January 18, 2019

Department of the Navy
Naval Facilities Engineering Command Southwest
Attn: Asset Management 1/Real Estate
1220 Pacific Highway
San Diego, CA 92132-6186

To Whom It May Concern:

Subject: Department of Navy Request for Interest on Revitalization
Potential of Naval Base Point Loma Old Town Complex
(SPAWAR Campus)

The San Diego Association of Governments (SANDAG) is pleased to submit a
response to the Department of Navy’s (Navy) Request for Interest (RFI) for the
revitalization of the SPAWAR Campus. SANDAG is a local governmental
agency that serves as the forum for regional decision-making. The Board of
Directors consists of elected officials from the 18 cities and county
government within the San Diego region, as well as advisory members from
the U.S. Department of Defense, California Department of Transportation,
San Diego Unified Port District, and others. In addition, SANDAG plans,
engines, and builds public transportation infrastructure.

SANDAG has a long history of partnering with the Navy on regional quality of
life issues defined in a Memorandum of Agreement (MOA) first executed in
1980. The most recent version of the MOA, executed in 2017, which is enclosed
in this submittal package, demonstrates SANDAG’s long-standing commitment
to work with our military partners.

SANDAG and the Navy have discussed the exciting possibilities related to the
Navy’s current RFI for revitalizing the SPAWAR Campus. We believe that
working together we could provide state-of-the-art Navy facilities and address
a number of regional issues including improving airport connectivity,
increasing affordable housing, and expanding economic opportunities for the
region.

Improving connectivity between the San Diego International Airport and the
region’s transportation systems has been one of the region’s most vexing
transportation challenges. The current planning efforts undertaken by the
San Diego County Regional Airport Authority to rebuild and expand San Diego
International Airport’s Terminal 1, coupled with the Navy’s RFI, presents a
once-in-a-lifetime opportunity to provide innovation solutions aimed at
supporting both the Navy’s mission and the region’s goals.
On December 21, 2018, the Board of Directors allocated $1 million to support efforts to identify airport connectivity solutions. This process will be overseen by an inter-agency subcommittee including representatives from SANDAG, U.S. Department of Defense, City of San Diego, San Diego County Regional Airport Authority, San Diego Unified Port District, San Diego Metropolitan Transit System, North County Transit District, California Department of Transportation, and County of San Diego.

SANDAG is currently assembling teams aimed at addressing planning, engineering, intelligent transportation systems, modeling, real estate, environment, communications, law, economics, and finance to provide innovative solutions for consideration by regional decision-makers.

SANDAG is exploring the concept of a potential San Diego Grand Central Station as part of the Navy’s SPAWAR Campus revitalization. The potential San Diego Grand Central would serve as the region’s premier transportation hub with San Diego Trolley, Coaster Commuter Train, interregional Amtrak Pacific Surfliner, Bus Rapid Transit, local bus, and other transportation services including direct connections to the San Diego International Airport’s Terminal 1, Terminal 2, and Rental Car Center.

We also believe that the option of combining a potential San Diego Grand Central Station with the SPAWAR Campus revitalization effort would greatly improve the redevelopment potential of the site. There would be a much higher demand for supporting land uses in the vicinity such as affordable housing, market rate housing, office, hotel, retail, and entertainment uses. Connecting vibrant land uses to transit services will also help in meeting the region’s greenhouse gas reduction goals.

Enclosed in our response is a presentation given to the SANDAG Airport Connectivity Subcommittee on January 3, 2019, providing additional background and visual examples of possible connectivity solutions. Also enclosed is a response to questions asked in the Navy’s RFI. We look forward to working with the Navy on this visionary effort to improve military facilities that are critical to the Navy’s mission and to provide transportation and vibrant land use solutions that will enhance and sustain the San Diego regional economy.

