



6 August 2020

To: Barbara Bry, San Diego City Council President *pro tempore*
From: Diane Kane, LJCPA President

My LJCPA colleagues and I appreciate the recent meeting with you to discuss the San Diego Complete Communities Plan (CCP). We offer below some additional observations and detail.

- **We agree that achieving CCP's goals requires interlinked progress across its Housing, Mobility, Play, and Infrastructure Elements.**
- **We believe, however, that CCP is likely at best to fail and at worst to be counterproductive, because of ill-considered sequencing, requirement, and incentive proposals.**
- **We recommend, therefore, that CCP proceed no further until its deficiencies are remedied.**

Based on discussions and analysis in our own community, we believe **misalignments between CCP's stated goals and likely effects have arisen because insufficient community involvement in design, analysis, and testing of how it would play out in practice.** This is especially important given the diversity of circumstances, opportunities, and obstacles that arises within San Diego's neighborhoods.

We do not suggest, of course, that La Jolla is typical or that our specific *findings* generalize. Rather, the *process* we followed is worth replicating elsewhere: looking closely at how CCP would play out in a community and exploring alternatives that might be better.

Therefore, **before CCP goes any further its advocates and the affected communities' planning groups should undertake further analysis jointly to develop a revised plan** more likely to succeed.

Five aspects of CCP are especially troubling.

1. CCP is sequenced backwards

CCP tackles Housing, Mobility, and Infrastructure in the wrong order— **"build it and they will come", rather than proper staging.** The assumption appears to be that if housing density is increased and costs are lowered within designated "transit-priority areas" (TPAs), which are areas within a specified distance of "high-quality transit", that alone will attract transit-using San Diegans of limited or moderate means, and that once they are attracted infrastructure improvements and mobility services will follow.

The problem is simple: **many designated TPAs are nothing of the sort**, in that they are where high-quality transit has been *proposed* (for example, in SANDAG's "unconstrained transit network" scenario for 2030) rather than where it currently or imminently *exists*. For CCP's assumption to be valid, **infrastructure must be upgraded so that high-quality transit can operate before housing is built for its users, rather than come after.** To implement high-quality transit, and for dense housing without parking to attract its intended tenants, infrastructure such as utilities, sidewalks, and especially streets or other transit corridors must first be bought up to snuff. CCP neglects this key point.

CCP’s “build it and they will come” assumption may be valid for newer neighborhoods that have been along high-quality transit that exists or is near completion—for example, trolley lines. But for older neighborhoods the assumption is not valid, because existing infrastructure is inadequate to enable high-quality transit or to support residents without cars.

For example, much of La Jolla lies along the #30 bus line, which SANDAG’s 2030 “unconstrained” plans propose replacing with light rail running up from Pacific Beach to the Village (in effect, reinstating the old San Diego Electric Railway line that was converted to buses in the 1930s). Based on SANDAG’s plan, CCP considers areas along the #30 to be a TPA and targets them for development.

Although the #30 nominally operates with the 15-minute minimum headway a TPA requires, it only occasionally meets that standard. In fy2019, for example, the #30 fell short almost a quarter of the time, one of the worst records of all MTS “urban frequent” lines. This is because the #30 runs through two infrastructure-constrained bottlenecks jammed up much of the day.

To the north, the #30 traverses the capacity-limited “throat” starting where Torrey Pines Road, La Jolla Parkway, Hidden Valley Road, and La Jolla Shores Drive converge and continuing to Ivanhoe Avenue East. To the south, the #30 traverses busy parking areas and roundabouts specifically designed to slow traffic along La Jolla Boulevard in Bird Rock. Given its route and performance, the #30 is widely perceived as slow and unreliable. This perception is unlikely to change unless traffic diminishes, and traffic will not diminish without major infrastructure investments. Infrastructure in La Jolla barely supports its existing population, in large part because traffic stymies everything from emergency fire, ambulance, and police services to routine commerce.

A vicious circle ensues: traffic slows the bus, the slow bus encourages car use, cars increase traffic, and more traffic further slows the bus. **CCP proposes to break the vicious circle by building housing, but that will instead exacerbate it.** Until plans such as SANDAG’s break the vicious circle, areas such as La Jolla near the #30 are not TPAs, and since they are not TPAs, they cannot be targets of CCP Housing. Our analysis likely applies to and should be undertaken in many other areas CCP targets. **Until such analyses are completed, and the necessary resources are identified, CCP should go no further.**

2. CCP undercuts critical review and approval processes

CCP proposes to move major community-changing developments that satisfy certain generous requirements from Process 2 or Process 3 to the “ministerial” Process 1. **This change is very dangerous, in effect transferring responsibility for the integrity of City and community planning to developers.**

Under Process 1 City staff issue permits automatically upon request, without judgment or community review—which can make sense, but only for minor remodeling that has no external effects. **Process 2 and Process 3 require judgment and community review based on policy**—which is clearly needed for projects that affect their surroundings, neighborhood, or community. CCP’s initiatives clearly fall into the latter category, given their broad intentions and likely impact.

We agree that current approval and review processes can drag on. Partly this is because the City’s project managers and other review staff face a daunting workload, and partly because community planning groups (CPGs) can be slow to provide advice and sometimes overlap City responsibilities.

