



THE CITY OF SAN DIEGO

Report to the City Council

DATE ISSUED: November 2, 2016 REPORT NO.: 16-089 (Revised)
ATTENTION: Honorable Members of the Infrastructure Committee
SUBJECT: Balboa Park Plaza de Panama Project
REFERENCE: Balboa Park Plaza de Panama Project-Cooperation Agreement,
Authorizing a Construction Contract, and Related Funding Actions

REQUESTED ACTIONS:

1. Adopt Addendum No. 516820 [Attachment 1] to Environmental Impact Report No. 233958 [Attachment 2]; and
2. Authorize the Mayor, or his designee, to enter into the Plaza de Panama Cooperation Agreement with the Plaza de Panama Committee (Committee) [Attachment 3]; and
3. On behalf of the residents of the City of San Diego, graciously accept all contributions to be made in the future from the Committee for this Project; and
4. Authorize the Mayor, or his designee, to negotiate and execute one or more agreements, for and on behalf of the City, to accept donations for the Project in a cumulative amount estimated to be \$30 million, and to deposit said funds in a special revenue fund; and
5. Authorize the Chief Financial Officer to increase the Capital Improvement Program (CIP) Budget in CIP No. L-17002, Balboa Park Plaza de Panama Project, and to appropriate and expend up to an additional \$48.0 million, of which up to \$1.0 million is from fund 400000, Capital Outlay-Sales Tax, up to \$8.0 million is from fund 400002, Capital Outlay-Misc. Revenue, up to \$39.0 million is from proceeds from the proposed bond issuance, for a total cap of \$49.0 million (which includes \$1 million previously approved by Council) on City expenditures for the Project; and
6. Authorize the Chief Financial Officer to increase the Capital Improvement Program Budget in CIP No. L-17002, Balboa Park Plaza de Panama Project, and to appropriate and expend up to \$30.0 million from donations to the City from the Plaza de Panama Committee and others; and
7. Authorize the Mayor, or his designee, to award a construction contract with the lowest responsible and reliable bidder in an amount not to exceed \$75.0 million, contingent upon the City Comptroller first certifying that funds are, or will be, on deposit with the City Treasurer; and
8. Authorize reimbursement through bond proceeds for any eligible costs which may be expended prior to the issuance of bonds.

STAFF RECOMMENDATION:

Approve the requested actions.

EXECUTIVE SUMMARY OF ITEM BACKGROUND:

Balboa Park, located in the heart of San Diego, is one of the City's largest developed parks at 1,172 acres and is host to numerous passive and active recreational activities, cultural institutions, and special events such as December Nights, Earth Fair, San Diego LGBT Pride and countless others. It is estimated that more than 12 million visitors come to Balboa Park each year to enjoy a diversity of activities the Park has to offer.

Development, maintenance and management of Balboa Park are governed by the Balboa Park Master Plan (BPMP), Central Mesa Precise Plan (CMPP), East Mesa Precise Plan (EMPP) and subsequent amendments to these documents. The BPMP was adopted by City Council on July 25, 1989 (Resolution Number R-274090) and the CMPP was adopted by City Council on October 20, 1992 (Resolution Number R-280920). The BPMP speaks to the entirety of Balboa Park. The CMPP provides development guidelines for the central portion of the Park.

On July 9, 2012, the City Council adopted amendments to the BPMP and CMPP to incorporate the proposed Project (Resolution Number R-307555) after an extensive public input process. City Council also certified the Environmental Impact Report (EIR) (Project No. 233958/SCH No. 2011031074; Resolution Number R-307554) and approved Site Development Permit No. 837848 for the Project (Resolution Number R-307556).

The Project schedule was delayed by a legal challenge, however, the Court of Appeals ruled that the Project approvals were properly granted and the California Supreme Court declined to hear further appeals.

On September 19, 2016, the City Council approved Resolution Number R-310691 authorizing an amendment to the FY 2017 Capital Improvement Program with the addition of CIP No. L-17002, Balboa Park Plaza de Panama Project. With that action, \$1 million was added to the CIP budget to fund City expenditures for reviewing and finalizing construction drawings in conjunction with the Plaza de Panama Committee.

