

DATE ISSUED: February 20, 2002 REPORT NO. 02-037

ATTENTION: Honorable Mayor and City Council
Docket of February 26, 2002

SUBJECT: Skyline Terrace Estates - Tentative Map No. 3759 - Planned Development
Permit No. 3758 - Site Development Permit No. 3760 - Southeastern San
Diego Planned District Ordinance Amendment - Project No. 1272 -
Council District 4- Process Five

REFERENCE: Report to Planning Commission No. 01-227

OWNER/
APPLICANT: Carter Reese No. 11 L.P.

SUMMARY

Issues - 1) Should the City Council, approve the proposed amendment to the Southeastern San Diego Planned District Ordinance, TM/PDP/SDP, Project No. 1272, for the subdivision of six vacant lots into thirty lots for the construction of thirty single-dwelling units, of which up to five, but not less than four will be affordable on a 5.1 acre site at the southwest corner of Skyline Drive and Woodman Street?

Manager's Recommendations -

1. Approve certification of Mitigated Negative Declaration No. 41-0046.
2. Adopt Mitigation, Monitoring and Reporting Program No. 41-0046.
3. Approve an amendment to the Southeastern San Diego Planned District Ordinance (Attachments 10 and 11).
4. Approve Project No. 1272, [TM No. 3759/PDP No. 3758/SDP (for the Southeastern San Diego Planned District) No. 3760] (Attachments 7-9).

Planning Commission Recommendation - Recommend to the City Council that they approve staff's recommendations and certify the MND, adopt the MMRP, approve the Amendment to the Southeastern San Diego PDO, and approve Project No. 1272, with the stipulation that staff and the applicant work out the flexibility on the Leghorn Avenue Street improvement issue.

Community Planning Group Recommendation -

1. The Encanto Neighborhoods Community Planning Group voted 11-1-1 on August 20,

2001, to recommend approval of the Southeastern San Diego Planned District Ordinance Amendment, which would allow Planned Development Permits. The Group also voted 12-0-0 on November 19, 2001 to recommend approval of the project (Attachment 15).

2. The Southeastern San Diego Development Committee voted 6-2 on November 5, 2001, to recommend approval of the Southeastern San Diego Planned District Ordinance Amendment (Attachment 15).

Environmental Impact - Mitigated Negative Declaration No. 41-0046 has been prepared for this project in accordance with State CEQA guidelines. A Mitigation Monitoring and Reporting Program has been prepared which contains mitigation that would reduce the potential for impacts to Noise and Hydrology/Water Quality to a level below significance.

Fiscal Impact - All costs associated with the processing of this application are recovered from a deposit account maintained by the applicant. The approval of this project includes the relocating and upsizing to 48-inch, the Otay 2nd Water Pipeline. The developer is working with the City Water Department to establish a Shared Participation Agreement for this work. The estimated cost to the City would be no greater than \$719,617.00 (Attachment 14).

Code Enforcement Impact - None with this action.

Housing Affordability Impact - A Disposition and Development Agreement (DDA) between the San Diego Housing Commission and the developer has been executed for financing purposes to provide improvements to Leghorn Avenue and single-family development (Attachment 12). A second agreement between the Southeastern Economic Development Corporation and the developer has been acted upon by the Redevelopment Agency which provides funding for the improvement of Leghorn Avenue in exchange for the developer restricting up to five, but not less than four of the thirty units for low and moderate income households (Attachment 13). The applicant has indicated that the affordable dwelling units are intended for sale between \$220,000-\$239,000. The market rate units are intended for sale at approximately \$255,000-\$282,000 price range.

More generally, the amendment to the Southeastern San Diego Planned District Ordinance would allow Planned Development Permits within the planned district area. This would in turn allow deviations from applicable base zone development regulations as a trade-off for above standard site design and overall community benefits, one of which could be provision of affordable housing. Therefore, the amendment to allow Planned Development Permits could potentially facilitate the provision of affordable housing units as a possible component of future projects covered by the Southeastern San Diego Planned District Ordinance.

