| DATE ISSUED: | April 20, 2005   | REPORT NO. PC-05-112 |
|--------------|--|----------------------|
| ATTENTION:   | Planning Commission<br>Agenda of April 28, 2005  |                      |
| SUBJECT:     | Initiation of an Amendment to the Progress Guide and General Plan and<br>the Southeastern San Diego Community Plan to redesignate a one-acre site<br>as follows: 1) 0.5 acres from Residential - Low Density (5-10 DU/AC) to<br>Residential - Medium-High Density (15-30 DU/AC) and 2) 0.52 acres from<br>Residential – Low - Medium Density (10-15 DU/AC) to Residential –<br>Medium - High Density (15-30 DU/AC). 502 62 <sup>nd</sup> Street - Project No.<br>60968 |                      |
| OWNER/       |  |                      |
| APPLICANT:   | The Estate of Willie West Kennerly, Fontelle Quin Kennerly, Paul Selwyn  |                      |
|              | Kennerly, The Estate of Alfred Justin Kennerly, James C. Kennerly,<br>Esperanza Partners, LLC/Esperanza Partners, LLC  |                      |
|              | Esperanza Farmers, LLC/Esperanza Parmers, LLC  |                      |

#### **SUMMARY**

<u>Issue</u> – Should the Planning Commission INITIATE an amendment to the Progress Guide and General Plan and the Southeastern San Diego Community Plan pursuant to Municipal Code Section 122.0103? An amendment to the Progress Guide and General Plan and the Southeastern San Diego Community Plan has been requested to allow redesignations of a one-acre site from Residential - Low Density (5-10 DU/AC) to Residential - Medium-High Density (15-30 DU/AC) and from Residential - Low Medium Density (10-15 DU/AC) to Residential - Medium High Density (15-30 DU/AC).

<u>Staff Recommendation</u> – INITIATE the plan amendment process.

<u>Community Planning Group Recommendation</u> – On February 22, 2005, the Encanto Neighborhoods Community Planning Group voted 7-3 to support the initiation request (see Attachment 1 – Encanto Neighborhoods Community Planning Group Minutes).

<u>Environmental Impact</u> – If initiated, the proposed general plan/community plan amendment and related discretionary actions would be subject to environmental review.

Fiscal Impact – Processing costs would be paid for by the applicant.

### Code Enforcement Impact - None

<u>Housing Impact Statement</u> – If initiated, the proposed general plan/community plan amendment to redesignate the one-acre site from Residential - Low Density (5-10 DU/AC) to Residential – Medium High Density (15-30 DU/AC) and from Residential - Low Medium Density (10-15 DU/AC) to Residential - Medium High Density (15-30 DU/AC) would allow a range of 15 to 30 units on this site where a range of 8 to 13 units are currently allowed. The site is currently covered by two different zones: SF-6000 (Single-family Residential) and MF-3000 (Multi-family Residential) per the Southeastern San Diego Planned District Ordinance. The applicant has indicated a desire to develop the site with 29 residential units where ten percent of these units (3 units) would be set aside as for-sale affordable housing units for households with an income at or below 100 percent of area median income (AMI). The 100 percent AMI for a household of four is currently \$63,400 per the U.S. Department of Housing and Urban Development. Impacts to housing supply and demand as well as affordability will be evaluated in more detail if the proposed amendment is initiated by the Planning Commission.

# This initiation request does not constitute an endorsement of the proposed project. If initiated, a staff recommendation will be developed once the project has been fully analyzed. This action will allow the staff analysis to proceed.

### BACKGROUND

The one-acre site is located just north of Akins Avenue and west of  $62^{nd}$  Street in the Encanto Neighborhoods Planning Area (see Attachment 2 – Encanto Neighborhoods Planning Area Land Use Map) of the Southeastern San Diego Community Plan Area (see Attachments 3 and 4 – Vicinity Map and Location Map), and more specifically in the Encanto neighborhood of the subject community planning area (see Attachment 5 – Encanto Neighborhood Land Use Map). The site is also located in the Central Imperial Redevelopment Project Area (see Attachment 6). The site is comprised of three lots and is presently occupied by small storage sheds and a single structure built in 1954 which is not historic. It is also currently surrounded by multi-family units to the north; single-family units to the west; a parking lot to the east; and the San Diego Trolley Station and trolley lines to the southeast and south respectively (see Attachment 7 - Aerial Photo).

