

RA metg 5/22/07  
(RA-2007-32)

REDEVELOPMENT AGENCY OF  
THE CITY OF SAN DIEGO

RESOLUTION NO. R-04145

DATE OF FINAL PASSAGE MAY 30 2007

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF  
THE CITY OF SAN DIEGO APPROVING THE PROPOSED  
FAR BONUS PAYMENT PROGRAM FOR THE SAN DIEGO  
DOWNTOWN COMMUNITY PLAN

WHEREAS, on February 28, 2006, the Redevelopment Agency directed the Centre City Development Corporation to establish a Floor Area Ratio ("FAR") Bonus Payment Program within the Centre City Planned District; and

WHEREAS, the FAR Bonus Payment Program (the "Program") only applies to development projects within the Redevelopment Project Areas in the Centre City Planned District; and

WHEREAS, the Program is established to allow developers to acquire additional FAR for proposed development projects through the provision of a FAR Bonus Payment; and

WHEREAS, the FAR Bonus Payment established by the Program shall be initially set at \$15/FAR Square Foot for all developers and proposed development projects; and

WHEREAS, the FAR Bonus Payments collected through the Program shall be deposited into a fund to be maintained and operated by the Redevelopment Agency; and

WHEREAS, the FAR Bonus Payments shall be used for the acquisition, design, and construction of public parks, infrastructure and other eligible public facilities (including but not limited to, parks, public facilities and right of way improvements) within the Centre City Planned District; and

WHEREAS, one of the goals of the Program is to allocate project costs between the public and private sectors in furtherance of redevelopment in the Centre City Planned District; and

WHEREAS, the Redevelopment Agency has considered the proposed FAR Bonus Payment Program as set forth in Exhibit A and incorporated herein by this reference and has considered the staff report and recommendations contained therein.

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of San Diego as follows:

1. The Agency finds and determines that the proposed FAR Bonus Payment Program establishes guidelines and a mechanism for the acquisition of additional FAR for proposed development projects within the Centre City Planned District, in accordance with the requirements of the San Diego Downtown Community Plan and the Centre City Planned District Ordinance.
2. The Redevelopment Agency hereby approves the FAR Bonus Payment Program.
3. That this activity is not a "project" and is therefore exempt from CEQA pursuant to State of California CEQA Guidelines Section 15060(c)(3).

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By: 

Huston Carlyle  
Deputy General Counsel

HC

05/07/07


Orig.Dept.:Redev.

Aud.Cert.: N/A

RA-2007-32

I hereby certify that the foregoing Resolution was passed by the Redevelopment Agency of the City of San Diego, at its meeting of MAY 22 2007.

REDEVELOPMENT AGENCY

By:   
Jeannette Santos, Deputy Secretary

Approved: 5.30.07  
(date)

  
JERRY SANDERS, Executive Director

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
JERRY SANDERS, Executive Director

## FAR BONUS PAYMENT PROGRAM

### 1. PURPOSE

At the February 28, 2006 San Diego Redevelopment Agency (“Agency”) Meeting, the Agency directed the Centre City Development Corporation (“CCDC”) to draft a proposed FAR Bonus Payment Program (“Program”) within the Centre City Planned District covered by the San Diego Downtown Community Plan. The Program will enable developers to acquire additional square footage for Development Projects in the Centre City Planned District. The maximum amount of square feet and FAR which may be acquired through this Program is established under San Diego Municipal Code (“SDMC”) Section 151.0309. Development Projects may increase the permitted maximum FAR above the maximum Base FAR through the acquisition of additional FAR and by making a FAR Bonus Payment, which will be deposited into the FAR Bonus Fund, and which FAR Bonus Fund will be used for certain public benefits under the Program. The FAR Bonus Payment will be set and fixed at \$15/ FAR square foot to be applied at the time that the Development Permit application is deemed complete and is payable upon issuance of any construction permit for the project.