BACKGROUND

The proposed Skyline Terrace Estates project is located in the South Encanto neighborhood in

the City of San Diego, Southeastern San Diego Community Planning area (Attachment 1). The 5.1 acre site is at the southwest corner of Woodman Street and Skyline Drive in the Southeastern San Diego Planned District, zoned SF-5000 and designated by the community plan for single family development (5-10 dwelling units per acre).

The property had previously been developed as the Skyline Park apartment buildings, for which construction had started in 1984 and abandoned in approximately 1989. The apartments were never occupied and the San Diego Housing Commission eventually purchased the site in late 1993. In 1995 the Housing Commission demolished the structures.

On November 30, 1999, the applicant, Carter Reese No. 11 L.P., entered into a Disposition and Development Agreement (DDA) with the San Diego Housing Commission and subsequently purchased the property site on October 2, 2000. The DDA was executed for the development of the property into at least twenty six (26), but no more than thirty-one (31) single-family residential units. One of the contingencies to the DDA is for the offsite improvements of Leghorn Avenue (Attachment 12).

On September 12, 2000, a resolution was passed by the Redevelopment Agency of the City of San Diego to enter into an agreement with the applicant, whereas the redevelopment agency approved the commitment of \$140,000 from the Central Imperial and Mount Hope Redevelopment Projects for use in the development of the public improvements associated with the project (Leghorn Avenue improvement) in exchange for the applicant to restrict 15 percent of the units to low and moderate income people. A new agreement and resolution will be acted upon by the City Council, and brought forward by the Southeastern Economic Development Corporation (Attachment 13).

The project site currently contains a non connected water line that transects the site. It is anticipated that the applicant will request the approval of a Shared Participation Agreement to relocate and upsize to 48-inch, the Otay 2nd Pipeline that will traverse the property (Attachment 14). The draft Shared Participation Agreement is included for informational purposes, however negotiations regarding costs are still in progress.

PROJECT DESCRIPTION

The Skyline Terrace Estates project proposes thirty single-family detached dwelling units on a 5.1 acre site, being subdivided into thirty lots. The development will include up to five, but not less than four affordable housing units as a result of an agreement between the developer and the Southeastern Economic Development Corporation (SEDC), in exchange for partial funding of off-site improvements of Leghorn Avenue, from which the development will have access.

The development site is bounded by Skyline Drive to the north, Woodman Street to the east, Leghorn Avenue to the west and private residential development to the south. No access would be taken from either Skyline Drive or Woodman Street. Three lots would gain access from the improved Leghorn Avenue and the remaining lots would have interior access from proposed streets 'A' and 'B.'

The 5.1 acre vacant site, contains little vegetation and slopes from the 328-elevation feet above

sea level on the south to approximately 380-elevation feet at Skyline Drive. The majority of the slope is at the northern edge of the site where it meets Skyline Drive. The site has been previously graded, however compaction problems will require that the entire site be regraded.

The thirty detached dwelling units will have attached two-car garages and will be one and two-stories in height. They will contain between 1,837 and 3,023 square feet in gross floor area. The units have variations that include porches and exterior facade treatments to enhance the overall development. They will contain 3-4 bedrooms and are approximately 23-feet to 30-feet in height above finished grade. Roofing materials will consist of concrete tiles and the finished building walls shall be primarily stucco.

DISCUSSION OF ISSUES

An amendment to the Southeastern San Diego Planned District Ordinance is requested to allow Planned Development Permits within the Planned District (Attachment 10). Currently only Variances are allowed in the Planned District for any deviations. To grant a Variance hardship findings are required related to the property site. Planned Developments allow for deviations from development regulations in exchange for community and public benefits, which are reflected in the findings for such developments. Both the Southeastern San Diego Development Committee and the Encanto Neighborhoods Community Planning Group voted to recommend approval of this amendment (Attachment No. 15). There are eighteen planned districts of which six presently do not allow Planned Development Permits. The proposed project has community benefits of affordable housing, off-site street improvement and the relocation and upsizing of the Otay 2nd pipeline for water service to the area.