Sincerely,

[Signature]

HASAN IKHRATA
Executive Director

HIK/RCH/ais

Enclosures: 1. Response to Request for Interest Questions
3. Airport Connectivity Subcommittee Presentation – January 3, 2019
San Diego Association of Governments (SANDAG) response to Naval Facilities Engineering Command, Southwest Request for Information (RFI) on Naval Base Point Loma, Old Town Complex (SPAWAR Campus) Revitalization
January 18, 2019

Part 1

Name of Agency: San Diego Association of Governments (SANDAG)

Point of Contact: Richard Chavez, P.E.
Principal Project Manager
SANDAG
401 B Street, Suite 800
San Diego, CA 92101
(619) 699-6989
rch@sandag.org
www.sandag.org

Part 2

a. Please describe your organization’s qualifications to provide a concept in response to this plan.

SANDAG is a local governmental agency responsible for planning, engineering, and building public transportation infrastructure. SANDAG has experience acquiring lands for public projects and developing public-private partnerships for transportation facilities and supportive land uses. SANDAG allocates local, state, and federal funding for transportation facilities. SANDAG is recognized in state and federal law and by the California and Federal Departments of Transportation as a grantee and decision-making agency for transportation infrastructure in the San Diego region.

b. In general, do you see an opportunity to rehabilitate, renovate, redevelop, or otherwise utilize any or all of the 70.46 acre NBPL OTC site while providing mission capable facilities for NBPL?

Yes. SANDAG also sees potential opportunities to better utilize the approximately three acre Navy property north of Taylor Street.

c. If you do not believe there is an opportunity, please describe the reasons you feel that way, also describing any additional information you would need to realize an opportunity.

SANDAG believes the Navy’s revitalization efforts present tremendous opportunity for development of a transportation, housing, employment, and retail hub for the San Diego region.
d. If you believe there is an opportunity, please provide the following.
i. A description of the nature and purpose of the proposed use, to include a scope of facilities and operation.

SANDAG would like to investigate the possibility of acquiring lands adjacent to Navy property to create a larger, more cohesive development site approaching and exceeding 100 acres in order to construct Navy mission-capable facilities, a proposed San Diego Grand Central Station, and supporting development including affordable housing, market rate housing, office, hotel, retail, and entertainment uses. The potential San Diego Grand Central Station could serve as the region’s premier transportation hub with the San Diego Trolley, Coaster Commuter Train, interregional Amtrak Pacific Surfliner, Bus Rapid Transit, local bus, and other transportation services, including direct connections to the San Diego International Airport’s Terminal 1, Terminal 2, and Rental Car Center.

ii. Describe your envisioned strategy to finance, develop and manage the property while accommodating DON facility requirements.

SANDAG envisions issuing a joint RFQ/RFP with the Navy to seek qualifications and proposals from the private development community for the design, construction, and financing of a revitalized SPAWAR Campus, the potential San Diego Grand Central Station, and supporting land uses. SANDAG and its team of planning, engineering, intelligent transportation systems, transportation modeling, real estate, environment, communications, law, economics and finance professionals would work with the Navy to further develop this strategy.

iii. Do you envision leasing all of OTC 1 and OTC 2? If not, please explain.

No, SANDAG does not envision leasing all OTC 1 or OTC 2. SANDAG does, however, envision the possibility of an easement on part of OTC 1 for the construction, operations, and maintenance of the potential San Diego Grand Central Station. SANDAG also envisions the possibility of land exchanges and the possible relocation of SANDAG and other governmental offices to the development site.

iv. Should the Navy need to retain a portion of the proposed site for exclusive and/or non-exclusive use, what is your vision for Redevelopment and/or colocation?

SANDAG believes, with site consolidation, expansion and the inclusion of the potential San Diego Grand Central Station, there would be the opportunity for the Navy to retain a desirable portion of the site for exclusive use. There also would be the opportunity to surround a revitalized SPAWAR Campus and the potential San Diego Grand Central Station with supporting land uses.

v. Do you currently envision that DON facility requirements would be met through new construction, or does Rehabilitation appear more likely at this point?