The FAR Bonus Payments collected through the Program shall be deposited into a fund, specifically established for the Program and to be maintained and operated by CCDC. The FAR Bonus Payments collected shall be used for the acquisition, design, and construction of public parks, infrastructure and other eligible public facilities (including but not limited to, parks, public facilities and right of way improvements). Subject to the requirements of California Redevelopment Law, the FAR Bonus payments will be deposited into a separate, dedicated, interest earning fund (FAR Bonus Fund). The FAR Bonus Fund will be used in conjunction with Development Impact Fees (DIF) to pay for the acquisition and construction of downtown parks and public infrastructure identified in the Centre City Public Facilities Financing Plan and associated with new development. The Program is established to serve the public interest by providing public benefits in the form of monetary funds which will be applied to the acquisition, design, and construction of public parks, infrastructure and other eligible public facilities. The purpose is to establish standards and procedures for the payment by prospective and current developers to acquire additional square feet (or “Bonus FAR”) for their Development Projects. The Program provides incentives to prospective and current developers in exchange for public benefits to help achieve the Downtown Community Plan and Centre City Planned District Ordinance goals, and to achieve the goals of and assist in implementing the Redevelopment Plan for the Centre City Redevelopment Project. The Program also provides an accounting of expenditure of funds collected under the Program.

One of the goals of redevelopment is to allocate the total costs of redevelopment between the public and private sectors. This Program is an effort not only meet the obligation of elimination of blight, but also furthers the goals of cost allocation of redevelopment between the public and private sectors through the FAR Bonus Payment by developers wishing to expand their Development Projects and at the same time establishing a fund to provide benefits to the public.

## 2. DEFINITIONS

“Agency” means the Redevelopment Agency for the City of San Diego.

“Base Floor Area” (Base FAR) means the minimum and maximum development potential permitted for a site and expressed as a ratio of the amount of gross floor area to the size of the parcel. The minimum base FAR is the minimum floor area which must be built on a site in a new project. Maximum base FAR is the maximum floor area permitted to be built without bonuses or transfers.

“Bonus FAR” means the additional floor area that may be acquired under the FAR Bonus Payment Program.

“CCDC” is an abbreviation for the Centre City Development Corporation.

“Centre City Development Permit” means the permits which are required pursuant to San Diego Municipal Code Chapter 15, Article 1, Division 3.

“Certificate of Bonus Payment” means a document which is recorded to certify the payment of the FAR Bonus Payment.

“Community Plan” means the San Diego Downtown Community Plan.

“Development Permit” means those permits which require development review and are subject to the development permit procedures within the Centre City Planned District, under Chapter 15, Division 3 of the San Diego Municipal Code.

“Development Project” means a building or structure or structural alteration or enlargement of an existing building or structure within the Redevelopment Project Area.

“FAR Bonus Payment(s)” means the payment(s) by the developer of a project in the Centre City Planned District to increase the FAR (allowable square footage) for a particular Development Project.

“FAR Bonus Fund” means the fund established by the Redevelopment Agency for the collection of the FAR Bonus Payments.

“FAR Bonus Payment Program” means the program established for the payment by the developer of a project in the Centre City Planned District to increase the FAR for a particular Development Project.

“Financing Plan” means the Centre City Public Facilities Financing Plan.

“Floor Area” means the total gross floor area (GFA) (as defined in Section 151.0304 of the San Diego Municipal Code) of all buildings(s) on a premise(s).

“Floor Area Ratio (FAR)” means the numerical value obtained by dividing the Floor Area by total land area of the premises on which the building(s) are located.

“Project Site” means that real property which is the subject of the proposed Development Project which includes a building or structure or structural alteration or enlargement of an existing building or structure within the Centre City Planned District.

“Public parks” means parks, plazas, and/or open space open to the public and used for active and/or passive recreational purposes. These areas may be paved or landscaped, but in all cases offer an outdoor area for public use.

“Public facility” means a recreational facility, community building, structure (e.g. parking facility) or gathering space open to and used by the public.

“SDMC” is an abbreviation for the City of San Diego Municipal Code.

