

THE CITY OF SAN DIEGO
REPORT TO THE CITY COUNCIL

DATE ISSUED: June 1, 2011 REPORT NO: 11-087
ATTENTION: Committee on Rules, Open Government and Intergovernmental
Relations – Agenda of June 8, 2011
SUBJECT: Memorandum of Understanding with the Plaza de Panama Committee
REFERENCE:

REQUESTED ACTION: Authorize the Mayor to execute a Memorandum of Understanding with the Plaza de Panama Committee indicating the City's support of the proposed Balboa Park Plaza de Panama Circulation & Parking Structure Project and intent to work with the Committee to further explore and develop the proposed Project.

STAFF RECOMMENDATION: Approve the Requested Action

SUMMARY:

The Plaza de Panama Committee, a non-profit public benefit corporation, was formed in response to the goal set by San Diego Mayor Jerry Sanders in his 2010 State of the City address to reclaim the historic Plaza de Panama in the heart of Balboa Park in time for the Centennial Celebration of the 1915 Panama-California International Exposition.

Reclamation of the Plaza de Panama (Plaza) for the use of pedestrians but not vehicles has been the longtime goal of the City, and is listed in both the Balboa Park Master Plan and the Precise Plan. But this goal has languished in planning documents for lack of funding and a civic champion. At the invitation of the Mayor, Dr. Irwin Jacobs, the Qualcomm founder and renowned philanthropist, became that civic champion in 2010.

At the outset, the Mayor's goal was only to achieve a partial restoration of the Plaza de Panama, eliminating the parking spaces, but not curtailing the steady stream of vehicular traffic that winds through this plaza, which was originally intended for pedestrians. Upon analyzing the history and aesthetics of the Plaza de Panama, however, Dr. Jacobs recognized that partial restoration was an insufficient goal for a public space of such importance and beauty, and that a greater public good would be served by removing as well the vehicular traffic that detracted from the Plaza's integrity and functionality.

That recognition was the inspiration for the Balboa Park Plaza de Panama, Circulation & Parking Structure Project (Proposed Project), an approximately \$40 million capital improvement project that would be funded by private philanthropy and new, dedicated parking revenues.

This adaptation of previous City planning documents and efforts provides a means for automobiles to bypass the Plaza de Panama, and so restore for visitors the pedestrian orientation of the Plaza de Panama as well as the West El Prado, Plaza de California and Esplanade, while maintaining easy access to the institutions that are vital to the park's success and improving valet service and access for the disabled.

In addition, the Proposed Project would restore the historic California Gardens south of the Spreckels Organ Pavilion. The Gardens and other public amenities would be placed atop a multi-level parking garage, already contemplated in Park planning documents and would be built where there is now an asphalt parking lot. Revenues from this parking structure would be dedicated to fund, in whole or in part, garage operations and maintenance, debt service on construction bonds, operation of a tram system between the garage and Plaza, and other Project costs. Through these improvements, the Proposed Project would reclaim from automobiles 6.31 acres of newly pedestrian-oriented spaces in the Park's Central Mesa.

It is the goal of both the Mayor and Dr. Jacobs that the cost of this endeavor not obligate the General Fund of the City, and so significant private funding is anticipated, and that it be completed in time for the 2015 Centennial Celebration of the Panama-California Exposition. The Plaza de Panama Committee (Committee), under Dr. Jacobs's leadership and consisting of civic leaders and philanthropists, was organized to accept, receive and administer private gifts and contributions, and to expend those funds in accomplishing the Proposed Project. The Committee will terminate its existence once its mission is completed and the park improvements have been appropriately transferred to the City

The attached Memorandum of Understanding (MOU) sets forth the shared desire of the Committee and the City to collaborate on the Proposed Project. By this MOU, the City states its commitment to continue to work with the Committee through the planning and permit process to further explore and analyze the Proposed Project, and bring it before the City Council for approval. If approved, the City would implement a tax-exempt bond issue committing the revenues from the parking garage to cover the annual debt service of that financing. Bond proceeds would be used for construction of the garage, and reimbursable soft costs including City permitting and project management costs if funds are available. All other Project costs, including construction cost overruns, would be borne by the Committee. (The Fiscal Considerations section on page 13 provides further discussion of the allocation of costs for the project.

