued operation and maintenance</u> of the <u>Existing Stadium</u> until the demolition of the <u>Existing Stadium</u>, the City shall not:

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- (1) Except for any Lease with the Qualified Lessee, enter into any new leases or agreements or modifications of existing leases or arrangements with respect to the Existing Stadium that: (i) extend beyond the later of December 31, 2020, or thirty (30) days following substantial completion of the Joint Use Stadium; or (ii) otherwise adversely affect the Qualified Lessee's rights under any Lease:
- (2) Materially interfere with the use of the *Property*by the *Qualified Lessee*, or materially increase
 Qualified Lessee's costs in connection with the
 development of the *Property*; or
- (3) Allow the creation of any new liens or other encumbrances affecting the Existing Stadium or the Property, except as otherwise permitted by this subsection (A).
- (B) The City shall continue to retain its existing responsibility for costs or damage caused or associated with ongoing operations related to the Existing Stadium prior to the demolition of the Existing Stadium, and the burden of such costs shall not be shifted from the City to the Qualified Lessee under the standards of any Lease.
- (C) Any Lease shall not preclude the City from honoring all existing leases and agreements entered into by the City with third parties that exist prior to the Lease Execution Date, and any Lease shall ensure that the City shall be able to continue to honor such existing agreements.
- (4) Any Lease shall require that during the City's continued control of the Existing Stadium prior to the date of the demolition of the Existing Stadium, the City and its lessees shall have the right to access sufficient parking to accommodate such uses, as may be determined by the Mayor based upon prior agreements or objective parking standards.
- (5) Any Lease shall require that college football games may continue pursuant to existing leases until the expiration or earlier termination of such existing leases.
- (6) Any Lease shall provide that the Qualified Lessee may request reasonable modifications to the City's use of the Existing Stadium in an effort to minimize the impact on the Qualified Lessee and the Property, and the City may proceed with any reasonable modifications that are so proposed if the Mayor determines that such modification would not have a material adverse financial cost for the City.

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(7) Any Lease shall contain the following requirements regarding demolition of the Existing Stadium to protect the City from any subsidy or expenditure, and to provide reasonable economic standards to allow the Qualified Lessee to carry out this obligation. The Qualified Lessee shall conduct and pay for the orderly demolition of the Existing Stadium from the Property after the expiration of the existing leases for the Existing Stadium and the Qualified Lessee's receipt of all permits and approvals required to demolish the Existing Stadium. The City shall promptly notify the Qualified Lessee upon the expiration of the existing leases for the Existing Stadium. No demolition shall occur until all agreements and leases, entered into by the City prior to the execution of any Lease, requiring the continued operation of the Existing Stadium, have expired or been terminated by the City.

(f) Price

- (1) Any Qualified Lessee shall be required under any Lease to pay what the Mayor determines to be the fair market value for a leasehold interest of the *Property* (including specified conditional options for future purchase), as of the *Initiative Notice Date*, as described in this subsection (f).
- (2)The Mayor shall determine the fair market value of a leasehold interest created by a 99-year lease of the Property, including specified conditional options for future purchase of 79.9 acres of the Property (with option exercise and other lease terms similar to those provided in this Division for any Lease), with a date of value that is the date of Initiative Notice Date. This determination of fair market value is intended to be based on a value of the Property that does not consider any later effect on value caused by the adoption of the new zoning and other development standards included in the Specific Plan, which only apply to the Property after the adoption of the Initiative. The Mayor may use such financial and cost factors as the Mayor deems appropriate in the Mayor's discretion to make the determination of the fair market value of a leasehold interest that meets the requirements of this Division. In determining the appropriate factors to use, the Mayor may consider the following factors:
 - (A) An independent appraisal or appraisals of the fair market value of the *Property* which considers the physical condition of the *Property* as of the *Initiative Notice Date* together with the zoning for the *Property* and other permits and approvals for development, as of the *Initiative Notice Date* with respect to the *Property*. Any appraisal submitted by an applicant for a *Lease* shall be made available to the public upon submittal to the Citv.
 - (B) Any appraisal shall consider the physical condition of the <u>Property</u> as of the <u>Initiative Notice Date</u> which may include:

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- (1) The existing contamination of the Property, as well as the value and obligations of any agreement made by the City for remediation of such contamination to a prospective lessee:
- (2) The potential for flooding of the *Property* and its classification on Federal Emergency Management Agency flooding maps;
- (3) Biological habitat and any agreements made by the City regarding the preservation of habitat on the *Property*; and/or
- (4) The presence of the Existing Stadium and the future value or costs related to its potential to generate leases under current leases or other continued use, and potential costs of preservation, rehabilitation or demolition of such stadium related to any consideration of potential future development.
- (C) A Lease benefit and burden adjustment, if any, based upon the present discounted value of future benefits and additional obligations placed upon the lessee for any Lease by the Initiative that may affect the fair market value of the leasehold interest, but only to the extent that such costs were not already considered in the determination of fair market value of the Property as of the Initiative Notice Date as described above, to adjust for:
 - (1) The costs of demolition and removal of the Existing Stadium;
 - (2) The economic impact on the any lessee of providing for a reversion right similar to the Reverter Right required for any Qualified Lessee;
 - (3) The economic burden of the requirements in any lease for the involvement of potential third parties on the *Property*, such as *SDSU* or a *Football Qualified Entity* such as is required by this Division for any *Qualified Lessee*;
 - (4) The economic benefit of an option, such as the Option provided for under this Division; and/or
 - (5) Other extraordinary costs or benefits of the terms of a lease meeting the legislative standards of this Division that impose costs or burdens and provide for benefits that go beyond the costs normally required for development or redevelopment of the *Property*, or benefits normally provided by any such lease.

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- (3) If the Mayor determines that the fair market value of any Lease (inclusive of any Option) is a negative number, any Lease rent price shall nonetheless be ten thousand dollars (\$10,000.00). In addition, one thousand dollars (\$1,000.00) shall be paid as separate, nonrefundable consideration for any Option described in this Division.
- (4) Any proceeds received by the City under any Lease from the Qualified Lessee, any sublessee, and any purchaser of any portion of the Property shall be allocated by the Mayor between all applicable City funds, including, without limitation, the City's General Fund and the City's Water Utilities Fund or funds for public improvements, in compliance with all City Charter provisions, ordinances, resolutions, and policies. In addition, the Mayor or the City Council may also provide for the transfer of funds between various City funds and accounts as may be required based upon the City's past expenditures to purchase portions of the Property, the City's past operation of the Property, and the City's execution of any Lease.
- (5) Payment of the rent for the Term of the Lease shall be due as a single, lump-sum amount within thirty (30) days of the Execution Date of any Lease.

(g) Option to Purchase

- (1) Any Lease shall provide the Qualified Lessee with the option to purchase up to 79.9 acres of land on the Existing Stadium Site for Joint Use Stadium uses or for development of a highest level or premier professional soccer or other professional sports stadium or other uses allowed under the Specific Plan (the "Option"). The Option may be exercised multiple times with respect to portions of the Existing Stadium Site; provided, that the Qualified Lessee shall not exercise the Option with respect to more than an aggregate of 79.9 acres of the Existing Stadium Site. The property subject to the Option may consist of one or more parcels of noncontiguous land, to be selected by the Qualified Lessee from time to time as specified in this Division. The portion of the Property that is the subject of an exercise of the Option shall be the "Option Land."
- (2) <u>Qualified Lessee may not exercise any Option until the Reverter</u> Right has expired.
- (3) Any Lease shall provide that the Qualified Lessee may exercise its rights to exercise an Option from time to time by providing a formal letter of intent to exercise such Option to purchase Option Land. Each such notice shall clearly define the Option Land intended for purchase.

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- (4) Any Lease shall provide that the exercise fee for each exercise of the Option shall be an amount equal to \$1,000, plus additional consideration in an amount equal to: (i) the difference in fair market value between the land purchased in fee title as of the option exercise date; and (ii) the fair market value of the leasehold interest in the land under the remaining years of the 99 year lease at the time of any option exercise. The exercise fee and reasonable transaction costs of the City shall be paid at the time that title to such portion of the Property is transferred pursuant to the Option.
- (5) Any Lease shall provide that once the sale is consummated, any Lease shall cease to apply to the Option Land (other than with respect to environmental obligations that expressly survive the termination of any Lease) and the Qualified Lessee shall be relieved of all obligations with respect to the Option Land, with the exception of the recorded covenant described in this Division, and provided that any outstanding Lease obligations related to the construction of improvements on the Option Land shall continue to be the responsibility of the Qualified Lessee after such purchase.
- Prior to the sale of any Option Land, the City shall be entitled to (6) record a covenant, running with the land, in favor of the Citv. obligating the purchaser and subsequent owners for the remaining duration of any Lease, to comply with all of the environmental mitigation measures of the Specific Plan (as such Specific Plan provides by its terms as of the Initiative Effective Date), that are specifically applicable to the Option Land being sold. Such covenant shall ensure that the City retains the ability to implement those provisions of the Specific Plan for the duration of any Lease, to further the City's goal of conducting and supervising a comprehensive plan of redevelopment for the *Property* throughout the term of any Lease. Upon request at the time of any Option exercise, the Mayor may modify such covenant to refer to the Specific Plan as it may be amended as of the date of any Option exercise.
- (7) Proceeds from any purchase and sale of the Property or a portion thereof shall be allocated by the Mayor between all applicable City funds, including, without limitation, the City's General Fund and the City's Water Utilities Fund or funds for public improvements, in compliance with all City Charter provisions, ordinances, resolutions, and policies.
- (8) Any Lease shall provide that no Option may be exercised unless the acquisition of the Option Land complies with the Subdivision Map Act, or any exception to the Subdivision Map Act that may be applicable to such sale of property.
- (9) Any Lease shall provide that an Option may be assigned, in whole or in part, to any sublessee of any portion of the Property; provided that if the Qualified Lessee terminates the sublease with such sublessee, the assigned Option shall revert to the Qualified Lessee without the need for any further action by the parties.

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- (10) Nothing in any Lease shall preclude the City from performing a land swap of lands purchased with funds from the City's General Fund with any portion of the Property that now may be owned by the Water Utilities Department, provided that the Qualified Lessee's rights under any Lease shall not be adversely affected thereby.
- (11) Any Lease shall provide that the deed conveying any portion of the Property conveyed pursuant to an Option shall grant easements for ingress, egress, and utilities over all roads, driveways, accessways, paths, and utility corridors, whether existing at the time of the Execution Date of the Lease or thereafter created, which provide access or utilities to and from such portion of the Property.

(h) <u>Termination/Reverter</u>

- (1) The City intends that it be protected from any lessee's default and failure to construct the *Joint Use Stadium* as contemplated in the *Specific Plan*, while at the same time providing reasonable protections to allow any lessee to proceed with overall development. Therefore, any *Lease* approved by the City pursuant to this Division shall contain provisions that ensure that a *Reverter Right* can be exercised by the City on the following standards:
 - (A) If the Qualified Lessee fails to complete the construction of the Joint Use Stadium on the Existing Stadium Site by the Reverter Date, then the City shall have the Reverter Right to (i) terminate any Lease (subject to any non-disturbance agreement with any sublessee of any portion of the Property, other than the Stadium Land) and (ii) cause the ownership of any land transferred by the City under the Option to revert to the City.
 - (B) The Reverter Date shall be tolled and extended day-forday for: (i) force maieure: (ii) any delay by the City in the performance of its obligations under any Lease; (iii) any period of litigation over the validity of any Lease and Option or the transactions contemplated therein or in the Specific Plan, until any such litigation shall be concluded by a final, non-appealable judgment upholding any Lease and Option and the transactions contemplated therein and in the Specific Plan: (iv) conditions of the Property which were unknown to the City or the Qualified Lessee as of the Effective Date that delays the construction of the Joint Use Stadium: (v) change in municipal, state, or federal law that delays the construction of the Joint Use Stadium: or (vi) failure of the City or any other governmental agency to issue permits for the construction of the Joint Use Stadium within a reasonable period of time.

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- (C) If the Reverter Right has not been terminated, then between one hundred fifty (150) and ninety (90) days before the Reverter Date, the City shall provide the Qualified Lessee with a written reminder of the Reverter Date.
- (2) Any Lease shall provide that the Reverter Right shall terminate upon the earliest to occur of (i) the completion of the Joint Use Stadium; (ii) the first anniversary of the Reverter Date, provided that the Qualified Lessee has provided the City written notice of the occurrence of the Reverter Date within thirty (30) days after the occurrence of the Reverter Date; or (iii) delivery by the Qualified Lessee of financial information or assurances which the Mayor determines provides the City with adequate assurance that the Qualified Lessee shall complete construction of the Joint Use Stadium on or before the Reverter Date.

(i) Assignment; Subletting

- (1)Any Lease pursuant to this Division shall meet the following standards to ensure that (i) the City is protected from subleasing under circumstances that may adversely affect its continuing regulatory interest in the Property and ability to enforce the obligations of the Qualified Lessee, while at the same time (ii) assuring that the Qualified Lessee has the opportunity to sublease the Property under certain standards and conditions that are economically viable and commercially reasonable for the Qualified Lessee, in order to attract third party investment, financing and construction of the portions of the Property that the Specific Plan has designated for development to accomplish the City's objectives in the Specific Plan. To provide for an appropriate balance of these competing legislative purposes, the above purposes shall be implemented by the following requirements for Leases approved pursuant to this Division.
- (2) Any Lease shall provide or allow for assignment, subletting, subsubletting, licensing, and other occupancy of all or a portion of the Property for the purpose of development consistent with the Specific Plan. Without limiting the foregoing, any Lease shall contain an acknowledgement from the City that the Stadium Land may be subleased by the Qualified Lessee to a sublessee for the purpose of facilitating the development and construction of the Joint Use Stadium.
- (3) Any Lease shall require that if any sublease(s) of all or a portion of the Property are entered into, then, upon the request of Qualified Lessee or the applicable sublessee, the City shall execute a commercially reasonable nondisturbance agreement with the sublessee(s) within ten (10) days following such request, subject to satisfaction of the following requirements:

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- (A) Such agreement must provide that the sublessee will attorn to the City if the City acquires the sublessor's interest under such sublease, and either (i) the rent received by the sublessor under such sublease must be the fair market rental rate of the subleased property paid no less frequently than on an annual basis, or (ii) the sublease is for the Stadium Landt or
- (B) The City must be otherwise satisfied that the City's continuing interest in the *Property* is protected.

Notwithstanding this subsection, any sublease for the Stadium Land shall be subject to the Reverter Right.

(4) Any Lease shall provide that no sublease shall relieve the Qualified Lessee's obligations with respect to the improvements to be constructed on the subleased land under such sublease. No sublessee under any sublease shall be required to perform the obligations of the Qualified Lessee under any Lease, except that the direct sublessee of the Stadium Land shall be required, jointly and severally with the Qualified Lessee, to construct the Joint Use Stadium.

(i) Environmental

(1) Any Lease shall permit and require that the City take all actions required under any existing agreement between the City and third parties to clean up, rehabilitate, redevelop, and remediate the contamination that exists on the Existing Stadium Site. This provision is required in any Lease so that the City does not affect its existing agreements, and can continue to receive the benefits of those agreements with respect to the Existing Stadium Site.