Project Objectives

The underlying purpose of the Project is to restore pedestrian and Park uses to the Central Mesa and alleviate pedestrian/vehicular conflicts. To achieve this goal, six primary objectives were envisioned:

- Remove vehicles from the Plaza de Panama, El Prado, Plaza de California, the Mall (also called the Esplanade), and Pan American Road East (also called the Pan American Promenade) while maintaining public and proximate vehicular access to the institutions which are vital to the park's success and longevity. See Attachment 4 for a site map of Balboa Park Plaza de Panama Project.
- Restore pedestrian and Park uses to El Prado, Plaza de Panama, Plaza de California, the Mall, and re-create the California Garden behind the Organ Pavilion.
- Improve access to the Central Mesa through provision of additional parking, while maintaining convenient drop-off, disabled access, valet parking, and a new tram service with potential for future expansion.
- Improve a pedestrian link between the Central Mesa's two cultural cores: El Prado and the Palisades.

- Implement a funding plan including bonds that provide for construction of a paid parking structure intended to fund the structure's operations and maintenance, tram operations, and debt service on the structure only.
- Complete all work prior to January 2015 for the 1915 Panama-California Exposition centennial celebration.

Due to a delay caused by litigation, the last objective can no longer be met, and the tram discussed in Objective 3 is already operational.

Project Overview

The various components of the Project are listed below and a detailed description of each component is included.

1. Plaza de Panama
2. Plaza de California and El Prado
3. Centennial Bridge and Centennial Road
4. Alcazar Parking Lot
5. The Esplanade and Pan American Promenade
6. Organ Pavilion Parking Structure, Roof-top Park, Tram and Arizona Street Landfill

Presently, vehicles entering the Central Mesa of Balboa Park from the west travel across the Cabrillo Bridge through the Plaza de California. Traffic flows along El Prado and into the Plaza de Panama. Vehicles then turn south on Pan American Road toward the Palisades Area and Presidents Way. Traffic is two-way, and vehicles may exit the Park to the west in the same manner.

One of the primary goals of the Project is to remove vehicular access from the core of the Park, which is defined as the area from Plaza de California to Plaza de Panama and continuing to the Esplanade and Pan American Promenade. To achieve this goal, a new bypass bridge, "Centennial Bridge," would connect the eastern end of the Cabrillo Bridge to the western side of the Alcazar Parking Lot. At that point a new bypass road, "Centennial Road," would continue to the south where vehicles can access a new parking structure located beneath the current Organ Pavilion parking lot or continue to Presidents Way. Presidents Way would provide access to the Palisades area or exit to Park Boulevard.

Description of Project Components

Plaza de Panama

Vehicle circulation would be removed from the Plaza de Panama, and the Plaza would be redesigned with enhanced paving, landscaping, movable tables and chairs, 1915 replica light standards, and other amenities, such as shallow reflecting pools that can be turned off to accommodate large special events. The Plaza would incorporate shade trees along the eastern and western sides, with the central portion of the Plaza remaining mostly open for flexibility. The existing fountain located in the center of the Plaza would be retained. Landscaping around the Plaza would be returned to its original 1915 design.

Plaza de California and El Prado

The Plaza de California is a small plaza encircled by the California Building (Museum of Man). This Plaza was historically used as a pedestrian square during the Expositions.

Vehicle circulation would be removed from the Plaza de California and the Plaza would be redesigned with enhanced paving, accent trees, and movable tables and chairs. El Prado is the primary east-west road that runs through the Central Mesa from Sixth Avenue to the Plaza de Panama. Vehicular traffic would be removed from El Prado between the Cabrillo Bridge and the Plaza de Panama. The space would be redesigned with enhanced paving, formal street trees, 1915 replica light standards and benches.

Centennial Bridge and Centennial Road

The Centennial Bridge and Centennial Road are proposed to reconfigure vehicular circulation and enable the core of the Park to be returned to pedestrian use. The Centennial Bridge would be approximately 405 feet long, connecting the Cabrillo Bridge to the Alcazar Parking Lot. Centennial Road would connect the Alcazar Parking Lot to the new Organ Pavilion parking structure and continue on to Presidents Way. Centennial Road would slope down from the Alcazar Parking Lot and pass beneath Pan American Promenade. The existing raised wood pedestrian path that connects the Alcazar Parking Lot with the Organ Pavilion would be realigned and extend to the International Cottages area.

Alcazar Parking Lot

The Alcazar Parking Lot would be reconfigured to provide drop-off, valet, and accessible parking. The parking lot would be reconfigured to include a total of 32 accessible parking spaces as well as a passenger drop-off area adjacent to the Alcazar Garden. Approximately 18 valet staging spaces would be located at the southeastern corner of the Parking Lot. A small valet booth and pergola structure would be located along the eastern edge of the Parking Lot. A raised pedestrian bridge and walkway along the south side of the House of Charm/Mingei Museum would be constructed, providing direct access from the Alcazar Parking Lot to the Plaza de Panama. Access to Palm Canyon and the Cabrillo Canyon archery range would be maintained.