By adopting the resolution, the City Council acknowledges the support of the Proposed Project and intent to work with the Committee to further explore and develop the Proposed Project. The resolution does not authorize or approve the Proposed Project or any part of the Proposed Project. As stated in the MOU and acknowledged by both parties, environmental analysis (see the Environmental Review section on page 12 of this report) and the discretionary permit process, including analysis of impacts on historical resources, is ongoing and the City retains full authority and discretion to review that analysis and consider alternatives and mitigating measures, including an alternative to not move forward with the Proposed Project and to make appropriate findings regarding the Proposed Project. The resolution will, however, by

communicating the City's cooperation in processing the Proposed Project through the steps necessary to bring it before the City Council for its decision, assist the Committee in its efforts to maintain the schedule for completion of all work by December 2014, in time for the Centennial Celebration, and begin the private fundraising necessary to finance the bulk of the Proposed Project.

HISTORY

(For photographs that accompany this History and the Project Description (below), please see the Balboa Park Plaza de Panama, Circulation & Parking Structure Project project description, prepared by Heritage Architecture & Planning, from which this section of the Report to the City Council was adapted. The full report is available at balboapark.org/plaza-de-panama/project/presentations.)

Balboa Park is a vibrant urban cultural park that welcomes over 12 million visitors annually. With just over 1,200 acres, Balboa Park is one of the nation's largest urban parks. With its central core listed as a National Historic Landmark District, Balboa Park has emerged as the cultural crown jewel of the City of San Diego.

The Park was first established as "City Park" by the City Trustees in 1868. The first steps of beautification began in 1892 due to the significant contributions of Kate Sessions, who offered to plant 100 trees per year within the Park as well as donate trees and shrubs around the city in exchange for 32 acres of land within the Park boundaries for her nursery. More formal planning began at the turn of the century when Samuel J. Parsons Jr. was hired to prepare the Park's first master plan.

The Park, however, did not come into regional or national prominence until it became the site for two expositions, the 1915 Panama-California International Exposition and the 1935 California Pacific International Exposition. It was these two highly successful events that introduced the Park's signature Spanish Colonial Revival style architecture and formal gardens to the world. Architect Bertram Goodhue's vision for Balboa Park's first exposition was to construct the main buildings along the Central Mesa of the Park and to successfully balance the architecture, landscaping, and open space. Sensitive planning ensured that the man-made environment struck a harmonious equilibrium with the works of nature that enveloped and permeated the Exposition site. With the exception of the California Building and Tower (Museum of Man), the Cabrillo Bridge, Spreckels Organ Pavilion, and the Botanical Building, all of the buildings for the first Exposition were constructed to be temporary.

According to a 2008 article in the San Diego Union-Tribune, after the Exposition closed in 1917, the City Park Commission announced that "as long as automobiles did not abuse the privilege or endanger pedestrians they will be welcome [in Balboa Park]." By the middle of 1917 the empty Exposition buildings were again in use, this time to train sailors for World War I. Following the war, the buildings were in a state of disrepair, and city officials planned to demolish them as originally planned. However, public outcry demanded the preservation of the buildings, so public and private funding was used for the repair of buildings by 1922.

Richard C. Requa, who had overseen the restoration of some of the original Exposition buildings, was appointed director of architecture for the 1935 California Pacific International Exposition. This Exposition added several significant buildings to the Palisades area. Requa's landscape concept for this Exposition was to harmonize with the existing landscape from 1915. The Montezuma Garden, renamed Alcazar Garden, was modified with new archways, fountains, and seating. The House of Hospitality received two elaborate landscaped spaces, and a pedestrian bridge spanning Palm Canyon was installed (later removed). After the second Exposition, the military, once again, occupied the Park, this time as an annex to the adjacent Naval Hospital during World War II.

Extensive rehabilitation of Park buildings and facilities has occurred since 1946, and in 1960 a master plan for Balboa Park was submitted and used to continue the growth and future development of the Park. In 1976, the El Prado Complex was added to the National Register of Historic Places. Designation of the central core of Balboa Park as a National Historic Landmark and National Historic Landmark District occurred the following year and the City and State subsequently included the Park as part of their own registries.