SANDAG envisions new construction.
vi. Government leaseback of the required space is not envisioned due to budgetary constraints and scoring implications. In general, does the potential value of the available assets appear to be in line with accommodating DON facility requirements?

Yes, especially with the proposed site consolidation and expansion. SANDAG would work with the Navy to conduct financial proforma analyses on possible development scenarios to assess financial feasibility. This work would help to establish realistic expectations for the potential of revitalized Navy facilities and the potential San Diego Grand Central Station.

vii. City of San Diego Midway Pacific Community Plan indicates that any redevelopment of the Navy sites should be coordinated with the City to be compatible with the 2018 Community Plan. Are you willing to work with the City to achieve that goal? Please note how your plan conforms to the 2018 Community Plan and how it differs from the 2018 Community Plan. Do you foresee any major areas of incompatibility between your vision for the area and the 2018 Community Plan?

SANDAG would partner with the City of San Diego to realize a vibrant and efficient revitalization of the Midway-Pacific Highway Community. The 2018 Midway-Pacific Highway Community Plan would need to be updated to accommodate the vision outlined above. SANDAG has a long history of working cooperatively with the City of San Diego on planning and development of regional projects. Mayor Kevin Faulconer and several city council members sit on the SANDAG Board of Directors and the staff of SANDAG and the City of San Diego have experience working cooperatively on complex projects. SANDAG is committed to working with the City of San Diego, the Navy, and the Midway-Pacific Highway Community on this plan update. SANDAG believes the plan update will accomplish a number of city and regional goals including increased opportunities for affordable housing, improved connections to transit, and decreased greenhouse gas emissions.

viii. Do you anticipate the need for major infrastructure improvements (road alignments, major utility upgrades, etc.)?

Yes. SANDAG would work with its infrastructure partners (San Diego Metropolitan Transit System, North County Transit District, California Department of Transportation, Amtrak, San Diego Unified Port District, San Diego County Regional Airport Authority, City of San Diego, County of San Diego, San Diego Gas & Electric, etc.) to develop a plan for major infrastructure improvements.

ix. Do you foresee things like security requirements, secured parking, and Anti-Terrorism Force Protection (ATFP) requirements, as potential issues? Please explain.
These requirements would affect the financial proforma for development of the site. Consolidation and expansion of the site, however, would increase the financial feasibility of the site and increase the likelihood of realizing advanced security systems for the SPAWAR Campus through the RFQ/RFP process.

b) Please describe project feasibility under a ground lease with a 50-year lease term. If a longer term is required, please indicate the term and explain the rationale.

Increasing the ground lease term to 65- or 99-years would improve the financial proforma and feasibility of the revitalization effort for the site.

c) Please explain your vision for financing the project as well as the ability to do so under a 50-year ground lease or longer if feasible. Does the project appear to require public financing (city, state, tax credits, etc.)?

SANDAG allocates funding for transportation infrastructure and would investigate opportunities for public financing. Transportation features of the revitalization effort will likely make the project eligible for transportation funds administered by SANDAG. Other SANDAG partners, including the San Diego County Regional Airport Authority, the San Diego Unified Port District, City of San Diego, and California Department of Transportation would also likely be able to allocate a fair-share contribution to the infrastructure improvements. SANDAG would work with its partners on a fair-share contribution agreement for needed infrastructure improvements. In addition, consolidation and expansion of the site will increase private investment opportunities.

d) What are the key risks, considerations and concerns you might have with regard to this potential transaction?