The Esplanade and Pan American Promenade

Pan American Road, also known as the Mall or Esplanade, connects the Plaza de Panama to the Organ Pavilion. Pan American Road East, also known as Pan American Promenade, connects the Organ Pavilion to the Palisades area at Presidents Way. With vehicular circulation rerouted to Centennial Road, the Esplanade and Pan American Promenade would be redesigned to provide a tram and pedestrian route with enhanced paving, landscaping, benches and 1915 replica light standards.

Organ Pavilion Parking Structure, Roof-top Park, Tram and Arizona Street Landfill

The existing Organ Pavilion surface parking lot located southwest of the Spreckels Organ Pavilion would be removed and a new underground parking structure would be constructed with approximately 797 parking spaces on three levels, with a 2.2-acre roof-top park. This would result in a net gain of approximately 260 parking spaces for the Central Mesa. A deck over Centennial Road would provide pedestrian and tram access to the Organ Pavilion and northward to the Esplanade. Vehicle access to and from the new structure would be provided from two points of entry on the east side of the structure from Centennial Road. Park visitors arriving from both the west (via the Cabrillo Bridge) and the east (via Presidents Way) would be able to access the structure.

A new roof-top park would be constructed atop the parking structure and include the re-created "California Garden" and an open lawn. The roof-top park would have a central elevator courtyard with a large open air trellised pavilion around it. A new public restroom

would be located at the northeast corner of the roof-top park to replace the 1990s-era restroom being removed near the International Cottages. A second small restroom would be provided adjacent to the new visitor center at the southwest corner. Tram stops would be located adjacent to the central elevator core and the visitor center.

Other Project Components

Accessibility

The City continues to strive to ensure that every public facility, service, activity, and program is fully accessible to, and useable by, individuals with disabilities in accordance with the Americans with Disabilities Act, as well as other accessibility standards. By complying with federal, state, and local access codes and disability rights laws, the Project will endeavor to increase accessibility and provide every individual with an equal opportunity to enjoy the Park.

Pedestrian Circulation

Pedestrians would still be able to cross the Cabrillo Bridge and enter the Park through the Plaza de California as they do now. The newly pedestrianized El Prado would provide improved access to the Plaza de Panama; from there, pedestrians could proceed south along the Esplanade to the Organ Pavilion and Palisades area. For those visitors being dropped off at the Alcazar Parking Lot, pedestrian access to El Prado would be either north through the Alcazar Garden or east via a newly constructed raised pedestrian walkway proposed as part of this Project.

Pan America Promenade would be for pedestrian and tram-only circulation. A grade-separated pedestrian deck would span Centennial Road and connect to the Esplanade. The Project would extend the Palm Canyon raised wood bridge to the International Cottages.

Bicycle Circulation

Bicycle use would be permitted within the core of the Park; however, no dedicated bicycle routes would be provided pursuant to the circulation objectives and policies of the CMPP. Bicycle circulation would also be allowed along Centennial Bridge and Centennial Road similar to automobiles. Bicycle storage facilities would be located within the Organ Pavilion parking structure and on the roof-top park.

Parking Changes

Parking has already been removed from the Plaza de Panama; however, drop-off locations still remain. The drop-off function as well as valet service would be relocated to a reconstructed Alcazar Parking Lot. The Alcazar Parking Lot would be reconstructed to accommodate accessible parking only, as well as drop-off and valet staging. As noted above, the Organ Pavilion surface parking lot would be removed, and a new below-grade parking structure would be located in its place.

Project Updates

The Plaza de Panama Project was originally undergoing plan check in conformance with the then-current 2012 codes and regulations when the Project was suspended. To comply with current standards, construction documents underwent an update analysis, including but not limited to, 2016 California Building Code, 2015 Caltrans Standards, California Building Code

Title 24, and 2015 Municipal Separate Storm Sewer System (MS4) permit. The following changes to the original construction drawings are required:

- The garage ventilation standards have been evaluated and will be fulfilled with carbon monoxide monitoring instrumentation and air mixing equipment to comply with carbon monoxide maximum limits.
- Updated structural standards will be met through compliance with a variety of measures at the shoring, parking structure, Centennial Bridge, and other applicable structures.
- Electrical code upgrades will include a transition to high-efficiency lamping for both site and structure lighting. This will also include related lighting control systems.
- New MS4 permit requirements will consist of installation of bio-filtration basins and storm water run-off storage.