So that any prospective lessee who may desire to submit a Lease application to the City under this Division may expect that it can rely upon the City's plans for cleanup, remediation, and redevelopment of the potential leased property, any Lease shall provide that the City shall not modify or terminate, and shall continue to perform its obligations under such existing third party agreements.

Any Lease shall provide that the Qualified Lessee shall, if required by such third party agreements, allow representatives of any third party to enter into the *Property* and implement the remediation and risk mitigation measures that may be designed and constructed as part of the redevelopment of the *Property*.

Nothing in this Division shall alter any of the provisions or obligations set forth in any such third party agreements.

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- (2) Any Lease shall require that the Qualified Lessee agree not to take any actions to further contaminate or exacerbate the existing contamination on the Property.
- (3) To ensure that an appropriate allocation of responsibility is made among the City, any lessee, and any third parties with agreements with the City with respect to contamination, and to protect the City from any additional responsibility for addressing such contamination or remediation of the *Property*, to the extent required to implement the development under the *Specific Plan*, any *Lease* shall contain the following standards and requirements for allocating such responsibility:
 - (A) <u>Contamination caused or created by the Qualified Lessee shall be the responsibility of the Qualified Lessee</u>:
 - (B) Contamination addressed in third party agreements shall continue to be the responsibility of such third parties or the City as set forth in those agreements;
 - (C) Contamination disclosed in any environmental impact document given to the Qualified Lessee by the City prior to the Execution Date of any Lease, other than any contamination or remediation addressed in any existing third party agreement, shall be the responsibility of the Qualified Lessee if such contamination is required to be addressed to implement the development under the Specific Plan;
 - (D) Contamination at the time of the Execution Date of any Lease that is not addressed in (A), (B), or (C) above shall continue to be the responsibility of the City, just as if there were no Lease of the Property, provided that if any of the Qualified Lessee's obligations under any Lease require that such contamination be addressed, the Qualified Lessee may be excused from performance until the City performs its responsibility:
 - (E) Contamination not addressed in (A)-(D) above that occurs after the execution date of any Lease shall be the responsibility of the Qualified Lessee (other than future contamination created after the Qualified Lessee has surrendered the Property to the City), if such contamination is required to be addressed to implement the development under the Specific Plan, and

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(F) Any obligations under any Lease as described in this subsection shall survive the termination of any Lease (including the termination of any Lease with respect to any portion of the Property that is purchased pursuant to the standards of any Lease).

(k) Indemnification

- (1) To protect the City from liability and to prevent the City from providing any subsidy for development, any Lease shall require that the Qualified Lessee shall agree to indemnify, defend, and protect City and City's interest in the Property, and all parts thereof, from any claims resulting from:
 - (A) The conduct, activities, or omissions by the Qualified Lessee, or the Qualified Lessee's agents, contractors, invitees, or licensees on the Property, including, without limitation, any contractor and its subcontractors;
 - (B) Occurrences on the Property during the Term of any Lease, including without limitation, claims arising or relating to any defects in design, materials, or workmanship in connection with the development of the Property or from death or injury to person or property; or
 - (C) The Qualified Lessee's breach of any Lease.
- (2) Any Lease shall provide that the Qualified Lessee agrees to pay reasonable attorneys' fees, costs, charges, and other expenses which the City may incur in negotiating, settling, defending, and otherwise protecting the City from and against such claims.
- (3) Any Lease shall also provide that, notwithstanding the foregoing, the foregoing indemnity shall be subject to all limitations, provisions, and obligations set forth elsewhere in any Lease and shall not extend to any claims arising out of or relating to:
 - (A) The conduct, activities, or omissions by the City or any of its agents, employees, contractors, lessees, invitees, or licensees on or about the *Property*;
 - (B) Any obligation required to be performed by the City under any Lease or applicable law; or
 - (C) Any breach of the City's obligations under any Lease.
- (4) The provisions of this Section shall survive the expiration or earlier termination of any Lease.

Costs/Closing

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- (1) Any Lease shall provide that the Qualified Lessee pay for its own costs and fees associated with the exercise of its option to purchase all or any portion of the Property, including, but not limited to, appraisal, escrow, and any other processing fees or expenses. City is to incur no closing expenses in connection with such purchase.
 - (2) To provide a lessee assurances to proceed with development or financing of the *Property* regarding the ability to obtain title insurance, any *Lease* shall provide that the City shall provide customary owners affidavits, estoppel certificates, and similar documentation required in connection with the issuance of title insurance, all at the buyer's sole expense. Any *Lease* shall provide that title to the applicable *Property* will be delivered to the buyer at the close of escrow.
 - (3) The Qualified Lessee and any proposed purchaser shall make a full and complete disclosure of the name and identity of each person directly or indirectly involved in any transaction contemplated by any Lease including, without limitation, the exercise of the Option, and the precise nature of their interest, in order to comply with any applicable City Charter provisions.
- (m) Any Lease shall provide that the City, acting solely in its proprietary capacity as the owner of the Property, and the Qualified Lessee shall, in order to facilitate the development of the Property: (i) use best efforts to effect any lot line adjustment requested by the Qualified Lessee, including without limitation, the adjustment of the existing lot lines to create a separate legal lot for the Joint Use Stadium; (ii) cooperate with the Qualified Lessee to subdivide any existing parcel of the Property; and (iii) execute such further documents and take such further actions, as may be necessary to give effect to the provisions of any Lease. Nothing in any Lease shall limit the City's authority or any applicable discretion which the City may have in its regulatory capacity as a governmental entity to consider such application.

(n) Financing

(1) The Qualified Lessee and any sublessees may mortgage or grant security interests in their respective interests in the Property and other property located thereon. Any Lease shall contain customary mortgagee protective provisions.

The text above contains the first 20 pages of Measure E but does not include the remaining pages of the Measure. The pages that have been excluded may include important information that could be useful to voters, and the City Clerk encourages voters to review those pages as well. The full text of this measure is available online at www.sandiego.gov/city-clerk and in the City's public libraries. If you would like a copy of the full text of the measure to be mailed to you, please contact the Office of the City Clerk at 619-533-4000 or via e-mail at city-clerk@sandiego.gov and a copy will be mailed at no cost to you.

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CITY OF SAN DIEGO

(This Measure will appear on the ballot in the following form.)

MEASURE G

MISSION VALLEY STADIUM - SDSU WEST INITIATIVE: Shall the City sell Mission Valley stadium property to San Diego State University or any SDSU auxiliary organization, entity, or affiliate, consistent with price, terms, and conditions described in the measure, to allow the California State University Board of Trustees to determine its development, which may include stadium, recreational, educational, residential, office, hotel, retail, and other uses; and if sold, shall the City set aside adjacent land for a river park?

This measure requires approval of a simple majority (50% plus 1) of those voting on the measure.

OFFICIAL TITLE AND SUMMARY BALLOT TITLE

SDSU West Citizens' Initiative

BALLOT SUMMARY

This citizens' initiative measure provides for the sale of approximately 132 acres of property owned by the City of San Diego, including the Mission Valley stadium, to San Diego State University (SDSU) or any SDSU auxiliary organization, entity, or affiliate. Contingent upon certain approvals, the property would be redeveloped, including demolishing the existing stadium and building a new stadium. This measure is proposed by private individuals and does not bind SDSU, a California State University.

If approved by voters, this measure would amend the San Diego Municipal Code to establish a process for the City to sell the property to SDSU or the other listed entities. This measure includes terms and conditions the sale must meet. The sale would not be subject to existing Municipal Code provisions regarding the sale of City property.

The sale would be at the price and terms the City Council deems fair and equitable and in the public interest, to be determined at a public meeting. The sale price must be based on the value of the property as of October 9, 2017. The measure includes several factors the City Council may consider in determining that value.

This measure states that the sale shall provide for development of various educational, residential, commercial, and recreational uses, including a joint use stadium and a river park. If the property is sold, the City would not be responsible for the costs of demolishing the stadium or building a new stadium.

The land specified for the location of a river park would not be sold as part of this measure. The measure does not specify who would pay for, develop, build, or maintain a river park. The measure would prohibit the use of the City's General Fund to pay for the development of the river park, but does not prevent other types of City funds from being used.

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BALLOT SUMMARY (CONTINUED)

Potential uses of the property include:

- a new joint use stadium with approximately 35,000 seats;
- public trails and open space;
- recreation space and parks:
- practice and recreation fields: and
- facilities for educational, research, entrepreneurial and technology programs constructed in phases and comprised of:
 - o academic and administrative buildings and classrooms;
 - o commercial, technology, and office space;
 - retail uses:
 - hotels:
 - faculty and staff housing;
 - graduate and undergraduate student housing;
 - apartment-style homes for the local community;
 - o other market-rate, workforce and affordable homes; and
 - trolley and other public transportation uses and improvements.

If the property is sold, the specific development would be planned through an SDSU Campus Master Plan revision process. This process would include:

- preparation of a Campus Master Plan revision;
- review required by the California Environmental Quality Act (CEQA), including opportunities for public review and input; and
- approval by the Board of Trustees of the California State University.

This measure may not be amended for 20 years after its adoption without a vote of the people.

09L0-G-2 N SD 099-092

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 allow the sale of approximately 132 acres of Mission Valley stadium property to San Diego State University (SDSU) or any SDSU auxiliary organization, entity, or affiliate, which could include a non-governmental entity or a private party. Voter approval of this measure does not guarantee that the property would be sold or that any specific development would be built.

If the property is sold to SDSU, the Board of Trustees of the California State University will determine the use of the property in its sole discretion through a Campus Master Plan revision process. A Campus Master Plan revision does not require City approval. The City's development regulations would not apply to development by SDSU, regardless of the terms of this measure. It is unclear whether the City's development regulations would apply if SDSU is not the purchaser.

The final development plan for the property will not be known until:

- the Campus Master Plan revision process is complete;
- California Environmental Quality Act (CEQA) review has been performed; and
- the Board of Trustees of the California State University grants its approval.

These steps would occur after the sale.

This measure states that the sale shall provide for development of various educational, residential, commercial, and recreational uses. The measure does not address how the sale would provide for that development. A sale agreement may create requirements related to development, which must be consistent with state laws and the terms of this measure. The terms of a final sale agreement will not be known until after the election, when a purchaser is identified and a sale agreement is negotiated.

The sale must allow the purchaser to lease, sell, or exchange any portion of the property to an entity or affiliate as part of a SDSU-private partnership or arrangement, or to an SDSU auxiliary organization. The purchaser will determine whether the property or a portion of it will be sold to another party or parties.

Existing law allows the City to sell property to a public agency for public purposes on terms the City Council deems fair and equitable and in the public interest. This measure would change existing law to require the City to sell the property to a particular public entity or private party under specific terms, if certain conditions are met. CEQA review is not legally required before a citizens' initiative measure may be approved by voters.

This measure may not be amended for 20 years after its adoption without a vote of the people. Once the property is sold, the terms of the sale agreement could not be changed by a public vote.

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FISCAL IMPACT ANALYSIS

This measure requires the City to sell the SDCCU Stadium site (property) to San Diego State University (SDSU) or an SDSU auxiliary organization, entity, or affiliate (purchaser) upon City Council approval if certain conditions are met. The purchaser would be anticipated to demolish SDCCU stadium and build a 35,000 seat stadium at its expense. After additional permitting, environmental review, and SDSU's completion of a SDSU Campus Master Plan revision, the purchaser would be anticipated to build an unspecified amount of parks, academic buildings and student housing, and other office, retail, residential, and hotel space. The measure provides for construction of a 34-acre river park, but does not specify who would build the park or identify costs and funding sources for the park.

This measure has direct and indirect fiscal impacts. However, those impacts cannot be precisely quantified, as the measure requires future negotiations, and development of the property is subject to many external factors.

Direct fiscal impacts include the sale price of the property. The measure requires the sale price to be based on fair market value as of October 2017, but the price could be adjusted to account for stadium demolition costs, environmental requirements, the cost to develop a river park, and other factors. In June 2017, the property's appraised value was identified as \$73.8 million. The precise sale price is subject to future negotiation and is currently unknown. A portion of sale revenue would go to the City's Public Utilities Department, which owns a portion of the property.

Other potential direct impacts include City staff time and resources to permit and approve developments, remediate environmental contamination, and to build, operate, and maintain the river park. The measure does not specify who will build the river park or any funding for the river park. It does not allow the City's General Fund to fund the river park, but it does not prohibit any other funding source – from the City or any other party – from being used. Additional infrastructure and utilities upgrades may also be required for development of the properties.

Indirect fiscal impacts include expenses and revenues from new economic activity associated with development of the property. City expenditures to provide service associated with development could be necessary, but as the measure does not specify the precise nature of future development it is not possible to precisely quantify potential expenses and revenues associated with future development. Developments of SDSU facilities (academic and administration buildings, student housing, etc) would not be subject to property tax. Development of other retail or office space, or other residential developments, could be subject to property tax. Full development of the property would not be complete for several years and would depend on many factors outside the City's control.

Approval of this measure precludes the City from using the property for other purposes, soliciting proposals to redevelop the property, or otherwise marketing the property for sale or lease. This could also have an unquantifiable fiscal impact.

The full text of this measure is included in this Voter Pamphlet.

09L0-G-4 N SD 099-094

ARGUMENT IN FAVOR OF MEASURE G

Measure G -- the SDSU West Initiative – authorizes the Mayor and City Council to sell the Mission Valley stadium site to San Diego State University at fair market value for much-needed campus expansion, a research center, housing, multi-use stadium and public river park.

- Provides a once-in-a-lifetime opportunity to meet the higher education needs of local students, enabling SDSU to accept more of the nearly 100,000 undergraduate applicants annually.
- SDSU's plan includes nearly 90 acres of parkland, habitat and open space, including a
 publicly accessible San Diego River Park, which is one reason why the Sierra Club and
 other environmental organizations endorse Measure G.
- Delivers student, faculty, staff, affordable, workforce and market rate housing to help meet our region's critical housing needs.
- SDSU's plan guarantees a transparent planning process that complies with the California Environmental Quality Act, mitigates project impacts, includes public input, and generates 40,000 fewer vehicle trips per day than SANDAG projected for the competing SoccerCity plan.
- Includes a research park to increase collaboration between education, entrepreneurship, and high-tech business to support SDSU's role as a leading research university and expand its \$5.67 billion annual economic impact on our economy.
- Ensures redevelopment of the stadium property will be in the hands of proven development experts, taking advantage of SDSU's extensive experience and success in managing over \$482 million in campus development since 2013, including housing, retail and academic projects, many involving public-private partnerships.
- Provides a permanent home for SDSU football and other athletics, professional soccer and football, in a state-of-the-art multi-use stadium – at no cost to taxpayers – and relieves taxpayers of continuing maintenance costs for the former Qualcomm Stadium.
- Produces thousands of high quality jobs, expanding the University's current employment impact of more than 40,000.
- Generates significant state and local tax revenues, increasing the more than \$457 million produced annually by SDSU.

www.SDSUWest.com

Adam Day, Chair California State University Board of Trustees Sally Roush, Immediate Past President San Diego State University

Jerry Sanders, President and CEO San Diego Regional Chamber of Commerce Jesse Conner, President San Diego City Firefighters L145

Dr. Peter A. Anderson, Chairperson Sierra Club San Diego

09L0-G-5 N SD 099-095

ARGUMENT AGAINST MEASURE G

Vote NO on Measure G - A Bad Deal for Taxpayers

Measure G costs taxpayers hundreds of millions of dollars, <u>deprives K-12 schools of needed funding</u> and provides no guaranteed public benefits.

