Adopted on

BE IT RESOLVED, by the Council of The City of San Diego as follows:

That the City Council concurs in the California Coastal Commission's determination that the use of the City owned site at West Point Loma Boulevard and Nimitz Boulevard for parkland or housing is a matter of statewide concern.

BE IT FURTHER RESOLVED, that the City Manager and City Planning Director are hereby directed to request that the California Coastal Commission find that a portion of the City owned site at West Point Loma Boulevard and Nimitz Boulevard is suitable for the provision of low and moderate income housing and to request that the Ocean Beach Land Use Plan be adopted with a provision that those portions of the site recommended for housing in the Report to the Honorable Mayor and City Council from the Executive Director, San Diego Housing Commission (Report No. 80-003CC) (copy attached) be designated for low and moderate income housing.

APPROVED: JOHN W. WITT, City Attorney

HOV:ps:559

Revised 4/8/80

Or. Dept. Housing Commission

REPORT TO THE HONORABLE MAYOR AND CITY COUNCIL

DATE: REPORT NO.: 80-003CC

ATTENTION: Rules Committee, Agenda of

FROM: Executive Director, San Diego Housing Commission

SUBJECT: Appeal to the State Coastal Commission

SUMMARY

Issue No. 1 - Should the City Council appeal the decision of the Regional Coastal Commission designating City-owned Site No. 17 entirely for parkland, recommending instead that the greater good would be served if a portion of Site No. 17 were designated for affordable housing for low- and moderate-income families; or, should the City Council rescind its earlier Resolutions designating Site No. 17 for low- and moderate-income housing development?

Recommendation No. 1 - On March 10, 1980, the Housing Commission unanimously recommended that the City Council appeal the decision of the Regional Coastal Commission designating Site No. 17 for parkland, and recommended that a portion of the site be designated for housing for low- and moderate-income families.

Fiscal Impact No. 1 - None with this action.

<u>Issue No. 2</u> - Should the City Council dedicate two tidelands areas, as illustrated in this report, for park purposes, and should the Council earmark all funds generated by the lease of bond-funded portions of Site No. 17 for park development in those tidelands areas?

<u>Recommendation No. 2</u> - It is recommended that the City Council designate two tidelands areas for parks and utilize revenues attributable to the bond-funded portions of the site for park development of those areas.

Fiscal Impact No. 2 - The amount of lease revenue to be generated for park development will be determined by an appraised valuation of the park bond-funded portions of this site. This information is not available at this time.

BACKGROUND

The first issue presented in this report is complicated, and the decision will be difficult. There are compelling reasons to reserve the whole of Site No. 17 for parkland, and there are compelling reasons to designate a portion of Site No. 17 for housing.

H- 251554 00046 In addition to being difficult, the decision should be made without delay for the following reasons:

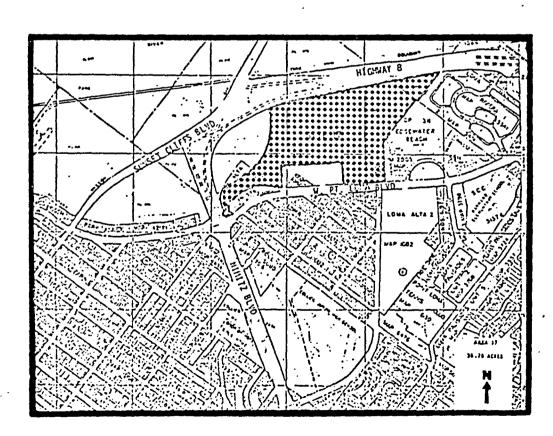
- 1) The State Coastal Commission public hearing on this issue will be held in April.
- 2) Every month of delay in construction of housing results in greater cost.

Decision of the Regional Coastal Commission

On February 22, 1980, the Regional Coastal Commission, by a vote of 6 to 1, decided that the land use designation for 76 acres of City-owned land near West Point Loma and Nimitz should be active recreation. This action was taken in the context of their review and approval of the Ocean Beach Land Use Plan which was transmitted to the State Coastal Commission on February 29, and unless appealed, it will become the local coastal plan for the Ocean Beach planning area. The City of San Diego will then be required to enact implementing ordinances to carry out the plan.

The impact of this decision, if it is upheld by the State Coastal Commission, is that affordable housing for low- and moderate-income families cannot be built on a 45-acre site designated by Council Resolution for housing.