The simplicity and speed of ministerial approval under Process 1 comes at the expense of community and neighborhood integrity. For example, the so-called “50% rule”, which is applied ministerially under Process 1, was intended to allow homeowners to remodel or modestly expand existing structures without unnecessary delay. In practice, however, developers frequently use the 50% rule to bypass City and community review of replacement projects with broad, extensive long-term impacts on their communities. The ensuing projects often fail to align with City and community plans and policy.

Review processes should work more consistently, efficiently, and transparently. Better training and support for CPGs would help achieve this, as would appropriate staffing and workloads downtown. **The clear need is for better communication among developers, community planning groups, and City reviewers**, perhaps even including occasional gatherings (once the pandemic is behind us) to ensure everyone is working from the same playbook. Doing away with reviews is the wrong solution.

Changes and projects such as CCP proposes must be carefully considered by the City and CPGs through non-ministerial review to ensure they advance CCP’s goals and satisfy community requirements. If better staffing and training are necessary to achieve that, those should be part of CCP.

3. CCP’s emphasis on floor-area ratios (FAR) is misguided and counterproductive

CCP proposes increasing the zoning limit on FAR, a parcel’s living space divided by its lot size, to 3.0 or 4.0 in certain multi-family TPAs, while respecting all other zoning restrictions. The voter-approved 30-foot height limit in the Coastal Zone, CCP says, will remain in effect.

In our community and others similarly situated, increasing FAR will have little effect on the number of housing units possible. Moreover, it probably will make them more rather than less expensive. The problem is twofold. FAR enables larger structures to be built, but a FAR of 3.0 or 4.0 cannot be achieved in most of the Coastal Zone. That much increase therefore is pointless. Also, increasing FAR *per se* often cannot translate into more units, even in areas nominally zoned for “multi-family” structures. Instead, it yields larger, costlier units rather than increases the number of smaller, more affordable units.

Most parcels CCP targets in La Jolla, for example, are 25x150, 50x75, or 50x150 lots zoned RM-1-1. This allows one dwelling per 3,000 square feet of lot and a maximum 0.75 FAR. Because of the density limit, “multi-family” RM-1-1 lots typically hold only one or two units, sometimes older 1,500-square-foot beach cottages and sometimes newer 2,500-square-foot houses built to current FAR and setback limits. (As we note below, small accessory dwelling units or companion units can be added.)

Increasing FAR would enable larger structures on RM-1-1 lots. Without violating the 30-foot limit, for example, a 25x150 lot could accommodate a 5,400-square-foot building with a FAR of just under 2.0; one of the larger lots could accommodate two. The number of units allowed would not increase, however. And being larger they doubtless would be more expensive.

Increasing FAR in RM-1-1 areas would add few housing units, if any. But it would increase unit sizes and presumably their associated rent or sale price. **Increasing FAR thus might benefit developers and wealthy potential residents while failing to address San Diego’s housing shortage or high cost.**

4. Affordable-housing requirements should be enforced locally and in kind

CCP endorses the current practice whereby developers can obtain certain exemptions for projects that include affordable housing. However, developers often can get the same exemptions if they build affordable housing elsewhere, or if they make “in lieu” payments to a City fund. **Because the exceptions can be more attractive to developers than actually including affordable housing, they result in few affordable units actually being built**, especially if the in-lieu payments are much smaller than the cost of building affordable units.

Market-rate projects earning exemptions by providing affordable housing is reasonable policy. But we believe **the policy should apply only once the affordable housing is actually built**, preferably with or in advance of the larger project, and it is built within the same community as the exempted project.

5. CCP neglects opportunities to reclaim or repurpose existing structures

Many structures exist that could enable rapid progress toward the goals of CCP’s Housing Element. Some serve other purposes and could be adaptively reused for housing. Others are short-term rentals (STRs) that could be better used to house San Diegans of limited or moderate means.

RM-1-1 zones, for example, can accommodate moderate densification through existing provisions for companion and accessory dwelling units (ADUs), including the “tiny mobile homes” recently approved by the City Council. This would require only minor zoning changes, in contrast to drastic FAR changes.

Alternatively, conversion to duplexes within existing RM-1-1 FAR would result in minor densification yielding smaller, more numerous, and more affordable housing than blanket FAR increases. In mixed-use zones, adaptive reuse of unused, outdated, or obsolete commercial or office space for apartments would also rapidly increase affordable housing supply and do so without undue community disruption.

As a second example, closer regulation of STRs could rapidly increase available housing stock. To achieve this, regulations and incentives must change, bringing many “entire home” STRs (many of which are apartments) back into the longer-term rental market. Reclaiming even half of whole-home STRs as regular housing could rapidly increase availability for San Diegans of limited or modest means. In La Jolla and other STR-heavy communities, for example, it might increase long-term housing stock by 2.5% or more—a significant increment which, unlike other CCP proposals, requires few precursor investments in Infrastructure or Mobility. Especially in or near the Coastal Zone, this would be an excellent first step.

To be sure, constraining STRs and so regaining housing for long-term residents is a one-time measure. Even so, it offers a cost-effective, constructive first step while long-term measures are thoroughly vetted and implemented, and we believe it should be part of the Complete Communities Plan.