The Southeastern San Diego Community Plan presently designates the subject site as Residential - Low Density (5-10 DU/AC) and Residential - Low Medium Density (10-15 DU/AC) (see Attachment 5 – Encanto Neighborhood Land Use Map) and the site is covered by two different zones: SF-6000 and MF-3000. Adjacent land uses include Residential - Low Density (5-10 DU/AC), Residential - Low Medium Density (10-15 DU/AC), and Specialized Commercial. It should be noted that this initiation request is being processed concurrently with required development permits for this proposal as allowed under the Affordable/In-Fill Housing and Sustainable Buildings Expedite Program. The applicant has indicated a desire to develop the site with 29 residential units where ten percent of these units (3 units) would be set aside as for-sale affordable housing units for households with an income at or below 100 percent of area median income (AMI). Required permits for this proposal include a rezone, tentative map, and site development permit (Southeastern San Diego Planned District). This concurrent processing and

expedited permit processing service are being done at the applicant's risk given that the proposed general plan/community plan amendment has not yet been initiated.

The planned residential land use designations for the entire community planning area would allow a maximum total of approximately 31,000 units in the area. Currently, there are 28,122 existing residential units in the community planning area. In addition, according to San Diego Housing Commission's information on affordable housing restricted units for the entire City, there are 1,104 completed affordable housing restricted units in the Southeastern San Diego community planning area which comprises approximately six percent of the total completed number of units in the City (17,097). In addition, there are 74 restricted units currently in process within this community.

Overall, residential developments in this community planning area have occurred within the planned residential density ranges while providing housing unit counts that more commonly meet the lower end of these planned density ranges. There are three other amendments which have been initiated and are currently in process for this community planning area. They are as follows: 1) Village Center at Euclid and Market (839 residential units with affordable housing restricted units on-site, mixed-use development with commercial and retail services); 2) Hilltop Project (170 residential units with affordable housing restricted units on-site); and 3) Mar Vista (135 residential units, mixed-use development with commercial, retail and light-industrial uses).

## DISCUSSION

Before a community plan amendment can be initiated, Section 122.0104 of the Municipal Code requires that any one of three primary criteria or all four supplemental criteria specified in the code must be met. The Planning Department does not believe that any of the following three primary criteria can be met:

- (1) The amendment is appropriate due to a map or text error or to an omission made when the land use plan was adopted or during subsequent amendments;
- (2) Denial of initiation would jeopardize the public health, safety or welfare; or
- (3) The amendment is appropriate due to a material change in circumstances since the adoption of the land use plan, whereby denial of initiation would result in a hardship to the applicant by denying any reasonable use of the property.

The Planning Department does, however, believe that all of the following supplemental criteria can be met:

(1) The proposed land use plan amendment is consistent with the goals and objectives of the Progress Guide and General Plan and the Southeastern San Diego Community Plan.

The proposed amendment is consistent with the following applicable goals and objectives of the Progress Guide and General Plan and the Southeastern San Diego Community Plan:

#### Progress Guide and General Plan:

One of the goals in the Progress Guide and General Plan encourages in-fill development and revitalization and the proposed plan amendment would accommodate in-fill development and revitalization by allowing additional much needed quality housing in the community. The plan also discusses the importance of improving the neighborhood environment to increase personal safety, comfort, pride and opportunity. In this regard, the proposed amendment would potentially develop multi-family housing and associated improvements and amenities to overall help improve the neighborhood and its surroundings. Per the Housing Element of the General Plan, the need to ensure development of new housing for all income groups and increase the number of affordable housing opportunities would be addressed as the proposed plan amendment/project would include onsite affordable housing restricted units per the Inclusionary Housing Ordinance.

Southeastern San Diego Community Plan:

The community plan addresses the need to provide much needed housing for all family sizes, particularly large families. The community plan also discusses the need to maintain or increase the level of owner occupancy in the community to increase maintenance of properties and to increase pride in individual neighborhoods. The proposed plan amendment would accommodate development that could improve the existing site while providing homeownership opportunities for large families in this neighborhood. The community plan also discusses the need to fully utilize the potential of the San Diego Trolley-east line to revitalize and redevelop land adjacent to the trolley line and to maximize the use of public transportation. The proposed project site is located across the street and trolley lines from the 62<sup>nd</sup> Street Trolley Station which would help further revitalize areas adjacent to the trolley line and help maximize use of transit. In addition, the proposed plan amendment/project would help improve and enhance the visual and physical character of the community through streetscape improvements and quality residential development.

