



REPORT NO. CCDC 07-29
CCDC-07-15

DATE ISSUED: July 25, 2007

ATTENTION: Honorable Chair and Members of the Redevelopment Agency
Council President and City Council
Docket of July 31, 2007

ORIGINATING DEPT.: Centre City Development Corporation

SUBJECT: Proposed 11th Amendment to the Redevelopment Plan for the Centre City Redevelopment Project and Amendments to the Downtown Community Plan, Centre City Planned District Ordinance, Marina Planned District Ordinance, and the Mitigation Monitoring and Reporting Program of the 2006 Final Environmental Impact Report for the Downtown Community Plan, Centre City Planned District Ordinance, and Redevelopment Plan for the Centre City Project Area - Areawide— ***JOINT PUBLIC HEARING***

COUNCIL DISTRICTS: Districts 2 & 8

REFERENCE: None

STAFF CONTACT: Brad Richter, CCDC Principal Planner, 619-533-7115

REQUESTED ACTION: That the Redevelopment Agency (“Agency”) and City Council (“Council”) consider the proposed amendments to land development regulations for the Downtown Community Planning Area, including the Redevelopment Plan for the Centre City Redevelopment Project, Downtown Community Plan, Centre City Planned District Ordinance, Marina Planned District Ordinance, and Mitigation, Monitoring and Reporting Program for the 2006 Final Environmental Impact Report (FEIR).

STAFF RECOMMENDATION:

That the Agency:

- Adopt a Resolution certifying that the information contained in the Addendum to the 2006 Final Environmental Impact Report (FEIR) for the Downtown Community Plan, Centre City Planned District Ordinance, and Redevelopment Plan for the Centre City Project Area Final Environmental Impact Report (FEIR) has been completed in compliance with the California

Environmental Quality Act of 1970 and State guidelines, and that said Addendum has been reviewed and considered by the Agency and adopting appropriate findings of mitigation, pursuant to California Public Resources Code Section 21081, and approving modifications to the Mitigation Monitoring and Reporting Program for the 2006 FEIR; and,

- Adopt a Resolution approving the 11th Amendment to the Redevelopment Plan for the Centre City Redevelopment Project, approving the Report to City Council pertaining thereto, and authorizing the submission of the proposed 11th Amendment to the Redevelopment Plan, and the Report to City Council, to the City Council of the City of San Diego.

And, that the Council:

- Adopt a Resolution certifying that the information contained in the Addendum to the 2006 Final Environmental Impact Report (FEIR) for the Downtown Community Plan, Centre City Planned District Ordinance, and Redevelopment Plan for the Centre City Project Area Final Environmental Impact Report (FEIR) has been completed in compliance with the California Environmental Quality Act of 1970 and State guidelines, and that said Addendum has been reviewed and considered by the Council and adopting appropriate findings of mitigation, pursuant to California Public Resources Code Section 21081; and,
- Adopt a Resolution approving proposed amendments to the Downtown Community Plan; and,
- Approve an Ordinance adopting amendments to the Centre City Planned District Ordinance; and,
- Approve an Ordinance adopting amendments to the Marina Planned District Ordinance; and,
- Approve an Ordinance approving the proposed 11th Amendment to the Redevelopment Plan for the Centre City Redevelopment Project.

SUMMARY: Centre City Development Corporation (CCDC) is proposing specific amendments to the land development regulations for the Downtown Community Planning Area, including the Redevelopment Plan for the Centre City Redevelopment Project, Downtown Community Plan, Centre City Planned District Ordinance, Marina Planned District Ordinance, and Mitigation, Monitoring and Reporting Program for the 2006 Final Environmental Impact Report (FEIR). The purpose of these proposed amendments include providing better implementation of the policies of the Downtown Community Plan, creating consistency among planning documents, streamlining documents, enhancing the performance of the Floor Area Ratio (FAR) Bonus Programs and urban design standards, and minor clean-ups.

FISCAL CONSIDERATIONS: None.

CENTRE CITY DEVELOPMENT CORPORATION RECOMMENDATION: On May 30, 2007, the CCDC Board of Directors voted 5-0 to support the proposed amendments, with the exception of the proposed reduction in parking requirements for Single-Room Occupancy (SRO) and Living Unit projects. The Board did not support the proposed reductions at this time as CCDC is commencing a wide-ranging parking study that will include re-evaluating parking requirements for all uses downtown; therefore, the Board felt that consideration of the new parking ratios should be considered after the report is completed.

