

DATE ISSUED: February 18, 2005

REPORT NO. PC-05-085

ATTENTION: **Planning Commission, Agenda of February 24, 2005**

SUBJECT: GATEWAY FAMILY APARTMENTS - PROJECT NO. 28813.
PROCESS 4

OWNERS: Flores Family Trust
John and Beulah Munoz

APPLICANT: United Community, Inc.
Simpson Housing Solutions, LLC
Gateway I Housing Investors, LP

SUMMARY

Issue: Should the Planning Commission approve a Coastal Development Permit (CDP), Site Development Permit (SDP), and Planned Development Permit (PDP) to allow for the construction of 42 residential for-rent affordable housing units in the Redevelopment Subdistrict of Barrio Logan Planned District?

Staff Recommendation:

1. CERTIFY Addendum to Environmental Impact Report No. 90-0133, and ADOPT revised Mitigation, Monitoring, and Reporting Program (MMRP), Findings, and Statement of Overriding Considerations;
2. APPROVE Coastal Development Permit (CDP) No. 76277;
3. APPROVE Site Development Permit (SDP) No. 76278; and
4. APPROVE Planned Development Permit (PDP) No. 188538.

Community Planning Group Recommendation: The Barrio Logan Project Area Committee (PAC) considered the project at their meeting on January 20, 2004 and voted 7-0-0 to recommend approval of the project.

Other Recommendations: At the December 16, 2004 meeting of the Affordable Housing Executive Loan Committee and at the November 8, 2004 meeting of the Affordable Housing

Collaborative Review Team, the committees voted to recommend contributing \$3,634,000 to the project from the Centre City Redevelopment Project Area housing set-aside fund.

Environmental Review: An Addendum to the Barrio Logan Redevelopment Environmental Impact Report (EIR) was prepared, circulated, and finalized pursuant to the California Environmental Quality Act (CEQA) in accordance with the State CEQA Guidelines at 15164. No new significant impacts have been identified. No new information of substantial importance has surfaced which would change the environmental impact analysis or mitigation measures. Therefore neither a Subsequent nor Supplemental EIR is required.

Fiscal Impact: The cost of processing this application is paid for by the applicant. It is proposed that this project will receive funding from the Redevelopment Agency's Affordable Housing Fund through the Notice of Funding Availability (NOFA) process. The applicant is also applying for 9% Federal housing tax credits from the California Tax Credit Allocation Committee (CTCAC). The balance of development cost will be financed by the developer.

Code Enforcement Impact: None with this action.

Housing Impact Statement: The project proposes to demolish two single-family and a four unit multi-family dwelling and construct 42 Affordable multi-family dwelling units within the Barrio Logan community planning area. The Barrio Logan/Harbor 101 Community Plan designates the project site Commercial/Residential Mixed Use, with a density range of 43 dwelling units per gross acre. The density range would allow for the development of 34 units on the approximately .80 acre site, with an additional eight units allowed applying the Affordable Housing density bonus. The proposed project would result in a net gain of 36 units in the Barrio Logan community planning area and would help the City address its shortage of affordable housing stock during a time when the City Council has determined that the City of San Diego is in a Housing State of Emergency.

BACKGROUND

The 0.80 acre project site includes nine parcels located at 1603 through 1639 Logan Avenue within the Redevelopment Subdistrict of the Barrio Logan Planned District and Coastal Overlay zone (non-appealable), within the Barrio Logan Community Plan area and adjacent to the Centre City Redevelopment Project Area, East Village (Attachments 1-3). The project site is currently developed with four structures. The northeastern portion of the site is occupied by a two-story, wood-frame, multi-family residence (four units) at 1639 Logan Avenue, and the southwestern portion is developed with a vacant one-story, wood-frame single-family residence at 1639½ Logan Avenue. 1603 Logan Avenue has an approximately 6,500 square foot Quonset hut and 1615 Logan Avenue has an approximately 800 square foot one-story wooden house. An unpaved parking area containing scrap automobiles is also present on the project site.

The project consists of three discretionary actions which are required to be consolidated and considered as a Process 4 decision (Planning Commission) in accordance with SDMC 125.0940:

- Site Development Permit -SDP (Process 3) – required because the project is located within the Barrio Logan Planned District;
- Coastal Development Permit - CDP (Process 3) – required because the project is located within the Coastal Overlay Zone;
- Planned Development Permit - PDP (Process 4) – required because the project includes deviations to the Barrio Logan Planned District development regulations.