Measure G is a bait & switch benefitting developers. It quietly allows well-connected private developers — not SDSU — to develop the land.

Measure G does not expand the campus, it allows private developers to build office parks and condos. Officials admit a campus expansion could take decades.

Measure G is a terrible deal for taxpayers. The independent San Diego County Taxpayers Association reports Measure G is \$208 million worse for City taxpayers than the other plan, Measure E. Almost certainly worse for the schools.

Measure G continues the massive stadium subsidy on the Mission Valley site, despite the City's mounting budget deficits. The City recently gave the current stadium almost \$1 million per football game in subsidies that will likely continue for years if Measure G passes.

Measure G gives well-connected developers a tax loophole to pay less than their fair share of property taxes. That's <u>less money for San Diego neighborhoods and K-12 schools</u>, but more money for a few well-connected private developers.

Measure G puts students at risk for hundreds of millions of dollars in risky debt. If the private development isn't financially successful — by mismanagement or another financial crisis — SDSU must make up for the development's failure and <u>student fees are a key source of new revenue</u>.

Measure G provides a blank check giveaway to the well-connected developers who crafted the initiative. They're not required to pay fair market value for the land, as determined by the City's official independent appraisal. A great deal for them; terrible deal for you.

Get the facts: NoOnMeasureG.com

Protect Taxpayers and Schools - Vote No on Measure G

Scott Sherman
San Diego City Councilmember

April Boling
Taxpaver Advocate

09L0-G-6 N SD 099-096

FULL TEXT OF MEASURE G

NOTICE OF INTENT TO CIRCULATE PETITION

Notice is hereby given of the intention of the persons whose names appear hereon to circulate a petition within the City of San Diego for the purpose of adopting a new legislative action of the City of San Diego (City) authorizing, directing, and providing the means for the sale of the approximately 132 acres of real property situated in the City at 9449 Friars Road, between Interstate 15 (I-15) and Interstate 8 (I-8), also known as "Existing Stadium Site," to San Diego State University (SDSU) for Bona Fide Public Purposes.

INITIATIVE MEASURE TO BE SUBMITTED DIRECTLY TO THE VOTERS

To the Honorable City Council of the City of San Diego:

We, the undersigned registered voters of the City of San Diego, California, by this petition hereby respectfully propose the following legislative act be adopted by the City Council or submitted to the registered voters of the City of San Diego for their adoption or rejection:

The People of the City of San Diego do ordain:

SECTION 1. Title.

This initiative measure (Initiative) shall be known and may be cited as the "SDSU West Campus Research Center, Stadium and River Park Initiative."

SECTION 2. Purpose, Intent and Findings.

- A. <u>Purpose and Intent</u>. The People of the City of San Diego find and declare that our purpose and intent in enacting the Initiative is to:
 - Adopt a new legislative policy of the City of San Diego (City) authorizing, directing, and providing the means for the sale of the approximately 132 acres of real property situated in the City at 9449 Friars Road, between Interstate 15 (I-15) and Interstate 8 (I-8), as reflected on the site map attached hereto as Section 8, Exhibit "A") (Existing Stadium Site), to San Diego State University (SDSU) for Bona Fide Public Purposes; provided, however, that:
 - (a) Such sale shall be at such price and upon such terms and timing as the City Council shall deem to be fair and equitable and in the public interest, and
 - (b) Such sale will create jobs and economic synergies in the City and improve the quality of life for Mission Valley residents through development of the following:
 - A Joint Use Stadium for SDSU Division 1 collegiate football and other Potential Sports Partners, including but not limited to professional, premier, or Major League Soccer (MLS) and adaptable for the National Football League (NFL);
 - (ii) River park, walking and biking paths or trails, and associated open space for use by all members of the public;
 - (iii) Passive and active recreation space, community and neighborhood parks;
 - (iv) Practice, intramural, intermural, and recreation fields;
 - (v) Facilities for educational, research, entrepreneurial, and technology programs within a vibrant mixed-used campus village and research park that is constructed in phases and comprised of:
 - a) Academic and administrative buildings and classrooms;
 - Commercial, technology, and office space, compatible and synergistic with SDSU's needs, to be developed through SDSUprivate partnerships, and with such uses contributing to sales tax and possessory interest tax, as applicable, to the City;

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- c) Complementary retail uses to serve neighborhood residents and businesses and create an exciting game-day experience for SDSU football fans and other Potential Sports Partners, and with such retail uses contributing to sales tax and possessory interest tax, as applicable, to the City;
- d) Hotel(s) to support visitors to campus and stadium-related events, provide additional meeting and conference facilities, and serve as an incubator for graduate and undergraduate students in SDSU's L. Robert Payne School of Hospitality and Tourism Management; and with such uses contributing to sales taxes, possessory interest taxes, and transient occupancy taxes, as applicable, to the City:
- Faculty and staff housing to assist in the recruitment of nationally recognized talent; and with such uses contributing to possessory interest taxes, as applicable, to the City;
- f) Graduate and undergraduate student housing to assist athlete and student recruitment; and with such uses contributing to possessory interest taxes, as applicable, to the City;
- Apartment-style homes for the local community interested in residing in proximity to a vibrant university village atmosphere; and with such uses contributing to possessory interest taxes, as applicable, to the City;
- Other market-rate, workforce and affordable homes in proximity to a vibrant university village atmosphere; and with such uses contributing to possessory interest taxes, as applicable, to the City; and
- Trolley and other public transportation uses and improvements to minimize vehicular traffic impacts in the vicinity.
- 2. Implement this legislative policy by amending the San Diego Municipal Code to add Section 22.0908 to Chap. 2, Art. 2, Div. 9.
- B. Findings. The People find, declare, and reason as follows:
 - The People of the City of San Diego desire to authorize and direct the sale of the Existing Stadium Site to SDSU, but only if such sale is at such price and upon such terms as the City Council shall deem to be fair and equitable.
 - 2. In arriving at the Fair Market Value, the City may fairly consider various factors, adjustments, deductions, and equities including, but not limited to: the costs for demolition, dismantling, and removal of the Existing Stadium; the costs associated with addressing current flooding concerns; the costs of existing contamination; the costs for revitalizing and restoring the adjacent River Park and the costs of avoiding, minimizing, and mitigating impacts to biota and riparian habitat.
 - 3. The People of the City of San Diego desire the Existing Stadium Site to be comprehensively planned through an SDSU Campus Master Plan revision process, which process shall require full compliance with the California Environmental Quality Act (CEQA; Pub. Resources Code, commencing with section 21000), the State CEQA Guidelines (14 Cal. Code Regs., commencing with section 15000), Government Code section 65451, subdivision (a), and Education Code section 67504, subdivisions (c) and (d), along with ample opportunities for public participation, including input from the Mission Valley Planning Group and other key stakeholder groups.

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- 4. The People of the City of San Diego also desire that the above comprehensive SDSU Campus Master Plan comply with the content requirements of a Specific Plan prepared pursuant to California Government Code section 65451, subdivision (a), which provides that "[a] specific plan shall include a text and a diagram or diagrams which specify all of the following in detail: (1) The distribution, location, and extent of the uses of land, including open space, within the area covered by the plan[,] (2) The proposed distribution, location, and extent and intensity of major components of public and private transportation, sewage, water, drainage, solid waste disposal, energy, and other essential facilities proposed to be located within the area covered by the plan and needed to support the land uses described in the plan[,] (3) Standards and criteria by
 - and private transportation, sewage, water, drainage, solid waste disposal, energy, and other essential facilities proposed to be located within the area covered by the plan and needed to support the land uses described in the plan[,] (3) Standards and criteria by which development will proceed, and standards for the conservation, development, and utilization of natural resources, where applicable[,] (4) A program of implementation measures including regulations, programs, public works projects, and financing measures necessary to carry out paragraphs (1), (2), and (3)."
- 5. The above environmental commitment, required during the SDSU Campus Master Plan revision process, includes the CEQA requirement for SDSU to take steps to reach agreements with the City and other public agencies regarding the payment of fair-share mitigation costs for any identified off-site significant impacts related to campus growth and development associated with the Existing Stadium Site. Pursuant to CEQA, such steps shall include at least two publicly noticed environmental impact report (EIR) scoping meetings; preparation of an EIR with all feasible alternatives and mitigation measures; allowance for a 60-day public comment period on the Draft EIR; preparation of written responses to public comments to be included in the Final EIR; and, a noticed public hearing.
- 6. The People of the City of San Diego desire to exercise their reserved power of initiative under the California Constitution and the City Charter to sell the Existing Stadium Site to SDSU and amend the San Diego Municipal Code to implement such sale to another public agency for Bona Fide Public Purposes, as set forth in Section 2.A., Purpose and Intent, above. The People find that such purposes also constitute bona fide governmental purposes under City Charter section 221.
- 7. The People of the City of San Diego desire revitalization and restoration of the San Diego River Park south of the Existing Stadium Site as envisioned by past community planning efforts so as to integrate the Mission Valley's urban setting with the natural environment; and incorporate active and passive park uses, 8- to 10-foot wide linear walking and biking trails; a river buffer of native vegetation and measures to mitigate drainage impacts and ensure compliance with water quality standards; and said River Park improvements be made at no cost to the City General Fund and completed not later than seven years from the date of execution of the sales agreement.
- The People of the City of San Diego also desire the reservation and improvement of an additional minimum of 22 acres within the Existing Stadium Site as publicly-accessible active recreation space.
- 9. The People of the City of San Diego desire a Joint Use Stadium, comprised of approximately 35,000 seats for SDSU football, Potential Sports Partners, and the community's use year-round; and capable of accommodating the growth of the SDSU Division 1 football program, and the inclusion of other Potential Sports Partners, including but not limited to professional, premier, or MLS soccer and adaptable for the NFL. The construction of the Joint Use Stadium shall be completed not later than seven years from the date of execution of the sales agreement. The People of the City of San Diego also desire the new Joint Use Stadium to have adjacent and convenient parking and include all the amenities expected of a sports stadium proximity to campus and trolley access, an intimate fan-experience design, enhanced game- day experience for fans, premium seating, access to technology, community gathering areas, local foods

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- and beverages, positive impact on athlete and student recruitment, positive economic impact on the San Diego community, and the ability to attract other events due to expanded capacity and functionality.
- 10. The People of the City of San Diego desire that the City not pay for any stadium rehabilitation costs, stadium demolition or removal costs, stadium cost overruns, Joint Use Stadium operating costs, Joint Use Stadium maintenance, or Joint Use Stadium capital improvement expenses; and that the City be reimbursed for reasonable costs incurred by the City in providing public safety and traffic management-related activities for games or other events at the Existing Stadium Site.
- 11. The People of the City of San Diego seek to encourage the daily and efficient use of the existing underutilized Metropolitan Transit System's Green Line transit station, accommodate the planned Purple Line transit station, and provide an enhanced pedestrian connection to the existing light rail transit center, all of which are located proximate to the City's regional public transportation network.
- 12. The People of the City of San Diego desire the reuse of the Existing Stadium Site to comply with the City's development impact fee requirements, its housing impact fees/affordable housing requirements, and its greenhouse gas (GHG) emission reduction goals. Further, the People desire that the Existing Stadium Site focus growth into mixed-use activity areas that are pedestrian-friendly and linked to improved regional transportation systems; draw upon the character and strengths of the City's natural environment, neighborhoods, commercial centers, institutions, and employment centers; and sustain the long-term economic, environmental, and social health of the City and its many communities.
- 13. Since its founding in 1897, SDSU has grown from a small teacher's college into a national research university of approximately 35,000 students enrolled in bachelor's, master's and doctoral programs, and has engaged the entire San Diego region through SDSU's education, arts, cultural, and athletics events. For the past 120 years, SDSU has become a critical component to the region's higher education system, and has supported the City's growth by offering first class education, training, leadership, and employment to residents of the City and regionally. SDSU contributes an estimated \$2.4 billion annually to the San Diego City economy through approximately 35,000 students, about 9,000 university and auxiliary employees, and nearly 240,000 local alumni. As San Diego continues to progress, the growth of SDSU will assist the region in creating and preparing a qualified and job-ready workforce for the region's industries, providing employment opportunities for a highly trained and educated workforce, and promoting the City as a great place to live and work.
- 14. The Mission Valley Terminal, a petroleum fuel distribution facility, located north of the Existing Stadium Site, has had historical accidental releases of petroleum from its fuel supply operations, and those operations have contaminated soil and groundwater on-and off-site. The City has entered into settlement agreements with certain adjacent landowners to address the contamination, and these agreements govern the allocation of costs for mitigation or remediation work on, under, or in the vicinity of the Existing Stadium Site and San Diego River Park. This Initiative will not alter any obligations under existing settlement agreements that pertain to the Existing Stadium Site and the San Diego River Park.
- 15. All proceeds received by the City from the sale contemplated by this Initiative shall be allocated and deposited as required by law.

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- 16. Nothing in this Initiative is intended to limit the financing mechanisms available to SDSU to acquire the Existing Stadium Site, or to proceed with any component or phase of development if the sale contemplated herein is consummated. SDSU-private partnerships also are contemplated to realize the public purposes and benefits described in this Initiative.
- 17. This Initiative will not raise or impose any new or additional taxes on City residents. To the contrary, this Initiative adopts an innovative legislative policy authorizing the sale of the Existing Stadium Site to a public agency for Bona Fide Public Purposes, and implements this delegated authorization by amending the San Diego Municipal Code.
- 18. The provisions and mandates set forth in this Initiative for the sale of the Existing Stadium Site to SDSU, and its other related provisions, are independent of, and shall not be subject to, any previously enacted city ordinance or resolution pertaining to the sale of property owned or controlled by the city, including but not limited to Sections 22.0902 (sales of real property), 22.0903, and 22.0907 (sales of real property to public agencies) of the San Diego Municipal Code.
- 19. This Initiative does not adopt or amend any zoning ordinance or any other similar document (e.g., a general plan, community plan, specific plan, or development agreement) that would (a) convert any discretionary land use approval to a ministerial approval, (b) change the zoning classification on any parcel or parcels covered by the Initiative to a more intensive classification, or (c) authorize more intensive land uses within an existing zoning district.
- 20. Accordingly, implementing the Initiative will protect the public health, safety, and welfare, and enhance the quality of life for the People of the City of San Diego.

SECTION 3. Amendment to the San Diego Municipal Code.

