

RESOLUTION NUMBER R- 299043

ADOPTED ON MAR 30 2004

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN DIEGO APPROVING GASLAMP QUARTER SITE DEVELOPMENT/SPECIAL PERMIT 41-0546 FOR THE RENAISSANCE HOTEL PROJECT IN THE GASLAMP QUARTER SUB AREA OF THE CENTRE CITY REDEVELOPMENT PROJECT.

WHEREAS, GRH, LLC [Developer] filed an application for a Gaslamp Quarter Site Development/Special Permit to construct a hotel project consisting of 334 hotel rooms, approximately 13,700 square feet of retail/commercial space, 6,400 square feet of ballroom, and 3,900 square feet of meeting rooms on the 40,104 square-foot site [Project] located on the block bounded by Fifth and Sixth Avenues and J Street and Island Avenue within the Gaslamp Quarter Sub Area of the Centre City Redevelopment Project area ; and

WHEREAS, on March 30, 2004, the City Council held a duly-noticed, public meeting and considered Gaslamp Quarter Site Development/Special Permit No. 41-0546, including a staff report and recommendation, the recommendations of the Centre City Development Corporation, the Centre City Advisory Committee, the Historical Resources Board, and the Planning Commission, and public testimony; NOW THEREFORE,

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

Section 1. That in accordance with Section 126.0504a of the Land Development Code the City Council of the City of San Diego finds and determines that:

A. The proposed development of the Project will not adversely affect the applicable land use plan.

B. The basis of this finding includes, but is not limited to the fact that the proposed Project is consistent with land uses described in the Gaslamp Quarter Planned District Ordinance [GQPDO], the Centre City Community Plan, and the Redevelopment Plan for the Centre City Redevelopment Project in all respects.

C. The proposed development of the Project will not be detrimental to the public health, safety and welfare.

D. The basis of this finding includes, but is not limited to the fact that the proposed Project includes the construction of a 334-room, full-service hotel on a 40,104-square-foot site with a maximum floor area ratio of 5.99 and a height of 125 feet as allowed by the GQPDO. In addition, the proposed Project complements the Gaslamp Quarter and is compatible with the surrounding development in the area.

E. The proposed development of the Project will comply with the applicable regulations of the Land Development Code, the GQPDO, and the Centre City Community Plan.

Section 2. That in accordance with Section 126.0504i of the Land Development Code the City Council of the City of San Diego finds and determines that:

A. There are no feasible measures, including a less environmentally damaging alternative, that can further minimize the potential adverse effects to the designated historical resource or historic district.

B. The basis of this finding includes, but is not limited to the fact that the existing historic buildings were designed and used for produce purposes. The evaluation from Burkett & Wong, structural and civil engineers, dated August 31, 2001, which is in Appendix-E of the Supplement to the MEIR, states that both buildings include significant cracking in the unreinforced masonry bearing walls along with the deterioration of the mortar and grout in the walls. Due to the type of construction and the materials used in the warehouse buildings, reinforcing or upgrading the buildings to comply with the 1997 Uniform Building Code would be quite expensive and disruptive to the buildings. The cost of repair would exceed the cost of demolition of the structures and reconstruction of new buildings with essentially the same appearance. Because the proposed Project requires underground parking, the unreinforced masonry buildings cannot support additional development, and because of combustibility, they cannot be combined with new Type I sprinklered development. Removal and reconstruction of the facades are the only solution to support the new development and provide the necessary underground parking. Consequently, there are no less environmentally damaging alternatives which would support the costs of retaining the structures.

C. The deviation (from standard protective historical resource regulations) is the minimum necessary to afford relief and accommodate the development and all feasible measures to mitigate for the loss of any portion of the historical resource have been provided by the applicant.

D. The basis of this finding, includes, but is not limited to the fact that the incorporation of the historical buildings would conflict with the construction of the two subterranean parking levels, the hotel, kitchen, loading dock, ballroom and meeting rooms. It would not be feasible from a structural standpoint to construct a new 12-story building with 120

guest rooms above the existing historic Greenbaum Market Building. The Manos Produce Company building would be similarly situated. The proposed Project will replicate the historic facades of both buildings as a part of the new hotel development.