By 1989, a new master plan was adopted for a 20 year period to restore the Park and guide improvements. The 1989 Balboa Park Master Plan sets forth the City's goal, among others, to create a more pedestrian oriented environment, reduce automobile and pedestrian conflicts, minimize through traffic, and improve public access and the circulation system through the Park while deemphasizing the automobile. The 1989 Plan specifically calls for elimination of parking in the Plaza de Panama, and return of the Plaza de Panama to pedestrian use. This improvement is included in the 2010 Unfunded Park Improvements List prepared by the City's Park and Recreation Department.

Today, the legacy of the Expositions lives on. Although the majority of the structures were never meant to be permanent, the public's love for the site has demanded their preservation. Multiple restorations and reconstructions have preserved these buildings for today's visitors and reflect the history of the Park itself. The Park's formal gardens, including the Alcazar Garden, the Casa del Rey Moro Garden, Palm Canyon, and the Moreton Bay Fig tree date to these events. And the tradition of housing cultural and educational institutions within the Park's buildings continues to attract new visitors.

Despite all the positive aspects of the Balboa Park experience, deferred maintenance, lost park land, conflicts between cars and pedestrians, lack of parking, and a poorly utilized and inefficient shuttle system are preventing the Park from reaching its full potential. A lack of financial resources to implement improvements has allowed these problems to persist and worsen for many decades.

As Balboa Park enters its Exposition Centennial in 2015, plans are underway to celebrate its rich history and bright future. The reclamation of the Plaza de Panama's grand ceremonial space and the return of El Prado to pedestrians are important steps in keeping Balboa Park the jewel of the City.

DESCRIPTION OF PROPOSED PROJECT

The MOU includes a summary description of the Proposed Project and its essential components including: 1) restoration of the Plaza de Panama, West El Prado, and Plaza de California to

pedestrian use, 2) construction of a bypass road and bridge to a reconfigured Alcazar parking lot 3) construction of a new parking structure with a rooftop park south of the Organ Pavilion, and 4) roadway, pedestrian, and tramway improvements to improve circulation through the Park. Below is a more detailed description prepared by Heritage Architecture & Planning and included in its submittal to the City for review of compliance with historical rehabilitation standards.

1. Plaza de Panama

Plaza de Panama was created as part of the Panama-California International Exposition in 1915-16. Consistent with the approved Balboa Park Master Plan and 1992 Central Mesa Precise Plan, parking will be removed from the Plaza de Panama and the Plaza will be rehabilitated for pedestrian use. The Precise Plan provides a tram/shuttle stop and permits eastbound automobile traffic through the southwest corner of the Plaza, which is inconsistent with the historic use. This project improves upon the Precise Plan concept by eliminating automobile traffic from the Plaza West El Prado and the Esplande. There would likely be occasional managed vehicle access to the reclaimed pedestrian areas for such needs as maintenance, police and ranger patrols, special events, loading, drop-off, and valet uses. Emergency vehicle access will also be provided.

The historic use of the Plaza de Panama during both the 1915-16 and 1935-36 Expositions was pedestrian open space. During the 1915-16 Exposition the Plaza was completely open for pedestrian circulation, marching bands, exhibits, and special events. It is believed that the plaza surface was decomposed granite impregnated into an asphalt base.

Parking was initially introduced in the Plaza after the first exposition. During the 1935-36 California Pacific International Exposition two large reflecting pools and a ceremonial arch were added in the Plaza, parking was eliminated, and the Plaza (at least at the edges) was once again returned to pedestrian use. After 1936, parking and vehicular circulation returned to the Plaza. Today, the majority of the Plaza is used for parking (for 67 cars) with vehicle through traffic throughout. Pedestrian access across the Plaza conflicts with vehicular traffic and the center of the Plaza is cut off from pedestrian use by a traffic circle and parking aisles.

Under this plan the parking and automobile circulation will be removed and the Plaza de Panama will be reactivated with non-asphalt specialty paving, shade trees, seating, lighting, and other amenities to draw users to the Plaza. Public art and water features are also a possibility. The existing non-historic central fountain, introduced in 1996, might remain or be relocated. The development team understands that in order for the Plaza to become active and comfortable, shade must be provided. The team is proposing that lacy shade trees be introduced into periphery areas of the Plaza to replace the trees on the perimeter that currently screen the architecture. The center of the Plaza would be open and flexible.

