DATE:	October 20, 2005
ATTENTION:	Planning Commission Meeting of October 27, 2005
STAFF CONTACT:	Alexandra Elias, Senior Planner
SUBJECT:	PUBLIC HEARING to consider: Proposed Downtown Community Plan, Proposed Centre City Planned District Ordinance, and Proposed Tenth Amendment to the Redevelopment Plan for the Centre City Redevelopment Project (Second Submittal—Add to Project Binder)
REFERENCE:	Attachment 0: Proposed Centre City Planned District Ordinance (Please add to Tab 4 of the project binder) Attachment 1: Centre City Advisory Committee Recommendations Matrix

SUMMARY

Staff Recommendation -

- Recommend to the City Council the certification of the proposed Final Environmental Impact Report ("proposed Final EIR") and adoption of the Proposed Downtown Community Plan ("Proposed Community Plan") and Proposed Centre City Planned District Ordinance ("Proposed PDO), for which the proposed Final EIR has been prepared; and
- Having reviewed and considered the Proposed Tenth Amendment to the Redevelopment Plan for the Centre City Redevelopment Project ("Proposed Tenth Amendment") the proposed Final EIR and other documents and information submitted, and having determined that the Proposed Tenth Amendment is in conformity with the General Plan, recommend to the Redevelopment Agency the adoption of the Proposed Tenth Amendment.

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Centre City Development Corporation (CCDC) Board Recommendation(s) - On October 5, 2005 the CCDC Board of Directors held a special meeting to discuss issues related to the proposed Downtown Community Plan and Proposed PDO. The Board made preliminary recommendations on the proposed Community Plan and proposed PDO. The preliminary recommendations have been incorporated into the errata sheet for the Proposed Community Plan dated October 12, 2005, and into the proposed PDO contained in Attachment 0 (Tab 4) of this report. Staff anticipates that the Corporation Board of Directors will make additional recommendations to the Planning Commission on October 25, 2005 at a special meeting, and take action to recommend approval of the Proposed Community Plan, Proposed PDO, Proposed Tenth Amendment to the Redevelopment Plan, and recommend certification of the proposed Final EIR to the Planning Commission on October 26, 2005. Staff will report on any additional modifications to the documents at the public hearing on October 27, 2005. Due to the potential for changes immediately prior to the Planning Commission's consideration of the documents, staff has also requested time on the November 10, 2005 agenda if necessary and with the permission of the Chair and the Commission for any "carryover" items.

<u>Centre City Advisory Committee and Project Area Committee</u> – On September 14, 2005, the CCAC/PAC discussed and made a series of recommendations on the Proposed PDO. The CCAC/PAC also held a special meeting on September 26, 2005 to discuss and make recommendations to the proposed Community Plan and Proposed PDO. On October 19, 2005 the CCAC/PAC considered the proposed Final EIR and Proposed Tenth Amendment to the Redevelopment Plan.

On these dates, the Committee(s) voted to approve a series of recommendations that are contained on Attachment 1. Those that were endorsed by the Board of Directors on October 5, 2005 have been incorporated into the Errata Sheet. Attachment 1 only lists those items not yet decided. Please also note that references in Attachment 1 list two sets of PDO numbers because the numbers in the Land Development Code recently changed the numbering system of the Centre City PDO. The previous numbers are shown in parentheses (), and the new are shown in bold. The votes on the issues are of the entire CCAC unless noted, and were as follows:

September 14, 2005	
Recommendations on the Proposed PDO:	
Parking Sections:	16-7-0
Planning Sections:	22-0-0
Arts & Culture (in City Public Art Master Plan):	20-0-0

<u>September 26, 2005</u> Recommendations on the Proposed PDO:	
Urban Design Sections:	
Health & Human Services and Low and Moderate Income Housing Sections: District Use Regulations Table:	15-0-0 15-0-0
Recommendation to approve Proposed Community Plan (with additional recommendations, see matrix for details):	
Other Recommendations (see items under Item 5, p. 6 in the matrix):	15-0-0
October 19, 2005 Recommendation that the Redevelopment Agency/City Council certify the proposed Final EIR:	21-0-0
Recommendation to approve the Proposed Tenth Amendment to the Redevelopment Plan for the Centre City Redevelopment Project (PAC only)	19-0-0

Fiscal Impact – None with this action.

