

CITY OF SAN DIEGO
M E M O R A N D U M

DATE: March 19, 2010

TO: Historical Resources Board and Interested Parties

FROM: Cathy Winterrowd, Principal Planner/HRB Liaison

SUBJECT: **ITEM 11 — HRB AD-HOC INCENTIVES SUBCOMMITTEE**

This item was initially heard at the February 26, 2010 HRB meeting (see attached Report HRB-10-011). Due to public testimony and Boardmember discussion related to the recommendation to disband the Incentives Subcommittee, it was referred back to the Policy Subcommittee for additional review. The Policy Subcommittee discussed the item at the March 8, 2010 meeting. At that meeting, staff discussed in more detail the progress of the Incentives Subcommittee and presented the Draft Outline for updating the Incentives Element of the adopted Comprehensive Historic Preservation Plan (Attachment 2) and the Incentives Subcommittee's recommendation for the Policy Subcommittee to continue their work on several priority issues. Specifically, the Incentives Subcommittee requested that the Policy Subcommittee continue work on the Preservation Fund as a first priority. The Programmatic Approach to Expenditure of Funds was presented to the Policy Subcommittee (see Attachment 3). The second priority was to complete the work on several proposed revisions to the Land Development Code that would be beneficial to adaptive reuse of designated historical resources; and as a third priority, development of a Transfer of Development Rights (TDR) program was identified. It was recommended that a TDR program be available for use with the first Community Plan Update that comes forward with that need. The Policy Subcommittee agreed to take on these tasks and staff indicated an ability to provide support to the Policy Subcommittee in these areas.

In February 2010, the Incentives Subcommittee requested that staff complete several tasks in anticipation of the Policy Subcommittee continuing with the incentives work. These tasks include updating the City's website to add additional information on incentives with links to outside programs; sending a letter to local non-profit groups and organizations advising them of the Historic Preservation Fund and its ability to receive grants, donations and other funds; updating the General Plan Action Plan to reflect the subcommittee's work; and drafting a letter to local preservation professionals to determine the level of interest in providing pro bono or low cost services to low income historic property owners. Staff indicated an ability to complete these tasks and report on their progress to the Policy Subcommittee. However, with the loss of a Senior Planner due to budget cuts, staff cannot provide additional support for the Incentives Subcommittee. Therefore, the Policy Subcommittee decided to dissolve it as this time and take on the identified priority issues for follow up. Staff agrees with this decision and will provide the necessary support to the Policy Subcommittee in order to complete these tasks.

Staff Recommendation: Dissolve the Ad-Hoc Incentives Subcommittee and refer three priority items, the Preservation Fund, Land Development Code revisions, and Transfer of Development Rights program, to the Policy Subcommittee for completion.



Cathy Winterrowd
Principal Planner/HRB Liaison

Attachments:

1. Report HRB-10-011
2. Draft Outline for updating the Incentives Element of the adopted Comprehensive Historic Preservation Plan
3. Historic Preservation Fund – Programmatic Approach to Expenditure of Funds



THE CITY OF SAN DIEGO

Historical Resources Board

DATE ISSUED: February 11, 2010 REPORT NO. HRB-10-010

ATTENTION: Historical Resources Board
Agenda of February 26, 2010

SUBJECT: **ITEM #10 – Composition of the HRB Subcommittees**

DESCRIPTION: Consider suspending the Archaeology Subcommittee, disbanding the Ad-Hoc Incentives Subcommittee, and ratifying appointments to the Policy and Design Assistance Subcommittees.

STAFF RECOMMENDATION

Suspend the Archaeology Subcommittee, disband the Ad-Hoc Incentives Subcommittee, and ratify the HRB Policy Subcommittee's appointments to the Policy and Design Assistance Subcommittees.

BACKGROUND

The Board's adopted procedures guide the appointment of members and chairs of subcommittees. Section III. E. states: "Membership on the standing subcommittees shall strive to match expertise and interests to the extent possible, but shall also strive to allow maximum participation by Board members. The minimum number of Board members appointed to any standing subcommittee shall be three, and the maximum shall be five. Appointments to the standing subcommittees, including chair appointments, shall be made once a year, or as vacancies occur, by the Policy Subcommittee, and ratified by a majority vote of the Board at the next available Board meeting. The Chair of the Board, as appointed by the Mayor or Board, is automatically the Chair of the Policy Subcommittee."



City Planning & Community Investment
202 C Street, MS 5A • San Diego, CA 92101-3865
Tel (619) 235-5200 Fax (619) 533-5951

The last time the HRB made Subcommittee appointments was in March 2009 following the appointment of new HRB members. The Ad-Hoc Incentives Subcommittee was established by the HRB in May 2008 and revised in March 2009. The recent Mayoral appointment of two new Boardmembers in October 2010, the departure of a Boardmember serving on a standing subcommittee, and the reduction of Historical Resources staff necessitate new subcommittee appointments and change in status of subcommittees.