This 45-acre Site No. 17 is located at West Point Loma and Nimitz, as shown on the map below.



£ 251554 00047 The decision that the Council must make is this: Should Site No. 17 be reserved for recreation, or should a portion of Site No. 17 be utilized for housing?

Previous Council Actions

In November, 1977, by Resolution No. 219805, the City Council designated Site No. 17 "for low- and moderate-income housing development." Again, in August, 1978, by Resolution No. 221593, the Council directed that staff "proceed... with low-income housing...development actions" and that the Housing and Community Services Department "utilize the Request for Proposal (RFP) process for [a] planned residential development."

The 1978 RFP

An RFP was issued in August, 1978, for Site No. 17 and six other sites, and seven proposals were received for the development of Site No. 17 in October, 1978. However, when the Public Services and Safety Committee reviewed staff recommendations on the proposals in November, 1978, they expressed dissatisfaction with the process that had been utilized, asked for further study of goals for the development of City-owned sites, and referred the matter to the newly-forming Housing Commission.

Housing Commission Actions

In January, 1979, the Housing Commission began the discussion of goals for the development of City-owned sites, and hired consultant Philip S. Stukin of Urban Projects, Inc., to review all of the proposals that had been received.

In February, 1979, the consultant recommended that all of the proposals be rejected and that new RFPs be issued. At that time, a search had been undertaken for an Executive Director, and the Housing and Community Services Department decided to defer further action on Site No. 17 until his arrival.

Land Development Plan

The Executive Director arrived May 1, 1979, and began his review of previous actions on all Housing Commission issues. On August 17, 1979, he recommended to the Housing Commission that a conceptual land development plan be undertaken so that when a new RFP was issued, it would set forth the specific requirements needed for the development of the site. The Commission also directed at least 30% of the units be utilized for low-income housing.

During this time, staff was directed to respond to an inquiry from the U.S. Department of Housing and Urban Development (HUD) concerning the "good faith effort" that the City was making to provide sites acceptable to HUD for low-income housing. For several months, Community Development Block Grant (CDBG) funds were conditioned upon the City's response to this request. The City's response listed all of the City-owned sites designated for housing by Council Resolution, among them, Site No. 17.

On October 18, 1979, Innis-Tennebaum, Inc., was hired to prepare the conceptual land development plan.

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Community and Coastal Commission Contacts

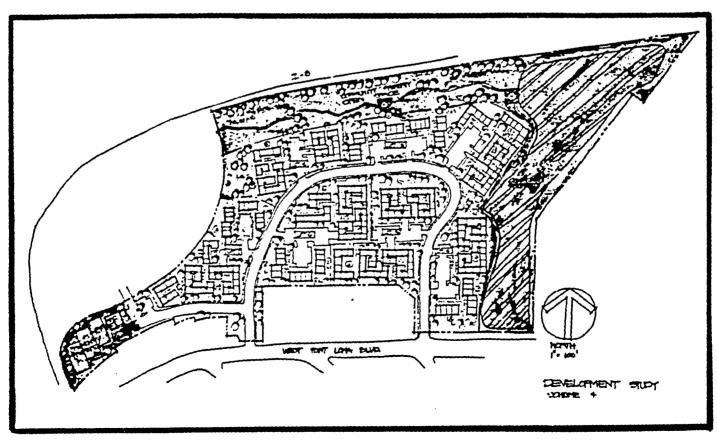
The Housing Commission directed its staff make contact with the community, the Coastal Commission and City departments to begin identifying their requirements for the development of the site. Subsequently, staff has worked with Regional and State Coastal Commission staff (September 11, December 11, January 9, 17, and 21); Peninsulans, Inc., planning group (September 18, February 11 and 12); Ocean Beach Planning Board (December 19, January 16); an adjacent property owner (November 21, December 27, January 7 and 8); and City departments (Planning, Park and Recreation, Attorney, and Engineering and Development - Transportation).

In addition, the Housing Commission directed that staff make formal presentations to the Regional Coastal Commission advocating housing development on this site on December 14, 1979, and February 22, 1980.

Conceptual Land Development Plan

Innis-Tennebaum have completed 75% of their contract; they have identified several alternative land development concepts, one of which is described here. The work to be completed is the preparation of preliminary cost estimates for dealing with all of the development constraints (see Appendix I, "Development Constraints") and for the units themselves.