PLANNING COMMISSION RECOMMENDATION: On June 28, 2007, the Planning Commission held a public hearing to consider the amendments and voted 4-0 to recommend approval of the various amendments as recommended by staff and the CCDC Board, with one exception. The Commission voted to support the reduced parking requirements for SRO and Living Unit projects, even though these had not been supported by either the CCAC or the CCDC Board.

CENTRE CITY ADVISORY COMMITTEE: On May 23, 2007, the Centre City Advisory Committee (CCAC), downtown's community planning group, and the Project Area Committee (PAC) split their recommendation into three votes as follows: the CCAC voted 19-4 and the PAC voted 16-4 to oppose changes to the proposed reduced parking requirements for SROs and Living Unit projects; the CCAC voted 12-11 (passed) and the PAC voted 9-11 (failed) to oppose the proposed amendment allowing for case-by-case consideration of modifications to the development standards for Social Service and Homeless Facility uses, including the requirements for a quarter-mile separation between such uses; and, the CCAC and PAC voted unanimously to support the remainder of the proposed amendments.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: Since the beginning of the year, staff has held public workshops for the proposed amendments before the CCAC and its subcommittees, the CCDC Board and its subcommittees, and the Planning Commission.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

The proposed amendments affect land use regulations throughout the downtown planning area, and therefore affect property owners, businesses, developers, residents, and visitors to the area.

BACKGROUND

The Centre City Redevelopment Project Area includes approximately 1,500 acres of the metropolitan core of San Diego, bounded by Interstate 5 on the north and east and San Diego Bay on the south and southwest. The City's Strategic Framework Element of its General Plan recognizes downtown San Diego as the regional center, promoting greater residential development densities as well as its role as the business, government, and cultural hub. Because downtown San Diego is both a Community Planning Area as well as a Redevelopment Project Area, development downtown is subject to both the Community Plan and Redevelopment State law.

On February 28, 2006, the San Diego City Council adopted the Downtown Community Plan, Redevelopment Plan for the Centre City Redevelopment Project, and Centre City Planned District Ordinance (PDO), the framework for downtown land development. At the time of adoption, staff anticipated it would be necessary to amend these documents within a year to make a variety of refinements based on the lessons learned in implementation of the new programs and policies. Staff proposes to amend these documents to make a variety of changes and to address other issues that have developed since plan adoption, including land use and other map changes, and adjustments to far bonus calculations. The Marina Planned District Ordinance (Marina PDO) is also planned to be amended to add the parking regulations adopted in the 2006 Centre City PDO. In addition, a revision to the Mitigation, Monitoring, and Reporting Program (MMRP) for archaeological resources is proposed.

On April 24, 2007, the City Council formally initiated the proceedings for the proposed amendments.

These proposed amendments advance the Visions and Goals of the Downtown Community Plan and the Objectives of the Centre City Redevelopment Project by:

- ensuring that the Downtown Community Plan accurately reflects the goals and policies of stakeholders;
- refining zoning incentives to achieve goals outlined in the City of Villages Strategy and Downtown Community Plan; and,
- establishing consistent zoning practices throughout downtown.

DISCUSSION

The current effort proposes a package of amendments to the following land use documents: the Redevelopment Plan for the Centre City Redevelopment Project; the Downtown Community Plan; the Centre City PDO; the Marina PDO, and the 2006 FEIR MMRP. There are a variety of reasons for amending these documents today including creating consistency among planning documents (e.g., Marina PDO/Centre City PDO), streamlining documents (Redevelopment Plan), enhancing the performance of the PDO Floor Area Ratio (FAR) Bonus Programs and urban design standards, and minor clean-ups.

After preparation of the draft amendments, CCDC staff made a number of public presentations on the proposed amendments including to the Centre City Advisory Committee (CCAC), downtown's Project Area Committee/Community Planning Group, and its subcommittees; the Centre City Development Corporation (CCDC) Board of Directors and its Real Estate Committee; a presentation to the City Council to initiate the amendment proceedings late this past April; a public workshop a week later in May; and, a workshop before the Planning Commission.

SUMMARY OF PROPOSED REVISIONS TO DOCUMENTS

There are five documents proposed to be amended in this effort, as described below.

1. Proposed 11th Amendment to the Redevelopment Plan (Tab 1)

The Proposed 11th Amendment to the Redevelopment Plan for the Centre City Redevelopment Project contains changes necessary to consolidate the land use and project maps. The consolidation of the two maps will streamline the Redevelopment Plan and eliminate the need to amend the Redevelopment Plan in order to make a land use change. Currently, if land use change is proposed to the Downtown Community Plan and/or PDO, all three documents (including the Redevelopment Plan) must be amended to make the change(s).

