

Forum on Land Use & Economic Prosperity: Mira Mesa Community Plan Update

Planning Department

October 31, 2019

9:00 a.m. to noon– Qualcomm Building AZ

Image: Google Earth

www.PlanMiraMesa.org



- 1. Explain project purpose and background
- 2. Review latest findings on key planning topics
- 3. Hear your ideas for the future



Solution Planning Department – Forum Agenda

- 1. Opening Remark
- 2. Overview City
- 3. Market Demand Analysis KMA
- 4. Mobility Vision KHA
- 5. Land Use & Urban Design Concepts Dudek
- 6. Break
- 7. Tabletop Discussion & Highlights
- 8. Public Comment
- 9. Next Steps and Adjournment

How You Can Provide Input



Participate in tabletop discussions



Participate in interactive polling



Submit written comments





Community Plan Update



why is the Community Plan Update Needed?



Address Regional Growth



Understand Community Needs & Enhance Quality of Life



Determine Infrastructure Demand



Take Action for the Environment



The City is updating the Community Plan in order to help shape the future of Mira Mesa CPA for the next 20 to 30 years. The current plan was last adopted in 1992.

Solution Community Plan Update Implements General Plan and CAP



City of San Diego General Plan

- > Provides a Comprehensive Slate of Citywide Policies
- > Furthers the City of Villages Smart Growth Strategy

Climate Action Plan

- Provides Citywide Emission Reduction Targets
- > 50% reduction in emission and 100% renewable electricity by 2035
- > Strategy 3: Bicycling, Walking, Transit, & Land Use



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Process and Timeline

2018	2019		2020	2021		
	2	3	4	5		
CPU LAUNCH & EXISTING CONDITION	CONCEPT & ALTERNATIVE	DRAFT COMMUNITY PLAN	CEQA ENVIRONMENTAL REVIEW	PLAN APPROVAL		
PLANNING DOCUMEN	т					
C	COMMUNITY PLAN (CP)					
		ENVIRONMENTAL IMPACT REPORT (EIR)				
		IMPACT FEE STUDY (IFS)				
OPPORTUNITY FOR PL	JBLIC INPUT					
 Website & email sign-up for updates Stakeholder Interview Online engagement Open House Subcommittee mtg 	 Stakeholder Interview Workshop & Forum Online engagement Subcommittee mtg 	 Open House Online engagment Subcommittee mtg 	 EIR public comment period Subcommittee mtg 	 Community Planning Group Historical Resource Board Planning Commision SGLU Committee City Council 		

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Mira Mesa Plan Update Phase I Documents

Nov. 2018

Jan. 2019

June 2019







Mira Mesa Community Atlas

Phase I Community Engagement Report

Mobility Existing Conditions Report

Reports available @ www.PlanMiraMesa.org

Economic Prosperity Technical Studies

Spring/Summer/Fall 2019



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Subregional Employment Area Profile Market Demand & Collocation Study

Sorrento Mesa Land Use Compatibility Analysis (LUCA) Miramar Gateway LUCA

Stakeholder Interview Summary & Comparison Cities Analysis

Available @ www.PlanMiraMesa.org



Existing Conditions





Data Source: U.S. Census LEHD 2017

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2nd Largest Employment Center in the Region

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SD) Planning Department Key Industry Clusters in Mira Mesa CPA





MCAS-Miramar = 13k Jobs

Carroll Canyon

Miramar College Transit Center

Miran Colleg 15



Traffic and Travel Time

Commuter Flow (2017)







Data Source: U.S. Census LEHD 2017

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Impacts of Car-Dependency

City of San Diego 2016 GHG Emissions



Source: City of San Diego Climate Action Plan 2017 Annual Report

San Diego ranks 6th among most polluted cities in US



Sixth worst ozone pollution in the country

https://www.sandiegouniontribune.com/news/watchdog/story/2019-04-24/sd-me-air-quality



