

THE WORKING WATERFRONT ON SAN DIEGO BAY

Overwhelming Public Support Expressed For Maritime Industry and Working Waterfront at Port Commissioners Meeting

In a unanimous display of community support rarely seen these days, almost two dozen speakers strongly encouraged the Port Commission to protect and enhance the vitality of maritime uses of the San Diego Bay tidelands. As one speaker said, "I only have three things to say, 'jobs, jobs, and jobs.'"

The theme of high-paying jobs that pay well above the region's median salary was sounded early and often during the public comment session, echoed strongly by the Port's staff and ultimately championed by the Commissioners when it was their turn to speak. Another strong theme was the need for a balanced economy that does not become entirely dependent on tourist serving industries.

Some of the most inspiring comments came from the speakers who represent the highly trained men and women who are responsible for making sure all of the vital goods that pass through the marine terminals are handled safely and efficiently. Their pride in their work and their role in the regional and national economy was palpable.

Perhaps the most compelling arguments for retaining the marine terminals came from two simple facts. First, the military community relies on the availability and flexibility of the marine terminals in San Diego Bay to fulfill their mission. Several retired military leaders spoke to the

essential role the Port's marine terminals play, as evidenced by their national strategic designation. They pointed out that there is not another deep water port with terminals in California that can handle the needs of the military "load-outs" that regularly occur in San Diego Bay. This leads to the other simple, but compelling fact: San Diego Bay is one of only two natural, deep water bays in the state, and as such is an irreplaceable asset. Speaker after speaker warned that, once lost, you can never get back those deep water berths.

When it came time for the Port Commissioners to comment on what they heard, they noted that not one single speaker had come forward in favor of the Doug Manchester proposal to convert the Tenth Avenue Marine Terminal to a sports and retail complex. In the end, the Commissioners adopted a resolution supporting the retention and enhancement of the marine terminals and the maritime businesses and military mission that they support.

Language in Port Master Plan Amendment Threatens Marine-Related Industrial Uses

Ironically, as Port staff and commissioners were defending the essential need for the marine terminals and protecting the working waterfront at their last board meeting, the Port Master Plan Amendment for the Chula Vista Bayfront Master Plan recently submitted to the California Coastal Commission for review contains

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language that promotes replacing an existing marine-related industrial use with a commercial recreational use. Specifically, the draft language calls for the “the relocation of the existing boatyard or termination of its existing lease,” currently occupied by Marine Group Boat Works (MGBW).

While an agreement is currently being worked on between the Port and MGBW to modify this language, the WWG has taken the action to send a letter to the California Coastal Commission requesting that the Port Master Plan Amendment not be approved in its current form. The letter identifies MGBW as a model maritime business, and as precisely the type of marine-related industrial use given the highest priority under the Coastal Act for tidelands use. At a minimum, the WWG believes the adopted language should guarantee, if relocation occurs, that MGBW be provided with a suitable replacement site, comparable in size to both the land area and the water area and depth as currently exists. To do otherwise would be inconsistent not only with the Coastal Act, but with the intent of the Port Commissioners’ own recently adopted resolution to protect well-paying, working waterfront jobs.

Fat City Lofts Rejected (Again) by Centre City Development Corporation – But It’s NOT the Last Word

The outpouring of support by elected officials, the Working Waterfront Group and its members in defense of prime

industrial lands occupied by Solar Turbines once again has had a positive impact on a land use decision by the Centre City Development Corporation (CCDC). However, the decision to reject the Fat City Lofts project by the CCDC board chairman, Kim Kilkenny, is appealable to the City of San Diego Planning Commission, which has the final say. The Lofts project developers maintain that future residents won’t mind living on a congested street, across from an industrial plant and near the airport runway, but the experience of industrial owners everywhere is just the opposite. No matter who was there first, developing residential projects next to industrial uses always creates what are euphemistically called “adverse constituencies.” The pattern observed time and time again is that long after the developers have made their money and left, the purchasers who signed their real estate disclosure forms develop “amnesia” about what they ostensibly agreed to accept. As evidence, the Los Angeles Economic Development Corporation conducted a study which found that the greatest cause of “urbanized industrial flight” was collocation of incompatible land uses. The loss of Solar Turbines would be a huge blow to our regional economy and the Working Waterfront. The Planning Commission will no doubt need to be “reminded” when the time comes that the Fat City Lofts project is inconsistent with the City of San Diego’s newly-adopted general plan Economic Prosperity Element. This plan calls for the protection of Prime

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Industrial lands, as well as provides policy direction to avoid the creation of incompatible land uses. The WWG will be monitoring the developer's appeal of the CCDC decision to the Planning Commission and alert its members to when their testimony will be needed at the Planning Commission hearing on this matter.