The proposed project will contain deviations. The deviations would include increased diagonal plan dimension, and reduced front yard and garage setback requirements of the SF-5000 zone. The deviation in diagonal plan dimension varies on seventeen of the lots from 103%-181% of the maximum 100% of lot frontage permitted in the SF-5000 zone. The largest deviations are for those lots located on the cul-de-sac which have a reduced lot frontage. The front yard setback deviations occur on sixteen lots and the reductions vary between two and nine feet of the required fifteen-foot front yard setback in the SF-5000 zone. Only the front porches would encroach in this area. The garage setback deviations occur on eleven of the thirty lots and vary between five and ten feet of the required twenty-five foot garage setback (Attachment 4). The developer has entered into a Disposition and Development Agreement (DDA) with the San Diego Housing Commission to purchase the property, develop single dwelling units and make off-site improvements of Leghorn Avenue. With the DDA and the agreement with SEDC, the developer's goal to integrate needed affordable housing and public improvements with "move-up" housing units in the South Encanto neighborhood. Because the developer has entered into a DDA which requires certain contingencies be met, regarding the development of the site, the premises for calculating floor area ratio includes the total developable area, excluding the public rights-of way.

In addition to the public benefits of this project including the off-site improvement of Leghorn Avenue, up to five, but not less than four affordable housing units and the relocation and the upsizing of the Otay 2nd pipeline, the site and lots have been designed to bring the focus of this development to the neighborhood scale. The inclusion of front porches and interesting

architecture that remains close to the street, allows for neighborhood involvement and larger private rear yards.

Water services to the project would be from the relocated and upsized Otay 2nd pipeline, for which the developer is proposing a Shared Participation Agreement which will be acted upon by the City Council (Attachment 14). Private sewer facilities will be designed and provided as a condition of the permit.

Discussion at the Planning Commission recommendation hearing centered on the improvement of Leghorn Avenue. The Commission recommended that City staff be flexible with the developer in the improvement of Leghorn Avenue so that the street can be improved half-width plus eight feet in order to avoid negative impact on the existing access on the west side of the

existing street. The current improvements adjacent to the development on the west are non standard, and half-width improvement plus eight feet would allow two travel lanes, parking on both sides and continued access to the residences on the west.

Respectfully submitted,

Tina P. Christiansen, A.I.A.
Development Services Director

Approved: P. Lamont Ewell
Assistant City Manager

CHRISTIANSEN/TEMPLE

Note: Report attachments are not available in electronic format. Copies of the attachments are available for review in the office of the City Clerk.

Attachments:

- [1. Southeastern San Diego Community Plan and South Encanto Neighborhood Maps](#)
- [2. Project Location Map](#)
- [3. Project Data](#)
- [4. Deviation Table](#)
- [5. Project Site and Architectural Plans](#)
- [6. Project Traffic Information Table](#)
- [7. Draft Tentative Map Resolution and Conditions](#)
- [8. Draft PDP/SDP Resolution and Findings](#)
- [9. Draft PDP/SDP Permit](#)
- [10. Draft Strikeout/Underline Language of Southeastern San Diego Planned District Ordinance](#)
- [11. Chapter 12, Article 6, Division 6 and Chapter 14, Article 3, Division 4](#)
- [12. Disposition and Development Agreement dated November 30, 1999 \(under separate cover\)](#)
- [13. Draft Agreement and Resolution with SEDC](#)
- [14. Draft Shared Participation Agreement with the City of San Diego](#)
- [15. Community Planning Group Recommendations](#)
- [16. Ownership Data](#)
- [17. Project Chronology](#)