Land Use Regulation and Policy: Opportunities & Constraints





General Plan Prime Industrial Land

Prime Industrial Land Mid-Coast Trolley (under construction) Transit Hub

Mira Mesa CPA Boundary

PHRS MRSD

Googleea

Scripps Ranch

15

MCAS-Miramar

arroll Canyor

Mira Mesa Blvd

Miramar Road

Climate Action Plan - Transit Priority Area

Mira Mesa CPA Boundary Transit Priority Area

> Miramar College

/ Carroll Canyon

CAP Action 3.6: Achieve better walkability, transit-supportive density by locating majority of all new residential housing within the TPAs. 20 N

ramar Road

Mira Mesa Blvd

5

MCAS Miramar Airport Influence Area

Prime Industrial Land Accident Potential Zone I (APZ I) Accident Potential Zone II (APZ II) Transition Zone (TZ)

60 dB CNEL

65 dB CNEL

70 dB CNEL

APZ

75 dB CNEL MCAS-Miramar

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Data CSUMB SFML, CA OPC

APZ II

FOCUS AREAS EXPLORING URBAN DESIGN APPROACHES

Urban Design Approaches

- A. Science & Tech Park
- B. Science & Tech Park with Employment Village
- C. Science & Tech Hub





Community Input





Engagement Metric (as of 09/10/19)



1,216 online survey visits

754 online surveys completed



20,600+ views on social media

1,000+ unique visitors to PlanMiraMesa.org



500+ people engaged (street fair, open house, location specific outreach)

12 Plan Update Advisory Committee meetings held

20+ Stakeholder interviews & **70+** meetings held





7+ technical studies completed

27+ presentations given

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Community Priorities

Online Survey All Rankings



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Online Survey

ECONOMIC VITALITY

Speaks to how the Mira Mesa CPA takes specific actions to encourage a diverse, resilient, and vibrant economy that attracts employers and employees and encourages private investment in the community.



Expand High-Tech	Encourage more start-ups and knowledge-based jobs.	
Grow Local Craft	Promote jobs related to food, beverage, and other locally-made produc	ts.
Keep Manufacturing	Protect industrial lands for warehousing and manufacturing jobs.	
Live / Work Units	Allow live/work building in an industrial area for small business and art	ists.
Workforce Housing	Locate new workforce housing near jobs and transit.	
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Stakeholder Participation



SD) Planning Department Major Themes – Stakeholder Interview

Themes	Comments	%
 Collocate Residential in Employment Area 	131	25%
 Improve Economic Competitiveness & Talent Retention/Recruitment 	94	18%
 Improve Mobility (Transit, Traffic, etc.) 	84	16%
Allow for More Flexibility	75	14%
 Increase Diversity of Housing Types 	52	10%
More Amenities	36	7%
 Build on Current Strengths & Assets 	24	5%
Preserve Prime Industrial	24	5%
 Questions 	10	2%
	530	100%



Questions – Stakeholder Interview

What do we know?

• Housing, Jobs & Built Environment

2 Do we have enough industrial land?

3 Are there any land use incompatibility?



What do we know? Plenty of Jobs, Not Enough Housing



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Recent Growth Trend

Between 2010 to 2017:

- Mira Mesa grew faster than City & County
- Employment grew 4.8 times faster than housing
- Jobs-Housing Imbalance (3.2 jobs/1 housing)



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Long-Term Trend

Plenty of Jobs, Not Enough Housing

- Housing availability peaked in 1980
- Between 1980 to 2017, housing access declined by 8.6%, while employment increased by 23.8%



Comparing Housing Availability



Housing Access

 San Diego and California show
 long-term decline in housing access,
 while the U.S. shows an 8.2% increase.





City of San Diego Housing Need

Housing Need

According to the latest State of California & SANDAG's Regional Housing Needs Assessment (RHNA), the City of San Diego needs to build **107,901 housing units** by 2029.



