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February 6, 2018

Chairperson Georgette Gomez
Smart Growth and Land Use Committee
City of San Diego
202 C St.
San Diego, CA 92101

RE: 2018 Work Plan for Smart Growth and Land Use Committee

Dear Chairperson Gomez:

On behalf of Circulate San Diego, whose mission is to create excellent mobility choices and vibrant, healthy neighborhoods, I am writing to provide recommendations for the Smart Growth and Land Use Committee's 2018 work plan.

Circulate San Diego recently published a report on how the City of San Diego can implement more Transit Oriented Development ("TOD Report"). As detailed below, published plans from both Mayor Faulconer's administration, and the 2017 Smart Growth and Land Use committee work plan incorporate numerous of Circulate San Diego's recommendations. In addition, Mayor Faulconer incorporated a number of our TOD Report's recommendations into his [State of the City Speech](#) earlier this year.

While we believe that our TOD Report is improving San Diego's land use policy, however more work still needs to be done.

Below we list the status of the recommendations from our TOD Report, and our recommendations for how the Smart Growth and Land Use Committee can seek to implement these policies. We urge you to fully leverage the authority of this committee, to press staff to develop codes, and to fully utilize your powers as a legislative body to adopt smart policy.

1. About the Report:

The TOD Report was published on January 9, 2017, and is available online at <http://www.circulatesd.org/todreport>.

Our report identifies a variety of specific city-wide policies that the City of San Diego can implement to support more transit oriented development. The report includes research from best practices throughout the nation, for how new development near transit can help promote economic development, affordability, and greenhouse gas reductions.

2. Recommendations from Our TOD Report:

A grid of Circulate San Diego’s proposals, their status with City decisionmakers, and recommendations for how the Smart Growth and Land Use Committee can incorporate our proposals in your 2018 work plan is presented below.

Policy Proposal	Recommendation from Transit Oriented Development Report (January 9, 2017)	Smart Growth Committee Work Plan (February 10, 2017)	Mayor’s “Housing SD” Plan (June 21, 2017)	Current Status and Circulate’s Recommendations
Affordable Homes Bonus Program – Clean-Up Updates	Implement the City of San Diego’s innovative and transformational program with a variety of recommendations (p.4).		Page 5. Also, Mayor’s administration has restarted AHBP Working Group to make changes	Proposed changes have been heard by Planning Commission and Smart Growth and are heading to the full Council in the coming months. We recommend adoption by the Council.
Parking – Elimination of parking minimums in downtown San Diego	Eliminate parking minimums within downtown (p.16).	Encourage market-based determination of parking spaces by reducing multiple forms of parking requirements located in transit areas (p.3).		City staff has reported plans to undergo a comprehensive parking update, which will not be completed until mid-2019. No commitment has been made about downtown. We believe this is too long, and our more limited recommendations should be taken up immediately .

Policy Proposal	Recommendation from Transit Oriented Development Report (January 9, 2017)	Smart Growth Committee Work Plan (February 10, 2017)	Mayor’s “Housing SD” Plan (June 21, 2017)	Current Status and Circulate’s Recommendations
Parking – Reduction of parking minimums in Transit Priority Areas	Allow developments near transit to provide modestly less parking, and to satisfy some of their parking requirements with alternative transportation choices (p.17).	Increasing development near multi-modal communities both encourages compliance with the CAP and allows opportunities to reduce parking requirements and subsequently the cost of development (p.2).	The City will be developing revised parking standards within TPAs so that we are not unnecessarily requiring excessive parking in development projects. (p. 7)	City staff has reported plans to undergo a comprehensive parking update, which will not be completed until mid-2019. We believe this is too long, and our more limited recommendations should be taken up immediately.
Traffic – Update Regional Traffic Impact Study	Replace current CEQA traffic thresholds with thresholds based on VMT (p.14).	Bring traffic studies relating to City of San Diego projects in house, as it was originally, in order to regain control of the studies, increase time efficiency, and reduce costs (p.7).		To our knowledge, no commitments have been made to implement these policies. Now that the State has initiated the final process for adopting new CEQA guidelines under SB 743, action from the City is crucial.

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<p>Floor Area Ratio – Allow purchase of FAR to fund Housing Trust Fund</p>	<p>Create a program to sell bonuses to floor area ratios in exchange for contributions of the City of San Diego’s Affordable Housing Trust Fund (p.20).</p>	<p>Expand funding sources for housing affordability by offering incentives to commercial developers (p.3).</p> <p>Sell limited FAR rights for commercial developers to fund Affordable Housing Trust Fund (p.3).</p>		<p>To our knowledge, no commitments have been made to implement these policies.</p>
<p>Fees – Recalculate residential fees to square feet</p>	<p>Recalculate residential DIF fees on the basis of the square footage, not the number of units (p.23).</p>	<p>Recalculate DIF based on square footage of the home, not based on the units. Changing to square footage provides a greater incentive to build fewer large units and thereby increases the supply of smaller units (p.3).</p>	<p>City will be reviewing the existing methodologies and procedures, survey best impact fee practices, recommend a preferred methodology for calculation of fees for consideration. (p.6)</p>	<p>These fee updates should be accomplished in the short term, using calculations based on current fee levels, divided by published data on average unit sizes. That should not require a massive or long study, and can be implemented with the annual development fee update.</p>

Policy Proposal	Recommendation from Transit Oriented Development Report (January 9, 2017)	Smart Growth Committee Work Plan (February 10, 2017)	Mayor’s “Housing SD” Plan (June 21, 2017)	Current Status and Circulate’s Recommendations
Fees – Provide fee credits to commercial developments near transit	Provide automatic credits for traffic calculations on commercial developments near TOD to reduce fee burdens due to those project’s lower traffic generation (p.24).	Implement credits for traffic calculations on commercial developments near transit oriented development to reduce fee burdens due to the lower traffic generation(p.3).	-	To our knowledge, no commitments have been made to implement these policies.
Fees – Replace transportation fees with VMT fees	San Diego should take advantage of SB 743 and replace its current transportation fee regime with one focused on reducing VMT (p.24).	Request and review a report from the Development Services Department and the Planning Department regarding SB 743’s transition from Level of Service (LOS) to Vehicle Miles Travelled (VMT)(p.6).	Planning Department staff has initiated this work effort creating a core group of CEQA and mobility planning technical experts that will be developing VMT thresholds for the City of San Diego and preparing the necessary environmental review process for this transition, and creating a guide for mobility studies. (p.7)	To our knowledge, no commitments have been made to implement these policies. Now that the State has initiated the final process for adopting new CEQA guidelines under SB 743, action from the City is crucial.

3. Conclusion:

Circulate San Diego has already begun working with staff at the City Council and the Mayor's Office to help develop our recommendations into policy for the City to adopt. We strongly recommend that the Smart Growth and Land Use Committee incorporate our recommendations into its work plan, and push for these policies to be adopted.

You can press staff to prepare code updates consistent with Smart Growth and Land Use Committee priorities, and you can also draft and recommend legislation yourselves. As Mayor Faulconer [recently said](#), "consensus is important. Results are more important."

Now is the time to act for San Diego's Smart growth future. We urge you to use your authority in a robust way to make San Diego more affordable, economically vibrant, and safer for the climate.

Sincerely,

A handwritten signature in blue ink that reads "Colin Parent". The signature is written in a cursive, flowing style.

Colin Parent
Executive Director and General Counsel
Circulate San Diego