A new section is added to Chapter 2 (Government), Article 2, Division 9, of the San Diego Municipal Code as follows (new language to be inserted into the San Diego Municipal Code is shown as underlined text):

§ 22.0908 Sale of Real Property to SDSU

The Existing Stadium Site belonging to the City is needed for Bona Fide Public Purposes by SDSU, a public agency, and for that reason, the City shall sell such property to SDSU in accordance with the City Charter, but only if such sale is in compliance with the conditions herein established.

- (a) Such sale shall be at such price and upon such terms as the Council shall deem to be fair and equitable and in the public interest; and the City may fairly consider various factors, including but not limited to: adjustments, deductions, and equities in arriving at a Fair Market Value.
- (b) Such sale shall proceed without advertising for bids and shall not be subject to any of the provisions of this Code pertaining to the sale of City property, including but not limited to Sections 22.0902, 22.0903, and 22.0907.
- (c) Such sale shall provide for the development of:
 - A new Joint Use Stadium for SDSU Division 1 collegiate football and other Potential Sports Partners including but not limited to professional, premier, or MLS soccer and adaptable for the NFL;
 - (2) A River Park, public trails, walking and biking paths or trails, and associated open space for use by all members of the public:
 - (3) Passive and active recreation space, community and neighborhood parks:
 - (4) Practice, intramural, intermural, and recreation fields:
 - (5) Facilities for educational, research, entrepreneurial, and technology programs within a vibrant mixed-used campus village and research park that is constructed in phases and comprised of:

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- (A) Academic and administrative buildings and classrooms;
- (B) Commercial, technology, and office space, compatible and synergistic with SDSU's needs, to be developed through SDSU-private partnerships, and with such uses contributing to sales tax and possessory interest tax, as applicable, to the City;
- (C) Complementary retail uses serving neighborhood residents and businesses while also creating an exciting college game-day experience for SDSU football fans and other Potential Sports Partners, and with such retail uses contributing to sales tax and possessory interest tax, as applicable, to the City;
- (D) Hotel(s) to support visitors to campus and stadium-related events, provide additional meeting and conference facilities, and serve as an incubator for graduate and undergraduate students in SDSU's L. Robert Payne School of Hospitality and Tourism Management; and with such uses contributing to sales taxes, possessory interest taxes, and transient occupancy taxes, as applicable, to the City;
- (E) Faculty and staff housing to assist in the recruitment of nationally recognized talent, and with such uses contributing to possessory interest taxes, as applicable, to the City:
- (F) Graduate and undergraduate student housing to assist athlete and student recruitment, and with such uses contributing to possessory interest taxes, as applicable, to the City;
- (G) Apartment-style homes for the local community interested in residing in proximity to a vibrant university village atmosphere, and with such uses contributing to possessory interest taxes, as applicable, to the City:
- (H) Other market-rate, workforce and affordable homes in proximity to a vibrant university village atmosphere, and with such uses contributing to possessory interest taxes, as applicable, to the City; and
- Trolley and other public transportation uses and improvements to minimize vehicular traffic impacts in the vicinity.
 - (d) Such sale shall be based on the Fair Market Value of the Existing Stadium Site, and the City may fairly consider various factors, adjustments, deductions, and equities, including, but not limited to: the costs for demolition, dismantling, and removal of the Existing Stadium; the costs associated with addressing current flooding concerns; the costs of existing contamination; the costs for revitalizing and restoring the adjacent River Park and the costs of avoiding, minimizing, and mitigating impacts to biota and riparian habitat.
 - (e) Such sale shall be at such price and upon such terms as are fair and equitable, including without limitation payment terms, periodic payments, payment installments, and other payment mechanisms.
 - (f) After such sale, the Existing Stadium Site shall be comprehensively planned through an SDSU Campus Master Plan revision process, which process requires full compliance with the California Environmental Quality Act (Pub. Resources Code commencing with section 21000), the State CEQA Guidelines (14 Cal. Code Regs., commencing with section 15000), and Education Code section 67504, subdivisions (c) and (d), along with ample opportunities for public participation, including but not limited to input from the Mission Valley Planning Group.

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- (g) Though not required by the SDSU Campus Master Plan revision process, SDSU shall use the content requirements of a Specific Plan, prepared pursuant to California Government Code section 65451, subdivision (a), in completing the SDSU Campus Master Plan revision contemplated by this section.
- (h) The environmental commitment set forth in subdivision (f) shall include the requirements arising under CEQA for SDSU to: (i) take steps to reach agreements with the City of San Diego and other public agencies regarding the payment of fair-share mitigation costs for any identified off-site significant impacts related to campus growth and development associated with the Existing Stadium Site; and (ii) include at least two publicly noticed environmental impact report (EIR) scoping meetings, preparation of an EIR with all feasible alternatives and mitigation measures, allowance for a 60-day public comment period on the Draft EIR, preparation of written responses to public comments to be included in the Final EIR, and a noticed public hearing.
- (i) Such sale shall cause the approximate 34-acre San Diego River Park south of the Existing Stadium Site to be revitalized and restored as envisioned by past community planning efforts so as to integrate the Mission Valley's urban setting with the natural environment; the River Park will incorporate active and passive park uses, 8- to 10-foot wide linear walking and biking trails; a river buffer of native vegetation, and measures to mitigate drainage impacts and ensure compliance with water quality standards. River Park improvements shall be made at no cost to the City General Fund and completed not later than seven years from the date of execution of the sales agreement. The City shall designate or set aside for park purposes the River Park pursuant to City Charter Section 55. In addition, the Existing Stadium Site shall reserve and improve an additional minimum of 22 acres as publicly-accessible active recreation
 - (j) Such sale shall result in the demolition, dismantling, and removal of the Existing Stadium and construction of a new Joint Use Stadium. The construction of the Joint Use Stadium shall be completed not later than seven years from the date of execution of the sales agreement.
 - (k) Such sale shall facilitate the daily and efficient use of the existing underutilized Metropolitan Transit System's Green Line transit station, accommodate a planned Purple Line transit station, and enhance a pedestrian connection to the existing light rail transit center.
 - (I) Such sale and ultimate development shall require development within the Existing Stadium Site to comply with the City's development impact fee requirements, parkland dedication requirements, and housing impact fees/affordable housing requirements.

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- (m) Such sale and ultimate development shall require development within the Existing Stadium Site to comply with the City's greenhouse gas (GHG) emission reduction goals.
- (n) Such sale, upon completion, shall ensure that the City does not pay for any stadium rehabilitation costs, stadium demolition or removal costs, stadium cost overruns, Joint Use Stadium operating costs, Joint Use Stadium maintenance, or Joint Use Stadium capital improvement expenses; and that the City be reimbursed for reasonable costs incurred by the City in providing public safety and traffic management- related activities for games or other events at the Existing Stadium Site.
- (o) Such sale and ultimate development shall not impair or preclude SDSU from engaging in SDSU-private partnerships with other entities or affiliates to finance, construct, and operate the resulting buildings and facilities on the Existing Stadium Site for a defined period of time.
- (p) Such sale and ultimate development shall not impair the City's ability to continue its plan of environmental remediation of the Existing Stadium Site and River Park based on its existing agreements with responsible parties.
- (q) Such sale shall not raise or impose any new or additional taxes on City residents.
- (r) Such sale shall not prohibit SDSU from leasing, selling, or exchanging any portion of the Existing Stadium Site to an entity or affiliate as part of a SDSU-private partnership/arrangement, or to an SDSU auxiliary organization.
- (s) Such sale shall require SDSU and the City to negotiate fairshare contributions for feasible mitigation and applicable taxes for development within the Existing Stadium Site.
- (t) Such sale shall not change or alter any obligation under any existing lease regarding the use of Existing Stadium Site, or any portion thereof, that continues in effect until approximately 2018 and that could be extended until approximately 2022 or thereafter.
- (u) Such sale shall acknowledge that portions of the Existing Stadium Site are currently owned by the <u>City's Public Utilities</u> <u>Department</u>, <u>which has reserved rights to extract subsurface</u> <u>water</u>, <u>minerals</u>, and other substances (excluding those under <u>permanently erected structures</u>) and that such department has <u>received</u>, and may continue to receive, compensation for its <u>portion of the Existing Stadium Site</u>. If the Initiative is approved, the sale shall acknowledge said department's entitlement, if any, to receive compensation for its portion of the Existing <u>Stadium Site</u> at a price that is fair and equitable, in the public interest, and commensurate with prior compensation actually received.

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- (v) Such sale shall require the City and SDSU to cooperate to modify or vacate easements or secure lot line adjustments on the Existing Stadium Site (other than easements of the City or any utility department of the City for which the City retains its full regulatory discretion), so that development of the Existing Stadium Site is facilitated.
- (w) Such sale shall require SDSU or its designee to pay prevailing wages for construction of the Joint Use Stadium and other public improvements, provided that the construction occurs on state-owned property or involves the use of state funding. To the extent possible under state law, all building and construction work shall be performed by contractors and subcontractors licensed by the State of California, who shall make good faith efforts to ensure that their workforce construction hours are performed by residents of San Diego County. With respect to the new Joint Use Stadium, SDSU will use good faith efforts to retain qualified employees who currently work at the Existing Stadium.
- (x) For the purpose of this division, the following definitions shall apply:
 - (1) "Bona Fide Public Purposes" means a good faith or genuine use or uses for public or government purposes such as public university uses or facilities; institutional uses or facilities; offices; buildings; stadium, park, open space, trail, and recreation uses and facilities; academic uses and facilities; public parking; faculty, staff, student and residential market-rate and affordable housing; hotel uses and facilities to support university goals and objectives; and public-private partnership support uses and facilities, including but not limited to commercial, neighborhoodserving retail, research, technology, development, uses, individually and cumulatively, promote or facilitate SDSU's higher education mission, goals, and objectives.
 - (2) "Campus Master Plan" means an SDSU physical master plan, or any revisions to such plan, to guide future development of SDSU facilities, based on academic goals for an established time horizon.
 - (3) "Existing Stadium Site" means the approximate 132-acre real property situated in the City of San Diego at 9449 Friars Road, between Interstate 15 (I-15) and Interstate 8 (I-8), as reflected on the site map attached hereto as Section 8, Exhibit A (pageA-1).
 - (4) "Existing Stadium" means the existing "SDCCU Stadium," formerly known as Qualcomm Stadium and Jack Murphy Stadium, located on the Existing Stadium Site, as of Initiative Effective Date.

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- (5) "Fair Market Value" means the value of the Existing Stadium Site with a date of value that is the date of the "Initiative Notice Date." defined below. This determination is intended to be based on a value of the Existing Stadium Site that does not consider any later effect on value caused by adoption of this Initiative. In determining the appropriate factors to use, the City may consider an independent appraisal or appraisals of the Fair Market Value of the Existing Stadium Site, which considers the physical condition of the Existing Stadium Site and other above-identified factors, adjustments, deductions, and equities as of the Initiative Notice Date, together with the zoning for such property and other permits and approvals for development, as of the Initiative Notice Date, Any and all such appraisals, including any prepared for SDSU, shall be made available to the public upon submittal to the City.
- (6) "Initiative" means the "SDSU West Campus Research
 Center, Stadium and River Park Initiative" adopted on the
 Initiative Effective Date.
- (7) "Initiative Effective Date" means the date that the Initiative becomes effective.
- (8) "Initiative Notice Date" means the date the Notice of Intent is first published signaling the intent to circulate the Initiative.
- "Joint Use Stadium" means a quality multi-use outdoor stadium comprised of approximately 35,000 seats for collegiate and professional sports, including use for SDSU Division 1 football, National Collegiate Athletic Association Football Bowl Subdivision Division 1 programs, the National Football League, professional. premier, or Major League Soccer, collegiate and professional football bowl games, other sports, and other events, including without limitation concession areas, restaurants, bars, clubs, retail stores, kiosks, media facilities, athletic training and medical facilities, locker rooms, offices, meeting rooms, banquet facilities, ticketing facilities, on- and off-site signage, scoreboards, and other ancillary and support uses and facilities customarily made part of a stadium of the quality necessary to house collegiate and professional or premier sports, civic events, conventions, exhibitions, concerts and other outdoor events. SDSU also can explore, and proceed with, a phased build-out of such stadium that will allow SDSU to add on to such stadium at a later point to facilitate SDSU growth and acquisition of Potential Sports Partners.
- (10) "Potential Sports Partners" means collegiate or professional sports leagues including but not limited to football, soccer, esports, or other high level or premier sports leagues, clubs, or franchises.

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- (11) "River Park" means approximately 34-acres of land south of the Existing Stadium Site to be revitalized and restored as envisioned by past community planning efforts so as to integrate the Mission Valley's urban setting with the natural environment (see Site Map, attached hereto as Section 8, Exhibit "A"); the River Park will incorporate active and passive park/recreation uses, 8- to 10-foot wide linear walking and biking trails; a river buffer of native vegetation, and measures to mitigate drainage impacts and ensure compliance with water quality standards.
- (12) "SDSU" means San Diego State University, a California State University, with authority delegated by the Board of Trustees of the California State University, which is the State of California acting in its higher education capacity; and any SDSU auxiliary organization, entity, or affiliate. As defined, SDSU is a public university; and as such, acts in its capacity as a state public agency. Nothing in this Initiative abrogates, or is intended to abrogate, the authority of the Board of Trustees of the California State University.
- (y) This section shall be liberally construed in order to effectuate its purpose, intent and findings. No error, irregularity, informality, and no neglect or omission of any officer, in any procedure taken under this division which does not directly affect the jurisdiction of the City to order the work, contract, or process shall void or invalidate such work, contract, or process done thereunder.
- (z) Nothing in this section abrogates, or is intended to abrogate, the Mayor's administrative and executive authority, particularly with regard to engaging in good faith contract negotiations, including purchase and sales agreements for the City. The section does not mandate, dictate, or impede the Mayor's administrative or executive authorities; instead, the section makes clear the City's legislative policy is to sell the Existing Stadium Site to SDSU for Bona Fide Public Purposes consistent with the purpose, intent, findings, and conditions set forth above in this section.
- (aa) The sale of the Existing Stadium Site to SDSU, and its other related provisions, shall be independent of, and shall not be subject to, any previously enacted City ordinance or resolution pertaining to the sale of property owned or controlled by the City, including but not limited to Sections 22.0902 (sales of real property), 22.0903, and 22.0907 (sales of real property to public agencies) of the San Diego Municipal Code.

SECTION 4. Implementation of Initiative.

- A. Upon the effective date of this Initiative, the City of San Diego is directed to promptly take all appropriate actions needed to implement this Initiative. This Initiative is considered adopted and effective upon the earliest date legally possible after the City Council adopts this Initiative, or the Elections Official certifies the vote on this Initiative by the voters of the City of San Diego, whichever occurs earlier.
- B. Upon the effective date of this Initiative, the provisions of Section 3 are hereby inserted into the San Diego Municipal Code without alteration.

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SECTION 5. Effect of Other Measures on the Same Ballot.