In general, the conceptual land development plans provide for between 300 and 400 two-story, wood-frame and stucco multifamily dwelling units, clustered in order to retain as much open space as possible, as in the following drawing.



In this concept, the following would be achieved:

	NUMBER	PERCENT
Market-rate Units	274	72% of units
Low-income Units	106	28% of units
TOTAL UNITS	380	100% of units
		•
Net Density/Developable Acre	17.4	₩=
Net Developable Acreage	21.8	49% of acreage
Acreage for Road	3.9	9% of acreage
Open Space Acreage	18.9	42% of acreage
TOTAL ACREAGE	44.6	100% of acreage

One of the goals of this concept was to demonstrate a compromise between the use of the site for housing on the one hand, and the community's desire to achieve as much parkland/open space as possible, on the other hand. The open space area at the north of the site would provide a buffer to Highway 8, as well as allowing access between the tidelands area on the west and the Famosa Slough channel on the east.

The rent levels for low- and moderate-income tenants which were proposed by Coastal Commission staff and were based upon the guidelines set by the U.S. Department of Housing and Urban Development (HUD) and the California Department of Housing and Community Development (HCD) are set forth in Appendix II.

Summary of Controversy

In the meetings that Housing Commission staff has attended and in the several public hearings relating to the land use decision on this site, many issues have been raised relating to the legal use of the site, Council Policy, safety (earthquake, liquefaction, and flooding dangers), land use priorities, and the housing proposals under consideration by the Housing Commission. A lengthy explanation of the issues that have been raised by those favoring park use and by those favoring some housing use is set forth in Appendix III.

Should the State Coastal Commission decide that a portion of Site No. 17 can be utilized for housing, the Housing Commission can take various steps to mitigate some of the disadvantages of the site (see Appendix IV, "Future Housing Commission Actions").

DISCUSSION OF ISSUE NO. 1

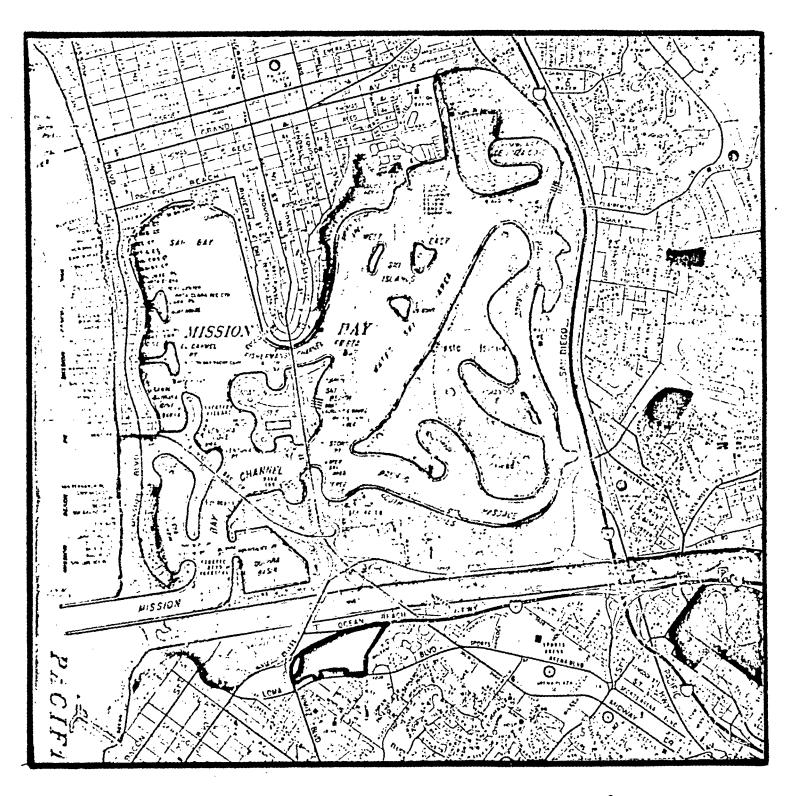
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The appeal to the State Coastal Commission can be made on the following bases:

1) THERE IS ADEQUATE PROVISION FOR PARK AND OPEN SPACE TO SERVE THE OCEAN BEACH AND PENINSULA COMMUNITIES, AS WELL AS TO SERVE THE WIDER PUBLIC WHO USE AND ENJOY THE COASTAL AREAS.