While the Plaza design has not been finalized, the following are the primary design elements being proposed:

1. The rehabilitation design will deviate from the 1915-16 open scheme because the uses will differ. The space will be activated so that it becomes a destination. This will require shade, seating, and other amenities.

2. The design will preserve views of El Prado, the Esplanade and the adjacent historic buildings.
3. The design of the Plaza will create a flexible open space able to accommodate many types of uses and events.
4. Overgrown trees that currently screen adjacent historic buildings will be removed. New trees will be located further away from the historic facades, shading the edges of the Plaza.
5. Replace the existing asphalt surface with specialty paving with a uniform appearance, providing a smooth, unbroken backdrop for Plaza activities.
6. The design of the Plaza will help unify the area and will compliment the Spanish Colonial-Revival architecture of the 1915-16 Panama-California Exposition.

The rehabilitated Plaza de Panama will become one of the most important and revered public spaces in San Diego, supporting a full range of activities and relaxation for pedestrians while providing a flexible setting for large scale civic and cultural events, beginning with the 2015 Centennial Celebration.

2. West El Prado & Plaza de California

The historic uses of El Prado and the Plaza de California were as pedestrian circulation and open spaces. El Prado is the primary east-west spine that runs the length of the Central Mesa; from the Cabrillo Bridge at the west to the Plaza de Balboa at the east. The Plaza de California is the small plaza encircled by the California Building. The California Building was one of the few permanent 1915 buildings which now houses the Museum of Man.

The procession from the west, crossing the Cabrillo Bridge and entering through the ornate archway of the California Building is one of the most scenic and iconic historic entries in San Diego, if not all of California. This primary entrance into Balboa Park originally was intended to serve pedestrians and small wicker electric cars (“Electricquettes”). In the years since 1916, this route has become a busy automobile thoroughfare, with traffic volume as high as 7,000 vehicles a day.

Historic photographs show visitors strolling along El Prado, framed by long arcades, decorative street lights, and neatly manicured Black Acacia trees. Immediately after the 1915-16 Exposition, vehicular traffic took over El Prado, creating several deficiencies which have never been resolved. The East El Prado was returned to pedestrian-only use in the 1970s, but the Plaza de California and West El Prado remain dominated by the car with pedestrians limited to the arcades on each side of the El Prado.

While the approved Master Plan and Precise Plan removed parking from the Plaza de Panama, they were not able to stem the traffic flow through the West El Prado and Plaza de California. Following the rehabilitation, El Prado will be reclaimed for pedestrian use and circulation.

Visitors will once again be able to stroll from 6th Avenue to the Plaza de Balboa, enjoying the beauty of the historic entry sequence and facades on both sides of El Prado as they did during the Expositions.

The current use of El Prado significantly impacts the use of the Plaza de California which is literally bisected by the vehicle throughway. The traffic limits any potential to use this once vital pedestrian square and its function and appearance have been greatly diminished. Crossing the street at the Plaza de California, with limited visibility through the archways, has become a well-known hazard for pedestrians. Removing vehicle traffic from West El Prado will not only allow pedestrians to reclaim this portion of the main axis of the Park, but it will allow the Plaza de California to once again become a destination where visitors can stop to appreciate the magnificence of the California Building and its iconic bell tower.

Another benefit to eliminating traffic from the West El Prado is the ability to protect the Plaza de California archways from truck damage. Several times a year, drivers ignore the warning signs and tall trucks strike the underside of the archway bridges causing damage to historic fabric. In 2008, one of the archway bridges required structural repairs after it was hit by a truck.

Depending upon the details of the final design and user needs, it is possible that a new low-speed parking tram will run along the West El Prado. The proposed tram is discussed in more detail in Section 6 below.

While the West El Prado and Plaza de California designs have not been finalized, the following are the primary design elements being proposed:

West El Prado

1. The rehabilitation design will recall the 1915-16 appearance.
2. New trees and landscaping will be restored consistent with their historic locations.
3. The existing non-historic asphalt paving will be upgraded and installed to achieve a uniform appearance.
4. New light standards will replicate or recall the 1915-16 Exposition design and layout.
5. The lawns on either side will be widened to match their 1915 configuration.

Plaza de California

1. The Plaza will be restored to resemble its appearance during the 1915-16 Panama-California Exposition.
2. The space will be activated with movable seating, possibly served by a future cafe, but the Plaza will remain open.

