
MEMORANDUM FOR THE RECORD

Subject: Recommended Principles for San Diego Civic Center Redevelopment

Date: 5 April 2023

The San Diego County Taxpayers Association supports in concept the development of a new Civic Center in downtown San Diego. We are concerned, however, about transparency, robust public involvement, and avoiding the continuance of a troubling trend of ill-advised and disadvantageous real estate transactions.

Therefore, before SDCTA can support any specific proposals, the City must demonstrate a sustained high level of transparency, robust public involvement at each step of the process, a timeline sufficient to guarantee that public involvement, and safeguards to protect taxpayers from outcomes like we have seen at 101 Ash Street.

In addition to the procedural concerns above, and with respect to the actual redevelopment of San Diego's Civic Center, the Association urges the City to follow these key concepts adopted by the Board of Directors of SDCTA:

- (1) Any decision on the amount of municipal office space dedicated for a civic center versus what is available through the Surplus Lands Act should be based on a study of city office space, including hybrid work considerations and needs for "customer," i.e., taxpayer, facing transactions (e.g., internal city functions like HR could be housed elsewhere, especially where it may be far less expensive than downtown to office, whereas permit issuing departments should be co-located where public hearings might take place).
- (2) Any arrangement the city makes through the Surplus Lands Act, whether a sale or a long-term lease, should maximize the long-term value to the public – subject to the statutory limitations of the Surplus Lands Act – so it can service any debt without the need for additional tax financing to build a future civic center. In other words, the development of a new city hall should not be financed through existing or new tax revenues.
- (3) Any redevelopment should maximize tax revenue generation by permitting uses and activities throughout all hours of the day, e.g., nighttime commercial and/or cultural activities in addition to daytime activities.
- (4) The value of any land dedicated for a civic center be maximized with other potential uses to increase tax revenue as well as the redevelopment value to any potential bidders, i.e., if restricted to only the civic center and no other economic or commercial activity, then taxpayers will carry a higher financial burden for the construction of a new civic center.

SDCTA will continue to monitor this effort and will provide additional feedback as details develop. We acknowledge the development of the Civic Center is much needed and long overdue. We look forward to supporting this project, however, provided the best interests of the taxpayers and their hard-earned dollars are at the forefront of development planning and implementation.