The proposed consolidation would replace references to specific Land Use Districts (Ballpark, Core, etc.) in the Land Use Map with more generalized Project Area descriptions and map. The references address land uses and the types of structures (low-, mid-, and high-rise) permitted within each of the districts. Land Use descriptions would be replaced with a general listing of the mix of uses, and, instead of detailing the types of structures permitted in individual districts, the Redevelopment Plan would list the types of structures allowed within the Project Area.

A few clean-up items are also proposed with this amendment, including old language pertaining to specific projects that is no longer necessary, and minor clean-up changes on the Project Area Map.

2. Proposed Amendment to the Downtown Community Plan (Tab 2)

The proposed amendment to the Downtown Community Plan is summarized as follows:

- A. Modifications and additions to the text in Chapter 9 - Historic Preservation (mostly policy and text clarifications);
- B. The addition of an Appendix containing the revised (See #5 later in this report) MMRP from the 2006 FEIR; and,
- C. Changes to the land use map for consistency with the proposed changes to the PDO and clean-up changes requested by the mapping section of the City of San Diego.

3. Proposed Centre City PDO Changes (Tab 3)

There are several areas in which staff proposes to amend the PDO including Land Use, FAR Bonus Programs, Urban Design, Procedures/Calculations, Parking, and Signs. In addition to minor clean-ups, the proposed changes include clarifications to the text, additional standards

considered necessary to augment existing regulations, and refinements to City-wide regulations for downtown projects.

A. Land Use /Rezoning - Staff proposes to reclassify zoning in four areas, as described below. The PDO and Downtown Community Plan maps would be revised to accommodate these changes (See Existing and Proposed Land Use Map B, pages 97 and 98).

- (1) The six blocks fronting on Broadway between Ninth Avenue and Park Boulevard, from Residential Emphasis (minimum 80% residential required) to Employment Residential Mixed Use. Staff believes that a predominantly residential character may not be the most appropriate land use designation for these areas along downtown's main Ceremonial Street. The proposed category offers property owners much more flexibility to develop uses such as commercial office, institutional, or other non-residential uses, while still allowing residential land uses.
- (2) The small block located at the northeast corner of A Street and 11th Avenue, from Residential Emphasis (minimum 80% residential required) to Employment Residential Mixed Use. This 20,000 square-foot site lies at the freeway on-ramps to State Route 163 and Interstate 5 adjacent to City College and was zoned Hotel Residential prior to 2006, and is more appropriately classified as a mixed-use zone similar to other blocks to the west along the north side of A Street (eastern half is currently developed with historic building used as a hotel).
- (3) The block bounded by J Street, 13th Street, K Street, and Park Boulevard, from Residential Emphasis (minimum 80% residential required) to Ballpark Mixed-Use District, which is a more flexible land use district that continues to allow residential land uses. This site is an important terminus at the end of the Park Boulevard diagonal heading north from Harbor Drive, along the new Park to Bay Link, and directly east of the future Main Library and Ballpark. As such, staff believes that other uses, and the potential to achieve distinctive architecture with them, should be accommodated in this location.
- (4) The three blocks along the north side of Ash Street between 7th and 10th avenues, from Employment Residential Mixed Use to Residential Emphasis (minimum 80% residential required). This reclassification would partially offset the above three reclassifications from Residential Emphasis and also reflect current developments and uses on these three blocks, which are almost exclusively residential.
- (5) The block-and-a-half bounded by Interstate 5 and Market, G and 16th streets, from Residential Emphasis (minimum 80% residential required) to Ballpark Mixed Use, to encourage a greater variety of land uses, including office, to coincide with the existing Large Floorplate Overlay zone for the sites (which encourages the development of employment uses on these blocks).