In approving this Initiative, the People of the City of San Diego hereby establishes a new legislative policy and authorizes, mandates, and directs the sale of the Existing Stadium Site to SDSU for Bona Fide Public Purposes that will then facilitate creation of a SDSU Campus Master Plan to govern the future use and development of the Existing Stadium Site. To ensure this intent is not frustrated, this Initiative is presented to the voters with the express intent that it will compete with any and all voter initiatives or City-sponsored measures placed on the same ballot as this Initiative and which, if approved, would regulate the use or development of the Existing Stadium Site in any manner or in any part whatsoever (each, a "Conflicting Initiative"). In the event that this Initiative and one or more Conflicting Initiatives are adopted by the voters in the same election, then it is the voters' intent that only that measure that receives the greatest number of affirmative votes shall control in its entirety and said other measure or measures shall be rendered void and without any legal effect. In no event shall this Initiative be interpreted in a manner that would permit its operation in conjunction with the non-conflicting provisions of any Conflicting Initiative. If this Initiative is approved by the voters but superseded by law in whole or in part by any other Conflicting Initiative approved by the voters at the same election, and such Conflicting Initiative is later held invalid, this Initiative shall be selfexecuting and given immediate effect and full force of law.

SECTION 6. Interpretation and Severability.

- A This Initiative shall be interpreted so as to be consistent with all federal and state laws, rules, and regulations. If any section, sub-section, sentence, clause, phrase, part, or portion of this Initiative is held to be invalid or unconstitutional by a final judgment of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Initiative. The People of the City of San Diego declare that this Initiative, and each section, sub-section, sentence, clause, phrase, part, or portion thereof, would have been adopted or passed irrespective of the fact that any one or more sections, sub-sections, sentences, clauses, phrases, parts, or portions are found to be invalid. If any provision of this Initiative is held invalid as applied to any person or circumstance, such invalidity shall not affect any application of this Initiative that can be given effect without the invalid application.
- B. This Initiative does not alter any City obligations under existing settlement agreements that pertain to the Existing Stadium Site.
- C. If any portion of this Initiative is held by a court of competent jurisdiction to be invalid, the People of the City of San Diego express the strong desire that: (i) the City Council use its best efforts to sustain and re-enact that portion; and (ii) the City Council implement this Initiative by taking all steps possible to cure any inadequacies or deficiencies identified by the court in a manner consistent with the express and implied intent of this Initiative, including adopting or reenacting any such portion in a manner consistent with the purpose, intent, and findings of this Initiative.
- D. This Initiative shall be broadly construed in order to achieve the purpose, intent, and findings stated above. It is the intent of the People of the City of San Diego that the provisions of this Initiative be interpreted or implemented by the City and others in a manner that facilitates the purpose, intent, and findings set forth in this Initiative.

SECTION 7. Amendment.

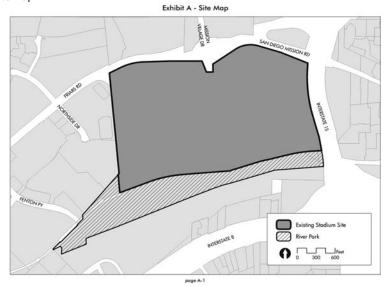
- A. On or after the 20th Anniversary of the adoption of this Initiative, a vote of the people shall not be required to amend or repeal any portion of this Initiative, and this Initiative and the Amendments that it adopts, including all exhibits thereto, may be amended or repealed by any procedure otherwise authorized by law.
- B. Any amendments to this Initiative shall not impair the contractual rights or vested rights conferred by a lease and option agreement or any associated development agreement.

09L0-G-18 N SD 099-108

SECTION 8. List of Initiative Exhibits.

The Exhibits to this Initiative are:

Exhibit A: Site Map



A STATEMENT OF THE REASONS FOR THE PROPOSED ACTION AS CONTEMPLATED IN SAID PETITION IS AS FOLLOWS:

San Diego State University (SDSU) is a critical component of the region's higher education system, and has been a catalyst for the City's growth by offering first class education to residents. SDSU's existing campus cannot accommodate significant additional growth. In order for SDSU to meet the region's future higher education needs, additional land is needed.

This initiative authorizes the sale of the Existing Stadium Site to SDSU based on a determination of fair market value. It requires SDSU to comprehensively plan the Existing Stadium Site to provide facilities for educational, research, entrepreneurial and technology programs within a mixed-use campus village and research park.

This initiative also requires SDSU to revitalize and restore the San Diego River Park south of the Existing Stadium Site as designated parkland, including walking and biking trails, a river buffer of native vegetation, and requires River Park improvements be made at no cost to the City General Fund.

This initiative also requires SDSU to construct a Joint Use Stadium, comprised of approximately 35,000 seats, for SDSU football and other potential sports partners, including professional soccer, and adaptable for the NFL, and further requires that SDSU, not the City, pay for any stadium rehabilitation costs, demolition or removal costs, cost overruns, operating costs, maintenance, or capital improvement expenses.

This initiative contributes significant public benefits to the City and region, and requires a thorough CEQA environmental reviewas part of an open and transparent master plan process.

This Initiative will not raise or impose any new or additional taxes on City residents.

09L0-G-19 N SD 099-109

SAN DIEGO UNIFIED SCHOOL DISTRICT

(This Measure will appear on the ballot in the following form.)

MEASURE H

CHARTER AMENDMENT ENACTING TERM LIMITS FOR SCHOOL BOARD MEMBERS.

Shall City Charter section 66 be amended to limit a member of the San Diego Unified School District Board of Education from serving more than three four-year terms, beginning in 2020, and not count prior or current terms for purposes of the term limit for those School Board members who hold office on the date of the Municipal General Election in 2020?

This measure requires approval of a simple majority (50% plus 1) of those voting on the measure.

OFFICIAL TITLE AND SUMMARY

BALLOT TITLE

Amendments to San Diego City Charter Section 66 to Enact Term Limits for Members of the Board of Education of the San Diego Unified School District

BALLOT SUMMARY

This measure would amend the San Diego City Charter (Charter) to enact term limits for members of the Board of Education of the San Diego Unified School District (School Board).

If approved by voters, Charter section 66 would limit a member of the School Board to serving three four-year terms, beginning in 2020. Those School Board members who hold office on the date of the Municipal General Election in November 2020 would not have their prior or current terms counted for purposes of the new term limit.

The ballot measure was proposed during a process in which members of the public submitted ballot measure proposals for consideration by a Council standing committee and then the full Council. The Council voted to place the measure on the ballot. If approved, the Charter would be amended as of the date the amendments are chaptered by the California Secretary of State.

CITY ATTORNEY'S IMPARTIAL ANALYSIS

The California Constitution authorizes charter cities that include school districts to provide for "the manner in which, the times at which, and the terms for which the members of boards of education shall be elected or appointed, for their qualifications, compensation and removal, and for the number which shall constitute any one of such boards." Cal. Const. art. IX, § 16(a). This is the limit of a charter city's authority over a school board.

San Diego City Charter (Charter) section 66 governs the composition and elections of the Board of Education of the San Diego Unified School District (School Board).

The Charter directs that the School Board be composed of five members, elected at the same time as the City Council, with the top two vote-getters in individual district primary elections advancing to a general election in the entire San Diego Unified School District (School District); and that School Board members serve four-year terms, with no term limits.

PR-32D0-H1 N SD 587-137

CITY ATTORNEY'S IMPARTIAL ANALYSIS (CONTINUED)

This measure would amend the Charter to impose a term limit on School Board members beginning in 2020. The Charter amendments would limit School Board members to serving three four-year terms, with the intention that, after such service, the former School Board member would face a lifetime ban on serving on the School Board.

If approved, School Board members who hold the office as of the date of the Municipal General Election in November 2020 would not have their prior or current terms counted for purposes of applying the new term limit provision.

The Charter sections regarding the School Board were last amended in 1979. The Charter has not included term limits for School Board members since section 66 was enacted in 1931.

To comply with the California Constitution and the California Education Code, this ballot measure related to the School District has been submitted only to those voters who are registered to vote within School District boundaries.

FISCAL IMPACT ANALYSIS

This measure would limit Board members to three four-year terms in a lifetime, for a total of 12 years, beginning with the elections held in 2020. There is no fiscal impact associated with this Charter amendment.

The full text of this measure is included in this Voter Pamphlet.

ARGUMENTS

No argument in favor or against Measure H was filed with the City Clerk's Office.

PR-32D0-H2 N SD 587-138

FULL TEXT OF MEASURE H

ARTICLE VI

BOARD OF EDUCATION

SECTION 66: BOARD OF EDUCATION

The government of the San Diego Unified School District shall be vested in a Board of Education, composed of five members who shall be nominated and elected at the regular municipal primary elections and the general municipal elections at the same time as the election of Council members. At the municipal primary election there shall be chosen by the registered voters of each Board of Education District two candidates for the office of any Board of Education member from a District whose term expires the succeeding December. At the general municipal election the registered voters of the whole San Diego Unified School District shall select from among the candidates chosen at the primary election in each district one candidate for the office of each Board of Education member whose term expires the succeeding December. Each candidate for the Board of Education shall have been a registered voter of the San Diego Unified School District and an actual resident of the election district from which he the candidate seeks to be nominated for thirty (30) days immediately preceding filing of a nominating petition. The members shall serve for a term of four years from and after 10 a.m. the first Monday after the first day of December next succeeding this election and until their successors are elected and qualified, except as herein provided.

Notwithstanding any other provision of this Charter, and commencing in 2020, no person shall serve more than three four-year terms as a member of the Board of Education. Board members who hold the office as of the date of the Municipal General Election in 2020 shall not have prior or current terms counted for purposes of applying this term limit provision.

Any vacancy occurring in the Board shall be filled from the election district in which the vacancy occurs by appointment by the remaining Board members; but in the event that said remaining members fail to fill such vacancy by appointment within thirty (30) days after the vacancy occurs, they must immediately cause to be held a primary election in the district in which the vacancy occurs and a general election within the entire school district to fill such vacancy; provided, however, that any person appointed to fill such vacancy shall hold office only until the next regular municipal election, at which date a person shall be elected to serve for the remainder of such unexpired term.

For the purpose of electing members of the Board of Education, the San Diego Unified School District shall be divided into five (5) districts as nearly equal in voter population as practicable. For the first primary and regular election held under this section, as amended, the boundaries of such election districts shall be established by the Board of Education as such Board existed on the effective date of the amendment to this section. Thereafter, the boundaries of such election districts shall be subject to alteration and change under the provisions of this section. The Board of Education, by resolution, may change and alter the boundaries of the election districts and in the resolution may describe the new boundaries by reference to a map on file in the office of the City Clerk; a metes and bounds description of the new boundaries need not be contained in said resolution.

PR-32D0-H3 N SD 587-139

CITY OF SAN DIEGO

(This Measure will appear on the ballot in the following form.)

MEASURE J

CHARTER AMENDMENT REGARDING MANDATORY DISCLOSURE OF BUSINESS INTERESTS. Shall the City Charter be amended to: require, for certain contracts, disclosure of the names and identities of all natural persons owning more than 10% of an entity contracting with the City or receiving more than 10% of the contracted amount; require the disclosures to be provided to the Council for contracts requiring Council approval; and exempt public agencies and publicly traded companies from the requirements?

This measure requires approval of a simple majority (50% plus 1) of those voting on the measure.

OFFICIAL TITLE AND SUMMARY BALLOT TITLE

Charter Amendment Regarding Mandatory Disclosure of Business Interests

BALLOT SUMMARY

This measure would amend the San Diego City Charter (Charter) by amending Section 225: Mandatory Disclosure of Business Interests.

If approved by voters, the Charter amendments would require that every person or entity entering into certain contracts with the City would first be required to disclose the names and identities of all natural persons who:

- (1) will receive more than 10% of the contracted amount, or
- (2) who own more than 10% of the entity contracting with the City.

This requirement would apply to contracts including, but not limited to, contracts for public works, goods, services, consultants, transfers of interests in the City's real or personal property, and franchises, that are submitted to the City Council (Council) for approval or involve money over amounts established by ordinance of the Council.

The disclosures would also be required before any transfer of such contracts, if the City has the right to approve or object to the transfer.

If voters approve the amendments, the City would retain its existing authority to reject, terminate, or rescind an existing contract if a person or entity submits false information or omits information required to be disclosed by the Charter section.

The amendments would require that the disclosures be provided to the Council prior to the meeting in which the Council will consider the contract.

In some cases, the person or entity who is contracting with the City may not be determined by the time of the scheduled Council meeting. If this occurs, the Charter amendments would require the mandatory disclosures of business interests to be provided to the Council at least fifteen days before the City awards the contract.

The Charter amendments would create exceptions for contracts between the City and other public agencies, and contracts between the City and entities that are publicly traded companies. In such cases, the specific disclosures of business interests would not be required.

PR-09L0-J1 N SD 099-110

BALLOT SUMMARY (CONTINUED)

The Charter amendments also clarify that section 225 does not preclude the City from requiring persons or entities contracting with the City to disclose other information as a condition of contracting with the City.

If approved, the Charter amendments would become effective after they are chaptered by the California Secretary of State.

CITY ATTORNEY'S IMPARTIAL ANALYSIS

This measure would amend San Diego City Charter (Charter) Section 225: Mandatory Disclosure of Business Interests. The measure was placed on the ballot by the City Council.

Section 225 was added to the Charter through a ballot measure submitted to voters on June 2, 1992. The section requires a contracting party to disclose "the name and identity of any and all persons directly or indirectly involved" in proposed contracts with the City, and a description of "the precise nature of all interests" of such persons. The disclosures are required for all City contracts, regardless of the amount of money involved or whether the contracts are submitted to the City Council (Council) for approval.

Section 225 does not explain what it means to be "directly or indirectly involved" in a proposed contract or identify the types of interests that must be disclosed.

If approved by voters, this measure would amend the Charter section to specify what must be disclosed. The amendments would specify that the names and identities of individuals with financial interests in the contract must be disclosed to the City if their financial interest exceeds 10% of the contracted amount, or they have more than a 10% ownership interest in the entity contracting with the City.

If approved by voters, the amendments would require such disclosures to be provided for all contracts submitted to the Council for approval, and to contracts exceeding certain dollar amounts, with the amount to later be determined by the Council.

The Charter amendments would remove the requirement that a contracting party identify "all persons directly or indirectly involved" in the contract, and the requirement that disclosures be provided for all contracts regardless of the amount of money involved.

The amendments are designed to provide the Council with the disclosures – the names and identities of the persons required – before the meeting at which the Council will consider a contract.

If the contracting person or entity will not be known by the time of the meeting, the Charter amendments would require the Council to be provided with the disclosures at least fifteen days prior to the City awarding the contract, which would give the Council the opportunity to intervene in the contract process, if it desires. The City would retain its existing authority to reject, terminate, or rescind an existing contract if a person or entity submits false information or omits information required to be disclosed.

The Charter amendments would not require the disclosures from public agencies or publicly traded companies contracting with the City. These exceptions address circumstances in which personal financial interests are precluded by law, or where corporate ownership information is publicly available. The Charter amendments would not prevent the City from requiring those who contract with the City to disclose other information, as a condition of contracting with the City.