Plaza de Panama Cooperation Agreement

The proposed Cooperation Agreement between the Committee is a formal agreement designed to ensure the timely completion of the Project. The agreement outlines roles and responsibilities between City and the Committee, including but not limited to, advertising and award of the construction contract, construction administration and project costs and financing.

The Committee will provide the City final construction documents and assist the City in preparing to competitively bid the construction contract. The Public Works Department will manage the Project as a regular CIP. The Committee's project team, given its expertise on the Project, will assist the Public Works Department in construction administration.

Construction Time Line

The Project would be constructed in four phases as described below. Phasing of the Project will allow for through traffic to be maintained throughout the duration of the Project. The Project would also allow pedestrian access to all non-construction zone areas. Construction is anticipated to begin in fall of 2017, with a 26-month construction duration.

- Phase I-Utility Relocation and Road Construction: this phase would entail underground wet and dry utility relocation east of the proposed parking structure and along Presidents Way. Construction of the bypass road east of the Organ Pavilion parking lot would be started as well. Construction duration would be approximately four months.
- Phase II-Centennial Bridge and Parking Structure; this is the most extensive phase of the Project and would include construction of the bypass bridge as well as excavation, shoring and construction of the parking structure. It would also include construction of the west portion of Pan American Promenade that spans the bypass road. Construction duration would be approximately 14 months.
- Phase III-Alcazar Parking Lot and Pan American Promenade: this phase would begin once the new parking structure is operational. It would include reconstruction of the Alcazar Parking Lot and associated improvements and completion of the bypass road. Construction duration would be approximately four months.

- Phase IV- Plaza Improvements: the final phase of the Project would include construction of the roof-top park and reconstruction of Plaza de Panama, West El Prado, Plaza de California, Esplanade and Pan American Promenade. Improvements would include ancillary structures (picnic shelters, restrooms, visitor center), enhanced paving, water features, benches, decorative lighting, landscaping and other Park improvements. Construction duration would be approximately four months.

CITY STRATEGIC PLAN GOAL(S)/OBJECTIVE(S):

Goal #1: Provide high quality public service

Objective #1: Promote a customer-focused culture that prizes accessible, consistent, and predictable delivery of services

Goal #2: Work in partnership with all of our communities to achieve safe and livable neighborhoods

Objective #3: Invest in Infrastructure

ENVIRONMENTAL ANALYSIS:

On July 9, 2012, City Council certified the Environmental Impact Report (Project No. 233958/SCH No. 2011031074; Resolution Number R-307554). Based upon review of the current Project, no changes in circumstances have occurred, and no new information of substantial importance has manifested, which would result in new significant or substantially increased adverse impacts as a result of the Project. Therefore, Addendum 516820 was prepared in accordance with Sections 15162 and 15164 of the CEQA State Guidelines.

***This section has been revised after Infrastructure Committee Meeting on 10/27/16. The Infrastructure Committee is an advisory body that is not required by law to make a recommendation on the environmental document.**

FISCAL CONSIDERATIONS:

Subject to City Council approval of the Plaza de Panama Cooperation Agreement between the Plaza de Panama Committee and the City, the City's financial contribution towards this CIP will be capped at \$49 million; remaining Project costs will be the sole responsibility of the Plaza de Panama Committee. Of the identified City contribution amount, a significant portion is proposed to be generated through implementation of a tax-exempt bond financing leveraging paid parking revenues generated from the new parking structure. Based on projected annual net-parking revenues of \$3.3 million, it is estimated that approximately \$39 million in Project proceeds could be generated from the proposed bond issuance, with annual debt service estimated to be \$2.7 million. The expected remaining balance after bond issuance of approximately \$10 million would be funded from City funds available for major capital projects. This includes \$1 million that was previously authorized by the City Council on September 19, 2016 (Resolution Number R-310691) for the purpose of reviewing and finalizing Project design. This action increases appropriations of City funds to the CIP Project by up to an additional \$9.0 million, of which up to \$1.0 million is from fund 400000, Capital Outlay – Sales Tax, and up to \$8.0 million is from Fund 400002, Capital Outlay – Misc. Revenue. (See Report No. 16-087, titled "Public Facilities Financing Authority of City of San Diego Lease Revenue Bonds, Series 2017 (Balboa Park Parking Related Public Improvements)," dated October 21, 2016, for a detailed discussion of the proposed parking fee structure, projected parking revenues and expenses, and the plan of finance).