Development which does not comply with all base zone regulations or all development regulations may apply for deviations through a PDP. As stated in the Municipal Code, the purpose of the PDP regulations is to establish a review process for development that allows an applicant to request greater flexibility from the strict application of the regulations. The intent is to encourage imaginative and innovative planning and to assure that the development achieves the purpose and intent of the applicable land use plan, and that it would be preferable to what would be achieved by strict conformance with the regulations.

DISCUSSION

Project Description:

The project is located in the northern portion of the Barrio Logan Redevelopment Project Area, on Logan Avenue and 16th Street. There are nine parcels in the project site consisting of an auto wrecking yard and a four unit apartment building. The proposed project would add 42 new affordable family housing units to the Barrio Logan community through development of two and three-bedroom apartment units in a four-story 52,100-square-foot building. A two-level underground concrete parking garage would provide 97 secured parking spaces for tenants; 4 motorcycle parking spaces and 24 bicycle stalls would also be provided. The apartment mix would include (25) three-bedroom/two bath 1,075 square foot units; and (17) two-bedroom /two bath 900 square foot units. A total of 34,802 square feet (0.80 acre) of living area would be provided. All units would have an outdoor patio or deck area.

Universal Design features are a part of the design and have been incorporated into the overall plans for the site. Those features include clear floor space in the bathroom and kitchen to provide a 60" turning circle and a 30x48 parallel approachability, wall reinforcement around toilet and bath fixtures, 36" wide passage doors, 40" wide hall width and adaptable kitchen cabinets. All floors will be elevator accessible. The design will conform to the California Building Code and CTCAC funded construction requirements. The community center, open space, and public art displays will all be accessible.

Common area would be provided on the ground floor street level consisting of a multi-purpose room with kitchen area for community meetings and tenant functions. An approximately 1,077 square foot community center with 4 additional surface parking spaces would be provided for occupants to aid in functions such as job searches, and computer training. A Social Services office and Consultation room would provide for services such as financial counseling, health support, and other social services. An outdoor recreation area with a children's play structure and tot lot would be provided

above the parking garage in the central enclosed courtyard area of the project. The building would be secured by entry gates. Other amenities of the project include a laundry room, exercise gym, and recreation room. All units would have fire smoke alarms and sprinklers and separated by 1-hour rated fire walls. A public artwork element is proposed on site at the corner of Logan Avenue and 16th Street, within an area to observe a no-build easement due to geologic constraints.

Landscaping is proposed around the property as a 10-foot buffer on all sides and a 15-foot buffer in the front. Street trees along Logan Avenue and 16th Street include approximately 13 *jacaranda* trees. Approximately 3,100 square feet of the project site would consist of landscaping and other permeable surfaces, including landscape planters at the entry stoops along the front of the property and within the courtyard areas. Project grading would involve approximately 10,700 cubic yards of export cut to depths of 16 feet on 100% of the site. Public improvements associated with the project include sidewalk, curb, gutter, and pedestrian ramps. Site preparation includes removal of existing structures such as the Quonset hut structure and wood-frame buildings.

Community Plan Analysis:

The proposed project site is designated Commercial/Residential Mixed Use in the Barrio Logan/Harbor 101 Community Plan, with multi-family housing an allowable use within the designation. While the Barrio Logan Plan does not address a density range for the Residential Use, the Barrio Logan Planned District Ordinance states that the maximum residential density for the Redevelopment Area is 43 dwelling units per gross acre. The density range would allow for the development of 34 units on the approximately .80 acre site, with an additional eight units allowed through the utilization of the Affordable Housing density bonus. Because the project is utilizing the Affordable Housing density bonus and providing 100% of the units as Affordable for-rent units, the proposed project does not require a community plan amendment.

Primary objectives of the Barrio Logan/Harbor 101 Community Plan recommend the retention and enhancement of the residential environment of the community, the provision of expanded housing development opportunities in the community, and the development and maintenance of the community's low and moderate income housing stock. The plan further recommends that within the Commercial/Residential Mixed Use designation, interspersing residential units with commercial buildings will promote the viability of the local business community. The proposed project's design elements for subterranean parking, children's play area, the Common area, the Community Center, landscaping, and the 15 foot landscaped setback would enhance the residential and pedestrian environment of the community, thus implementing the recommendation of the Barrio Logan Community Plan to enhance the residential environment of the community. The proposed project's site along Logan Avenue with its commercial, industrial, and residential uses would help promote the viability of the local business community and implement the goals and objectives of the Barrio Logan/Harbor 101 Community Plan.