BUILDING OUR BETTER FUTURE STARTS HERE

Over the past decade, new housing development has not kept pace with job or population growth, resulting in housing costs that have increased at a much faster rate than income levels. With a growing population and a county median home price well over \$500,000, more and more families are finding it increasingly difficult to find an affordable place to live in San Diego. Additionally, many economic analysts have reported that the single greatest threat to our region's economy is the high cost of local housing.

Since taking office, it has been a priority of this administration to improve the government functions that directly impact new development. A major focus has been placed on the performance and operations within the Development Services Department (DSD) and over the past several years, many positive changes and new policies have been implemented to improve these functions. Some of these changes include streamlined processing of certain permits through self-certification programs, simplification of fee structures by reducing the total number of fees and converting over 60 deposit accounts to flat fees, improved customer service training and additional operating hours on certain nights and weekends, as well as implementing new technologies like OpenDSD and the soon to be online Accela which will improve information and data sharing.

The City's Planning Department also has an impact on new development. Community plan updates are critical to providing a clear framework for new projects to follow. Currendy, the majority of the City's community plans are woefully outdated, adding major uncertainty to new housing projects looking to comply with City code. A renewed effort is already underway to update these plans. Since 2014, nine community plans have been updated¹ and six more are currently being worked on. In the prior ten years only the Downtown Community Plan was updated. The Mayor has also made a commitment to speed up how long it takes to complete community plan updates and set a three year timeline for the process. In the past, some plans have taken as long as nine years to complete updates.

These changes will help bring about positive momentum in the number of new housing units that San Diego is developing but they are not enough on their own. More action is necessary to help San Diego get out of its housing crisis and improve housing affordability for its citizens. This housing plan and the policies outlined below will provide new tools for developing additional housing. It is critical that these policies be implemented if San Diego is to overcome this hurdle and help provide the new housing it is observately needs.

¹ Otay Mesa '14; Ocean Beach '14; Navajo '15; Southeastern '15; Encanto '15; North Park '16; Uptown '16; Golden Hill '16; San Ysidro

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Housing Need

- 44% of San Diego millennials are considering leaving San Diego in the next two years
- 68% identify affordable housing options as one of the top three reasons they were considering a move





What do we know? Shortage of Walkable Places


Planning Department National Metro Ranking of Walkable Urbanism

Comment Dealing

Shortage of Walkable Places

- San Diego metro is the 16th
 largest by population in the nation,
- but ranks 25th for Walkable Urbanism*
- There is a pent up demand for mixed-use, walkable places connected to jobs and opportunity

1	urrent	ΓK	ank	ing	S				
ANK	REGION	# OF WALKUPS	TOTAL IN METRO AREA	POPULATION PER WALKUP	RANK (POPULATION PER WALKUP)	or			
			METRO AREA	PER HOLDUP	PER WALKUP)		Eveneren		
1	New York City	149	20,192,042	135,517	6	A State			22 /
2	Denver	19	3,115,466	163,972	8	- And	Carl		
3	Boston	57	4,771,936	83,718	1	the second	3	192	
4	Washington, DC	50	6,090,196	121,804	3				
5	San Francisco Bay Area	59	6,611,717	112,063	2		-	12 HE	
6	Chicago	41	9,549,229	232,908	16		100		
7	Pittsburgh	13	2,348,143	180,626	n		100	Pantan	25
8	Seattle	26	3,735,216	143,662	7		SHII .		1-211
9	Atlanta	27	5,700,990	211,148	14	111	-41	E TA	- 2
10	Charlotte	9	2,427,024	269,669	17		0 ////		
n	Philadelphia	21	6,065,644	288,840	19		min 1		
12	Cincinnati	7	2,156,723	308,103	22	4111	1111		1
13	Portland	18	2,382,037	132,335	4		1112		A
4	Minneapolis-St. Paul	n	3,526,149	320,559	23				in A
5	Cleveland	10	2,062,764	206,276	13				
16	St. Louis	10	2,804,998	280,500	18	11/1			THE SCHOOL OF BU
17	Baltimore	16	2,792,050	174,503	10	1/1			
18	Kansas City	9	2,088,830	232,092	15	25%	1%	8%	14%
19	Sacramento	6	2,268,005	378,001	24	28%	6%	5%	12%
20	Los Angeles	59	17,737,760	300,640	20	24%	8%	8%	12%
21	Dallas-Fort Worth	38	7,104,415	186,958	12	23%	5%	8%	10%
22	Houston	16	6,636,208	414,763	25	28%	6%	5%	10%
23	Detroit	32	4,304,613	134,519	5	22%	6%	5%	10%
24	Miami	20	6.019.790	300.990	21	18%	8%	6%	9%
25	San Diego	19	3,283,665	172,824	9	18%	9%	5%	8%
26	Tampa	6	2,978,209	496,368	26	20%	6%	4%	8%
27	Orlando	3	2,390,859	796,953	28	14%	2%	2%	5%
28	San Antonio	3	2,377,507	792,502	27	11%	4%	1%	4%
29	Phoenix	5	4,561,038	912,208	29	10%	2%	1%	4%
30	Las Vegas	2	2,112,436	1,056,218	30	4%	7%	1%	3%
	Weighted Average			273,694					20%