ANALYSIS

The Policy Subcommittee considered the need to disband the Ad-Hoc Incentives Subcommittee and to temporarily suspend the Standing Archaeology Subcommittee along with considering appointments to the Standing Policy and Design Assistance Subcommittees on February 8, 2010. No changes to the Chairs or meeting days and times were recommended for the Policy and Design Assistance Subcommittees and new members were appointed to these subcommittees. Changes in the status of the Archaeology and Incentives Subcommittees were recommended, as described below.

In May 2008, following the adoption of the new General Plan, the Board established the ad hoc Incentives Subcommittee to explore available historic preservation incentives for San Diego. This subcommittee included both Boardmembers and members of the public active in historic preservation. The subcommittee began work on developing a comprehensive approach to historic preservation incentives, but was unable to complete the work due to the departure of one of the Boardmembers. In 2009, the Policy Subcommittee agreed that the ad hoc Incentives Subcommittee should be re-established with meeting dates and times and subcommittee goals unchanged. The HRB re-established the Ad-Hoc Incentives Subcommittee in March 2009. Now, with the loss of a Senior Planner due to budget cuts, staff can no longer provide support for this subcommittee. Therefore, the Policy Subcommittee decided to disband it as this time and refer critical issues to the Policy Subcommittee for follow up. Staff agrees with this decision and will provide background information and issues to Policy at a future meeting.

During the past two years the Archaeology Subcommittee has met only sporadically and with the resignation of Boardmember Schaefer, it no longer has a Chair. This subcommittee is primarily composed of HRB members who have expertise or are interested in prehistoric and historic archeology and cultural landscapes. The Policy Subcommittee decided to temporarily disband the Archaeology Subcommittee until such time as an Archaeologist is appointed to the Board, with any critical issues related to archaeology or cultural landscapes referred to Policy.

Boardmember Jarmusch indicated an interest in serving on the Design Assistance Subcommittee (DAS), Boardmember Curry indicated a desire to be reappointed to DAS and all other subcommittee members agreed to continue to serve on DAS, with Boardmember Bethke agreeing to continue as Chair. Ann Jarmusch has a particular interest and expertise in local architecture and all other members of DAS are design professionals and fit well with the duties of DAS. The Policy Subcommittee appointed Boardmembers Curry and Jarmusch and reappointed Boardmembers Bethke, Aréchiga, and Garbini to serve on DAS, with Boardmember Bethke as Chair. The date and time of the meeting was not changed.

Due to Boardmember resignations, the Policy Subcommittee currently is comprised of Chair Lemmo and Boardmember Berge. A minimum of three HRB members is required for any subcommittee. Boardmembers Curry and Woods both have indicated an interest in historical policy and the issues that come before the Policy Subcommittee and have volunteered to serve on this subcommittee. The Policy Subcommittee appointed Ms. Curry and Ms. Woods and reappointed Ms. Berge and Mr. Lemmo to serve on the subcommittee, with Mr. Lemmo appointed as the Chair. The date and time of the meeting was not changed.

A minimum of three and maximum of five HRB members can be appointed to a subcommittee. Because six Board members constitute a quorum of the HRB, any HRB member attending a meeting of a Subcommittee comprised of five members would be precluded from participation in the meeting, although could attend the meeting and observe. However, any Board member can raise an issue to the Chair of any subcommittee and ask that it be put on the agenda for discussion. Attendance and participation by the requesting Board member is not necessary. As currently appointed, the Design Assistance Subcommittee would be comprised of five members.

The tables on the attachment show the new appointments as approved by the Policy Subcommittee.

CONCLUSION

Staff recommends that the HRB temporarily suspend the Archaeology Subcommittee until such time as an Archaeologist is appointed to the Board; disband the Ad-Hoc Incentives Subcommittee; and ratify the Policy Subcommittee's appointments to the Policy and Design Assistance Subcommittees.



Cathy Winterrowd
Principal Planner/HRB Liaison

CW/cw

Attachment: Historical Resources Board Subcommittee Rosters

HISTORICAL RESOURCES BOARD SUBCOMMITTEE ROSTERS

February 11, 2010

POLICY SUBCOMMITTEE
• Meets 2 nd Mon. of the month at 3:00pm
John Lemmo, Chair
Priscilla Berge
Maria Curry
Ann Woods*
<i>vacant</i>

DESIGN ASSISTANCE SUBCOMMITTEE
• Meets 1 st Wed. of the month at 4:00pm
Alex Bethke, Chair
Maria Curry
Sal Aréchiga
Gail Garbini
Ann Jarmusch*

* denotes new member

DRAFT Outline—March 2010

Update to the Incentives Element of the adopted Comprehensive Historic Preservation Plan