BACKGROUND

The Proposed Downtown Community Plan, proposed Centre City Planned District Ordinance and the Proposed Tenth Amendment to the Redevelopment Plan for the Centre City Redevelopment Project advances the Visions and Goals of the Centre City Community Plan and the Objectives of the Centre City Redevelopment Project by:

- Increasing the capacity and range of downtown housing opportunities;
- Retaining and expanding employment uses downtown; and
- Pursuing policies consistent with the Strategic Framework Element of the General Plan of the City of San Diego.

The request to recommend approval of the Proposed Community Plan and related documents is the result of three years of work under the guidance of a 35-member Steering Committee of business and community leaders meeting regularly to provide input on the planning process. The work of the Steering Committee wrapped up in January 2005 upon endorsement of the Preliminary Draft Community Plan (November 2004), and concurrence that staff proceed to finalize the Proposed Plan, Proposed

PDO, Proposed Tenth Amendment and the Draft EIR for public review based on this preliminary draft.

Workshops were held with a Committee of the CCDC Board of Directors in March, April and May of this year, and changes were made to the planning documents based on feedback received there. Additionally a Planning Commission workshop was held on May 19, 2005. At that time, staff was refining the Preliminary Draft Community Plan, and in the Planning Commission Staff report (dated April 20, 2005) staff provided a list of the changes that would be made to the public hearing draft Proposed Community Plan. The first staff report for this item (dated October 13, 2005) submitted with the binder contained an attachment that was the staff report for the workshop of May 19, 2005 (continued from April 28, 2005) to provide a more comprehensive background on the issues that were discussed at that time. It also provided a complete history of the Community Plan update.

Staff has also continued to meet with interested parties and organizations to discuss comments and concerns about the Proposed Community Plan and Proposed PDO. Where changes have resulted from those meetings in time for inclusion in the public hearing draft of the Proposed Community Plan, these have been included. Otherwise, they are contained on the **Proposed Community Plan Errata Sheet** that was included in the project binder with the first staff report. The Errata Sheet summarizes both the proposed change in the final document, and the reason for proposing the change.

A summary of the four documents under consideration are summarized here:

Proposed Downtown Community Plan:

The Proposed Plan follows the land use policies set in the City of San Diego's Strategic Framework Element of the General Plan, with an intensification of land uses in the downtown environment. The Community Plan Floor Area Ratio (FARs) have been increased in most areas of downtown to increase the residential and employment capacity of the area. Since downtown is a mostly built-out environment, there is also an emphasis on establishing new parks and open spaces, as well as the improving the quality of the public realm in general. The general land use pattern was first developed by the Urban Design Subcommittee of the Steering Committee, and was based on the premise of small, walkable neighborhoods with a park or open space within each. Additionally, the Subcommittee and the Steering Committee felt it important that development surrounding the parks be regulated to ensure a significant amount of sunlight into the parks throughout the year. These concepts evolved into "Neighborhood Centers" and became the basis of the Plan. It would not be an overstatement to say that the Proposed Community Plan has been created around them.

Some of the other major new items in the Proposed Community Plan are:

- 1.) Transfer of Development Rights Program: Recognizing the challenge of acquiring parks in an urban environment, the Community Plan proposes a Transfer of Development Rights (TDR) program that would provide landowners of park sites to be compensated for the right to develop on their property, and in exchange, provide the land to the City for the construction of a park. Additionally, the Community Plan allows for the limited transfer of development rights from historic properties to development on the same block to contribute toward the preservation of designated resources.
- 2.) *Floor Area Bonuses*: Given the desire of policymakers to intensify development downtown, it became important to create programs that would help ensure the livability of the urban environment for the public. As a result, the Proposed Community Plan laid out a system of FAR bonuses that would be made available to developers willing to provide amenities or development that would benefit the public. The components of the program are implemented in the Proposed PDO.
- 3.) New chapters on Historic Preservation, Arts & Culture, Economic Development and Health & Human Services. These topics had either previously existed in Focus Plans, or not been contained in a planning document at all. Including them in a chapter of the Community Plan is intended to give them higher standing in the land development process, and a better chance for success by providing goals and policies for each topical area.
- 4.) *Preservation of Employment Land.* In the last five years, there has been an increasing trend of residential development taking place on employment land. Since residential development was allowed anywhere downtown under the 1992 Community Plan and Centre City PDO, there were no regulatory mechanisms to ensure the availability of employment land in the future. As a result, the Proposed Community Plan (and Proposed PDO) contains an "Employment Required" Area in which at least 50% of a project must be commercial, hotel or retail use. This mechanism was never intended to "change the market" for commercial land, but to ensure that when the market did change to make development for employment viable, that sites were available for construction.