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Form and Function of San Diego



SD Planning Department Price Reflects the Shortage of Walkable Places

City of San Diego Price Premium: Walkable Places vs. Car-Dependent Places (Q2 2019)



Data Source: Zillow - Ave Home Value Per SF; CoStar - Ave Asking Rent Per SF for Multi-Family, Office, and Retail

Walkable Places are Fiscally Productive

Value Per Acre

• On average, mixeduse walkable places are 3 times (294.2%) more **productive** than car-dependent places in the city of San Diego

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Tax Value Per Acre

SD Planning Department The City's Infrastructure Backlog - \$1.86 Billion

FY2020 - 2024

- Infrastructure needs \$5.62 billion
- Funding available\$3.76 billion
- Deficit of \$1.86
 billion





Do we have enough industrial land?



Industrial Land Comparative Analysis

Key Metrics:

• Land Zoned for Industrial (Acre)

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- Size of Municipality
- Population
- Employment

Comparison Cities Criteria:

- Competition for Science & Tech Talent
- Similar Cost of Living Index



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Comparison Cities



San Diego



San Francisco



Denver



Austin



Los Angeles



San Jose



Portland, OR



Seattle



Chicago



Boston



New York

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Result - Percent of City Zoned Industrial

Percent Industrial Zoning



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Result - Industrial Zone Per Capita

Industrial Zoning Per 1,000 People (Acres)



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Result - Industrial Zone Per Capita

Industrial Zoning per 1,000 Jobs (Acres)





Are there any land use incompatibility?



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Mixed-Use Potentially Compatible

Preliminary Assessment – Focus Areas

- There are no large scale and complex subsurface hazardous materials conditions that would preclude the mixed-use redevelopment.
- These conditions are not anticipated to prevent potential redevelopment as anticipated in the CPU.





Summary

Key Findings

- 1) Housing production has not kept pace with job growth
- 2) There is a shortage of walkable places
- 3) Compared to peer-cities San Diego has a lot of industrially zoned land capacity
- Employment-oriented residential mixed-use can be compatible with a right policy, mitigation measure, and mobility improvement

Market Demand Analysis

Prepared by: Keyser Marston Associates, Inc. October 31, 2019



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The City engaged KMA to provide high-level evaluations of:

- 1) Current and anticipated market trends for employment land uses
- 2) Market opportunities and challenges related to collocation between residential and industrial uses



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2019 Demographic Overview

	Mira Mesa CPA	City of San Diego	County of San Diego
Population	80,107	1,414,461	3,371,481
Households	26,549	523,755	1,180,609
Average Household Size	3.01	2.60	2.77
Median Age	37.96	36.1	36.5
Median Household Income	\$107,360	\$80,424	\$78,294