There is concern that SANDAG could spend much time and effort pursuing the possibility of a San Diego Grand Central Station and supporting land use as part of the SPAWAR Campus revitalization without results. However, to mitigate this concern, there is an upcoming deadline that can be used as a key decision-point. The San Diego County Regional Airport Authority has a schedule for redevelopment of San Diego International Airport Terminal 1 that is critical to meet. SANDAG is leading the effort to identify the accompanying airport connectivity improvements. These improvements must be identified by June 2019 to maintain the Terminal 1 redevelopment schedule. SANDAG also understands the Navy’s desire to revitalize the SPAWAR Campus as soon as possible. SANDAG proposes to work closely with the Navy on combining the possible SANDAG Diego Grand Central Station with the revitalization of the SPAWAR Campus through June 2019 at which time key decision-makers for both the Navy and SANDAG will decide whether or not to proceed further.

e) Provide any specific suggestions and refinements to the transaction structure and/or allocation of risk, rights and responsibilities that you believe would result in best value for the Government.
SANDAG is committed to working on a development agreement with the Navy to allocate risk, rights and responsibilities for creating a revitalized SPAWAR Campus, the potential San Diego Grand Central Station, and supporting land uses. The basis for a development agreement could take many forms. One potential example could be a simple allocation of economic benefit based on areas of ownership. For example, in simplistic terms for purposes of demonstration only, if SANDAG were to acquire 30 acres of land adjacent to Navy lands and the Navy was willing to commit 70 acres if its lands, a joint RFQ/RFP could be issued to seek a private sector developer. Then, the agreement with the private sector developer could call for the portion of the economic benefit allocated by the developer to the government partners such that the Navy would receive 70 percent for use in developing the Navy facilities and 30 percent for use by SANDAG in developing the potential San Diego Grand Central Station.

f) If there are other legislative authorities that would be required/desired to implement or improve the project, please explain, or if a responder has an alternate concept to a lease, please describe.

SANDAG has existing authority to plan, engineer and construct transit oriented development and transportation infrastructure. It also has agreements in place with various state and federal government agencies that allow it to streamline permit approvals and serve as a grantee of potential project funds. SANDAG does not foresee a requirement for additional legislative authority, however, there could be opportunities for streamlining environmental approvals with additional legislation. SANDAG has extensive experience working with local, state, and federal legislative authorities that would have jurisdictional responsibilities for the approvals needed to implement a revitalized SPAWAR Campus, the potential San Diego Grand Central Station, and supporting land uses. SANDAG is committed to working with these authorities and the Navy towards what SANDAG believes will be a common goal of enhancing this revitalization effort for the benefit of the Navy and the region.

g) Please describe project feasibility under an exchange of property at military installations under 10 U.S.C. 2869?

SANDAG wishes to explore opportunities with the Navy to exchange Navy lands for the purpose of consolidating and expanding the site for increased development potential. For example, SANDAG would like to investigate the possibility of moving the Old Town Transit Center to the middle of OTC 1 and expanding it for use as the potential San Diego Grand Central Station. An easement or property transfer would be needed from the Navy to construct, operate and maintain the station. In addition, much of the current Old Town Transit Center is on State Parks land under an easement. SANDAG would like to investigate the possibility of exchanging State Parks lands for Navy property north of Taylor Street for Navy site expansion and consolidation purposes. There also may be opportunities to exchange other Navy lands for consolidation and expansion purposes.
MEMORANDUM OF AGREEMENT (MOA)
BETWEEN
SAN DIEGO ASSOCIATION OF GOVERNMENTS (SANDAG)
AND
THE ARMED FORCES:

COMMANDER, NAVY REGION SOUTHWEST (CNRSW)
AND
MARINE CORPS INSTALLATION WEST-MARINE CORPS BASE, CAMP PENDLETON (MCIWEST-MCB CAMPEN)
AND
MARINE CORPS RECRUIT DEPOT/WESTERN RECRUITING REGION (MCRD/WRR)
AND
COMMANDER, UNITED STATES COAST GUARD SECTOR SAN DIEGO (USCG SD)

CNRSW
SSIC 5760
N00242-20161209-X02-MOA
Subj: MOA to Define Roles and Responsibilities Between SANDAG and the Armed Forces to Facilitate Collaboration in Areas of Mutual Interest

Ref: (a) SANDAG and DoD MOA of June 1986
     (b) 2013 SD Regional Military Working Group Charter
     (c) 10 USC §101(a)(4)

1. **Purpose.** This MOA defines roles and responsibilities between SANDAG and the “Armed Forces,” as identified above, and facilitates collaboration in areas of mutual interest, including growth management, habitat, transportation, regional growth, housing, water, energy, and other topics that can help facilitate the parties’ missions.

