



Project Review Committee
Little Italy Association, July 8th, 2016, 9:30 a.m
Union and Cedar Project
LIA Office, 2210 Columbia Street

Present: Jim Barone, Tom Cervello, Danny Mocerri, Lou Palestini, Rich Gustafson,

Staff: Marco Li Mandri, Chris Gomez,

Presenters: Jonathan and Matthew Segal

Discussions Held and Recommendation of Project Review Committee Support Made to the Board of Directors:

The purpose of this morning's meeting was to discuss the proposed Union and Cedar project, a very unique idea slated for the eastern corridor of Little Italy. The presenters were Jonathan and Matthew Segal. Matthew plans on living in the larger single family residence at the corner of Union and Cedar. The existing 5,000 square foot site is currently home to a series of businesses, many of which have raised concern over the years in the community.

Project Description/Union and Cedar:

Specifications for this project include:

- 35 micro units, estimated to be around 400 square feet each
- One traditional single family residential unit
- 1,300 feet of retail planned for the ground floor
- Roughly \$1,400 per month rental fees; current average rent in Little Italy is around \$2,900
- Target audience are millennials and workforce, who seek to live in Little Italy without a vehicle and make 80-120% of AMI or approximately 61,300\$ a year.
- 2 very low income affordable units built as part of the FAR bonus
- FAR will be 6.3
- 8-floor structure totaling 31,277 square feet
- No parking spaces provided for micro units, making this project the first of its kind and an experiment
- Demolition of current structures by February
- Bicycle parking spaces on each floor of the unit

At the end of the presentation, the following recommendations were made:

- a. The Committee insists that the new Gateway sign be maintained at Union and Cedar
- b. The Committee expects green dual acorn lights be installed at the corner (and perhaps mid-block) on Cedar, since Civic SD has designated Cedar as a gateway Street
- c. Single green acorn lights (LED) to be installed on the Union Street side
- d. A minimum of 2-3 trash receptacles, compliant with Civic SD Little Italy standards, to be installed at the property lines of the property
- e. Chinese Pistache trees planted along Union and Jacarandas planted along Cedar
- f. Consistent with long term parking plan, head-in parking installed along Union and Cedar wherever possible
- g. Developer Impact Fees (park-related) generated from the project should be allocated to the improvement of various projects planned for Amici Park. The Association will work with Civic San Diego staff to identify the qualifying projects.

The issue of the lack of parking for the micro units was discussed extensively. This is a unique project that mimics much of what is going on in many transit-friendly Downtowns throughout the country. It would be the first of its kind and Little Italy may be the best place to test it out. The Committee believes that the Segals run the risk of not attracting new tenants due to the lack of parking – but that is their risk to take. (See attached comment on the site)

**Minutes taken by Marco Li Mandri, Chief Executive Administrator
Little Italy Association**

Comments by Marco Li Mandri, of the Little Italy Association on the Key Elements of the Union and Cedar Project - September 1, 2016

This proposed development has generated more comment, mostly controversial, than any project in recent years. I would like to comment on some of the great concerns that certain people in the community have expressed, in the spirit of generating more constructive discussion on the future of Little Italy.

1. Parking Demands in Little Italy:

a. If one looks at the two blocks surrounding this development (Ash/Front, Date/State), you will find close to 150 older housing stock units without any parking provided. That was the norm in Little Italy prior to the condo boom in the early part of the 21st century. During those days, parking on the streets wasn't an issue since many of those tenants did not have cars and still don't. There are other newer buildings such as the Vantaggio and Villa Maria (both affordable housing complexes) that do not provide enough parking to match their number of units.

Parking in all of Downtown San Diego in the 1980s had sporadic residential density, but no corresponding parking. This is not to say that we should deny the need for more parking associated with housing; however, it has worked in the past and will work well into the future. The profile of a micro unit dweller is normally not one that needs, or has, a car.

b. In the 1980s, the old CCDC acted to jump-start the revitalization of Downtown by adopting a provision whereby retail, restaurants, and bars could open with no parking requirement. I would submit to you, based upon our current research, that restaurants and retail are creating more demand for parking than the Union and Cedar project ever would. A census of employers in Little Italy taken this summer revealed that we have verified a minimum of 5,000 employees working in Little Italy. Couple this fact with the provision of a mere 1,000 or so parking spaces dedicated for office use in Little Italy and one can see the supply and demand problem. Where do those over 4,000 or so employees park throughout the day? There are an estimated 850 – 900 on-street parking spaces in Little Italy today.

c. Residential development in Little Italy grew by almost 3,000 new residential units from 2001 to 2015. Approximately 1,000 more have been approved or will be approved in the coming year. Some of these units will have more residents than parking spaces provided. This may exacerbate the issue of parking demand, too.

d. Within 800 feet of India and Date, there are at least five construction projects currently underway. This process has taken existing street parking out of circulation as well as put additional demand on parking by the construction workers who seek to have their vehicles and tools adjacent to the work site.

