

San Diego City Attorney Jan I. Goldsmith

NEWS RELEASE

FOR IMMEDIATE RELEASE: March 3, 2016

Contact: Gerry Braun, Director of Communications: gbraun@sandiego.gov (619) 533-4782

Appellate Court Upholds Bahia Hotel Lease

SDOG's losing argument misconstrued and misapplied evidence

The San Diego City Council followed the law correctly when it approved the lease agreement for the Bahia Resort Hotel on Mission Bay, the Fourth Appellate District Court of Appeal ruled yesterday.

The court found no evidence to support the claims of lawyer Cory Briggs and San Diegans for Open Government that the City Council erred when it found that Bruce Goodwin, who established the fair market value of the property, was an independent fee appraiser.

SDOG had argued that the City Council acted with "insufficient evidence" that Goodwin, a professional appraiser for 30 years and a Chairman Emeritus of the International Society of Hospitality Consultants, had provided an independent fee appraisal.

The Court reviewed the record and determined there was "substantial evidence" to support the Council's finding that Goodwin was not subject to the control or influence of the Bahia owners or anyone else. It cited, among other evidence, questioning of Goodwin by Councilmembers Todd Gloria and Lorie Zapf during a public hearing on the lease agreement.

In contrast, the Court said, it was unpersuaded by SDOG's argument that Goodwin could not be considered independent unless he belong to a particular organization, or that appraisers are not independent if they are paid for their work by an interested party.

"To the extent SDOG cites evidence and/or inferences from the evidence that would have supported a contrary finding by the city council, it misconstrues and/or misapplies the substantial standard of review," the court wrote.

The lease extension was approved by the City Council on February 26, 2013. SDOG sued the City in San Diego Superior Court, but lost. It then appealed that ruling, and now has lost a second time.

"It's too bad we have to continue to defend these meritless lawsuits," City Attorney Jan Goldsmith said.

The case was argued for the City by Deputy City Attorney Glenn T. Spitzer.

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