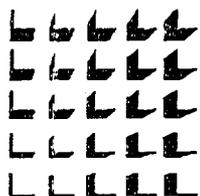


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Centre City  
Development  
Corporation

 **RECEIVED**  
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**FACSIMILE TRANSMITTAL**

DATE: July 12, 2005  
TO: Brian McDaniel  
FAX: 703.699.2735  
SUBJECT: NAVY BROADWAY COMPLEX  
#OF PGS: 5 (Including Cover Page)

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At Peter Hall's request, forwarded is Chairman Hal Sadler's letter dated today addressed to the Honorable Anthony J. Principi. The hard copy has been sent via overnight mail.

Thank you,

**FROM THE OFFICE OF~**

**Lori L. Young**  
**Executive Assistant**  
**Direct Line: (619)533-7106**  
**Facsimile: (619)236-9148**



**Centre City  
Development  
Corporation**

DCN 4474  
Coalition Correspondence

July 12, 2005

The Honorable Anthony J. Principi  
Chairman  
2005 Defense Base Closure and Realignment Commission  
2521 South Clark Street, Suite 600  
Arlington, Virginia 22202

Dear Chairman Principi:

I am writing on behalf of the Centre City Development Corporation (CCDC)—a nonprofit corporation created by the City of San Diego to plan and execute downtown's redevelopment—to request your consideration that the 2005 Defense Base Closure and Realignment Commission add a Navy facility in San Diego to the list of base closures. This facility, known as the Navy Broadway Complex, consists of several buildings located in downtown San Diego at the corner of Broadway and North Harbor Drive.

The Navy Broadway Complex was built in 1922 for Naval Supply Center San Diego. It currently serves as the Headquarters of Commander, Navy Region Southwest, and hosts the offices of several other Navy activities. Although the City and the Navy have discussed redeveloping this property since the 1980's, no real progress has been made. The BRAC 2005 process offers a unique opportunity to meet an essential new security requirement for the Navy; gain sufficient resources for the Navy to build a new Headquarters for Navy Region Southwest; and redevelop a key component of San Diego's downtown waterfront.

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The National Defense Authorization Act for Fiscal Year 1987 authorized the Secretary of the Navy to assist in financing the redevelopment, as long as the Navy maintained a presence on the redeveloped property. In November 1992, the City of San Diego and the United States of America entered into a development agreement that entitles the site for approximately 3 million square feet of mixed-use development, including the proposed new Naval Command Headquarters. This development agreement has been extended twice and will expire on January 1, 2007.

In 1997, the City of San Diego, the County of San Diego, the Unified Port of San Diego, CCDC, and the Department of the Navy established The North Embarcadero Alliance to prepare a plan for redeveloping the property along San Diego Bay from Laurel Street at the north to Market Street at the south. The Alliance's plan would provide a mix of public and private uses along the waterfront, with the Navy Broadway Complex as an important component. However, following the September 11, 2001, terrorist attacks, the Navy determined that it should move all of its personnel and activities onto secure military installations. The Navy Broadway Complex, located in an exposed urban setting, does not provide sufficient security.

We have discussed with the Navy the possibility of closing the Navy Broadway Complex in the BRAC 2005 process and selling the property under the authority of the Defense Base Closure and Realignment Act of 1990. The property would be sold for fair market value to a private developer at a public sale, and the Navy personnel and activities now occupying the Complex would relocate to a new Headquarters facility (paid for by the proceeds from the sale) on a local military base in San Diego.

This method of disposal would benefit both the City and the Navy for the following reasons:

- The Navy Broadway Complex can be closed, sold and redeveloped more expeditiously under the BRAC 2005 process than by any other means, because the Defense Base Closure and Realignment Act of

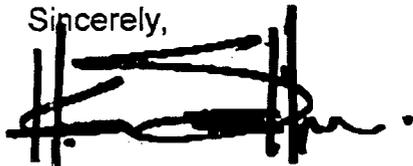
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1990 provides for streamlined procedures for disposing of base closure property;

- San Diego's North Embarcadero Master Plan would be implemented sooner than would otherwise be possible;
- The Department of the Navy would not be required to maintain a presence on the redeveloped property, as disposal under the 1987 legislation would require; and
- The Navy could use the proceeds from the sale of the property to build a new Headquarters for Navy Region Southwest on a military base in San Diego, a financial benefit that would not be available if the property were sold under the authority of any other statute.