E. The denial of the proposed development of the Project would result in economic hardship to the owner. For purposes of this finding, “economic hardship” means there is no reasonable beneficial use of a property and it is not feasible to derive a reasonable economic return from the property.

F. This finding is based on, but not limited to, the fact that the feasibility assessment for the proposed Renaissance Hotel dated July 7, 2003, prepared by Keyser Marston Associates [KMA], which is in Appendix-G of the Supplement to the MEIR for the proposed Project, provides as follows:

“The KMA study analyzed a limited service hotel scenario which retains the two historic buildings and yields a negative land value. The project would only be feasible with the contribution of free land and a \$3.9 million subsidy. A residential project scenario, which also retains the historic structures, yields a land value of \$86 per square-foot. This figure is substantially lower than the recent land sales in the Gaslamp Quarter. The total estimated acquisition costs for the site is \$7.4 million. Only a full service hotel scenario supports the land value equal to or greater than the cost basis. KMA concludes that the development scenarios retaining the warehouses are not financially feasible. Denial of the proposed development would generate an economic hardship, as it would not be feasible to derive a reasonable economic return from the property if the structurally unsound designated structures are not removed from the site”.

Section 3. That based on the general and Supplemental findings and the information in support of each, the City Council hereby approves Gaslamp Quarter Site Development/Special Permit No. 41-0546.

APPROVED: CASEY GWINN, General Counsel

By: 
Sung L. Phillips
Deputy General Counsel

SLP:mm:ai
03/16/04
Or.Dept: CCDC
Audit Cert: N/A
R-2004-973

**GASLAMP QUARTER
SITE DEVELOPMENT/SPECIAL PERMIT NO. 41-0546**

PURSUANT to the regulations of the Gaslamp Quarter Planned District Ordinance, an application was received from 5th & J, LLC, now known as GRH, LLC, for a Gaslamp Quarter Special Permit to construct a 334-room hotel and subterranean parking for approximately 205 vehicles. The project site is located on a 40,104 sq.ft. site on the block bounded by Island Avenue, "J" Street, Fifth and Sixth Avenues within the Gaslamp Quarter District of the Centre City Community Planning area, and more particularly described as Lots C-J in Block 96 of Horton's Addition, in the City of San Diego, County of San Diego, State of California, according to the map thereof on file in the City of San Diego, County of San Diego, State of California.

The project was subject to the discretion of the City Council to grant a height exception (because the project is on a parcel over 30,000 sq.ft. south of Island Avenue), up to 125 feet provided that the maximum floor area ratio shall not exceed 6.0 and building elements greater than 75 feet in height observe a setback of 50 feet along Fifth Avenue. The City Council has determined that the project is consistent with the regulations in Section 103.0407A.2.G of the Gaslamp Quarter Planned District Ordinance (GQPDO). Additionally, the project requires a Site Development Permit to allow for the removal of two historic structures and the replication of their facades in the new project. Gaslamp Quarter Site Development/Special Permit No. 41-0546 is granted by the City Council of the City of San Diego to GRH, LLC, Owner/ Developer.

1. General

The Developer shall construct, or cause to be constructed on the Site, 240,530 sq.ft. above-grade consisting of a 334-room hotel, approximately 13,700 sq.ft. of retail/commercial uses, 6,400 sq.ft. ballroom, 3,900 sq.ft. meeting rooms, 5,800 sq.ft. pre-function space, as generally shown on the Basic Concept/Schematic Drawings. The total height of the development shall not exceed 125 feet and the Floor Area Ratio (FAR) of 5.99.

2. Historic Resources

The Developer will be required to implement specific mitigations required for the loss of the two designated historic buildings, the Manos Produce Building and the Greenbaum Market, include the following:

- Representative architectural elements of the Manos and Greenbaum buildings shall be replicated and incorporated into the facade of the proposed hotel, in accordance with direction from the Design Assistance Subcommittee of the City of San Diego Historic Resources Board. Specifically, the reconstructed Greenbaum Market facades will have a two-foot offset along "J" Street from the face of new construction and the metal awning associated with the Greenbaum Building shall be replicated on both street facades of that building. The Manos Produce Building facade shall be replicated

according to its exact size, design, location, and material. Efforts shall be made to determine the historical building color for both historic structures.