Back by Popular Demand - Maritime Day Breakfast!

The National Maritime Day Planning Committee for the Maritime Day Breakfast is a fantastic collaboration made up of Port staff, Port tenants, the Working Waterfront Group, the Propeller Club, South County EDC, World Trade Center San Diego and ILWU. The theme chosen for this year is "Maritime Rising to the Occasion." KUSI is our media partner again, and our event will be on their morning segment—a live broadcast boasting maritime's importance to our region and featuring interviews with key individuals (i.e., Commissioners, maritime tenants, etc.).

"Save the Date" communications are being developed to alert everyone to this year's event, which is tentatively scheduled for Tuesday, May 15 from 7:30 to 9:30 a.m. This date may change based on a key note speaker's availability. Tables and individual tickets for the breakfast will be available for purchase through the World Trade Center website in the coming weeks. The Maritime Day Breakfast will be paired with the World Trade Center Global Logistics Symposium, taking place after

the breakfast. The Committee plans to arrange for "family days" again where port tenants and affiliates will have an opportunity for display booths. Harbor and possible land tours for the public are also being arranged. No firm dates have been set yet for "family days."

Harbor Drive Improvements – Parking, Bikeway and It's a MAD World!

Parking - Lack of sufficient parking in Barrio Logan has been a long-standing concern for companies including NASSCO, BAE Systems, Northrop Grumman Continental Maritime and BNSF Railway. To jumpstart this effort, the San Diego Unified Port District retained Kimley-Horn to analyze the feasibility of developing a new parking facility in the Barrio Logan neighborhood to meet the needs of employee parking for naval shipyard related businesses. The study estimated there is a future demand for 2,124 additional parking spaces, primarily due to NASSCO facilities capacity expansion and related employment growth. Two alternatives have been studied to address this additional parking need.

One alternative is located at 27th Street and Main Street, with an approximate 800-foot walking distance to NASSCO's facility entrance. The 27th Street alternative is an eight-level structure that would provide 2,006 additional spaces at an estimated cost of \$50,700,000 for design and construction. The second alternative is located at Sampson Street and Main Street on a site currently used for parking by BAE

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Systems. The Sampson Street alternative would provide 2,124 additional spaces in addition to the 825 parking spaces currently located on-site, and is estimated to cost \$79,800,000 to design and build. Regardless of the alternative chosen, the process of solving the parking problem for naval shipyard workers is moving forward. The Working Waterfront Group will continue to monitor the progress of this effort and keep you apprised.

Bikeshore Bikeway –

The Port District has retained KTU+A to complete the layout and urban design features of the Bayshore Bikeway, a 2.5 mile bikeway destined for Harbor Drive between Park Boulevard and 32nd Street. The layout locates the bikeway entirely within public right-of-way and will not require any land acquisition. Aesthetic improvements include trees, lighting, banners, fencing, ground covers, mulched areas, stone/river rock areas and colored pavements. Costs to construct the bikeway will be between \$15 million and \$30.5 million depending on the level of roadway reconstruction and design treatments selected.

Maintenance Funding Feasibility Study -

In order to fund improvements on Harbor Drive, a multi-year effort has been under way by working waterfront tenants, city of

San Diego staff and the Port District to study a potential assessment district. The proposed district would extend along Harbor Drive from Park Boulevard to Naval Base San Diego. The Maintenance Funding Feasibility Study analyzed two possible funding mechanisms to pay for these maintenance costs; a Maintenance Assessment District (MAD) and a Mello-Roos Community Facilities District Special Tax (CFD).

The MAD assessment formula would determine an assessment amount for each of the proposed maintenance district's 58 parcels based on proportional benefit, while CFDs can base assessments on parcel area alone. The Maintenance Funding Feasibility Study recommended further outreach for the CFD financing alternative, determining that area-based assessment is a fair and reasonable method for the proposed Harbor Drive maintenance district.

For more information about the Port's parking study, the Bayshore Bikeway or the assessment district, contact Senior Real Estate Manager Paul Brown at 619-686-7283.