3. The design will preserve views of the California Building and tower.
4. New trees in planter boxes will be restored to their historic locations.
5. The existing non-historic interlocking pavers will be upgraded with new paving providing a smooth, unbroken backdrop for Plaza activities.
6. The potential addition of water features may be explored.

3. Bypass Road & Bridge

Because the Cabrillo Bridge serves as the only vehicle access to the Central Mesa from the west, a bypass road and bridge are being proposed to divert vehicular traffic. The bypass will remove and redirect vehicles from the center of Balboa Park, allowing the historic Plaza de California, El Prado, Plaza de Panama and Esplanade to once again be dedicated to pedestrians. Removal of vehicles from the east half of El Prado was successfully achieved in the 1970s.

The new 44-foot wide, two-way bypass road will connect to the east abutment of the historic Cabrillo Bridge on the west side of the Museum of Man. This connection will require removal of approximately 70 linear feet of the existing roadway guardrail and sidewalk.

There is currently almost 3,000 linear feet of the same 1915 rail and sidewalk on the bridge. No lighting or other historic fabric would be impacted. The connection will be designed to minimize impact to the historic fabric. The new bypass road will continue through the Eucalyptus grove around the southwest corner of the Museum of Man. The curved bridge will span the existing canyon and will connect to the existing Alcazar parking lot, which is at a slightly higher elevation than the Cabrillo Bridge.

Although the design is still preliminary, the curved bridge is proposed to be concrete, and cantilevered to allow continued views of the California Building. The low profile of the bridge, abutments and columns will be as simple, thin, and unobtrusive as possible. At its closest point, the new bridge will be separated from the southwest corner of the California Building by 60-feet. The total length of the bridge and bypass road will be 400 feet. The final design of the bridge will be compatible with the adjacent historic structures, but differentiated per *The Secretary of Interior's Standards for Rehabilitation*.

Preservation advocates have expressed concerns that the new bypass bridge will obscure an iconic view of the California Building. It is true that architect Bertram Goodhue emphasized the south and west elevations of the California Building in his early renderings of the Exposition design and several 1915 postcards also feature this portion of the building. However, since the 1930s, this view of the California Building has been completely obscured by a dense wall of trees. Even long-term San Diegans are not aware that these facades exist. In addition, it appears the landform has been re-graded south of the Cabrillo Bridge since 1915. The reality is that these long-obscured facades will be more visible and appreciated once the bypass is complete. Not only will the trees be thinned, but the new views provided from the bypass road will enable the public to see these architectural elements for the first time.

The location of the new bypass route will allow vehicle circulation to be removed from the core of the Park. The route will also provide easy access to drop-off points, parking, and valet services, discussed in item 4 (below).

While the bypass design has not been finalized, the following are the primary design elements being proposed:

1. Design of the bridge will be compatible with the adjacent historic buildings, but it will also be differentiated.
2. How the bypass touches the Cabrillo Bridge is critical. Alteration of historic fabric will be minimized.
3. The new bridge will be concrete and the design will be as simple, light and unobtrusive as possible. Abutments and columns will be minimized through design and landscaping.
4. Visibility of the long-observed south and west facades of the California Building will be improved.

4. Alcazar Parking Lot & Walkway

The existing Alcazar Parking Lot will be redesigned to provide additional accessible parking as well as passenger drop-off, museum loading, and valet. The proposed lot includes 28 accessible/ADA stalls, 5 accessible/ADA van stalls, approximately 25 valet stacking stalls, a loading zone and a passenger drop-off area adjacent to the historic Alcazar Garden. There will also be a small valet booth. There will be no non-accessible parking in this lot. Most cars will continue east on the bypass route and will park in the Organ Pavilion parking structure.

The drop-off area will allow for cars to stop without blocking traffic and the sidewalk will be widened adjacent to the Alcazar Garden. Disabled visitors and those using the valet service or being dropped-off will be able to access El Prado through the Alcazar Garden as they do today. In addition, the proposed plan includes a raised pedestrian walkway along the rear (south) side of the House of Charm. The new walkway would provide direct pedestrian access from the Alcazar Parking Lot to the Esplanade, south side of the Plaza de Panama, and House of Hospitality.

The non-historic restroom at the west end of the parking lot would be removed as part of this plan.