FISCAL IMPACT ANALYSIS

This measure would amend City Charter section 225 to require, for certain contracts, disclosure of the names and identities of all natural persons owning more than 10% of an entity contracting with the City or receiving more than 10% of the contracted amount; require the disclosures to be provided to the Council for contracts requiring Council approval; and exempt public agencies and publicly traded companies form the requirements. There is no fiscal impact associated with this Charter amendment.

PR-09L0-J2 N SD 099-111

The full text of this measure is included in this Voter Pamphlet.

ARGUMENT IN FAVOR OF MEASURE J

Transparency in who local government does business with is essential if we are to earn the trust of residents.

The proposed changes to Charter Section 225:

- Require the "disclosure of the names and identities of all 'natural persons' who will receive more than 10% of the contracted amount, or who own more than 10% of the entity contracting with the City," when:
 - a. The City spends or receives more than an amount set by ordinance.
 - The City Council's approval is required by Charter (e.g. Sections 94, 103, 103.1) or by ordinance.
- Guarantee the timely sharing of the disclosure information with the City Council when its approval is required to form a contract.
- 3. Exempt public agencies and publicly traded companies from the disclosure requirements.
- Provide that "This Section shall not preclude the City from requiring disclosure of any other information from persons or entities contracting with the City."

In the early Nineties, the City leadership unknowingly, almost entered a real estate deal with an alleged mobster. At the June 1992 election, 86% of the voters added Section 225 to the City Charter to prevent such "near misses" from happening in the future.

Previous city attorneys pointed out flaws in the language so for 26 years enforcement of Section 225 has been inconsistent at best.

The full City Council now unanimously recommends this change to you, the voter.

The proposed revision to Charter Section 225 will enable the City leadership and public to know when they are dealing with bad actors, avoid conflicts of interest and ensure equal opportunity contracting and do what the voters intended in 1992.

Barbara Bry
President Pro Tem, San Diego City Council, District 1

ARGUMENT AGAINST MEASURE J

No argument against Measure J was filed with the City Clerk's Office.

PR-09L0-J3 N SD 099-112

FULL TEXT OF MEASURE J

ARTICLE XIV

MISCELL ANEOUS PROVISIONS

SECTION 225: MANDATORY DISCLOSURE OF BUSINESS INTERESTS

No right, title or interest in the City's real or personal property, nor any right, title or interest arising out of a contract, or lease, may be granted or bargained pursuant to the City's general municipal powers or otherwise, nor any franchise, right or privilege may be granted pursuant to Section 103 or 103.1 of this Charter, unless the person applying or bargaining therefor makes a full and complete disclosure of the name and identity of any and all persons directly or indirectly involved in the application or proposed transaction and the precise nature of all interests of all persons therein.

Any transfer of rights, privileges or obligations arising from a franchise, right or privilege granted under Charter Section 103 or 103.1, or any transfer of any right, title or interest in the City's real or personal property, or any right, title or interest arising out of a contract, or lease, which may be granted or bargained pursuant to the City's general municipal powers or otherwise, shall also require a full and complete disclosure as set forth above.

Failure to fully disclose all of the information enumerated above shall be grounds for denial of any application or proposed transaction or transfer and may result in forfeiture of any and all rights and privileges that have been granted heretofore.

For purposes of this Charter section, the term "person" means any natural person, joint venture, joint stock company, partnership, association, firm, club, company, corporation, business trust, organization or entity.

Every person or entity contracting with the City shall first disclose to the City the names and identities of all natural persons who will receive more than 10% of the contracted amount or who own more than 10% of the entity contracting with the City, where the City will be expending or receiving more than the amounts established by ordinance of the City Council or where City Council approval is required by this Charter or by ordinance. Contracts subject to this Section include, but are not limited to, contracts awarded pursuant to Section 94 of this Charter, transfers of interests in the City's real or personal property, and grants or renewals of franchises pursuant to Sections 103 or 103.1 of this Charter. The same disclosure shall be made to the City by every person or entity later receiving or assuming any rights or obligations under such contracts where City approval is required to transfer such rights or obligations.

The City may reject a proposed contract, terminate a current contract, or rescind a prior contract, if any person or entity submits false information or omits information required to be disclosed by this Section.

The City shall provide the City Council with the disclosures received from every person or entity contracting with the City where City Council approval is required, prior to the City Council meeting where the contract will be considered. If the person or entity the City will be contracting with has not been determined by the date of the City Council meeting, the City shall provide the City Council with the disclosures at least fifteen days prior to awarding the contract.

This Section does not apply to public agencies, or to entities that are publicly traded companies listed on a stock exchange in the United States.

This Section shall not preclude the City from requiring disclosure of any other information from persons or entities contracting with the City.

PR-09L0-J4 N SD 099-113

CITY OF SAN DIEGO

(This Measure will appear on the ballot in the following form.)

MEASURE K

CHARTER AMENDMENT LIMITING CITY COUNCILMEMBERS TO SERVING TWO FOUR-YEAR TERMS. Shall City Charter section 12(c) be amended to remove language regarding a "particular district" and clarify that a person cannot serve on the City Council after serving two four-year terms, with a partial term of more than two years continuing to count as a full term for purposes of the term limit provision?

This measure requires approval of a simple majority (50% plus 1) of those voting on the measure.

OFFICIAL TITLE AND SUMMARY BALLOT TITLE

Amendments to the San Diego City Charter Regarding Term Limits for City Councilmembers

BALLOT SUMMARY

This measure would amend the San Diego City Charter (Charter) to specify that members of the City Council (Council) would be limited to serving two four-year terms as a Councilmember. The limit would apply regardless of whether the terms were served consecutively.

The Charter provision regarding partial terms would not change: a partial term exceeding two years would count as a full term. A partial term may occur when a Councilmember is elected or appointed to fill a vacancy and complete another Councilmember's term.

The ballot measure was proposed by two Councilmembers during a process in which proposals were submitted for consideration by a Council standing committee and then the full Council. The Council voted to place the measure on the ballot.

If approved, the Charter would be amended as of the date the amendments are chaptered by the California Secretary of State.

CITY ATTORNEY'S IMPARTIAL ANALYSIS

The San Diego City Council (Council) is composed of nine Councilmembers elected by district. This ballot measure would amend San Diego City Charter (Charter) section 12(c) to specify that members of the Council would be limited to serving two four-year terms.

Section 12(c) provides that Councilmembers are limited to "two consecutive four-year terms as a Council member from any particular district." The Charter states that if a Councilmember serves "a partial term as Councilmember from a particular district in excess of two (2) years" it shall be considered a full term.

If approved by voters, the Charter amendments would remove the phrases "from any particular district" and "from a particular district." The existing language allows a Councilmember to potentially serve more than two four-year terms if:

PR-09L0-K1 N SD 099-114

CITY ATTORNEY'S IMPARTIAL ANALYSIS (CONTINUED)

- (1) the Councilmember moved to a different district and won election there; or
- (2) a redistricting caused a Councilmember's residence to be assigned to a different numbered district when boundaries changed, allowing the Councilmember to serve two full terms in the new numbered district. For example, if a Councilmember served one term representing District X, but redistricting moved the Councilmember's residence into District Y, the Councilmember could potentially serve two more full terms, if elected to do so, in District Y.

If approved, the Charter amendments would count each four-year term toward the term limit.

The word "consecutive" would be removed, so that all terms are counted, regardless of whether terms are served in succession, and regardless of the district the member served. After meeting the term limit, a former Councilmember would face a lifetime ban on serving as a Councilmember.

The provision regarding partial terms would remain the same. A partial term in office that exceeds two years would count as a full term. Although rare, Councilmembers can serve a partial term if they are appointed or elected to fill a vacancy and complete another Councilmember's term in office.

The Charter language to be amended was approved by voters in 1992.

The Council placed this measure on the ballot.

If the measure is approved, all candidates seeking Council seats in the November 6, 2018 Municipal General Election, and who are elected to those seats, would remain eligible to be sworn in and serve a four-year term that will begin in December 2018.

A Councilmember's eligibility to hold a new term in office would be determined at the time the Councilmember requests nomination papers from the City Clerk's Office to become a candidate for election to another term. This will occur next in 2020. At that point, if a Councilmember has already served two four-year terms (and possibly an additional partial term that does not exceed two years), the Councilmember would not be eligible for re-election.

The next regularly scheduled primary elections for Councilmembers representing Districts 1, 3, 5, 7, and 9, respectively, will be held in 2020; regularly scheduled primary elections for Councilmembers representing Districts 2, 4, 6, and 8, respectively, will be held in 2022.

FISCAL IMPACT ANALYSIS

This measure would limit Council members two four-year terms in a lifetime, regardless of which district they serve. There is no fiscal impact associated with this Charter amendment.

The full text of this measure is included in this Voter Pamphlet.

ARGUMENTS

No argument in favor or against Measure K was filed with the City Clerk's Office.

PR-09L0-K2 N SD 099-115

FULL TEXT OF MEASURE K

ARTICLE III

LEGISLATIVE POWER

SECTION 12: THE COUNCIL

- (a) The Council shall be the legislative body of the City and each of its members shall have the right to vote upon all questions before it.
- (b) Council members shall hold office for the term of four (4) years from and after 10 a.m. on the tenth day of December next succeeding their election and until their successors are elected and qualified. If the tenth day of December falls on a weekend or holiday, the term shall begin at 10 a.m. on the next calendar day that is not a weekend or a holiday.
- (c) Notwithstanding any other provision of this Charter, no person shall serve more than two consecutive four-year terms as a Council member from any particular district. If for any reason a person serves a partial term as Councilmember from a particular district in excess of two (2) years, that partial term shall be considered a full term for purposes of this term limit provision.
- (d) Upon any redistricting pursuant to the provisions of this Charter, incumbent Council members will continue to represent the district they were elected to serve for the remainder of their current term. At the next municipal primary and general elections following a redistricting, Council members shall be elected from those districts not represented and from those districts represented by incumbent Council members whose terms expire as of the general election in that year. If, as a result of any redistricting, more than a simple majority of the City Council as redistricted shall be elected at either the municipal primary or general election next following any such redistricting, the City Council prior to any such election shall designate one or more new districts for which the initial council term shall be two years in order to retain staggered terms for Council members
- (e) It is the duty of the Council members to attend all Council meetings. The Council shall vacate the seat of any Councilmember who is absent from eight (8) consecutive meetings or fifty percent (50%) of any scheduled meetings within a month unless the absence thereof is excused by resolution of the Council
- (f) Council members shall devote full time to the duties of their office and not engage in any outside employment, trade, business or profession which interferes or conflicts with those duties.
- (g) Council members shall not be eligible during the term for which they were appointed or elected to hold any other office or employment with the City, except as a member of any Board, Commission or Committee thereof, of which they are constituted such a member by general law or by this Charter.
- (h) Whenever a vacancy exists in the office of a Councilmember, the chief of staff for the departing Councilmember shall manage the office of the Councilmember under the authority of the Council President, until a replacement is appointed or elected pursuant to the procedures for filling vacancies provided by this Charter.

PR-09L0-K3 N SD 099-116

CITY OF SAN DIEGO

(This Measure will appear on the ballot in the following form.)

MEASURE L

CHARTER AMENDMENTS REGARDING ETHICS AND COMPENSATION FOR ELECTED CITY OFFICERS: Shall the Charter be amended to: (1) restrict benefits for elected City officers; (2) restrict lobbying and campaign activities of elected City officers; and (3) remove the requirement that Councilmembers set their salaries and those of the Mayor and City Attorney, providing instead that their salaries be set as percentages of the salary set by the State of California for Superior Court judges?

This measure requires approval of a simple majority (50% plus 1) of those voting on the measure.

OFFICIAL TITLE AND SUMMARY BALLOT TITLE

Amendments to the San Diego City Charter to Remove Requirement that Councilmembers Vote to Establish Salaries; and to Set Elected Officials' Salaries as Percentages of State Judicial Salary, Restrict Compensation and Benefits, and Enact Ethics Measures, for City Councilmembers, the Mayor, and the City Attorney.

BALLOT SUMMARY

This measure would amend the San Diego City Charter (Charter) to eliminate the requirement that the City Council (Council) vote to establish Councilmembers' salaries and those of other elective officers, and to eliminate the Salary Setting Commission that proposes salary amounts for Council consideration and approval.

The proposed Charter amendments would change the salary setting process and automatically tie the salaries of City Councilmembers, the Mayor, and the City Attorney to a percentage of the state-approved salary for California Superior Court judges.

The amendments also would eliminate the following for City elective officers: honoraria, car allowances paid as additional compensation, and free use of City-owned-and-controlled sports and entertainment venue tickets. The amendments would expand restrictions on lobbying, and add regulations regarding incumbent officers' use of taxpayer-funded, mass form constituent mailings.

The ballot measure was proposed during a process in which members of the public submitted ballot measure proposals for consideration by a Council standing committee and then the full Council. If approved, the Charter amendments would become effective after they are chaptered by the California Secretary of State.

PR-09L0-L1 N SD 099-117

CITY ATTORNEY'S IMPARTIAL ANALYSIS

The Charter requires that the City Council (Council) vote to establish salaries of the Mayor and Councilmembers, and the Council must consider recommendations from the City's Salary Setting Commission (Commission) every two years. The Council may accept a proposed increase, but may not set salaries higher than the Commission recommends. The Council has not accepted a salary increase proposed by the Commission since 2002.

The Charter also requires the Council to fix the City Attorney's salary.

If approved, the proposed Charter amendments would eliminate the Commission and the requirement that the Council vote to establish elective officer salaries. Instead, the amendments would automatically tie salaries of Councilmembers, the Mayor, and the City Attorney to the state-approved salary for California Superior Court judges in the California Government Code.

The amendments would phase in salaries:

- Councilmembers would be paid 60 percent of the state salary for California Superior Court Judges beginning December 10, 2020, and 75 percent of the state salary for California Superior Court judges beginning December 10, 2022.
- The Mayor and City Attorney would be paid an amount equal to the state salary for California Superior Court judges beginning December 10, 2020.

A state formula provides that Superior Court judges' salaries increase by the average percentage salary increase for the current fiscal year for state employees. Salaries for City elected officials would increase as state employees' salaries increase.

The amendments would eliminate the following for elected City officials: honoraria, car allowances, and free use of City-owned-and-controlled sports and entertainment venue tickets.

The amendments also would expand restrictions on lobbying, and regulate incumbent officers' use of taxpayer-funded, mass form constituent mailings.

Honoraria are fees such as speaker fees that are prohibited under state law, but with some exceptions. The measure would eliminate exceptions for City elective officers.

Effective December 10, 2020, the amendments would eliminate a regularly paid car allowance as a form of additional compensation for an elective officer's use of a private vehicle, but allow reimbursement for actual miles driven in a personal vehicle while on City business, following federal tax laws.

A City policy governs the use of admission tickets it receives, including tickets for City-owned-and-controlled sports and entertainment venues. This measure would prohibit free use of such tickets. The City would be required to market such tickets to the public at fair market value, keeping the proceeds. Tickets for certain venues and events may be governed by agreements that would require further analysis to determine whether the City could sell them.

City law prohibits lobbying by former City officials, including elective officers, for one year after leaving City employment. This measure extends the prohibition to two years.