In addition to the capital costs, this Project will require an estimated \$160,000 per year in increased General Fund operating costs for the Park and Recreation Department in Fiscal Years 2018 and 2019, for a total of \$320,000. These costs will cover implementation of a parking management plan during construction.

During construction, the Park and Recreation Department will implement a parking management plan to assist Park visitors in locating parking during the periods when the Alcazar and Organ Pavilion parking lots will be closed. Park employees arriving before 9:30 a.m. will be encouraged to park at the Federal and Inspiration lots and utilize the free tram service to access the Central Mesa. At this time it is envisioned the daily tram hours of operation will be from 6:00 a.m. to 12:00 a.m. midnight. Signage and traffic control measures will be provided throughout the Park.

The Park and Recreation Department would be responsible for maintaining other improvements proposed for the Project. A majority of these improvements would be to existing Park facilities such as enhanced paving, enhanced landscaping and new light fixtures. However there are new improvements that would add to the long-term maintenance costs of Balboa Park. These elements include, but are not necessarily limited to, the following:

- Centennial Bridge and Centennial Road
- Plaza de Panama water features
- Pedestrian bridge south of the House of Charm
- Extended Palm Canyon boardwalk
- Additional site furniture (benches, trash receptacles, light standards, etc.)
- Visitor Center and restroom at Organ Pavilion parking structure
- Organ Pavilion parking structure roof-top park (2.2 acres)
- Storm Water Infrastructure

Annual operating costs for this “new facility” are anticipated to be approximately \$366,000 plus a one-time equipment cost of \$27,000. These costs would include staff, supplies, additional irrigation water and electricity. Staffing would include an Area Manager, Supervising Custodian, Custodian II, and Grounds Maintenance Worker II.

PREVIOUS COUNCIL and/or COMMITTEE ACTIONS:

On July 9, 2012, after an extensive public input process, City Council adopted amendments to the BPMP and CMPP incorporating the Project (Resolution Number R-307555). City Council also certified the EIR (Project No. 233958/SCH No. 2011031074; Resolution Number R-307554), approved Site Development Permit No. 837848 (Resolution Number R-307556), and approved the Plaza de Panama Improvement Agreement (Resolution Number R-307558).

On August 4, 2016, the Infrastructure Committee voted (4-0-0) to adopt the resolutions to create and fund CIP No. L-17002, Balboa Park Plaza de Panama Project, in the amount of \$1 million for the purpose of reviewing and finalizing the Project design.

On September 19, 2016, the City Council voted (8-1-0) to create and fund CIP No. L-17002, Balboa Park Plaza de Panama Project, in the amount of \$1 million for the purpose of reviewing and finalizing the Project design.

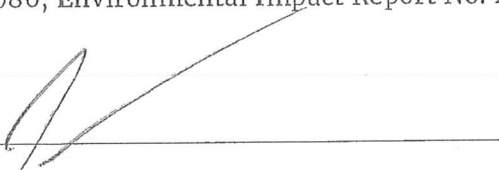
COMMUNITY PARTICIPATION AND OUTREACH EFFORTS:

This Project received a tremendous amount of community participation and input during the preparation of plan amendments and the EIR. The extent of community participation is further described in the Report to City Council, June 19, 2012, No. 12-080.

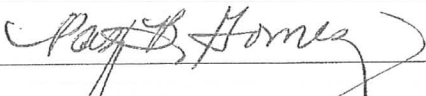
KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Balboa Park is one of the largest parks within the City's park system and is considered by many as the "crown jewel" of the system. Due to the Park's central location, diverse recreational amenities, and historical significance, it is visited by more than 12 million visitors each year and is considered a favorite local destination by City and County residents.

The projected impacts are described extensively throughout the Report to City Council, No. 12-080, Environmental Impact Report No. 233958 and Addendum No. 516820.



James Nagelvoort
Director, Public Works Department



Paz Gomez, PE, CEM, GBE
Deputy Chief Operating Officer
Infrastructure/Public Works

- Attachments:
1. Balboa Park Plaza de Panama Addendum No. 516820 to Environmental Impact Report No. 233958
 2. Environmental Impact Report No. 233958
 3. Plaza de Panama Cooperation Agreement
 4. Balboa Park Plaza de Panama Project Site Map