- Historic American Building Survey (HABS) documentation shall be prepared on both the Manos and Greenbaum buildings prior to demolition. These HABS reports, consisting of written description and history, measured drawings and photographs shall be prepared in accordance with the Secretary of the Interior's Standards and Guidelines for Architectural and Engineering Documentation: HABS/HAER Standards, 1990. Photo documentation of both historic structures shall include professional quality 35mm black and white photographs, 4X6 standard format, taken of all four elevations and closeups of selected architectural elements. Copies of the HABS report shall be sent to the Historical Resources Board, Centre City Development Corporation, South Coastal Information Center, the California Room of the Public Library and the San Diego Historical Society.
- A photograph exhibit and a historical narrative, including historical photographs, shall be prepared and permanently displayed within the new hotel in an area easily accessible for public viewing and walking tours. The display shall inform viewers about the former historical buildings and the history of the site and area, including history pertaining to the Asian Pacific community, the former Produce District and Gaslamp Quarter.
- Usable historical bricks from the demolition of the rear portion of the Manos Building shall be made available to the Asian Pacific Collaborative for reuse at other locations, to the extent that such bricks are not used in the historical display within the hotel project.
- Special Asian Pacific Historical District sidewalk pavers shall be included in front of the reconstructed Manos Building facade. Banners, plaques and other decorative elements calling attention to the history of both buildings shall also be encouraged.

3. Refinement Conditions

The following refinements to the Basic Concept/Schematic Drawings shall be submitted by the Developer:

- a) The Developer and Architect shall continue to refine the elevations, including the facade, parapet and roof treatments. The revisions shall be approved by staff during review of the Design Development Drawings.
- b) All refinements that may be required to ensure that issues relating to the appropriateness of the exterior storefronts are in keeping with the intent of the Gaslamp Quarter Planned District Ordinance (GQPDO).

- c) The Developer shall submit to CCDC a layout for the off-site improvements.
- d) Any exterior equipment such as transformers, refuse bins, backflow preventers, gas meters and valves, fire sprinkler equipment, and other such equipment shall be placed totally within the project Site.

4. Design and Development and 100% Construction Drawings

The Developer shall submit for approval to CCDC Design and Development and 100% Construction Drawings which implement the design intent of the Basic Concept/Schematic Drawings and which incorporate appropriate revisions as stated herein.

5. Urban Design Standards

The proposed development, including its architectural design concepts, landscape features and off-site improvements, shall be subject to design review by CCDC in accordance with adopted procedures. The Developer shall conform to the Gaslamp Quarter Planned District Ordinance and Urban Design Manual and the Centre City Streetscape Manual. These standards, together with the following specific conditions, will be used as a basis for evaluating the development through all stages of the design review process.

- a. Architectural Standards - The architecture of the development shall establish a high quality of design and complement the design and character of the Gaslamp Quarter.
- b. Building Materials - Building materials shall be of a high quality and can include brick, stone, wood, and painted metal or composition which humanize the structure shall be used as contrasted to large areas of glazing and reflective surfaces. Windows shall be inset into the wall framing to provide a recessed appearance. Reflectivity of the glass shall be the minimum reflectivity required by Title 24.

A final materials board which illustrates the location, color, quality and texture of proposed exterior materials and on- and off-site paving materials shall be submitted with 100% Construction Drawings.

- c. Street Level Design - Street level windows shall be clear glass and may be lightly tinted. Architectural features such as colorful awnings and other design features which add human scale to the streetscape, are encouraged where they are consistent in the GQPDO and with the design theme of the structure.

- d. Roof Tops - A rooftop mechanical equipment and appurtenance location and screening plan shall be prepared and submitted with 100% Construction Drawings.