The Barrio Logan/Harbor 101 Community Plan identifies Logan Avenue as a critical view corridor to downtown San Diego, and recommends that landscaping and setbacks be established for beautification and enhancement of views. The Plan also recommends improved street design with the

pedestrian in mind. The removal of the driveway on Logan Avenue, provision of the 15 foot sidewalk with jacaranda trees, the unit stoops along Logan Avenue, and the upper floor balconies all help activate the street to the pedestrian and the views, thus helping to implement the Plan's recommendations.

The Barrio Logan/Harbor 101 Community Plan recommends that new residential development maintain compatible scale with the existing development. The Plan's further recommendations for the Redevelopment Area include creating a balanced mix of housing stock, promoting neighborhood identity, and achieving an environment that reflects a high level of concern for architecture, landscape, urban design and land use principles. The proposed project's use of street level stoops, upper balconies, façade articulation, planters, wide sidewalks, landscaping, and warm color palette all contribute to a design that helps implement the recommendations of the community plan.

Goal 4 of the Housing Element of the Progress Guide and General Plan is to significantly increase the number of affordable housing opportunities, both for lower-income renters and first-time homebuyers. The Gateway Family Apartments would provide 42 for-rent affordable units in the Barrio Logan community. The increase in affordable rental stock would implement Goal 4 of the Housing Element and would help the City address its shortage of affordable housing stock during a time when the City Council has determined that the City of San Diego is in a Housing State of Emergency.

The Strategic Framework Element recommends providing a diverse range of housing opportunities, improving housing affordability, and preserving the best qualities of our neighborhoods while providing for the needs of future generations. The Gateway Family Apartments would provide much needed, quality affordable housing within Barrio Logan. The opportunity for neighbors to remain neighbors within their established community helps preserve the best of the Barrio neighborhood while providing for the needs of future generations.

Environmental Analysis:

The project location is within the Barrio Logan Redevelopment project area. An Environmental Impact Report was prepared April 24, 1991 (90-0133) as certified by City Council on May 7, 1991 (R-277877) and (R-277880). The Redevelopment EIR found that direct significant impacts on the following issues would be substantially lessened or avoided if all the proposed mitigation measures recommended in the Final EIR are implemented: traffic, aesthetic quality, noise, geology, air quality, population/housing, cultural resources (archaeological and architectural historical resources), paleontological resources, and risk of upset (health and safety). With respect to cumulative impacts, the Redevelopment action would result in significant cumulative impacts to traffic, noise, and air quality which would remain significant even after mitigation.

An Addendum to the Barrio Logan Redevelopment Environmental Impact Report (EIR) was prepared for the proposed Gateway Family Apartments project, circulated, and finalized pursuant to the California Environmental Quality Act (CEQA) in accordance with the State CEQA Guidelines at 15164. No new significant impacts have been identified. No new information of substantial importance has surfaced which would change the environmental impact analysis or mitigation

measures. Therefore, neither a Subsequent nor Supplemental EIR is required.

The project site is known to contain petroleum contaminated soil. Prior to issuance of building permits, the County Department of Environmental Health (DEH) has regulatory oversight to ensure that the site is acceptable for residential use. These and other mitigation requirements are further clarified in the EIR Addendum.

Project-Related Issues:

Affordable Housing Density Bonus - The project has been approved for a 20% affordable housing density bonus through the San Diego Housing Commission (Attachment 16). While the underlying zoning would allow 35 units to be built on the site, the 20 percent increase in density is equivalent to 7 additional units and will allow the project a total of 42 units. The applicant has indicated that 100 percent of the units will be rented to affordable to low-income households with household income not exceeding 60% of area median income (AMI).

Geology - The project site is located within geologic hazard zones 11 (Active, Alquist-Priolo Earthquake Fault Zone) and 13 (Downtown Special Fault Zone) as shown on the City's Seismic Safety Study Geologic Hazards Maps. Projects in these zones require a fault hazards study to determine if "active" or "potentially active" faults traverse the site. A Summary of Geologic Fault Investigation was prepared by Geocon Incorporated, dated March 23, 2004 (Ref. No. 07235-22-01), which indicated a projected active fault trace running across the project site in a northwesterly direction. The project was redesigned to avoid construction over this fault and provides for a 50-foot wide building restricted easement which would be used for driveway entry from the alley and open space at the street level, including a public artwork element (Attachment 13).