1. Background on previous Incentives Element
2. Funding for Historic Preservation Incentives
 - a. Historic Preservation Fund
 - i. Source of Funds
 1. Demo without a Permit
 2. Code Enforcement Fees
 3. Donations
 - b. Certified Local Government Grants
 - c. Federal Historic Preservation Rehabilitation Investment Tax Credit Program
 - d. CCDC Rehabilitation Grants (within CCDC only)
3. Historic Preservation Incentives
 - a. Transfer of Development Rights (TDR)
 - i. Eligible Properties—must be designated
 1. Sending/Receiving Sites
 - a. Approval Process
 - i. Residential based on number of units
 - ii. Commercial based on square footage
 - b. Identifying sites through Community Plan Update
 - c. Impact on surrounding area of the receiving site
 - i. How is the impact assessed
 - ii. How is the impact applied
 2. Requirements
 1. Receiving site will not receive final inspection until sending site is restored
 - a. Covenants/restrictions recorded on sending sites
 2. Local level HABS/HAER Documentation on the sending site prior to signing
 3. Cannot be transferred to another party until restoration/rehabilitation is complete
 4. Timeframes for completion
 - ii. TDR Bank
 1. Who would be the Bank?
 2. Developer could buy from a bank where properties would be held in a queue
 - b. Historic Preservation Fund
 - i. Eligible Properties
 - ii. Eligible Projects

1. Revolving Funds for Bricks and Mortar
2. Hardship Funding
3. Green building improvements
4. Technology
5. Nomination Report Assistance
 - a. For Potential Districts Only
 - b. Low Income Eligibility for Individually Eligible Properties
6. Architectural Design Assistance
- iii. Eligible Programs
 1. CLG training for Boardmembers and staff
 2. Community Education
- iv. Restrictions
- v. Application
- c. Bonus Floor Area Ratio (FAR) on site
 - i. Eligible Properties
 - ii. Increase Allowable FAR
 - iii. Restrictions
- d. Conditional Use Permit (CUP)
 - i. Eligible Properties
 - ii. Restrictions
- e. Foster Adaptive Reuse/Zoning Variances
 - i. Non-conforming setbacks
 - ii. Findings for Variances related to Historic Properties
 1. Design
 2. Compliant with the Secretary of the Interior's Standards
 3. Did previous work post-designation receive permits
 4. Health and Safety
 5. Complies with State Building Code or the State Historic Building Code
 6. Community Plan Compliant
 7. Green Technology Building Improvements
 8. No Reduction to Existing Number of Parking Spaces
 - iii. Exemptions
 1. Existing Parking
 2. SCHB Code (energy, stairs, low flush toilets, etc.)
- f. Historic Building Code (spell out benefits)
 - i. Eligible Properties
- g. Neighborhood Development Permit
 - i. Findings
- h. Architectural Assistance Service

- i. Assistance Provided by HRB Staff
- ii. Assistance Provided by Outside Consultants
 - 1. Landscape and Color Design
 - 2. Green Building Incentives
- iii. Reduced Rate Consultants
- iv. Assistance for Historic Resource Reports and Designation
- i. Façade Improvement Program
 - i. Eligible Commercial Properties
 - ii. Eligible Projects
- j. Awards Programs/Educational Activities
- k. Mills Act
 - l. Plaques and Signage

In July 2009, the City Council established this fund for any and all potential grants, donations, fines, penalties, or other sources of funding for the purpose of historic preservation. The Comptroller was authorized to appropriate funds from the Historic Preservation Fund for the local preservation programs and incentives consistent with the General Plan. These monies shall come to Council through the budget process before any funds are expended.

Programmatic Approach to Expenditure of Funds

1. Architectural assistance program (% of fund balance annually) – properties with outstanding code violations could not participate; need to look at City’s façade improvement program; need to address when and how to reimburse property owner
 - a. Low and Moderate Income Owners
 - i. List of pro bono firms with specific City-paid fee
 - ii. Combination of City funds and owner funds
 - b. Owners with no Mills Agreement or with < \$5,000 tax savings – Mills Act agreement would be required to assure appropriate treatment
 - i. City match funds to maximum level
2. Archaeological site protection plan (% of fund balance annually) – need information on City’s archaeological resources fund (DSD)
 - a. Curation of “orphaned collections”
 - i. City match or maximum annual
 - b. Stabilization plan
 - i. City match or maximum annual
3. Assistance to improve energy efficiency (% of fund balance annually)
 - a. Standard plan prepared by City paid consultant – energy audit by SDG&E or ?; no solar panels under this program
 - b. Low and Moderate Owners
 - i. List of pro bono firms with specific City-paid fee
 - ii. Combination of City funds and owner funds
 - c. Owners with no Mills Agreement or with < \$5,000 tax savings
 - i. City match funds to maximum level

4. Certified Local Government training (annual dollar amount)
 - a. Workshop/seminar open to public at low cost
 - b. Fund for speakers' travel expenses
5. Improved technology (annual dollar amount)
 - a. Assist with historic surveys
 - b. Survey data accessible to the public
 - i. Match City costs for CHRID maintenance and customization
6. Use of funds for completing nomination reports
7. District signage
 - a. City match or maximum annual cost
8. Could mitigation money be used for restoration
 - a. Grants

NEXT STEPS:

- Agree on proposal for expenditures
- Prepare programmatic approach
- Docket for City Council approval