I would be pleased to discuss this request with the Commission and, of course, we would only proceed with this matter if the Department of the Navy concurred with our request. The City and the Navy have a long history of working together to advance the Nation's and the City's interests, and we present this request to the Commission in that spirit.

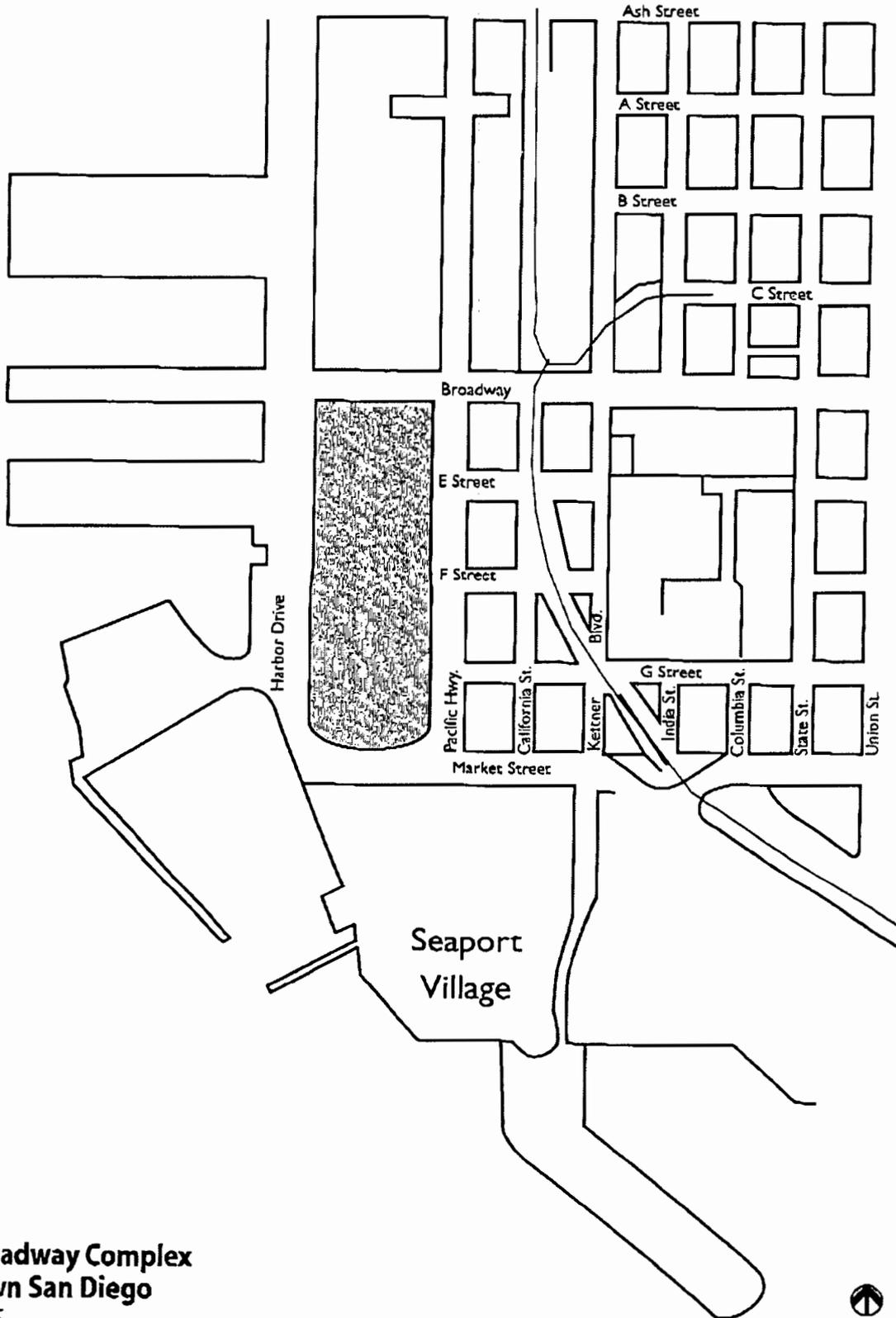
Sincerely,



Hal Sadler

Chairman of the Board

# DCN 4474 Coalition Correspondence



## Navy Broadway Complex Downtown San Diego June 2005

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