B. Land Use/Separately Regulated Uses

- (1) Social Services/Homeless Facilities – Staff proposes to allow the existing City-wide ¼ mile separation regulation and other standards for such facilities to be modified on a case-by-case basis through the Conditional Use Permit (CUP) process, which is typically required for social service institutions and homeless facilities, when one of the following findings are met (Page 95):
 - (a) The proposed institution/facility is relocating from another location within the Centre City Planned District and the previous site vacates any existing CUP or Previously Conforming Use rights for such institution/facility.
 - (b) The institution/facility, due to its unique operations or clientele, will not adversely impact the surrounding neighborhood and there is a demonstrated need for the institution/facility that is not being met by existing services/facilities in the Downtown Community Plan area.
- (2) Historical Resources – Proposed changes and minor edits occur throughout the text for consistency with City’s nomenclature. The changes listed below are proposed to implement amended Community Plan language (policy and text references) and refine City regulations including:
 - (a) Historical Resources Reviews – Strengthens language to conform to the City’s review process of historical resources (Page 93).
 - (b) Relocation Preference - Establishes preference for the relocation of historical resources in the downtown area when no feasible alternative to incorporate the historical resource in new development is possible (Page 64).
 - (c) Transfer of Development Rights (TDR) – Allows expanded opportunities for the transfer of development rights from historical resources in certain circumstances (Pages 39-40).
 - (d) Uses Occupying Historical Resources – Adds new section allowing a wider range of conditions under which certain uses may occupy historical resources (Page 93).
- (3) Living Units – This would increase the maximum average size of Living Units (specialized dwelling unit similar to, but larger than, SRO units) from 275 square feet to 300 square feet to allow greater flexibility in the design of these units (Pages 77, 79).
- (4) Large Retail Establishments – Adds large retail establishments over 100,000 square feet to the Land Use Table, consistent with new regulations adopted by the City Council last year (Page 94).

- C. FAR Bonuses - After a year working with the FAR Bonus programs, staff recommends that several programs be fine-tuned and/or cleaned-up to better implement the goals of the Downtown Community Plan, as follows:
- (1) Affordable Housing – The PDO currently provides more aggressive bonuses than the State Density Law requires, with for-sale units enjoying a greater bonus than rental units (as these were viewed to be feasible without subsidies from the Redevelopment Agency). However, as a result of public input, staff is now proposing to provide equally aggressive bonuses for rental projects in anticipation of lesser subsidies being required. Another change to this program, requested by the Housing Commission, involves deleting the optional program to restrict units in perpetuity due to problems identified with implementation of such a program (Pages 33-34).
 - (2) Eco-Roofs – certain projects have been able to earn the full maximum 1.0 FAR bonus by providing very little eco-roof area due to the existence of small floorplate towers with large mechanical areas on the roof (exempted from calculation requirements). Therefore, staff recommends replacing a sliding scale where additional Gross Floor Area (GFA) is earned based upon how much actual landscaped roof area is provided, not just by percentage of the net roof area (Page 36).
 - (3) Three-Bedroom Units – certain projects that design at least 10% of their residential units as three-bedroom units currently earn a 1.0 FAR Bonus. However, this is available to projects that are primarily non-residential. Therefore, staff is recommending that only projects with greater than 50% or 80% of their project GFA devoted to residential uses may qualify for this bonus (Page 35).
 - (4) Public Right-of-Way Improvements – this bonus program was envisioned to be developed as an additional funding source for street improvements, but was essentially replaced by the FAR Bonus Payment Program for public parks added late in the Community Plan adoption process last year. As this bonus program will remain undeveloped for the near future, staff proposes to delete this program as it currently creates confusion for developers since it is not available (Page 37).
- D. Urban Design - Since the 2006 PDO was adopted, staff has identified several design standards that need refining in order to clarify intent, practically implement, and/or achieve better quality design, including the following:
- (1) Tower Stepbacks - Allow two faces of the tower to avoid stepbacks in all districts (except the Little Italy neighborhood) on a discretionary basis through the Design Review process. Currently, one face of a tower is allowed to “meet the ground” without the required stepback from the streetwall (two sides of a tower were exempted from the stepback in the Large Floor Plate/Employment Required Overlay districts) (Page 52).

- (2) Exit Stairways – Most exit stairways on the outside of towers would be prohibited, with the exception of short external stairs (maximum three stories) which connect roofdecks of stepped buildings to provide potential additional use of rooftops (Page 60).
 - (3) Little Italy Streetwall Development Standards – Relax minimum streetwall and ground floor heights in Little Italy to conform to the relatively lower scale of the streetwall in this neighborhood and to accommodate lower densities in the northern end of the neighborhood, due to airport restrictions (Pages 48, 53).
 - (4) Urban Open Space Guidelines – Revise landscape standards (number of trees, depth of soil) for urban open spaces located above underground parking structures (Page 74).
 - (5) Structured (Above Ground) Parking – Revise parking encapsulation requirements for projects located on sites 30,000 square feet or larger to apply to cumulative building facades facing street frontages; allow rooftop parking when certain design standards are implemented (Page 82).
 - (6) Curb Cuts – Reduce the required curb cut separation requirement to provide flexibility to accommodate required loading docks (Page 85).
- E. Procedures/Calculations - A few procedural changes and calculation clarifications are proposed to respond to frequently encountered issues in downtown, including:
- (1) Previously Conforming Uses – Allow 100% expansion of a previously conforming use (that which was legally established under previous legislation but would no longer conform to land use regulations in effect) with approval of a Neighborhood Use Permit (Process 2, requires public noticing, and appealable to CCDC Board of Directors) (Page 22).
 - (2) MMRP – Stipulate that all projects are subject to the 2006 FEIR MMRP (already a requirement but specifically called out) (Page 8).
 - (3) Streetwall Height – Add language to specify where streetwall height measurements are to be taken (Page 49).
 - (4) FAR Exemptions – Clarify that enclosed mechanical penthouses do not contribute to FAR calculations and that required ground floor active commercial uses do not count toward the maximum allowed 20% commercial uses in the Residential Emphasis District (Pages 15, 18, 38-39).

