San Diego Regional Building Authority (SDRBA)

MINUTES

June 26, 2025

1. Roll Call

Commissioner Goble called the meeting to order at 9:00 am. Authority members present included Commissioner Goble, and Commissioner Montgomery Steppe with the second County of San Diego Commissioner vacant.

2. Approval of Minutes

Commissioner Montgomery Steppe moved for approval of the minutes of the May 17, 2024, San Diego Regional Building Authority (SDRBA) meeting. Commissioner Goble seconded the motion, and the vote was 2 to 0 in favor with one vacancy.

3. Election of San Diego Regional Building Authority (SDRBA) Officers

Action Taken

Commissioner Goble moved to nominate Commissioner Montgomery Steppe as Chair, himself as Vice Chair, and Joann Delgado or her substitute as the Secretary of the SDRBA Commission. Commissioner Montgomery Steppe seconded the motion, and the vote was 2 to 0 in favor with one vacancy.

4. James R. Mills Building – Adoption of Operating Budget and Capital Improvement Projects for Fiscal Year 2025/2026 (FY25/26)

Krista Ellis, Deputy Director, County of San Diego Department of General Services, provided a brief budget presentation and outlined: the division of assets, operating expenses and budget, capital improvement expenses and budget, parking revenue, direct owner expenses, and revenue contribution.

Vice Chair Goble highlighted that the James R Mills Building Lobby Remodel Project was under budget and appreciated the sensitivity to the use of public money.

Action Taken

Vice Chair Goble moved to 1.) Approve the proposed FY 25/26 James R. Mills Building Operating Budget (Attachment A) and authorize the Executive Officer to approve the expenditure of $5,612,585 in accordance therewith; and 2) Approve the proposed FY 25/26 James R. Mills Building Capital Improvement Budget and authorize the Executive Officer to approve the expenditure of $1,803,458 from the Capital Reserve Account. Chair Montgomery-Steppe seconded the motion, and the vote was 2 to 0 in favor with one vacancy.

5. Adoption of Meeting Schedule for 2026

Karen Landers, MTS General Counsel, explained the calendaring and flexibility of the proposed May 2026 meeting.

Action Taken

Vice Chair Goble moved to adopt Resolution No. 2025-01 designating dates and times for regular meetings of The San Diego Regional Building Authority in 2026. Chair Montgomery Steppe seconded the motion, and the vote was 2 to 0 in favor with one vacancy.

6. Future of SDRBA

Karen Landers, MTS General Counsel, explained the San Diego Regional Building Authority (SDRBA) was originally established to finance and manage the construction of a building through bond issuance. As a portion of the original bonds have been repaid, the question is whether SDRBA's continued involvement in the Mills Building is necessary. If SDRBA's involvement is no longer needed, the lease documents could be updated to remove SDRBA, leaving the agreements solely between MTS and the County. We could then determine if SDRBA needs to exist. Staff proposes to analyze these options and consult with the County of San Diego's finance department to determine if disbanding the SDRBA or restructuring the agreements is advisable.

Chair Montgomery Steppe emphasized the need for consistency and ensuring that no public authority granted by voters is lost or overlooked if the SDRBA is dissolved or its powers are shifted. Vice Chair Goble concurred, suggesting that the matter be referred to legal counsel and staff for analysis—specifically to assess the economic, legal, and public implications before making any decisions. Chair Montgomery Steppe and Vice Chair Goble supported staff proposal to explore and research these options and bringing a report back to the SDRBA in 2026.

7. Mills Building – Authorization to Amend Padres Parking Lease

Karen Landers, MTS General Counsel, explained the Padres requested to renegotiate their lease of the James Mills Building parking spaces. The Padres use different lots for staff and fans and may want to **r**educe their reserved parking spaces while keeping the option to increase them later. Staff need to analyze the economic impact and potential benefits, such as freeing spaces for public use at market rates. Any agreed-upon lease amendment would need approval from both the County Board of Supervisors and the MTS Board of Directors. Staff proposed the SDRBA Board authorize Marco Medved, Executive Director of the SDRBA, to negotiate and execute the lease amendment once both the County and MTS approve it— to streamline the process and avoid the need for a third separate meeting.

Chair Montgomery Steppe supported the recommendation as it allows more flexibility in the future to make changes to the number of parking spaces used by the Padres on a yearly basis as needed. Vice Chair Goble noted that the parking operations generate about $2 million annually, with $500,000 guaranteed from the Padres. Reducing their spaces could lower that guaranteed revenue to about $250,000, but public parking might offset the loss. Vice Chair Goble expressed the need to analyze the economic impact of any change as part of any negotiation with the Padres.

Action Taken

Vice Chair Goble moved to authorize the Executive Director to negotiate and execute a Parking Lease Amendment with the Padres, LP, subject to approval of the San Diego Metropolitan Transit System (MTS) and the County of San Diego (County). Chair Montgomery Steppe seconded the motion, and the vote was 2 to 0 in favor with one vacancy.

8. Public Comments

There were no public comments.

9. Commissioner Member Comments

There were no member comments.

10. Next Meeting Date

The next San Diego Regional Building Authority meeting is scheduled for May 14, 2026, at 8:30 a.m.

11. Adjournment

The meeting adjourned at 8:15 a.m.

/s/ Monica Montgomery Steppe	/s/ Joann Delgado
Chairperson San Diego Regional Building Authority	Board Secretary San Diego Regional Building Authority

Attachment: Roll Call Sheet