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Planning Department Current Real Estate Market Snapshot



Central County when Compared to the County Lower vacancy rate Significantly higher rents 49% of all industrial/R&D 64% of office

3rd Quarter 2019	Research & Development			Office			
	Inventory (SF)	Vacancy Rate	Average Asking Rate	Inventory (SF)	Vacancy Rate	Average Asking Rate	
North County	53.9 M	7.2%	\$1.00	11.7 M	15.4%	\$2.64	
Central County (Includes Mira Mesa)	80.6 M	3.9%	\$1.50	51.5 M	12.1%	\$3.48	
South County	<u>30.9 M</u>	<u>4.0%</u>	<u>\$0.86</u>	<u>16.9 M</u>	<u>11.3%</u>	<u>\$3.10</u>	
Total, San Diego County	165.4 M	5.0%	\$1.18	80.1 M	12.4%	\$3.26	

Source: Cushman & Wakefield

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Historic Real Estate Market Trends



(1) Includes Miramar and Sorrento Submarkets as categorized by Voit Real Estate Services

www.PlanMiraMesa.org

	SF Gross Building Area (1)					
MIRA MESA CPA	Existing Development (A)	Total Development Capacity (B)	Remaining Development Capacity (C=B-A)			
Employment Uses	36.5 M	41.9 M	5.4 M			
(1) Estimated by City based on SANDAG data for the existing adopted Community Plan.						

(2) Includes Office, Industrial, and R&D uses.



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Employment Demand Projections



Remaining Development Capacity

Additional SF Needed

Objective: Evaluate market support for collocation between industrial and residential/mixed-use development in two focus areas:

- Sorrento Mesa Submarket
- Miramar Submarket



Sorrento Mesa Submarket 47,887 Primary Jobs (2017)

Higher Concentration of Knowledge Jobs

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Sorrento Mesa Submarket







Sorrento Mesa Submarket

Employment Space – Rentable SF (4Q2018)

81% Office and R&D



Source: Mira Mesa CPU Market Demand Forecast; CoStar



Miramar Submarket

25,606 Primary Jobs (2017)

Higher Concentration of Commercial, Retail, Manufacturing, Trucking, & Warehousing

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SIO, NOAA, U.S. Navy, NGA, GEBCC

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Miramar Submarket

Total Primary Jobs, 2002 vs. 2017



Miramar Manufacturing Jobs, 2002 vs. 2017



Source: U.S.Census Bureau, Center for Economic Studies





Miramar Submarket

Employment Space – Rentable SF (4Q2018)



Source: Mira Mesa CPU Market Demand Forecast; CoStar



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Collocation Case Studies





Research Triangle Park; Raleigh, Durham, Chapel Hill; North Carolina



Kendall Square, Cambridge, MA



SWOT Analysis of Focus Area Collocation

Strengths

- Variety of industrial and R&D uses
- Proximity to freeways
- Existing high-quality employment
- Proximity to planned mixed-use development

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- Existing Transit Priority Area (TPA)
- Actively involved business community



Weaknesses

- Auto-oriented community with heavy traffic congestion
- Existing superblock street grids and wide thoroughfares



Opportunities

- Provide employee housing in proximity to employers to reduce congestions
- Encourage the use of planned transit infrastructure
- Reduce housing costs by increasing housing supply
- Provide market support for increased commercial amenities



• Potential land use conflicts (e.g., noise, traffic, perceived safety risks)

Threats

• Residential uses can be viewed as a threat to existing light industrial uses





- Strong market support for employment, commercial, and residential uses
- Increased commercial amenities supported by new residential development
- Potential strong demand for collocation in Sorrento Mesa (near-term) and Miramar (mid-term)
- Opportunity to re-imagine the focus areas (i.e., provide walkability, address jobs-housing balance)







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