

CITY OF SAN DIEGO
MEMORANDUM

DATE: July 16, 2004
TO: Community Planners Committee
FROM: Patsy Chow, Senior Planner
SUBJECT: LARGE RETAIL DEVELOPMENT - DRAFT ORDINANCE

BACKGROUND

This item was last presented to the Community Planners Committee on February 24, 2004 and since then a Planning Commission hearing and a series of public workshops have taken place to further consider the draft ordinance and discuss issues concerning this subject. A summary of these past meetings and their outcomes is found below for your information.

February 24, 2004 - Community Planners Committee

- Draft ordinance is considered at this meeting where: (a) a single-tenant retail establishment (50,000 to 100,000 square feet) is a permitted use with limitations in all Community Commercial zones, Neighborhood Commercial zones, Industrial zones and several Planned Districts that do not currently have limitations on large retail use; and (b) single-tenant retail establishments (50,000 to 100,000 square feet and over 100,000 square feet) are permitted by right without limitations in the Regional Commercial zones and Centre City Planned District area.

- The committee voted 18-1-0 to deny the draft ordinance based on discussion focused on not limiting the establishment of large single-tenant retail uses in a community.

April 8, 2004 - Planning Commission Hearing

- A revised draft ordinance is considered where: (a) a large single-tenant retail establishment (greater than 75,000 square feet and not exceeding 150,000 square feet) is allowed via a Process 4 - Conditional Use Permit in all Community Commercial zones, all Industrial zones with the exception of the Park Industrial zones, and all Planned Districts with exception of Centre City Planned District; and (b) a large single-tenant retail establishment (greater than 75,000 square feet) is permitted by right and without limitations in the Regional Commercial zones and Centre City Planned District area.

- The commission voted 7-0 to continue the item so that staff could return with information on a number of items to address Planning Commissioners' questions.

May 6, 2004 - Economic Development Trends Workshop with Bill Anderson
- This workshop covered topics, such as understanding the variety of categories of retail outlets that currently exist today (i.e. strip commercial, large retail, power centers, etc.) as well as learning about current trends, such as mixed-use development, redevelopment of greyfield sites that were built during the 1960's, and growing interest in inner-city markets.

May 13 and May 20, 2004 - Workshops on Regulating Large Retail Establishments
- Several topics or issues were discussed at the two informational workshops:

Land Use Issues

Preservation of industrial lands
Re-leasing requirements

Traffic Issues

Trip generation and traffic impacts

Existing Land Development Code Regulations

Review of existing regulations, design and processing requirements

Possible Additional Regulations

Analysis of possible additional design/landscape regulations and alternative regulatory process

Environmental Issues

Review of environmental determinations in other California jurisdictions

Fiscal and Economic Issues

Fiscal analysis and economic dynamics of large retail establishments

DISCUSSION

During the April 8, 2004 Planning Commission hearing and subsequent workshops, several alternatives to the staff recommended ordinance were discussed and they are the focus of this memorandum. A combination of one or more of these alternatives could be considered in an ordinance. These alternatives are further described and listed below:

1) Alternative Size Thresholds for Discretionary Review

- One possible approach would be to apply size thresholds for discretionary review that vary by zone (see table on the following page).

Discretionary Review Alternative Size Thresholds	
Commercial Zones (Community Commercial and Planned District Ordinances)	Industrial Zone (IL-3-1)
50,000 square feet	50,000 square feet
75,000 square feet (Staff Recommendation)	75,000 square feet (Staff Recommendation)
100,000 square feet	100,000 square feet

2) Alternative Building Size Limitations

- Another possibility is to have building size limits that could also vary by zone.

Building Size Limit Options		
Commercial Zones (Community Commercial and Planned District Ordinances)	Industrial Zone (IL-3-1)	Notes
75,000 square feet	75,000 square feet	Allows large grocery stores
100,000 square feet	100,000 square feet	Allows large grocery stores, some home improvement stores and smaller format large single-tenant retail establishments
130,000 square feet	130,000 square feet	This is identified in the SKU ordinance
150,000 square feet (Staff Recommendation)	150,000 square feet (Staff Recommendation)	Allows almost all large single-tenant retail establishments, but may limit super-center development
None	None	Allows any size large single-tenant retail establishment and super-centers

3) Additional Design and Parking Regulations

- In addition to staff recommended design guidelines, the following table includes several possible additional regulations.

Additional Design and Parking Regulations	
1. Zone Application:	Apply the staff recommended design guidelines to the IL-3-1 zone (please note that the staff recommended ordinance and associated recommended design guidelines only apply in the Community Commercial zones and Planned District Ordinances due to the prevalence of single-story auto-oriented commercial and industrial development in the IL-3-1 zone)
2. Public Plaza:	Require 5,000 square feet of public plaza per every 50,000 square feet of building mass
3. Parking Structure or Underground Parking Incentives:	<ul style="list-style-type: none"> - Allow an additional 10,000 square feet as a bonus if 25% of required parking for the entire building is provided in structures or underground - Allow an additional 20,000 square feet as a bonus if 50% of required parking for the entire building is provided in structures or underground
4. Parking Design	Apply Section 131.0556 of the Land Development Code (Parking Lot Orientation) at a lower size threshold (currently 100,000 square feet of gross floor area), such as 50,000 or 75,000 square feet of gross floor area and in all zones
5. Liner Buildings	Require 5,000 square feet of liner buildings with separate individual main entrances leading to the outside (occupied by businesses not owned by the single-tenant large retail establishment) per every 50,000 square feet of building mass and not to exceed 10,000 square feet
6. Massing	<p>Change Table 131-05F in the Land Development Code to increase the size of offsetting planes for walls more than 100 feet long as follows:</p> <ul style="list-style-type: none"> 2 offsets with a minimum separation of 3 inches 6 inches; and 2 offsets with a minimum separation of 8 inches 4 feet; and 2 offsets with a minimum separation of 3 feet 10 feet

- 4) Requirements for Re-Leasing Large Single-Tenant Retail Buildings
- At the May 20, 2004 Planning Commission Workshop, several re-leasing options were discussed as an attempt to address concerns related to potential adverse impacts of vacant large retail buildings.

Possible Re-leasing Requirements	
1.	Restrictions placed on the contract between owner and large single-tenant retailer that prevent the retailer from making stipulations on future selection of a new large single-tenant retailer if and when the retailer vacates the premises
2.	Declaration of public nuisance after 12 months vacancy
3.	Secure bond for demolition in case of 12 months vacancy

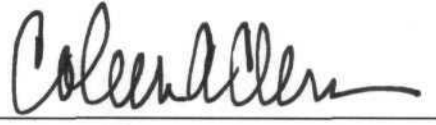
CONCLUSION

Based on discussions and outcomes from previous Planning Commission hearing in April of 2004 and subsequent workshops on this subject, staff has compiled a list of several alternatives per topic that have been presented in the discussion section of this memorandum. Therefore, staff would like to receive input from the Community Planners Committee in terms of these particular alternatives as presented. This item is tentatively scheduled for Planning Commission hearing on September 30, 2004. A timeline overview outlining next steps in the processing of this draft ordinance is included as Attachment 4 to this memorandum.

Respectfully submitted,



Patsy Chow
Senior Planner



Coleen Clementson
Program Manager

CC/PC

- Attachments:
1. Memorandum to the Community Planners Committee dated February 13, 2004
 2. Planning Report PC-04-014 dated April 2, 2004
 3. Memorandum to the Planning Commission dated May 7, 2004 (Workshop on Large Retail Establishments)
 4. Timeline Overview (next steps in the processing of the subject draft ordinance)