

FISCAL IMPACT STATEMENT FOR CITY MEASURE ON NOVEMBER 8, 2022 BALLOT

MEASURE C – REMOVING 30-FOOT HEIGHT LIMIT IN MIDWAY-PACIFIC HIGHWAY COMMUNITY PLAN AREA

This measure would amend the Height Limit Ordinance codified in San Diego Municipal Code section 132.0505 to exclude the Midway-Pacific Highway Community Plan area from the 30-foot height limit for development in the Coastal Zone. The Midway-Pacific Highway Community Plan area encompasses approximately 1,324 acres, of which 88 acres is owned by the City of San Diego, including the current Pechanga Sports Arena site.

Removing the 30-foot coastal height limit from the Midway-Pacific Highway Community Plan area does not increase the maximum allowed residential and non-residential density in the Community Plan area, but may hasten the achievement of maximum allowed development density by making it more feasible. Thus, removing the 30-foot coastal height limit from the area may result in increased economic growth in the area over time including, but not limited to, residential, hotel, office, retail, defense industries, and businesses that cater to the U.S. Navy's Space and Naval Warfare Systems Command facility and the Marine Corps Recruit Depot.

This type of economic growth typically results in a greater demand for public services in the area which requires increased expenditures from the City's General Fund. The Midway-Pacific Highway Community Plan details many of these expected service needs based on the underlying zoning in the community. Partially or fully offsetting these increased public expenditures will be an increase in City tax revenues (most significantly increased sales tax and property tax tied to private development).

Although an increase in allowable building height may spur additional development and economic activity, the potential impact to the City's General Fund cannot be determined at this time. The net fiscal impact to the General Fund will be dependent on the type and mix of land uses as well as long-term market demand for these uses. Typically, residential uses require higher municipal service expenditures than revenue-generating non-residential uses such as retail and hotel.