State law regulates the use of public funds for mailings featuring a public official. This measure prohibits an incumbent official's mass mailings starting 75 days before an election when the official, or a staff member, seeks City office.

This measure was proposed by a member of the public. The Council placed it on the ballot.

PR-09L0-L2 N SD 099-118

FISCAL IMPACT ANALYSIS

The portions of this ballot measure that create a fiscal impact to the City of San Diego include net compensation increases for the City's 11 elective officers – the Mayor, nine Councilmembers, and the City Attorney. This measure would produce salary and related fringe benefits cost increases (including retirement plan and Medicare costs) and would eliminate the availability of a car allowance.

The net annual compensation cost increase in today's dollars (not adjusted for wage inflation) for the 11 positions is estimated to be approximately \$560,000 beginning December 10, 2020, and approximately \$870,000 beginning December 10, 2022. In 2020 and 2022, these costs will be somewhat higher if annual wage adjustments (based on the salary increase percentage for state judicial salaries) are applied between now and 2020/2022. After 2022, salary increase percentages will continue to match those that may occur for judicial salaries.

The largest component of the estimated net annual compensation increase is salaries. The table below reflects only the estimated annual salary increase (in today's dollars) that this measure would generate for each individual elective officer position.

	Annual Salary Increase Beginning December 10, 2020						Annual Salary Increase Beginning December 10,2022	
	Mayor		City Attorney		Individual Councilmembers		Individual Councilmembers	
Current Salary	\$	101,000	\$	194,000	\$	75,000	\$	75,000
Estimated Salary in Today's Dollars with this City Charter Amendment	\$	206,000	\$	206,000	()	124,000	\$	155,00 <u>0</u>
Estimated Increase in Salary	\$	105,000	\$	12,000	\$	49,000	\$	80,000

This measure also contains a prohibition on elective officers distributing City-held tickets for sports and entertainment events without payment for such tickets. The City's revenue increase related to this provision, if any, cannot be readily determined, due to the uncertainty of the City's ability to sell event tickets.

The full text of this measure is included in this Voter Pamphlet.

PR-09L0-L3 N SD 099-119

ARGUMENT IN FAVOR OF MEASURE L

Measure L is bipartisan, citizen-initiated ethics reform for City Hall that will:

- <u>Prohibit Campaigning on Taxpayer Dollars</u> Measure L prohibits City-funded mailings by incumbents in the last 75 days of a reelection campaign.
- <u>Restrict Lobbying by Former Elected Officials</u> Measure L keeps politicians from
 cashing in as special-interest lobbyists by prohibiting former elected City officers from
 lobbying the City for two years after they leave office.
- <u>Outlaw Acceptance of Honoraria</u> Elected City officers will not longer be able to
 accept speaking fees, including from individuals, companies or groups with business
 before the City.
- <u>End the Practice of Councilmembers Voting on Their Own Pay</u> Councilmembers now get to set their own salary, a system the San Diego County Grand Jury called "<u>fundamentally flawed</u>" and an "<u>inherent conflict of interest</u>," concluding that "salaries of Councilmembers and the Mayor should be tied to an external benchmark." Measure L implements this recommendation by permanently setting elected City officer salaries as percentages of Superior Court Judge salaries.
- <u>Eliminate the Car Allowance</u> Elected officers are now entitled to an almost \$10,000 annual car allowance whether they drive on City business or not. Under Measure L, elected officials will be reimbursed for actual miles driven, like any other City employee.
- <u>Ban Free Luxury Box Seats</u> Measure L bars elected officers from the free use of luxury skyboxes in all City-owned venues and prohibits them from giving those expensive seats away to donors, lobbyists and other cronies.

Measure L enshrines in the City Charter comprehensive reform that is designed to encourage citizen legislators and <u>repel career politicians</u> who are more interested in perks than public service.

Join us in supporting good government. Yes on Measure L.

Mark Kersey Haney Hong
SD City Councilman President and CEO,

San Diego Taxpayers Association

Bob Ottlie Lori Thiel Former Chair, President,

San Diego Salary Setting Commission League of Women Voters

ARGUMENT AGAINST MEASURE L

No argument against Measure L was filed with the City Clerk's Office.

PR-09L0-L4 N SD 099-120

FULL TEXT OF MEASURE L

ARTICLE III

LEGISLATIVE POWER

SECTION 11.1: LEGISLATIVE POWER -- NONDELEGABLE

The same prohibition against delegation of the legislative power which is imposed on the State Legislature by Article XI, Section 11a of the Constitution of the State of California shall applyies to the City Council of Tthe City of San Diego, so that its members shall must not delegate legislative power or responsibility which they were elected to exercise in the adoption of any ordinance or resolution which raises or spends public monies, including but not limited to the City's annual budget ordinance or any part thereof, and the annual ordinance setting compensation for City employees, or any ordinance or resolution setting public policy, except where authorized by this Charter.

The City Council shall <u>must</u> annually adopt an ordinance establishing salaries for all City employees, <u>except the City's elective officers</u>, <u>The City Council shall adopt this ordinance</u> not later than May 30 of each year after considering all relevant evidence, including but not limited to the needs of the citizens <u>residents</u> of the City of San Diego for municipal services, the ability of the citizens <u>residents</u> to pay for those services, local economic conditions, and other relevant factors as the <u>City Council deems appropriate</u>. The City Council shall <u>must give priority in the funding of municipal services to the need of the citizens <u>residents</u> for police protection in considering adoption of this salary ordinance and the annual budget ordinance, <u>and must comply with any collective bargaining laws binding on the City as a public agency employer.</u></u>

The prohibition imposed by this section against unlawful delegation of the legislative responsibility to set compensation for <u>Ceity</u> employees <u>shall extends</u> to any scheme or formula which seeks to fix the compensation of City of San Diego employees, <u>except City elective officers</u>, at the level of compensation paid to employees of any other public agency whose governing board is not elected by and not accountable to the people of the City of San Diego. This prohibition <u>shall</u> also extends to any scheme or formula which seeks to fix, establish, or adjust the compensation of City of San Diego employees, <u>except City elective officers</u>, at the level of the largest cities in California or the State of California.

City elective officers will receive annual salaries based on the salary paid to Superior Court judges by the State of California. The Chief Financial Officer is responsible for determining the State salary of Superior Court judges and for setting and adjusting the salaries of the City Councilmembers, Mayor, and City Attorney, as provided in sections 12.1, 24.1, and 40, respectively.

SECTION 12.1: COUNCILMANIC SALARIES

On or before February 15 of every even year, the Salary Setting Commission shall recommend to the Council the enactment of an ordinance establishing the salary of members of the Council for the period commencing July 1 of that even year and ending two years thereafter. The Council may adopt the salaries by ordinance as recommended by the Commission, or in some lesser amount, but in no event may it increase the amount. The ordinance shall be subject to the referendum provisions of this Charter and upon the filling of a sufficient petition, the ordinance shall not become effective and shall be repealed by the Council or shall forthwith be submitted to a vote of the people at the next general statewide election_Effective December 10, 2020, the salary paid to City Councilmembers will be 60 percent of the salary prescribed by law and as adjusted by law for judges of the Superior Court for the State of California. Effective December 10, 2022, the salary paid to City Councilmembers will be 75 percent of the salary prescribed by law and as adjusted by law for judges of the Superior Court for the State of California.

PR-09L0-L5 N SD 099-121

ARTICLE IV

THE MAYOR

SECTION 24.1: MAYOR'S SALARY

On or before February 15 of every even year, the Salary Setting Commission shall recommend to the Council the enactment of an ordinance establishing the Mayor's salary for the period commencing July 1 of that even year and ending two years thereafter. The Council shall adopt the salary by ordinance, as recommended by the Commission, or in some lesser amount, but in no event may it increase the amount. The ordinance shall be subject to the referendum provisions of this Charter and upon the filing of a sufficient petition, the ordinance shall not become effective and shall be repealed by the Council or shall forthwith be submitted to a vote of the people at the next general statewide election. Effective December 10, 2020, the salary paid to the Mayor will be equal to the salary prescribed by law and as adjusted by law for judges of the Superior Court for the State of California.

ARTICLE V

EXECUTIVE AND ADMINISTRATIVE SERVICE

SECTION 40: CITY ATTORNEY

A City Attorney shall be elected for a term of four (4) years in the manner prescribed by Section 10 of this Charter. The City Attorney shall hold office for the term prescribed from and after 10 a.m. on the tenth day of December next succeeding the election and until a successor is elected and qualified. If the tenth day of December falls on a weekend or holiday, the term shall begin at 10 a.m. on the next calendar day that is not a weekend or a holiday.

No person shall serve more than two (2) consecutive four-year terms as City Attorney. If for any reason a person serves a partial term as City Attorney in excess of two (2) years, that partial term shall be considered a full term for purposes of this term limit provision.

The City Attorney shall be the chief legal adviser of, and attorney for the City and all Departments and offices thereof in matters relating to their official powers and duties, except in the case of the Ethics Commission, which shall have its own legal counsel independent of the City Attorney. The attorney and his or her deputies shall devote their full time to the duties of the office and shall not engage in private legal practice during the term for which they are employed by the City, except to carry to a conclusion any matters for which they have been retained prior to taking office. The City Attorney must be licensed to practice law in the State of California and must have been so licensed for at least ten years at the time he or she submits nominating petitions.

The City Attorney shall appoint such deputies, assistants, and employees to serve him or her, as may be provided by ordinance of the Council, but all appointments of subordinates other than deputies and assistants shall be subject to the Civil Service provisions of this Charter. The City Attorney may appoint no more than six Assistant City Attorneys and four other assistants, who shall serve at the pleasure of the City Attorney and may be removed by the City Attorney at any time.

No Deputy City Attorney, who has served continuously as a Deputy City Attorney in the Office of the City Attorney for one year or more shall be terminated or suspended without good cause, except that any Deputy City Attorney may be subject to layoff due to lack of work or insufficient appropriation to meet the salary requirements necessary to maintain existing personnel in the Office of the City Attorney.

To ensure that Deputy City Attorneys conduct their legal work with the highest level of integrity, honesty, and professionalism, good cause for purposes of termination or suspension includes, but is not limited to, failure to comply with the California Rules of Professional Conduct.

PR-09L0-L6 N SD 099-122

It shall be the City Attorney's duty, either personally or by such assistants as he or she may designate, to perform all services incident to the legal department; to give advice in writing when so requested, to the Council, its Committees, the Manager, the Commissions, or Directors of any department, but all such advice shall be in writing with the citation of authorities in support of the conclusions expressed in said written opinions; to prosecute or defend, as the case may be, all suits or cases to which the City may be a party; to prosecute for all offenses against the ordinances of the City and for such offenses against the laws of the State as may be required of the City Attorney by law; to prepare in writing all ordinances, resolutions, contracts, bonds, or other instruments in which the City is concerned, and to endorse on each approval of the form or correctness thereof; to preserve in the City Attorney's office a docket of all cases in which the City is interested in any of the courts and keep a record of all proceedings of said cases; to preserve in the City Attorney's office copies of all written opinions he or she has furnished to the Council, Manager, Commission, or any officer. Such docket, copies and papers shall be the property of the City, and the City Attorney shall, on retiring from office, deliver the same, together with all books, accounts, vouchers, and necessary information, to his or her successor in office.

The City Attorney shall have charge and custody of all legal papers, books, and dockets belonging to the City pertaining to his office, and, upon a receipt therefor, may demand and receive from any officer of the City any book, paper, documents, or evidence necessary to be used in any suit, or required for the purpose of the Office.

The City Attorney shall apply, upon order of the Council, in the name of the City, to a court of competent jurisdiction for an order or injunction to restrain the misapplication of funds of the City or the abuse of corporate powers, or the execution or performance of any contract made in behalf of the City which may be in contravention of the law or ordinances governing it, or which was procured by fraud or corruption.

The City Attorney shall apply, upon order of the Council, to a court of competent jurisdiction for a writ of mandamus to compel the performance of duties of any officer or commission which fails to perform any duty expressly enjoined by law or ordinance.

The City Attorney shall perform such other duties of a legal nature as the Council may by ordinance require or as are provided by the Constitution and general laws of the State.

The Council shall have authority to employ additional competent technical legal attorneys to investigate or prosecute matters connected with the departments of the City when such assistance or advice is necessary in connection therewith. The Council shall provide sufficient funds in the annual appropriation ordinance for such purposes and shall charge such additional legal service against the appropriation of the respective Departments.

Effective December 10, 2020, the salary paid to the City Attorney will be equal to the salary prescribed by law and as adjusted by law for judges of the Superior Court for the State of California. The salary of the City Attorney shall be fixed by the Council and set forth in the annual appropriation ordinance, provided that the salary of the City Attorney may not be decreased during a term of office. , but and in no event shall said salary be less than \$15,000.00 per year.

Whenever a vacancy exists in the office of the City Attorney, an Assistant City Attorney, previously designated by the City Attorney to fulfill duties in the event of a vacancy and whose name has been recorded with the City Clerk as the Interim City Attorney in the event of a vacancy, shall fulfill the duties of the City Attorney as the Interim City Attorney until a replacement can be appointed or elected as provided by this Charter. The Interim City Attorney shall have the full authority of the Office.

SECTION 41.1: SALARY SETTING COMMISSION

There is hereby created a Salary Setting Commission consisting of seven members who shall be appointed by the Civil Service Commission for a term of four years. The first members shall be appointed for a term commencing January 1, 1974. Initially, the Commissioners shall be appointed in a manner so that three are appointed for two-year terms and four are appointed for four-year terms.

PR-09L0-L7 N SD 099-123

The Salary Setting Commission shall recommend to the Council the enactment of an ordinance establishing salaries for the Mayor and Council as provided by this Charter. The Council shall provide the funds necessary to enable the Commission to perform its duties. The Civil Service Commission in its appointments shall take into consideration sex, race and geographical area so that the membership of such Commission shall reflect the entire community.

ARTICLE XVI

ELECTIVE OFFICERS

SECTION 303: RESTRICTIONS ON COMPENSATION AND BENEFITS FOR

ELECTIVE OFFICERS

All elective officers for the City, defined in this section as the City Councilmembers, Mayor, and City Attorney, must adhere to the restrictions on compensation and benefits set forth in this section. This section is not intended to conflict with any provisions in federal or state law, except, however, where the restrictions on compensation are greater in this section than what is authorized under federal or state law, the greater restriction controls the compensation received by an elective officer.

- (a) Elective officers are prohibited from accepting honoraria, as that term is defined by State law.
- (b) Effective December 10, 2020, elective officers are prohibited from receiving a regularly paid car allowance as a form of additional compensation, except they may be reimbursed for actual miles driven in a personal vehicle while on City business, in accordance with reimbursement policies that comply with federal tax laws and regulations in effect at the time of the request for reimbursement.
- (c) Elective officers are prohibited from attending any sports or entertainment event in a venue owned, partially or in whole, by the City unless the officer has paid fair market value for admission, seats, or other accommodations. Elective officers are prohibited from giving away any City-held ticket, unless the recipient pays the face value of the ticket to the City. Any seats or similar amenities or services owned or controlled by the City, in part or in whole, within any sports or entertainment venue, must be marketed to the public at fair market value with all revenues received to be directed to the City Treasurer.