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The Ocean Beach/Peninsula Area in which the site is located is particularly favored with parks, including the 4,225 acres of Mission Bay Park (1,800 acres of land, 2,400 acres of water), as shown on the following map:



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Mission Bay Park represents 25% of the total acreage for all parks (including parks, open space, turfed school areas, and lakes) in the City. If funds were available to develop recreational areas in the City, the Council would have to decide: Should the funds be used in the Ocean Beach-Peninsula area or in other areas of the City where there is considerably less developed park acreage? Would such a recreational use serve to attract more people into an already overcrowded area? Finally, are funds going to be available for the development of a 76-acre park area in the foreseeable future?

2) THERE IS AN UNMET NEED IN THE COASTAL AREA FOR THE PROVISION OF AFFORDABLE HOUSING FOR LOW- AND MODERATE-INCOME FAMILIES. A PUBLIC AND PRIVATE PARTNERSHIP MUST BE FORMED TO MEET THIS NEED. THIS INCLUDES THE USE OF PUBLIC RESOURCES SUCH AS SITE NO. 17.

When we look at the need for affordable housing in the entire coastal zone, the number of housing units available to low-income families is substantially inadequate.

Preliminary Housing Commission concepts have proposed that no more than 26 acres of the site be developed for housing and that the balance of the site be reserved for open space. In addition, the Housing Commission has recommended that 34 acres of tidelands be dedicated for park purposes, bringing the totals to:

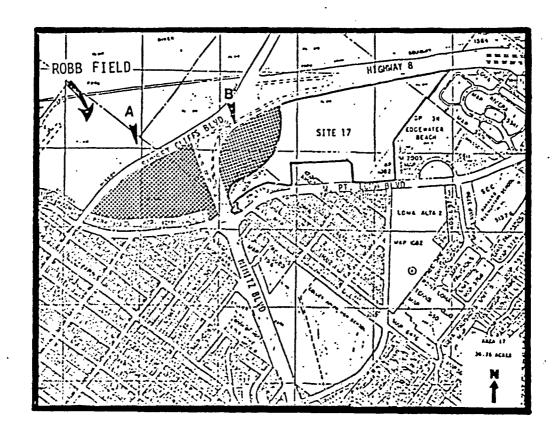
26 acres for housing 50 acres for park

Such an approach appears to the Housing Commission to be a reasonable compromise between the City's objective to utilize a portion of the site for housing and the community's desire for additional parkland. Such an approach was also recommended by the Regional Coastal Commission staff (see Appendix V).

DISCUSSION OF ISSUE NO. 2

In order to give further recognition to the Ocean Beach community's desire for more parkland, the Housing Commission recommends that both the 11-acre tidelands area which abuts the site and the 23-acre tidelands area to the east of Nimitz Boulevard, be established as dedicated parks by ordinance. (See the following map.)

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The two tidelands areas noted above are already designated parks in Park and Recreation Department's long-range plans. Tidelands area "B" may be utilized as a neighborhood community park. Tidelands area "A" could conceivably be utilized in the future as an expansion of Robb Field, with a pedestrian footbridge connection over Sunset Cliffs Boulevard.

In addition, it is recommended that revenues from bond-funded portions of Site No. 17 be utilized for development of parks in those two tidelands areas. (See Appendix VI for an explanation of the previous ownerships of the various portions of the site.)

ALTERNATIVE

The City Council may wish to consider the following alternative:

Rescind Council Resolutions 219805 and 221593 designating Site No. 17 for development of housing affordable to low- and moderate-income families.

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Should the City Council decide that Site No. 17 should be reserved for recreation, it may wish to designate another City-owned site in a non-poverty impacted area as a substitute for utilizing Site No. 17 for housing. A letter could then be sent to HUD concerning the City's compliance with CDBG conditions. However, Housing Commission staff is not aware of the availability of a comparable site.

Respectfully submitted,

Ben Montijo

Executive Director

Montijo/RAF

Attachments

1. Appendix I - Development Constraints

2. Appendix II - Rent Ranges Affordable to Low- and Moderate-Income Families

3. Appendix III - Summary of Controversy Around Land
Use Designation for Site No. 17

4. Appendix IV - Possible Future Housing Commission Actions

5. Appendix V - Regional Coastal Commission Staff Recommendations
Relating to Site No. 17

6. Appendix VI - Previous Ownerships of the Various Portions of Site No. 17

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