- F. Parking – Proposal to reduce the parking requirement for SRO and Living Unit projects in order to make such projects more economically feasible.

- (1) Single Room Occupancy (SRO) Hotel/Living Unit Parking – Decrease the parking standard pertaining to Living Units and SROs from 0.5 to 0.3 spaces per unit for Market-Rate Units and 0.2 to 0.1 spaces per unit for units restricted at 50% AMI (Pages 77, 79).

This proposal is no longer supported by staff as both the CCAC and the CCDC Board did not support these changes at this time, due to the commencement of a downtown parking study that will examine parking ratios for all uses. However, the Planning Commission did vote to support the reduced parking requirements for these uses.

- G. Signs - Refine the City's sign regulations to include the following provisions:

- (1) Historical Signs – Allow new sign(s) on a historical resource to exceed City sign regulations when it replicates historical signs of its period of significance and with recommendation by the Historical Resources Board and approval of a Neighborhood Use Permit (Process 2, requires public noticing, and appealable to CCDC Board of Directors) (Page 87).
- (2) Logos - Prohibit logos on upper towers of high rise residential projects (Page 87).

4. Marina PDO (Tab 4)

This item is a clean-up action, as it will add the parking regulations adopted last year in the 2006 Centre City PDO into the Marina PDO (amendments to the Gaslamp Quarter PDO currently are being processed separately). The old parking regulations (i.e., 0.5 spaces per residential unit) are still currently in effect in the Marina District. With this action, all three downtown Planned Districts - Centre City, Gaslamp Quarter, and Marina - will have consistent parking regulations.

5. 2006 MMRP (Tab 5)

After adoption of the 2006 FEIR and MMRP, the *Save Our Heritage Organisation* filed a lawsuit challenging the adequacy of the FEIR, including the mitigation for potential impacts to archaeological resources. Although it was believed the FEIR followed all proper City procedures, refinements are proposed accurately reflect current City procedures and practices.

Environmental Review/Addendum to the 2006 FEIR (Tab 6) - In accordance with the California Environmental Quality Act (CEQA), an Addendum to the 2006 Final Environmental Impact Report (FEIR) for the Downtown Community Plan, Centre City Planned District Ordinance, and

Redevelopment Plan for the Centre City Project Area was prepared to evaluate the proposed amendments to determine if additional detail beyond that analyzed in the 2006 FEIR met any of the requirements for the preparation of a Subsequent or Supplemental EIR, per Sections 15162-15163 of the State CEQA Guidelines. Based on the results of the Initial Study prepared for the Addendum, none of the amendments or the circumstances under which they are being undertaken would result in any new significant impacts not discussed in the FEIR, or any substantial increase in the severity of impacts identified by the FEIR. In addition, no new information of substantial importance has become available since the FEIR was prepared regarding new significant impacts, or feasibility of mitigation measures or alternatives that apply to the proposed project.

CONCLUSION

The proposed amendments would make a variety of changes that create consistency among planning documents, streamline documents, and enhance the performance of PDO programs and urban design standards. While the amendments include proposed rezonings and other land use changes, the majority of changes reflect relatively minor clean-up and clarification changes to the documents. Therefore, staff recommends that the Redevelopment Agency and City Council take the following actions:

1. Consider the Addendum to the 2006 FEIR for the Downtown Community Plan, Centre City Planned District Ordinance, and Redevelopment Plan for the Centre City Project Area, with the FEIR; and
2. Approve the proposed amendments to the Redevelopment Plan for the Centre City Redevelopment Project, Downtown Community Plan, Centre City Planned District Ordinance, Marina Planned District Ordinance; and Mitigation Monitoring and Reporting Program for the 2006 FEIR as outlined in the attached documents.

Respectfully submitted,

Concurred by:

Brad Richter
Principal Planner

Nancy C. Graham
President

Attachments: Proposed Plan Amendments Binder
2006 Final Environmental Impact Report and Downtown Community Plan (CD)

Honorable Chair and Members of the Redevelopment Agency
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