# (2) The proposed land use plan amendment appears to offer a public benefit to the Community or City.

The proposed amendment would offer the opportunity to provide additional and much needed housing within the community of Southeastern San Diego. The project site is located within walking distance of other multi-family housing projects, nearby commercial uses and retail shops, school, recreational facilities, bus stops and the San Diego Trolley Station at 62<sup>nd</sup> Street that would offer commuting choices to future residents living on this site. The general plan/community plan amendment would also allow for future multi-family

housing development on a site that is currently being underutilized. The proposed amendment/project would also improve the streetscape along Akins Avenue and  $62^{nd}$  Street and serve as a catalyst for further revitalization and investment in this part of the community while recognizing the potential and benefits associated with the adjacent trolley station.

# (3) Public services are available or are planned to be available to serve the proposed change in density or intensity of use.

Library, Police and Fire Department services are currently in place and are provided by the City of San Diego. Development on this site would have access to existing public water and sewer facilities located within Akins Avenue and 62<sup>nd</sup> Street. The San Diego Unified School District serves the subject area with Encanto Elementary School located within walking distance of the subject site. In addition, the Encanto Park and Recreation Center is located within walking distance of the subject site. If initiated, any impacts to services will be fully analyzed during review of the amendment proposal.

### (4) City staff is available to process the proposed land use plan amendment without any work being deferred on General Fund-supported programs or on-going land use plan updates.

Staff is available to process this amendment request without delaying General Fund programs or ongoing plan updates as the Planning Department's work program includes staff time for non-General Fund development projects. However, delays in processing the plan amendment could occur based on staff levels and workload. The costs associated with processing this amendment will be paid for by the applicant.

## CONCLUSION

Planning Department staff recommends that the proposed amendment to the Progress Guide and General Plan and the Southeastern San Diego Community Plan be initiated. This will enable staff to study the issues and impacts associated with the proposed land use change from Residential - Low Density (5-10 DU/AC) and Residential - Low Medium Density (10-15 DU/AC) to Residential - Medium High Density (15-30 DU/AC). The following land use issues have been identified with the initiation request. If initiated, these issues, as well as others that may be identified, will be analyzed and evaluated through the community plan amendment review process:

- Impacts on housing availability (supply and demand) and affordability.
- Appropriate land use designation, density range and zoning for the site.
- Comparisons between current land use designation/zoning and proposed land use designation/zoning.
- Impacts of proposed development on adjacent residential developments.
- Possibility of extending the boundaries of the amendment to surrounding properties where appropriate.

- Adequacy of existing public services and facilities, including schools, parks, fire, police and transit services, to determine whether the additional units proposed would negatively impact the current levels of these services.
- Need for transportation improvements and impacts on the circulation system.
- Consistency with the City's Strategic Framework Element, Transit-Oriented Development Design Guidelines, and Housing Element goals for future development.
- Provision of amenities and pedestrian-scale elements associated with proposed development and application of urban design guidelines per the Southeastern San Diego Community Plan.
- Review of pedestrian and vehicular circulation patterns for safety and connection within the site as well as review of pedestrian/vehicular access into the property.
- Design and character of proposed development and compatibility with adjacent uses.
- Project's ability to meet energy efficient construction standards.

Although staff believes that the proposed amendment meets the necessary criteria for initiation, staff is still in the process of reviewing the applicant's proposal. Therefore, by initiating this general/community plan amendment, neither the staff nor the Planning Commission is committed to recommend in favor or denial of the proposed amendment.

### ALTERNATIVES

Deny the initiation request and maintain the existing Residential - Low Density (5-10 DU/AC) and Residential - Low Medium Density (10-15 DU/AC) land use designations per the Southeastern San Diego Community Plan.

Respectfully submitted,

Mary P. Wright Program Manager Planning Department Patsy Chow Senior Planner Planning Department

MPW/PC/ah

- Attachments: 1. Encanto Neighborhoods Community Planning Group Minutes
  - 2. Encanto Neighborhoods Planning Area Land Use Map
  - 3. Vicinity Map
  - 4. Location Map
  - 5. Encanto Neighborhood Land Use Map
  - 6. Central Imperial Redevelopment Project Area
  - 7. Aerial Photo
  - 8. Ownership Disclosure Statement