While the Alcazar Parking Lot and walkway designs have not been finalized, the following are the primary design elements being proposed:

1. Maintain the current footprint and provide a more level and accessible paving surface.
2. Pedestrian connections to the Plaza de Panama will be improved.
3. Alcazar Garden will be preserved and will become a more active entry to the Park.

4. The raised pedestrian walkway at the rear of the House of Charm will not impact the Mingei Museum's loading area, and service access would be improved by the creation of loading zones in the nearby lot.

5. Pan American Road and Esplanade

The Esplanade is the roadway and landscaped median between the Plaza de Panama and the Spreckels Organ Pavilion. Pan American Road is the segment of road that connects the Plaza de Panama to President's Way and is inclusive of the Esplanade. The Pan American Road and the Esplanade are currently used for vehicular circulation. Pedestrian access is limited to sidewalks on both sides of the road and several well-travelled crosswalks. The proposed project will reclaim Pan American Road and the Esplanade for pedestrian access by rerouting vehicle traffic on a new bypass road west of Pan American Road. The new bypass road would then pass below the pedestrianized Pan American Road to access the new underground parking structure discussed in item 6. Adjacent to the new bypass road along the edge of Palm Canyon will be a new raised pedestrian path that connects from the existing Palm Canyon bridge to the International Cottages. This walkway is a way to see and appreciate Palm Canyon and has been dubbed the "Palm Walk."

The non-historic restroom west of the Organ Pavilion would be removed as part of this plan. The new dedicated pedestrian way will be shared with a new tram system which will shuttle visitors from the new parking structure to the Plaza de Panama.

While the Pan American Road and Esplanade designs have not been finalized, the following are the primary design elements being proposed:

1. The Esplanade will be restored to be a coherent landscaped boulevard and will be devoted to the pedestrian-only experience.
2. Pedestrian connections between the Palisades and the Plaza de Panama will be greatly improved.
3. Impacts to Palm Canyon will be limited to removal or relocation of a few non-historic palms and other trees closest to the bypass road.
4. The existing Palm Canyon bridge will be extended to the International Cottages area.
5. The charmingly mangy "City Christmas Tree" near Palm Canyon will need to be relocated or replaced.

6. Parking Structure, Rooftop Park & Tram

The proposed new parking structure and rooftop park will be constructed at the location of the

existing Organ Pavilion surface lot. The current lot is inefficient, unsightly, congested, which at times, and especially at peak-use hours, may create hazardous conditions for pedestrians crossing traffic lanes.

Construction of a new underground parking structure will allow a more efficient circulation design which addresses the current traffic conditions because the new structure will also allow pedestrian and vehicular traffic to be safely separated. Also, this new three-level underground structure will allow reclamation of open space for landscape and pedestrian/park use above it.

The proposed new 265,000-square-foot underground parking structure would provide 785 parking spaces on three levels with a 97,000 square-foot rooftop park. This results in a net gain of approximately 264 parking spaces for the Central Mesa. The new rooftop park, although differentiated in design from the historic configuration, will relate to the original California Garden which once occupied the site in the 1930s. The parking structure will be designed so exterior elevations will not be visible from the primary vantage points (looking east and north toward the structure). Views of the Organ Pavilion from the south will be maintained and improved given the new park vantage point. The large pine trees behind the Organ Pavilion will be protected in place.

Making use of the sloped site, the east elevation of the structure will be exposed allowing for natural light and ventilation, and reducing the need for mechanical equipment and daytime lighting. Vehicle access to and from the new structure will be provided from two locations on the east side of the new bypass road. Vehicle access will be separated from pedestrian and tram traffic eliminating the current pedestrian conflicts. The vehicle road will continue along the east side of the structure to a secondary parking entrance/exit and the road will continue to President's Way and Park Boulevard.

By rerouting the vehicular access, pedestrian connections to the historic International Cottages and Palisades area will be improved. A new pedestrian and tram parkway, separate from the vehicular route, will be provided to connect the south end of the Plaza de Panama to Pan American Plaza along the historic Esplanade and Pan American Road.

By significantly reducing traffic congestion at the intersection of Pan American Road and Presidents Way, and shifting the vehicular interchange to the east, the current intersection is abandoned allowing for the future removal of parking from Pan American Plaza. An expanded link between the north side of the rooftop park and the rear of the Organ Pavilion by way of a deck over the roadway is provided such that pedestrian experiences are more expansive.