Any rooftop mechanical equipment shall be enclosed and screened from views. Individual condenser units may be exposed, but may not be located above the elevation of the top of any building parapet and must be painted out to match the roof surface.
- e. Signing - All signs shall comply with the Gaslamp Quarter Planned District Ordinance and City of San Diego Municipal Code. Any deviation from the GQPDO requires a Comprehensive Sign Plan.
- f. Lighting - A lighting plan which highlights the architectural qualities of the proposed project and also enhances the lighting of the public right-of-way shall be submitted with 100% Construction Drawings. On-site lighting shall meet appropriate requirements for compliance with light pollution regulations.
- g. Noise Control - All mechanical equipment, including but not limited to, air conditioning, heating and exhaust systems, shall comply with the City of San Diego Noise Ordinance and California Noise Insulation Standards as set forth in Title 24 of the California Code of Regulations. All mechanical equipment shall be located to mitigate noise and exhaust impacts on adjoining development. Developer shall provide evidence of compliance with the Noise Ordinance at 100% Construction Drawings.
- h. Energy Considerations - The design of the improvements shall include, where feasible, energy conservation construction techniques and design, including cogeneration facilities, and active and passive solar energy design. The Developer shall demonstrate consideration of such energy features during review of the 100% Construction Drawings.
- i. Utilitarian Areas - Areas housing trash, storage, or other utility services shall be located in the building and be completely concealed from view of the public right-of-way, except for utilities required to be exposed by the City or utility company.
- j. Circulation and Parking - The subterranean parking shall meet the requirements of the Building Inspection Department, Fire Department and City Engineer and meet all required air ventilation codes. The exhaust system for the mechanically ventilated structure shall be located to mitigate noise and exhaust impacts on adjoining public sidewalks.

Entrance and exit to the subterranean parking will be off of Sixth Avenue. Parking for approximately 180 vehicles will be provided.

The Developer shall prepare a plan which identifies the location of curbside parking control zones, loading parking meters, fire hydrants, trees, and street lights. Such plan shall be submitted in conjunction with 100% Construction Drawings.

- k. Street Address - Building address numbers shall be provided that are visible and legible from the public right-of-way.

6. On-Site Improvements

All off-site and on-site improvements shall be designed as part of an integral site development. An on-site improvement plan shall be submitted with the 100% Construction Drawings.

- a. Paving

Paving within any setback area on private property shall complement the design and quality of the paving within the public right-of-way.

7. Off-Site Improvements

The following public improvements including curbs and gutters shall be installed and/or maintained in accordance with the Centre City Streetscape Manual. The Manual is currently being updated and the Developer shall install the appropriate improvements according to the latest requirements at the time of building permit issuance.

- a. Street Trees - The following tree species shall be used: Bradford Pear on 5th Avenue and Brisbane Box on 6th Avenue, with Palo Alto Sweet Gum on J Street. All new trees shall be planted at minimum 36-inch box size. Tree grates (5x5 feet or as approved by CCDC) that meet the requirements of Title 24 shall be used. Tree spacing to be accommodated after street lights have been sited, and generally spaced 20-25 feet on center. All landscaping shall be irrigated with private water service from the subject property.

The Developer will be responsible for evaluating, with consultation with CCDC and City staff, whether any existing trees within the right-of-way may be removed. No trees shall be removed prior to obtaining a Tree Removal Permit from the City Streets Division per City Council Policy 200-05.

- b. Sidewalk Paving - Gaslamp Quarter brick sidewalks along Fifth, Sixth, and "J" streets. The sidewalk paving in front of the recreated Manos Building shall reflect the Asian Pacific detailing, including colored tile inserts.
- c. Street Lighting - Gaslamp Quarter street lights shall be provided along Fifth, Sixth, and "J" streets. Any existing lights shall be evaluated to determine if they meet current CCDC and City requirements, and shall be modified or replaced if necessary.
- d. Litter Containers - Four public trash receptacles shall be provided along the project frontage.
- e. Public Utilities (sewer, water and storm drain) - The Developer shall be responsible for the connection of on-site sewer, water and storm drain systems from the development to the City Utilities located in the public right-of-way. Sewer, water and roof drain laterals shall be connected to the appropriate utility mains within the street and beneath the sidewalk. The Developer may use existing laterals if acceptable to the City, and if not, Developer shall cut and plug existing laterals at such places and in the manner required by the City, and install new laterals.