Proposed Centre City PDO

The Proposed PDO contains a number of new programs to implement the Proposed Community Plan. As mentioned above, the Proposed PDO contains provisions for the Transfer of Development Rights and FAR bonuses, as well as an Employment Required Area in which employment related uses would be required.

Several provisions in the PDO warrant further discussion here. The Proposed PDO parking requirements represent a balance of providing parking supply while still encouraging transit use and not creating unlimited traffic congestion. Recognizing that parking supply is increasingly constrained, the Proposed PDO contains increased parking standards from the amount that is required today. These include increased requirements for residential, and new requirements for commercial uses (which currently have no minimums).

The Proposed PDO also:

- Focuses commercial and retail uses in specific areas in and near neighborhood centers and on key streets to create vital districts;
- Expands the areas that allow Single Room Occupancy (SRO) units to help expand the supply of affordable housing;
- Allows exemptions from FAR calculations to encourage desired uses (e.g. historic resources, public uses, and cultural uses);
- Continues to retain important view corridor streets, and requires setbacks on them to preserve views to the Bay;
- Includes a system of FAR bonuses for amenities such as green roofs, urban open space, affordable housing, family housing and others;
- Establishes new bulk and height restrictions that are intended to ensure sunlight to parks and along Main Streets in Neighborhood Centers;
- Requires on-site common open space (both indoor and outdoor); and
- Includes Transportation Demand Management (TDM) requirements for hotel and office projects to encourage alternative transportation options.

Proposed Tenth Amendment to the Redevelopment Plan

The Proposed Tenth Amendment is proposed to conform the Redevelopment Plan for the Centre City Project area to the Proposed Community Plan. Text describing land use districts as well as a new map corresponding to those found in the proposed Community Plan and descriptions of development are provided, as required by California Redevelopment Law. Also, the allowable number of units in the project area is proposed to increase from 33,890 to 53,000, consistent with the Proposed Community Plan. Staff also took the opportunity to reduce some duplication in the document as the listed objectives for many areas were the same. The names of the areas have not changed, nor has their status in any way. Rather than re-stating the same objectives for each area individually, the "Project Objectives" area was generalized to encompass all project areas collectively. Note that there are no changes to terms of indebtedness, geographic boundaries, or other non-land use related changes proposed by the Tenth Amendment.

Proposed Final Environmental Impact Report

The proposed Final EIR identifies significant impacts in a number of areas including:

- Traffic and Circulation
- Cultural Resources
- Noise
- Land Use
- Air Quality
- Visual Quality
- Paleontological Resources, and
- Water Quality.

These are summarized in Table 1.3-1, "Significant Impacts and Mitigation Measures" and discussed in detail in Chapter 5.0, Environmental Analysis (both as modified by the "Modified Text & Figures for the Final EIR" as provided in the project binder).

SUMMARY/CONCLUSION

This staff report is provided to supplement the initial staff report that accompanied the project binder. The action requested of the Planning Commission is to:

- 1.) Recommend to the City Council the adoption of the Proposed Downtown Community Plan and Proposed Centre City Planned District Ordinance, and the certification of the proposed Final Environmental Impact Report prepared for the Proposed Community Plan and the Proposed PDO; and
- 2.) Having reviewed and considered the Proposed Tenth Amendment to the Redevelopment Plan for the Centre City Redevelopment Project the proposed Final EIR and other documents and information submitted, and having determined that the Proposed Tenth Amendment is in conformity with the General Plan, recommend to the Redevelopment Agency the adoption of the Proposed Tenth Amendment.

Respectfully submitted

Alexandra Elias √Senior Planner

Attachment(s):

Proposed Centre City Planned District Ordinance (please insert into Tab 4) CCAC Recommendations Matrix (Attachment 1)