SECTION 304: RESTRICTIONS ON LOBBYING AND CAMPAIGNING FOR

ELECTIVE OFFICERS

- (a) Elective officers are prohibited from lobbying the City for a two-year period after leaving office.
- (b) Elective officers are prohibited from using taxpayer-funded mass form constituent paper mailings during the 75 days before an election in which that officer is running, for reelection or for a different City elective position. Elective officers are also prohibited from using mass form constituent paper mailings to publish information about any City employee who works for the elective officer and who is seeking City elective office during the 75 days before the election in which the employee is seeking office.

PR-09L0-L8 N SD 099-124

CITY OF SAN DIEGO

(This Measure will appear on the ballot in the following form.)

MEASURE M

CHARTER AMENDMENT REGARDING REAPPOINTMENT OF AUDIT COMMITTEE PUBLIC MEMBERS. Shall City Charter section 39.1 be amended to allow the City Council to waive a requirement that the Council consider at least two applicants for appointment to a position as a public member of the Audit Committee, when the Council wishes to reappoint a sitting public member who is eligible for another term?

This measure requires approval of a simple majority (50% plus 1) of those voting on the measure.

OFFICIAL TITLE AND SUMMARY BALLOT TITLE

Amendments to the San Diego City Charter to Allow the City Council to Waive the Requirement of Considering at Least Two Candidates When a Public Member of the Audit Committee Seeks Reappointment

BALLOT SUMMARY

This measure would amend the San Diego City Charter to allow the City Council to waive the requirement that a screening committee provide a pool of at least two candidates for consideration for a vacant position as a public member of the Audit Committee if the public member is eligible for and applies for reappointment.

The City Council placed the measure on the ballot. If approved, the Charter amendments would become effective after they are chaptered by the California Secretary of State.

CITY ATTORNEY'S IMPARTIAL ANALYSIS

In 2008, voters amended the San Diego City Charter (Charter) to establish the City's Audit Committee, to more clearly separate the City's internal auditing function from the Mayor's supervision.

The Audit Committee oversees the City's internal auditing and control practices, directs the City Auditor's work, and recommends the City's outside auditor, monitoring its work.

Charter section 39.1 provides that the Audit Committee is a five-member body comprised of two City Councilmembers and three public members.

The Charter states that the City Council appoints the three public members from a pool of at least two candidates for each vacant position.

The candidate pool is established by a majority vote of a screening committee that includes one City Councilmember, the City's Chief Financial Officer, the City's Independent Budget Analyst, and two outside financial experts. The outside financial experts are appointed by the other three members of the screening committee and confirmed by the City Council.

09L0-M-1 N SD 099-125

CITY ATTORNEY'S IMPARTIAL ANALYSIS (CONTINUED)

Public members of the Audit Committee must meet minimum requirements provided in the Charter. This includes at least 10 years of professional experience, as a certified public accountant or as a certified internal auditor, or other professional financial or legal experience in audit management.

Public members serve four-year terms. They are limited to serving two full consecutive terms, with one term intervening before they are eligible to serve another term.

If approved by voters, the Charter amendment would allow the City Council to waive the requirement that there be a pool of at least two candidates for Council consideration when a sitting public member applies and is eligible for reappointment. The public member will have gone through the screening process at the time of his or her initial appointment. The City Council may either waive the pool requirement and reappoint the sitting member, or require that a pool of at least two candidates be submitted for consideration.

The Charter amendment was proposed by the office of the City's Independent Budget Analyst and placed on the ballot by the City Council.

FISCAL IMPACT ANALYSIS

This measure would amend City Charter section 39.1 to allow the waiver of the requirement that there be a pool of at least two candidates for an Audit Committee Public Member appointment in instances where a sitting incumbent applies, is eligible for reappointment, and City Council approves the incumbent's reappointment. There is no fiscal impact associated with this Charter amendment.

The full text of this measure is included in this Voter Pamphlet.

ARGUMENTS

No argument in favor or against Measure M was filed with the City Clerk's Office.

09L0-M-2 N SD 099-126

FULL TEXT OF MEASURE M

ARTICLE V

EXECUTIVE AND ADMINISTRATIVE SERVICE

SECTION 39.1: AUDIT COMMITTEE

Notwithstanding any other Charter provision to the contrary, the Audit Committee shall be appointed as provided under this section. To ensure its independence, the Audit Committee shall be composed of two members of the City Council and three members of the public. The two Councilmembers shall be appointed by the Council, one of whom shall serve as Chair of the Audit Committee. The three public members of the Audit Committee shall be appointed by the City Council from a pool of at least two candidates for each vacant position, to be recommended by a majority vote of a screening committee comprised of a member of the City Council, the Chief Financial Officer, the Independent Budget Analyst and two outside financial experts appointed by the other three members of the screening committee and confirmed by the City Council. The City Council may waive the requirement for appointment from a pool of at least two candidates when a sitting incumbent applies, and is eligible for reappointment. Public members of the Audit Committee shall possess the independence, experience and technical expertise necessary to carry out the duties of the Audit Committee. This expertise includes, but is not limited to. knowledge of accounting, auditing and financial reporting. The minimum professional standards for public members shall include at least 10 years of experience as a certified public accountant or as a certified internal auditor, or 10 years of other professional financial or legal experience in audit management. The public members of the Audit Committee shall serve for terms of four years and until their successors have been appointed and qualified. Public members of the Audit Committee are limited to two full consecutive terms, with one term intervening before they become eligible for reappointment. Notwithstanding any other provision of this section, appointments shall be made so that not more than one term of office shall expire in any one year.

The Audit Committee shall have oversight responsibility regarding the City's auditing, internal controls and any other financial or business practices required of this Committee by this Charter. The Audit Committee shall be responsible for directing and reviewing the work of the City Auditor and the City Auditor shall report directly to the Audit Committee. The Audit Committee shall recommend the annual compensation of the City Auditor and annual budget of the Office of City Auditor to the Council and shall be responsible for an annual performance review of the City Auditor. The Audit Committee shall recommend to the Council the retention of the City's outside audit firm and, when appropriate, the removal of such firm. The Audit Committee shall monitor the engagement of the City's outside auditor and resolve all disputes between City management and the outside auditor with regard to the presentation of the City's annual financial reports. All such disputes shall be reported to the Council. The Council may specify additional responsibilities and duties of the Audit Committee by ordinance as necessary to carry into effect the provisions of this section.

09L0-M-3 N SD 099-127

CITY OF SAN DIEGO

(This Measure will appear on the ballot in the following form.)

MEASURE N

REINSTATEMENT OF INDUSTRIAL DISABILITY RETIREMENT BENEFIT FOR POLICE OFFICERS. Shall the San Diego Municipal Code be amended to reinstate an industrial disability retirement benefit for members of the San Diego Police Officers Association who suffer a violent attack at work resulting in great bodily harm, with the benefit provided when a resulting mental or nervous disorder renders the member incapable of performing normal and customary duties?

This measure requires approval of a simple majority (50% plus 1) of those voting on the measure.

OFFICIAL TITLE AND SUMMARY BALLOT TITLE

Amendments to the San Diego Municipal Code to Reinstate an Industrial Disability Retirement Benefit for Members of the San Diego Police Officers Association Who Suffer Certain Violent Attacks at Work Resulting in Great Bodily Harm.

BALLOT SUMMARY

This measure would amend the San Diego City Municipal Code to reinstate an industrial disability retirement benefit in the City's retirement system for City employees who are represented by the San Diego Police Officers Association (SDPOA) and who suffer a violent attack at work that results in great bodily harm. The benefit would be provided when a resulting mental or nervous disorder renders the member incapable of performing his or her normal or customary duties. The benefit would be provided to members of the SDPOA who are part of the San Diego City Employees' Retirement System.

The benefit cannot be reinstated unless it is approved by a majority vote of the City of San Diego's voters. The ballot measure was the result of a negotiated agreement between the City and the SDPOA requiring the City to place the measure on the November 2018 Municipal Special Election ballot.

If approved, the Municipal Code amendments would become effective after the City Council adopts a resolution certifying the results of the November 2018 election.

PR-09L0-N1 N SD 099-128

CITY ATTORNEY'S IMPARTIAL ANALYSIS

This measure would amend the San Diego Municipal Code (Municipal Code) regarding industrial disability retirement benefits for members of the San Diego City Employees' Retirement System (Retirement System) who are represented by the San Diego Police Officers Association (SDPOA).

A member of the Retirement System who was employed by the City on July 1, 2000, and who suffered a violent attack at work that occurred before July 1, 2010, is eligible for an industrial disability retirement benefit if a resulting mental or nervous disorder rendered the member incapable of performing his or her normal and customary duties.

The industrial disability retirement benefit has not been provided in the Municipal Code for any SDPOA member who suffered a violent attack at work that occurred after July 1, 2010.

This measure would reinstate the benefit for members of the SDPOA who are part of the Retirement System. The reinstated benefit would cover those violent acts that occur on or after the date this measure takes effect, and for which a resulting mental or nervous disorder renders the member incapable of performing his or her normal and customary duties.

San Diego City Charter (Charter) section 143.1(a) requires a vote of the City's electors to reinstate this industrial disability retirement benefit. The Charter requires the vote because the reinstatement would increase the benefits of employees under the Retirement System.

The City of San Diego (City) agreed, in a Memorandum of Understanding between the City and the SDPOA, to take steps to reinstate the disability retirement benefit. The City Council then voted to place this measure on the ballot.

Charter section 143.1(b) also obligates the Retirement System to prepare an actuarial study of the cost of the proposed benefits increase. A summary of the actuarial study is to be published in the ballot pamphlet.

If approved by voters, the measure would become effective after the City Council adopts a resolution certifying the results of the November 2018 Municipal Special Election.

FISCAL IMPACT ANALYSIS

It is difficult to confidently predict the costs to the City related to the reinstatement of the Police Officers' disability retirement benefit contained in this measure (a disability benefit for a nervous or mental disorder resulting from a violent attack, while in the performance of job duties, that causes great bodily injury).

The City's pension system acquired an actuarial analysis of potential costs related to this benefit, which was based on historical workers compensation claims. The actuarial analysis estimates a City cost that would be in the range of \$0 to \$200,000 per year, with the earlier years being on the low end of the range. When this benefit existed for 10 years from fiscal years 2000 to 2010, pension system records indicate there were no approved claims under this provision.

As stated previously, such costs are not easily predictable. The actuarial analysis excludes pension costs or savings that may occur due to Police Officers' behavioral changes (e.g., higher rates of disability, lower rates of termination, or changes in average retirement age). The analysis also excludes any savings or costs that may occur in other City benefit programs (e.g., retiree healthcare) as a result of implementing this benefit or the behavioral changes it may cause.

The full text of this measure is included in this Voter Pamphlet.

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ARGUMENT IN FAVOR OF MEASURE N

Vote for Measure N and support our San Diego Police Officers

Every day, the men and women of the San Diego Police Department place themselves in harm's way to protect our community. They put their lives on the line to help San Diegans in their times of greatest need, so it is critical to be there for them when they need us.

Measure N will provide financial security for all police officers who are disabled by violent attacks while serving in the line of duty. This will give officers the comfort of knowing their family will be secure in the event they are no longer able to work.

Measure N will provide a disability retirement benefit for police officers who suffer permanent mental trauma due to a violent attack that causes great bodily harm to the officer.

For a police officer to be eligible, all the following requirements must be met:

- The officer must be a victim of a violent attack involving the use of deadly force
- The officer must be performing his or her duties as a police officer
- The attack causes great bodily harm
- The attack causes the officer to suffer mental trauma
- A board of experts determines that the officer has become psychologically or mentally incapable of performing his or her duties as a result of the attack.

As a result of these stringent requirements, Measure N applies only in rare instances with minimal impact on our city finances.

A yes vote on Measure N today will ensure that heroes disabled while protecting our neighborhoods are provided the support they deserve.

Vote Yes on Measure N!

Kevin Faulconer Mayor, City of San Diego Toni G. Atkins State Senator

Juan Vargas
Member, US House of Representatives

Jack Schaeffer President, SDPOA

Chris Cate
City Councilmember

ARGUMENT AGAINST MEASURE N

No argument against Measure N was filed with the City Clerk's Office.

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FULL TEXT OF MEASURE N

BE IT ORDAINED, by the People of the City of San Diego, as follows:

Chapter 2, Article 4, Division 5 of the San Diego Municipal Code is amended by amending section 24.0501 as follows:

Article 4: City Employees' Retirement System

Division 5: Disability Retirements

§24.0501 Industrial Disability—Safety and General Members

- (a) Any Member who joined the System on or before September 3, 1982, is eligible for an industrial disability retirement allowance, regardless of his or her age or years of Service Credit, if:
 - (1) the *Member* is permanently incapacitated from the performance of duty,
 - (2) the Member's incapacity is the result of injury or disease arising out of or in the course of his or her City employment, and
 - (3) the *Member's* incapacity renders his or her retirement necessary.
- (b) Any Member who enrolled in the System after September 3, 1982 will receive an industrial disability retirement allowance, regardless of his or her age or years of Service Credit, if:
 - (1) the *Member* is permanently incapacitated from the performance of duty,
 - (2) the Member's incapacity is the result of injury or disease arising out of or in the course of his or her City employment,
 - (3) the *Member's* incapacity renders his or her retirement necessary, and
 - (4) the *Member's* incapacity did not arise from:
 - (A) a preexisting medical condition, or
 - (B) a nervous or mental disorder.
- (c) For purposes of section 24.0501, a preexisting medical condition is a condition that occurred or existed before the *Member* joined the *System*. Any medical condition that occurs during a mandatory waiting period before the *Member* is eligible to join the *System* is not a preexisting condition.
- (d) Despite section 24.0501(b)(4), a Member who is employed by the City as of July 1, 2000 is eligible for an industrial disability retirement if all of the following conditions are met:
 - (1) the *Member* is a victim of a violent attack involving the use of deadly force,
 - (2) the attack occurs after June 30, 2000.
 - the attack occurs before July 1, 2010, if the *Member* is in the Police Officers' Association bargaining unit, or before July 1, 2005, for all other *Members* within the applicable time period set forth in section 24.0501(e),
 - (4) the attack occurs while the Member is performing his or her duties as a City employee,
 - (5) the attack causes the *Member* great bodily harm,
 - (6) the attack causes the *Member* to suffer a nervous or mental disorder, and

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- (7) the Board determines, based upon the medical evidence, that the Member has become psychologically or mentally incapable of performing his or her normal and customary duties, as a result of the attack.
- (e) To receive an industrial disability retirement under section 24.0501(d), the attack must occur:
 - (1) <u>before July 1, 2005, if the *Member* is not represented by the Police Officers' Association, or</u>
 - (2) <u>either before July 1, 2010, or on or after</u> , 2018, if the *Member* is represented by the Police Officers' Association.

The City Clerk is instructed to insert the effective date of this Ordinance, once known, in the blank space provided in San Diego Municipal Code section 24.0501(e)(2).

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