2. **Background.** SANDAG and the Armed Forces have maintained a collaborative relationship for decades relying on an MOA first executed in 1980 and updated in 1986. See Ref (a). In 2013, in light of continued growth in the County of San Diego, SANDAG formed the San Diego Regional Military Working Group (MWG), which meets regularly to address issues of mutual interest. See Ref (b).

3. **Scope.** This MOA replaces the 1986 MOA to reflect MWG work and updates the military ex-officio liaison membership on the SANDAG Board of Directors. SANDAG and the Armed Services will coordinate via this MOA. “Armed Forces,” for the purposes of this MOA include the US Navy, US Marine Corps and US Coast Guard within the County of San Diego. See Ref (c).

4. **Responsibilities**

   4.1. SANDAG will support the MWG consistent with the MWG charter, Ref (b) as follows:

   4.1.1 Review current activities and plans being implemented by the various Armed Forces within the County of San Diego.

   4.1.2. Coordinate programs, address issues of concern, and determine the best ways in which SANDAG can support effective operations of the military.

   4.1.3. Assist with the associated outreach to the military community on issues of regional significance, including development of the regional growth forecast and the Regional Plan.

4.2. CNRSW will:

   4.2.1. Represent the Armed Forces as a Department of Defense liaison to SANDAG.

   4.2.2. Designate primary and alternate liaisons to SANDAG, in writing, and advise the SANDAG Clerk of the Board, in writing, of any changes.

   4.2.3. Support the MWG consistent with its charter, Ref (b).
Subj: MOA to Define Roles and Responsibilities Between SANDAG and the Armed Forces to Facilitate Collaboration in Areas of Mutual Interest

4.2.4. Support relevant SANDAG policy advisory committees.

4.3. The Commanding General, MCIWEST-MCB CAMPEN will:

4.3.1. Support the MWG consistent with its charter.

4.3.2. Support relevant SANDAG policy advisory committees.

4.4. The Commanding General, MCRD/MRR will:

4.4.1. Support the MWG consistent with its charter.

4.4.2. Support relevant SANDAG policy advisory committees.

4.5. The Sector Commander, USCG SD will:

4.5.1. Support the MWG consistent with its charter.

4.5.2. Support relevant SANDAG policy advisory committees.

5. Points of Contact (POC). The Commander CNRSW POC is Executive Director, 619-532-2925, 937 N. Harbor Drive, SD, CA 92132. The SANDAG POC is Executive Director, 619-699-1990, 401 B Street, Suite 800, San Diego, CA 92101.

6. Other Provisions. Any obligation of funds by the Armed Forces is subject to the availability of funds. Nothing in this MOA shall be construed to obligate the United States or the Armed Forces to any expenditure of funds in advance of any congressional appropriation.

7. Changes. Changes/amendments to this MOA shall be made by mutual written consent of the signatories, and will be recorded and published as addenda to this MOA.

8. Termination/Expiration. This MOA supersedes reference (a). Any signatory may withdraw from this MOA after giving at least 60 days written notice to the other signatories. This MOA may also be terminated at any time upon the mutual written consent of all signatories. Unless otherwise terminated, this MOA will remain in effect for six years after its effective date and will be reviewed triennially by the MWG.

