



meeting notes

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| project | Task 9 - Coast Highway Corridor Study | project no. | 130217 |
| date | August 8, 2016 | time | 1:00PM |
| present | John Amberson, David DiPierro, Russ Cunningham, Paul Marra, Kimiko Lizardi | route to | John Amberson, David DiPierro, Jeff Hunt, Russ Cunningham, Paul Marra |
| subject | Developer Focus Group Meeting #1 | | |

Summary

Relative usefulness or appeal of the various public exactions...

- Concern that on-site requirements for exactions (i.e. public parking and public open space may be too onerous given parcel size constraints throughout the corridor.
- In general, preference was expressed for paying into a fund or CFD/Assessment District (like Platinum Triangle in Anaheim or Bayside District in Santa Monica) for infrastructure and public facilities. The State SCIP program was also mentioned as an option for financing infrastructure and public facilities.
- Suggestions to expand the boundary of the Overlay from approximately Seagaze Drive to Wisconsin Avenue to include properties extending east to Freeman Street. Specific concerns were expressed regarding shallow (100-foot depth) parcels being difficult to accommodate parking layouts.
- BIA representative suggested that the City modify its affordable housing bonus incentive to offer density bonuses as high as 50%, similar to the recent changes adopted by City of San Diego.
- A strong desire for densities over the 43 du/ac was not expressed during the meeting.
- The group generally liked the idea of streamlined processing and fewer projects subject to discretionary review, but were skeptical that this would be a reality of the process.
- Several developers expressed a preference for having options and alternatives to the exactions/exaction parameters (i.e. providing certain benefits offsite or paying a fee).
- Post meeting – a developer commented that he actually likes benefits that serve a dual purpose (i.e. public open space also serves as an amenity for individual projects). However, he expressed concern with a public parking exaction, which is difficult to combine with private multi-family use.
- Some developers expressed concern with low quality retail and commercial vacancies for the sake of providing “mixed-use”.

Is standalone residential incentive for Avenues a desirable option...

- A number of developers agreed that this was the most desirable incentive presented.

- Some developers commented that this should be a baseline incentive (i.e., no developer payment required) rather than a bonus incentive.
- Some developers commented that the City should actually eliminate commercial all together from the Avenues.

Scale of exactions and preliminary cost/exaction figures realistic...

- Developers generally agreed that anything more than Type V construction was not feasible.
- Developers expressed skepticism about the demand or need for densities above 43 du/ac. There was a comment that maybe something closer to 55 du/ac represents the maximum feasibility density for the foreseeable future, but only under the best of circumstances.
- There was some skepticism expressed regarding the rent assumptions. However, there seemed to be an understanding when acknowledged as future rents.

Other program parameters and comments...

- Transit access has significant value for developers, would like to see the City address gaps and provide links to Downtown.
- The program would be more appealing if the City could: (1) better define a specific public improvement program, including a place(s) for parking garage(s), park space(s), and/or other public facilities; (2) formulate budget estimates for this public improvement program; and (3) demonstrate an overall financing plan.
- Concerns were expressed that the Overlay is too open ended and “vague” and would likely present too many challenges to be of real value to developers.
- Developers indicated more potential for development in the node area surrounding the Sprinter Station than in other parts of the corridor.
- Certain developers expressed interest in better understanding the total acreages within the Overlay subareas and corresponding buildout capacities. Ideally, they would like to see this compared with the projected demand for residential and non-residential development. In terms of commercial development potential, developers suggested tabulating the current sales tax generated within the Overlay subareas, and comparing this with the potentially higher performance for new and expanded retail space concentrated in the Nodes.