e. The recently adopted Civic San Diego mobility plan (though adamantly opposed by the overwhelming majority of Little Italy residents, the Association, the School and the Church) was passed unanimously by the San Diego City Council. This plan prevents the Association from maximizing parking and slowing down traffic on State Street and Beech Street. We estimated that the loss from the implementation of these new bike lanes will equal over 50 new on-street parking spaces.

f. For the past 4 years, the Association has used parking meter revenues generated in Little Italy to fund the valet program throughout the community. We are able to relocate over 1,000 visitors to Little Italy per week due to the various stations in the community. Furthermore, we have opened up parking lots in the evening that previously were out of circulation.

g. The County Parking Structure, totaling over 700 spaces, is now open in the evening and the weekends for residents or their visitors in Little Italy. Unfortunately, the demand for the parking spaces is weak and the structure is not being used.

2. Will 35 micro units create that much of an impact?

Some believe that ANY addition of residents without corresponding parking will increase the supply and demand problem for parking in Little Italy. The Committee discussed this and concluded that there are at least 35 people willing to live in 400 square feet without a need for parking in Downtown. It is speculation as to whether or not these new tenants will require cars, or are part of a new breed of resident who will see Downtown as walkable, bikable, and will use Uber/Lyft or some other ride-sharing program. The new free electric vehicle on-call transportation system is novel and can also provide people with many of the resources they might need to get around Downtown.

3. Affordable housing in Little Italy.

One of the better features of the new micro units, as seen in other cities, is that they are affordable. The micro units are being built based upon price point, not cost per square foot. We are fully aware that affordable housing is in great demand in Little Italy. Currently, only Villa Maria (and the new Fenton project at Piazza della Famiglia) offer on-site affordable housing. Our goal is to build as much affordable housing here as possible so families can attend their neighborhood Washington Elementary School as well as walk to work. Although the price per square foot in the micro units may hover around \$3.40 per square foot (as compared to under a dollar per square foot at Villa Maria), this price point of monthly rent around \$1,400 will allow many single workers to live here and walk to work. This is something a city center neighborhood clearly needs much more of, in terms of new inventory.

It is estimated that it costs the SD Housing Commission around \$270,000 per door to build new affordable housing, at which point it must be managed. The micro unit concept can bring much

more inventory to the neighborhood - privately funded - much quicker so this is something that should be supported.

4. Where is San Diego's Downtown going?

In 1980, no native San Diegan could have predicted close to 30,000 people living in Downtown by 2016, not to mention a projected 90,000 residents by 2040. This is in fact happening. Downtown, however, cannot solely be built for those who can afford units over 500k. The best communities are those that are mixed use, mixed income, and mixed race. Such a community must be constructed; we cannot simply wait for the market to make that happen.

As long as the City of San Diego has an ordinance restricting ALL development west of Interstate 5 to a 30-foot height limit (excluding Downtown, government properties, Liberty Station and UCSD), high-density, vertical development, particularly around new transit centers, will only be possible in neighborhoods where said height limitations are not enforced, restricting growth in areas with massive potential.

None of us believe the concept of no-parking residential units will become the new status quo, since we are and will continue to be, a car-based region. It will take decades for development patterns to support an effective mass transit system, a system that will have to be quick, efficient, and convenient for its users. But to fight this proposal for the micro units may be considered to be not in the best interests of long term planning. Therefore, we should allow it to proceed and monitor its impact.

The key is making this Downtown community even more walkable and livable than it already is, with great public spaces, a vibrant economy, and an overall dynamic density. From that perspective, a proposal for 35 micro units, with no parking, should be put into perspective. Cars are cars, no matter the source.

Sincerely,

A handwritten signature in black ink, appearing to read 'Marco Li Mandri', with a long horizontal flourish extending to the right.

Marco Li Mandri
Little Italy Association

LIRA

Little Italy
Residents
Association



Date: September 9, 2016
To: Christian Svensk, Senior Planner
From: Anne MacMillan Eichman
Re: 320 W. Cedar Project No.2016-65

Dear Christian,

I enthusiastically support this project.

Mr. Segal's "micro-housing" project will be the first of its kind in Little Italy and all of Downtown. And it has the potential to be the prototype and catalyst for subsequent developments to come.

Renters of small units in LA, San Francisco, New York, Boston, Washington D.C., Minneapolis, Seattle, Portland and Houston are enjoying the benefits of urban living and paying less to do so. Why not us? The average rental cost now in Little Italy is around \$2900 per month.

Micro-housing will help level the "Paying Field."
And the 320 W. Cedar Project will also have 2 "very affordable" housing units in addition to all the other affordable ones.

Furthermore, I believe this project will help encourage more walking, biking and use of public transit.

If we are serious about achieving the Climate Change goals set by Gov. Brown, I think this project is an excellent place to start.

Sincerely,
Anne MacMillan Eichman

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