The site of the Organ Pavilion parking lot has long been discussed as the preferred location for a new parking structure with minimal impacts to park land. The Master Plan and Precise Plan recommended this parking structure and rooftop park. While some have never supported parking in this location, referring to it as the "core" of the park, there is a strong consensus that this is the right location, between the two historic districts, and it does not negatively impact Balboa Park.

Because of the costs associated with the construction of an underground parking facility, as well as the utility, labor, and maintenance demands, it is recommended that paid parking will be implemented for this new parking structure and to support the tram system.

Multiple studies were undertaken in the past regarding parking utilization and demand for parking in Balboa Park that indicate the need for additional parking in more central locations and during peak hours. The new Garage will accommodate visitor parking and valet service for museums and restaurants in Balboa Park and parking for employees. The new parking trams are proposed to be alternate fuel, low-floor, low-speed vehicles that can share the road with pedestrians and provide access to all park visitors, employees, volunteers and docents, including the disabled. The exact type of tram, number of trams, wait times and routes are yet to be determined. The tram system design will allow expansion consistent with the park tram's circulation plan.

While the Parking Structure and Rooftop Park designs have not been finalized, the following are the primary design elements being proposed:

1. The open (east) face of the parking structure will be screened from public views as much as possible through the use of berms and landscaping.
2. The rooftop park will become the "edge" between the canyon and the mesa, taking advantage of this to create expansive views of Gold Gulch.
3. In addition to the elevator/stair core at the park level other needs, such as public restrooms and a visitors center annex, are being designed.
4. By altering the edge condition, the rooftop park will blur the edge of the parking structure below.
5. The rooftop park will become the place for play within the Central Mesa. By taking advantage of the large plane created by the parking structure -- an additional 2+ acres of park space will be created. A variety of spaces can be created that can become: a place for exploration, contemplation, play, whimsy, gathering, etc.
6. The rooftop park will connect with the International Cottages as well as provide pedestrian access to the Organ Pavilion.
7. The rooftop park will integrate the tramway into its design.
8. The rooftop park will create better views of the Organ Pavilion, respect the architecture and the mature planting.

ENVIRONMENTAL REVIEW:

The MOU recognizes the need for full environmental review of the Proposed Project. On May 25, 2011, the City's Development Services Department issued its Second Project Assessment

Letter stating that the Proposed Project requires the preparation of an Environmental Impact Report (EIR), Process 5 Master Plan and Precise Plan Amendments, and a Site Development Permit. The Letter acknowledges that the EIR is in process and that the decision to approve, conditionally approve, or deny the Proposed Project, as well as appropriate findings supporting the decision, will be made by the City Council.

The City has undertaken numerous planning efforts in recent years, and has adopted official precise plans for the Park's Central and East Mesas, in addition to a park-wide Master Plan. Moreover, Balboa Park is listed on local, state, and national registries and is a National Historic Landmark (NHL). The environmental review of the Proposed Project will analyze the impact on historical resources, consistency with existing standards for rehabilitation of historical resources, and alternatives. As lead agency, the City will consider the environmental analysis of the Proposed Project and may make changes necessary to mitigate against identified environmental impacts up to and including a decision to not move forward with the Proposed Project. By entering into this MOU, the City does not in any way delegate or waive its obligation to fully consider the environmental analysis of the Proposed Project and to take that information into consideration when considering the EIR or applications for discretionary permits for the Proposed Project.

FISCAL CONSIDERATIONS:

The cost of the Proposed Project is estimated by the Committee at \$40 million. As described in the MOU, the Committee intends to raise and contribute the bulk of the funding, approximately \$25 million, for construction of the Plaza de Panama, West Prado, and Plaza de California improvements, the bypass road, bridge and Alcazar parking lot improvements, the rooftop park south of the Organ Pavilion, and the park circulation improvements (roadway, pedestrian, and tramway). The City would implement tax-exempt bond financing based on the future revenues from parking at the parking garage and contribute those bond proceeds to the Proposed Project, primarily to cover the cost of construction of the parking garage.