The Developer shall submit calculations, satisfactory to the Metropolitan Wastewater Department Director, for the sizing, grade and alignment of sewer laterals between the project and the public sewer mains. The developer shall design all proposed public sewer facilities in accordance with established criteria in the most current edition of the City of San Diego's current sewer design guide. Proposed private underground sewer facilities located within a single lot shall be designed to meet the requirements of the California Plumbing Code and shall be reviewed as part of the building permit plan check. The Developer shall provide, satisfactory to the Metropolitan Wastewater Department Director, CC&R's for the operation and maintenance of on-site private sewer facilities that serve more than one ownership.

The Developer will be required to "kill" all unused water services adjacent to the project site. Service kills require an engineering permit and must be shown on a public improvement plan.

All roof drainage and sump drainage shall be connected to the storm drain system in the public street, or if no system exists, to the street gutters through sidewalk underdrains. Such underdrains shall be approved through an Encroachment Removal Agreement with the City.

The project shall comply with the City of San Diego Storm Water Management and Discharge Control Ordinance and the storm water pollution

prevention requirements of Chapter 14, Article 2, Division 1 and Chapter 14, Article 2, Division 2 of the Land Development Code.

- f. Franchise Public Utilities - The Developer shall be responsible for the installation or relocation of franchise utility connections including, but not limited to, gas, electric, telephone and cable, to the project and all extensions of those utilities in public streets. Existing franchised utilities located above grade and in the sidewalk right-of-way shall be removed and incorporated into the adjoining development where feasible.

Electrical transformer vaults shall be installed in a subterranean location accessible to the franchise utility from the public right-of-way where feasible. Covers to utility vaults located in the public right-of-way shall be designed as a pan which allows the lid to be in filled with the same paving materials used in the adjoining right-of-way where feasible.

- g. Fire Hydrants - If required, the Developer shall install fire hydrants at locations satisfactory to the Fire Department and Development Services Department.
- h. Backflow preventers - The Developer shall locate all water meters and backflow preventers in locations satisfactory to the Water Utilities Department and CCDC. Backflow preventers shall be located above grade outside of the public right-of-way adjacent to the project's water meters, either within the building, a recessed alcove area, or within a plaza or landscaping area. The devices shall be screened from view from the public right-of-way.

All items of improvement shall be performed in accordance with the technical specifications, standards, and practices of the City of San Diego's Engineering and Building Inspection Departments and shall be subject to their review and approval. Improvements shall meet the requirements of Title 24 of the State Building Code.

Off-site improvement drawings (D sheets), including dimensional plans for all street frontages which illustrate proposed paving, street trees, lighting fixtures shall be submitted with 100% Construction Drawings. Such off-site plan shall be coordinated to complement and be comparable in quality to the adjoining on-site and off-site plazas, open space and sidewalk materials.

If, during construction, any improved portion of the public right-of-way is damaged or destroyed, the Developer shall be responsible for the replacement or repair of those improvements.

8. Environmental Impact Mitigation

The Developer shall implement mitigation measures and/or mitigation monitoring requirements as identified in the Environmental Secondary Study and the Supplement to the Master Environmental Impact Report prepared for the project prior to the issuance of a building permit.

As described more fully in the environmental documents, the following mitigation measures associated with the proposed project include: historical resources, air quality, cultural resources (archaeology), geology/soils, hazardous materials, light/glare, paleontological resources, public services/facilities, transportation/circulation, access and parking.

