No. 5: Navy Broadway's 'Dead' and More in Land Use (Top 12 in '12)

Navy Broadway Complex


By SCOTT LEWIS

This is a series of 12 stories you should pay attention to in 2012. Here was No. 12: the Chargers; No. 11: the Convention Center; No. 10: The city of San Diego's financial problems; No. 9: the San Diego Police Department; No. 8: affordable housing; No. 7: the future of Balboa Park; and No. 6: framing the mayor's race.

The Navy Broadway Complex is quite possibly the ugliest thing about San Diego. Sure, uglier, more depressing places exist. But not on public land with so much potential and value.

The buildings look like embarrassing relics of a failed civilization. They're forbidding, completely inaccessible and right smack dab in front of our beautiful bay — a place where we welcome tourists and supposedly will stroll with our skipping children. Right now, homeless San Diegans camp out in front of the chain-link fence surrounding it.

They are left alone when they camp in forlorn places (aka not City Hall).

For decades plans have been forming to change all of this. Years ago, the Navy, the property's owner, declared that the job was Doug Manchester's.

Unfortunately for him — and fortunately for the activists fighting for more public amenities and waterfront access — the developer, and
now newspaper baron, can't even get the job started.

He can blame government and he can blame capitalists. But whatever he blames, this government job is rotting on the shelf.

It's not for a lack of trying. Even though the newspaper he now owns criticized his plan, the city's elite largely rallied behind it. Helping him do it even became one of the seven "breakthrough reforms" City Councilman Carl DeMaio wants to spur the city's economy with as he makes the case to be the city's mayor.

I called Perry Dealy, Manchester's man pulling together the project, to check in.

The truth was, he said, Manchester is still looking for financial partners to make his vision a reality.

Manchester's deal with the Navy requires him to build them a new headquarters. In exchange, he gets the right to build two hotels and an office building at the same time. Later he gets to build more.

Having to build the Navy this headquarters is a major burden.

Now, Dealy says this isn't a problem. The land is so valuable, the views are so good and the plans are so wonderful, that the project has an "inherent profitability," he said.

That profitability has not been attractive enough to snag financial partners yet. I asked Dealy to clarify: Is an investor needed before the project could get off the ground?

"Yes."

Why? Well, it's not a no-brainer investment. For one thing, in an adjacent lot at Pacific Highway and Broadway, the Irvine Company has plans for an office building ready to go. If a market emerges for office space, Irvine confirmed to me that they're ready to build to meet demand.

That may be making investors hoping to make a buck on new office space a bit hesitant — at least, like Irvine, they may want to sit it out for a while. But Irvine's shovel-ready project shouldn't deter investors in Manchester's plan, Dealy said.

"They certainly do have an advantage," Dealy said. "But we are eight blocks of a large-scale master plan with amenities included. We are on the waterfront and there will never be anything blocking our views."

So that is where capitalism is holding back this government project. Now, here's where government is holding back this government project.

You see, there is one thing blocking those pristine views of which Dealy speaks: the USS Midway Museum.

The jingoistic Manchester likely doesn't mind the historic aircraft carrier docked in the front lawn. But its arrival there is one of the many changes to both the waterfront and to the Navy's plans for its headquarters since 1991.

That was the year the California Coastal Commission signed off on a skeleton of a vision for the land. And, in December of last year, the commission decided that, because of those changes, the Navy's morphed vision is no longer consistent with the commission's mandate to protect access to, and the health of, the waterfront.

Because of a complicated dispute between Manchester and his Navy partners and the Coastal Commission, the commission did not send Manchester a list of changes that need to be made. It just rejected his plan.
"The project's dead. The only person insisting that it's not dead is Doug Manchester," said environmental lawyer Cory Briggs, who represents the Navy Broadway Coalition — a group of activists that have been fighting the proposal. They want a waterfront park, better access to the area and more public amenities.

If not dead, the project is severely crippled. Dealy said that by the third quarter of 2012, lawyers and investors will have revived it.

What happens to the Navy Broadway site may be the most interesting land-use story in the next year but it is not the only one. Local governments do nothing more important than decide how to use land. Talk about jobs, about the environment, about quality of life is really meaningless unless it accompanies discussion about what priorities a politician will have when making land-use decisions.

Here are some other land-use issues to watch:

**Solar Turbines vs. Fat City:** Last year, I tracked the army of homes marching on the waterfront. Well, one of the major soldiers in that army is the Fat City Lofts, a 237-unit apartment project directly across the street from the manufacturer Solar Turbines.

Its advance has stalled. Though the project conforms to updates to the community plan for the area, Solar Turbines has mounted an effective public relations campaign to block it.

The company fears residents living so close would threaten its ability to get pollution permits. If it can't get new permits, it might have to halt innovation as it continually improves the design of its turbines. If it can't do that, it might lose a competitive edge in a tough market.

But before that happened, it would likely move manufacturing — and thousands of well-paying jobs — out of San Diego.

The Centre City Development Corp., the downtown planning agency, has blocked Fat City, but the developer is now appealing to the Planning Commission.

This is not going to end well. Solar Turbines will likely prevail if the politicians lined up behind the company are any indication. It has great and many jobs, produces tons of economic activity for the region and would be awful to lose.

But, the late Tom Fat's family had a deal to make something of this land. The deal conformed to the plan. The rules in the plan were approved by people like City Councilman Kevin Faulconer, who now has flipped and come to Solar Turbines' aid. Solar Turbines admits it lost the planning battle to keep homes from encroaching on it. But it can push the city to side with it anyway.

You have to wonder how the owners of the Fat City property are going to take any loss of value from the decision.

Garth Erdossy, the developer hoping to build the apartments, told me months ago that San Diego's downtown has been a great place to build: "It has been one of the best places to do this business because the rules have been consistently applied and professionally applied and transparent and clear."

Obviously, not now.

**Barrio Logan and Community Plans:** The population is set to triple in Barrio Logan and right now planners are mediating a dispute between home builders (and, increasingly, residents) and manufacturers. But Barrio Logan is one of the few places in town getting an update to its community plan.

An updated community plan makes building dense housing easier. But budget cuts have essentially taken the city out of the planning business. Mayoral candidate Bob Filner's three rivals pledge that they will change this and make updating plans a priority. We'll see.

In the meantime, Filner's plan for the economy centers on expanding the port. This would mean major impacts on Barrio Logan and not in a
way more residents will easily appreciate.

**The Unified Port of San Diego:** The port is essentially a gigantic landlord with vast swaths of the most valuable land in San Diego under its purview. And it's facing an unrelenting attack from the major daily newspaper, which wants it to shift importing operations at the 10th Avenue Marine Terminal. I've discussed that plenty.

**Here's a simple San Diego Explained** about what the port does if you'd like to get caught up. From Chula Vista to the airport, its decisions will be crucial in coming months and years.

**Everywhere Else:** Rob Davis did an excellent summation the other day of the four major environmental stories he'll be tracking.

Guess what? They all have to do with growth and how San Diego will decide to use its land.

Just stand in front of a huge map of San Diego County. Close your eyes and point your finger at it and you're sure to find a place where a major dispute is raging (or brewing) about how a plot of land should be used. Whether it's habitat that we pledged to protect or manufacturers we want to keep or attract, how we decide to grow and use land is often the most important public affairs issue.

And the next time a politician says he or she can help create jobs, ask them what the last big land-use decision was and how that worked out.

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