Based on the review of the revenue and expenditure pro formas for the garage provided by design and construction professionals engaged by the Committee, annual net operating revenue from the parking garage available to make bond payments is approximately \$1.26 million. At current interest rates, a 30-year tax-exempt bond issue is expected to generate up to approximately \$14 million in proceeds. Actual proceeds will depend upon a number of factors including interest rates and transaction costs.

The bond proceeds may be used to cover eligible permitting costs including discretionary and ministerial costs incurred by Development Services and Public Works Departments necessary to process the Proposed Project. Staff time for planning and processing the Proposed Project by Park and Recreation Department staff will be absorbed in the existing budget, as is customary by the Department when assisting with review of capital projects. If the bond proceeds are not sufficient, eligible, or available to cover permitting and staff costs, those costs will be covered by other project funds supplied by the Committee, or if such funds are not available, by the City's General Fund.

The estimated total Project discretionary costs to be incurred by the Development Services Department is approximately \$300,000, and approximately \$250,000 for engineering and permitting review and processing costs. The estimated total Project charges to be incurred by the Public Works Department for monitoring and planning of the Proposed Project is approximately \$200,000 to \$400,000.

Upon completion of the Proposed Project, all improvements will be owned and operated by the City and annual operating and maintenance costs for the newly pedestrianized spaces and new roadways will be City responsibilities. Without final design documents, it is impossible to estimate these costs at this time.

Upon approval by the City Council of necessary project documents including the EIR and discretionary permits, the financing documents will be brought to the City Council for timely implementation of the financing to fund the parking garage construction.

PREVIOUS COUNCIL and/or COMMITTEE ACTIONS:

On October 21, 2010, the Planning Commission approved the initiation of amendments to the Balboa Park Master Plan and the Central Mesa Precise Plan necessary for City adoption of the Balboa Park Plaza de Panama, Circulation & Parking Structure Project by a vote of 6-0-1. The Commission directed the project applicant, the Plaza de Panama Committee, to include these additional items in the study: “look at all the alternatives, consider the view of California Tower and aesthetics, look to go underground, future phasing and try to include transit as a future alternative.”

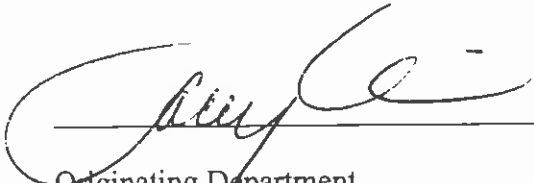
COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

The Plaza de Panama Committee has conducted extensive community outreach beginning with its initial presentation to the Balboa Park Committee in September, 2010. It has since made regular presentations to, and conducted workshops with, the Balboa Park Committee, and it continues to provide it with monthly updates as the project’s status advances. In addition, it has made informational presentations to the Historic Resources Board and community planning groups in the vicinity of Balboa Park, and continues to engage with such organizations. Its PowerPoint presentations and substantial information about the project design are available to the public through the website balboapark.org.

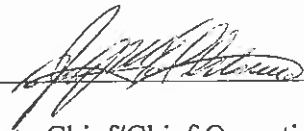
The Committee presented the Proposed Project to a number of community groups including, but not limited to the following:

- The League of Women Voters
- The Catfish Club
- The East Village Association
- The San Diego Regional Chamber of Commerce

- The San Diego County Taxpayers Association
- The Balboa Park 2015 Centennial Celebration Steering Committee
- The Balboa Park Conservancy
- The San Diego Downtown Partnership
- The Morley Field Recreation Council
- Lambda Alpha
- The House of Pacific Relations
- The Friends of Balboa Park
- Citizens Coordinate For Century 3
- Walk San Diego
- The Center City Advisory Committee
- The Balboa Park Cultural Partnership
- The San Diego Convention and Visitors Bureau
- The Burlingame Homeowners Association
- The Bankers Hill/Park West Community Planners
- The North Park Community Planning Association
- The Golden Hill Community Planning Association
- Uptown Planners
- The Save Our Heritage Organisation
- The City Parking Advisory Board
- The Centre City Development Corporation
- The American Institute of Architects
- The Urban Design Committee and Council of Design Professionals
- a leadership group from the San Diego Disabled Community, and
- more than one dozen Balboa Park institutions.



Originating Department



Deputy Chief/Chief Operating Officer

Attachment: Memorandum of Understanding