9. Removal and/or Remedy of Soil and/or Water Contamination

The Developer shall (at its own cost and expense) remove and/or otherwise remedy as provided by law and implementing rules and regulations, and as required by appropriate governmental authorities, any contaminated or hazardous soil and/or water conditions encountered on the Site by the Developer after conveyance of the Site. Such work may include without limitation the following:

- a. Remove (and dispose of) and/or treat any contaminated soil and/or water on the Site as necessary to comply with applicable governmental standards and requirements.
- b. Design and construct all improvements on the Site in a manner which will assure protection of occupants and all improvements from any contamination, whether in vapor or other form, and/or from the direct and indirect effects thereof.
- c. Prepare a site safety plan if required by any governmental entity and submit it to such authority for approval in connection with obtaining a building permit for the construction of improvements on the Site. Such site safety plan shall assure workers and other visitors to the Site of protection from any health and safety hazards during development and construction of the improvements. Such site safety plan shall include monitoring and appropriate protective action against vapors and/or the effect thereof.
- d. Obtain from the County of San Diego and/or California Regional Water Quality Control Board and/or any other authorities required by law any permits or other approvals required in connection with the removal and/or remedy of soil and/or water contamination, in connection with the development and construction on the Site.

- e. Site-specific groundwater investigations shall be conducted to identify any hazardous materials present in groundwater and determine appropriate remedial measures. Identified remedial measures shall be implemented.

The Developer agrees that the Agency, and its consultants and agents, shall have the right (but not the obligation) to enter upon the Site at any time to monitor the excavation and construction on the Site, to test the soils and/or water on the Site, and to take such other actions as may be reasonably necessary to assure compliance with this section.

10. Model

Model - Prior to obtaining a building permit, the Developer shall provide and install a one-inch (1") to fifty-foot (50') scale block building model which illustrates the true scale of the buildings on the Site based on the building facade and the floor plate of the structure from the ground floor to and including the rooftop. No base is required. Landscaping at the ground level shall also be shown. Architectural detail such as windows, door and balconies shall not be shown. Other building elements and articulation less than three feet in scaled dimension need not be shown.

The model shall be made of solid acrylic plastic (e.g., Lucite, Plexiglas), be colored solid white and be compatible with the scale and contours of the model of downtown on display at the Centre City Development Corporation's Downtown Information Center. Upon acceptance by CCDC, the model shall be installed by the developer or his designated representative on the model of downtown, and the model shall become the property of the Centre City Development Corporation for its use.

11. Construction Fence

Developer shall install a construction fence pursuant to specifications of, and a permit from, the City Engineer. The fence shall be solid plywood with wood framing, painted a consistent color with the project's design, and shall contain a pedestrian passageway, signs and lighting as required by the City Engineer. The construction fence shall be maintained free of litter and be kept in good repair.

12. Development Identification Signs

Prior to commencement of construction on the Site, the Developer shall prepare and install, at its cost and expense, two signs on the barricades around the Site which identifies the development. Each sign shall be at least four (4) feet by six (6) feet and be visible to passing pedestrian and vehicular traffic. The signs shall at a minimum include:

- Colored illustration of the development
- Development name
- Developer
- Completion Date _____
- For information call _____

The sign shall also contain the CCDC "Paradise in Progress" logo and the Downtown Construction Hotline phone number.

Additional project signs may be provided around the perimeter of the Site. All signs shall be limited to a maximum of 160 square feet per street frontage. Graphics may also be painted on any barricades surrounding the Site. All signs and graphics shall be submitted to CCDC for approval prior to installation.

13. Airport Approach Overlay Zone Requirements

The Developer shall comply with any applicable procedures established by the City of San Diego Airport Approach Overlay Zone (and any successor or amendment thereto) for structures which exceed thirty (30) feet in height, and, if required, shall obtain and submit to the Agency and City a Federal Aviation Administration (FAA) Determination of No Hazard to Air Navigation prior to issuance of a building permit.

14. Americans with Disabilities Act (ADA)

The Developer acknowledges and agrees that it is aware of and will comply with City of San Diego Council Policy 100-04, adopted by Resolution No. 282153 relating to the federally mandated ADA.

15. Fees and Assessments

The Developer shall be responsible for all fees required by the City or other public agency for the construction of the proposed development.

16. Disposition and Development Agreement

It shall be a condition precedent to the implementation of this Permit that the Redevelopment Agency of the City of San Diego has entered into that certain Disposition and Development Agreement ("DDA"), for the development and construction of the project subject to this Permit, entered into on or about the date of approval of this Permit. If such DDA is terminated for any reason, this Permit shall no longer be effective and the approval thereof shall automatically be null and void.