9. Effective Date. This MOA will become effective on the date of the last signature.

The Honorable Ron Roberts
Chair of the Board
SANDAG

Rear Admiral Yancy Lindsey
Commander
NRSW
Subj: MOA to Define Roles and Responsibilities Between SANDAG and the Armed Forces to Facilitate Collaboration in Areas of Mutual Interest

K. J. KILLEA
Brigadier General, U.S. Marine Corps
Commanding General
MCIWEST-MCB CAMPEN
Date:

W. M. JURNEY
Brigadier General, U.S. Marine Corps
Commanding General
MCRD/WRR
Date: 27 JUN 2017.

JOSEPH BUZZELLA
CAPT, U.S. Coast Guard
Commander
USCG SD
Date:

N. MALLARI
Comptroller
Navy Region Southwest
Date:
Welcome and Introductions
Membership and Charter

• What does success look like?
Combined Schedules

<table>
<thead>
<tr>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>JAN</td>
<td>FEB</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Airport Connectivity Subcommittee**

**Regional Plan**
- Draft Network Scenarios
- Prepare EIR Alternatives
- Prepare Draft EIR and Plan
- EIR and Plan Public Review Period
- Respond to Comments and Prepare Final Plan and EIR
- EIR Adoption

**Port Master Plan**
- Port Master Plan Update (PMPU)
- Program EIR
- California Coastal Commission (CCC)

**Airport Development Plan**
- CEQA / EIR Review Process
- NEPA Process
- Project Refinement Finalized
- Board Considers EIR
- Coastal Commission (through May 2021)

May 2021: Coastal Development Permit Begin Construction (assumes EIR certified)
May 2021–2026: Construction
Staff Working Group Update

- Planning
- Legal
Previous Studies, 2008-2018

• North Harbor Drive Multimodal Study (Port)
• Downtown to Airport Skyway Feasibility Study (SANDAG)
• Harbor Drive Mobility Study (Airport)
• Midway-Pacific Highway and Old Town Communities Mobility Report (City)
• Uptown Community Plan (City)
• Downtown San Diego Mobility Plan (City)
• San Diego International Airport Transit Plan (Airport)
• San Diego Airport Multimodal Accessibility Plan (AMAP)
• Airport ITC Study: Phase 1 Final Report (SANDAG)
• Destination Lindbergh (Airport)
New Possibilities

- SANDAG role
- Airport connectivity solutions
- Complementary work through collaboration
- Move forward with Terminal 1 development
- Convergence of projects and timelines
  - Regional Plan
  - Port Master Plan
  - Airport Development Plan
Opportunities

- City of San Diego Midway Community Plan Update
- SPAWAR redevelopment
- Federal Opportunity Zone
- California Redevelopment 2.0
- CEQA streamlining legislation
- Port of San Diego office/north side parking lot
- New housing and jobs
Today

• Existing conditions
• Lack of ground transit access to terminal
• Requires a regional solution
Opportunities
Intermodal Transportation Center
Freeway Operation Improvements

Connector ramp locations studied
Operational Improvements
Enhanced Access
I-5 Connector Ramps
(South of Washington St.)

- Direct access to Pacific Highway
- Bypasses at-grade intersections at Washington and Sassafras streets
I-5 Connector Ramps
(North of Washington St.)

• Direct access to Pacific Highway
• Bypasses at-grade intersections at Washington and Sassafras streets
Possibilities: Europe
Possibilities: Birmingham
Possibilities: Oslo, Norway
Possibilities: Zurich
Possibilities: Los Angeles
Possibilities: Anaheim
Possibilities: San Francisco
Possibilities: Fort Wayne
Possibilities: Washington, DC
Possibilities: Asia
Possibilities: Singapore
Possibilities: Changi Airport
Possibilities: Hong Kong
Possibilities: Southern China
Possibilities: Abu Dhabi
Possibilities: Guideways
Upcoming Meetings

• SANDAG Board Policy meeting
  • January 11 at 10 a.m.

• Mayor’s Airport Transit Summit
  • January 17 from 1-2 p.m.

• SANDAG Board Business meeting
  • January 25 at 9 a.m.

• Airport Connectivity Subcommittee meeting
  • February 5 from 2-4 p.m.