### 3. CONSULTATION

The developer shall consult with the CCDC at the earliest reasonable point in the design and development of any Development Project requesting the acquisition of additional FAR and prior to applying for a Development Permit or prior to entering into an agreement with the Agency. This consultation shall be used to identify any development issues regarding Development Project approval, including but not limited to: parking and transportation requirements and public benefits. CCDC shall review the pertinent Development Project information provided by the developer and determine the applicable FAR Bonus Payment which would be owed by the developer for the acquisition of additional square footage for the proposed Development Project. The CCDC shall determine the maximum FAR allowed under the City’s Municipal Code for the proposed Project Site. The CCDC shall calculate the FAR Bonus Payment based upon the maximum FAR allowed at the proposed Project Site under the SDMC and the existing FAR on the Project Site, if any. CCDC shall work with developer to establish the amount of FAR Bonus Payment to be collected under the Program.

### 4. FAR BONUS PAYMENT PROCEDURES

The CCDC is responsible for the planning and zoning functions for the City of San Diego within the Centre City Planned District. Centre City Development Permits, Neighborhood Use Permits, Conditional Use Permits, Coastal Development Permits, Site Development Permits and Variances require development review and are required to follow the Development Permit procedures established in SDMC Section 151.0303.

For new Development Projects requesting an increase in the permitted maximum FAR through the FAR Bonus Payment Program for a particular Project Site, the following procedures shall apply:

- a. The request for the acquisition of additional FAR shall be made as part of the Development Permit Application.
- b. The developer shall be required to provide a FAR Bonus Payment initially set at \$15/FAR square foot. Adjust FAR Bonus Payment Program annually for inflation based on Consumer Price Index (CPI) for urban San Diego County on July 1st annually.
- c. The Development Permit application shall not be deemed complete until all the requisite information, including the additional amount of FAR requested, has been submitted by the developer to the CCDC.
- d. No construction permit shall be issued to the developer for a proposed Development Project until the FAR Bonus Payment is received by the CCDC.
- e. The CCDC shall deposit all FAR Bonus Payments received in connection with the Program into the FAR Bonus Fund.
- f. For Development Projects which were permitted before establishment of the Program and who wish to take advantage of the Program, the developer and/or owner shall submit to the CCDC an amended Development Permit application, for the acquisition of the additional square footage for the Development Project. The provided FAR Bonus Payment form for the acquisition of the additional square footage shall include the same information, as described above in subsection (a) for new Development Projects.

5. FAR BONUS FUND

The FAR Bonus Payments collected by the CCDC under the Program shall be deposited into a dedicated fund. The fund shall be a fund operated and maintained by the Redevelopment Agency. The FAR Bonus Fund shall be used for the purpose of assisting in the acquisition, design, and construction of public parks, infrastructure and other eligible public facilities (including but not limited to, parks, public facilities and right of way improvements) within the Centre City Planned District. The FAR Bonus funds shall be considered as a source of funds when evaluating updates to the Centre City Public Facilities Financing Plan. Expenditures and commitments for expenditures from the FAR Bonus Fund shall only be done after compliance with applicable procedures of the California Redevelopment Law.

6. GENERAL REQUIREMENTS

The CCDC and Agency shall establish an accounting of all FAR Bonus Payments collected by the CCDC under the Program and of allocations of public benefit resources in the Centre City Planned District. The Agency and CCDC shall maintain a record of the used and unused FAR for Development Projects eligible under this program within the Centre City Planned District, the amount of Bonus FAR acquired by each Development Project, the FAR Bonus Payments collected for each Development Project and other records as may be necessary and desirable to provide an up-to-date accounting of the Bonus FAR within the Centre City Planned District. The Agency and CCDC shall maintain an accounting of all public benefit resources derived from the Program and an accounting of the allocation of the public benefit resources. The records shall be available for public inspection.



Passed by the Redevelopment Agency of The City of San Diego on MAY 22 2007, by the following vote:

Agency Members	Yeas	Nays	Not Present	Ineligible
Scott Peters	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kevin Faulconer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Toni Atkins	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Anthony Young	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Brian Maienschein	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Donna Frye	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jim Madaffer	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ben Hueso	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage MAY 30 2007

AUTHENTICATED BY:

JERRY SANDERS

Executive Director of The City of San Diego, California.

ELIZABETH S. MALAND

Secretary of The City of San Diego, California.

(Seal)

By 

Deputy

Office of the Redevelopment Agency, San Diego, California.

Resolution Number R- 04145