Building Setback Deviations -

SDMC Section 103.0959(c)(1)(G):

“An unroofed portion of a structure or terrace less than three (3) feet above the surface ground level shall be permitted within the front yard setback area. Roofed, open appendages such as porches and balconies may encroach up to five (5) feet into the required front setback area. To qualify as open appendages, railings and enclosures not exceeding four (4) feet in height must be located on at least forty percent (40%) of the perimeter of such open appendage. Encroachments as permitted in Section 103.0959, and as amended from time to time, are not allowed on the street side, interior side or rear setback areas.”

SDMC Section 103.0959(d)(2):

“The facade of buildings having three (3) or more stories shall step back at least once above the first story to allow for balconies, roof terraces, and decks.”

Through the Planned Development Permit (PDP) process, the project proposes to deviate from setback requirements within the Barrio Logan PDO. In accordance with SDMC Section

103.0959(c)(1)(G), encroachments (such as the proposed balconies) would not be allowed on the street or interior side yard. Due to geologic site constraints as noted previously, a 50-foot wide no-build easement area will be dedicated across the site to provide buffering from the fault trace as required by the California Building Code (CBC). However, this site condition limits the project's ability to build to its capacity within a typical development footprint and fully meet all the setback regulations. Approval of the deviation will allow more efficient utilization of the land area available to construct the residential project, and the balconies have been designed as features to enhance the individual units and provide tenants with private areas open to the outside.

The Barrio Logan PDO also states that the facades of buildings having three or more stories are required to step back at least once above the first story to allow for balconies, roof terraces, and decks (SDMC 103.0959(f)(1)). The proposed building would be 4 stories in height and would not observe the step back requirement. As noted above, the no-build easement significantly limits areas available for development on the site. Therefore, the apartment building design had to maximize use of the areas which were available for construction. While the step-back element does not occur along the street facades, the project will provide front porch stoops along Logan Avenue, and upper floor balconies, which supports the intent of the step-back requirement to enhance the streetscape and pedestrian environment. As the project also qualifies for an affordable housing density bonus of eight additional units, the limited relief on the setback requirement will facilitate development of additional affordable units within the site constraints.

Public Services – Fire Department response time to the project site is calculated using the Emergency Response Management System (ERMS). Response time to 1603 Logan Avenue is as follows: 1.8 minutes from Fire Station 7 at Cesar Chavez & National Avenue; 2.9 minutes from station 4 at 8th & J Street; and 3.0 minutes from station 11 at Broadway & 25th. Police services would be provided by the Central Division, located at 2501 Imperial Avenue. Central Division serves a population of 85,927 people and encompasses 9.7 square miles. The Redevelopment EIR identifies significant impacts to schools due to increased enrollment, but recognizes that use of Assembly Bill 2926 school fees would mitigate these impacts to below a level of significance. A Development Impact Fee (DIF) of \$35,880 is required for this project and will be collected at the time of building permit issuance.

Conclusion:

The proposed affordable housing project meets the need to provide quality low and very low income housing in the City of San Diego. Other than the requested deviations to building setbacks, the proposed project conforms to all applicable development regulations outlined in the San Diego Municipal Code and the Barrio Logan PDO. Staff finds that the project as proposed would be in accordance with the provisions of the City's Municipal Code; the California Environmental Quality Act; the City's Progress Guide and General Plan; and the Barrio Logan Community Plan and Local Coastal Program Plan. Staff therefore recommends approval of Coastal Development Permit (CDP) No. 76277, Site Development Permit (SDP) No. 76278; and Planned Development Permit (PDP) No. 188538.

ALTERNATIVES

1. Approve Coastal Development Permit No. 76277, Site Development Permit (SDP) No. 76278, and Planned Development Permit (PDP) No. 188538, with modifications.
2. Recommend denial of Coastal Development Permit No. 76277, Site Development Permit (SDP) No. 76278 and Planned Development Permit (PDP) No. 188538 if the findings required to approve the project cannot be affirmed.

Respectfully submitted,

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Development Services Department

Patricia J. FitzGerald
Development Project Manager
Development Services Department

Attachments:

1. Location Map
2. Aerial Photograph
3. Community Plan Land Use Map
4. Project Data Sheet
5. Title Sheet/Demolition Plan
6. Project Site/Landscape Plan
7. Grading Plans
8. 1st/2nd Floor Plan/Sections
9. 3rd Floor Plan/ Roof Plan
10. Elevations
11. Unit Floor Plans
12. Project Rendering
13. Geologic Fault Information
14. Draft Permit
15. Draft Permit Resolution
16. Housing Commission Letter of Commitment
17. Ownership Disclosure Statement
18. Site Vicinity Photos