STATE DENSITY BONUS LAW

- Density Bonus is a 25-year old State incentive program to encourage developers to build affordable housing.

- The basic idea is simple: local governments allow a developer to build at a higher density than the zoning permits in exchange for the developer including some affordable residences.

- We all love affordable housing and respectful development. In San Diego, affordable working class apartments will be replaced by high-rise luxury condos with minimal moderately affordable units. Mayor Sanders' plan will actually decrease the total stock of affordable housing for working families.

SENATE BILL SB 1818 CHANGES

- State Density Bonus law is already overly generous to developers.

- Mayor Sanders wants to make it worse with additional developer giveaways. Density Bonus incentives provides loopholes to get around the General Plan, Community Plans, Local Coastal Plans, zoning, environmental protections, and quality of life laws in San Diego’s Municipal Code.

THREE OPTIONS FOR THE CITY

- **<u>OPTION 1A and 1B</u>** – MAYOR SANDERS' ORDINANCES – ADDITIONAL, NEW DEVELOPER GIVEAWAYS. Needs a Supplemental to an EIR and a Findings and Statement of Overriding Consideration.

- **<u>OPTION 2</u>** – THE CITY ATTORNEY'S ORDINANCE – IT MIRRORS STATE LAW AND PROVIDE GUIDANCE TO THE CITY'S DEVELOPMENT SERVICES DEPARTMENT (DSD). Does not need a Supplemental EIR or special findings

Mayor Sanders' Option 1 Density Bonus

- Unlike any other city in California.
- Reduces the level of review to block the public from participating in the development process (Ministerial versus Discretionary).
- This creates the need for the California Coastal Commission (CCC) to certify San Diego's Density Bonus Ordinance. No other city is doing this. Why?
- Mayor Sanders wants to ignore community character, traffic, views, bulk and scale, city services, police, fire, etc. when approving new luxury condos.
- Mayor Sanders wants luxury condos with moderate income units, not Very Low to Low income units which the law was supposedly design to encourage.

MAJOR AREAS OF CONCERN
WITH MAYOR SANDERS' OPTION 1 PLAN

1. SEPARATE MINISTERIAL, PROCESS 1, RUBBER STAMP APPROVAL OF INCENTIVES. NO OTHER CALIFORNIA CITY DOES THIS.
2. ADDS A 15 PERCENT EXTRA DENSITY BONUS FOR MODERATE INCOME DEVELOPMENTS.
3. SMALL CHANGES IN WORDING FROM THE STATE LAW HAVE MAJOR UNINTENDED CONSEQUENCES.

30-FOOT HEIGHT LIMIT IN MAYOR SANDERS' SUPPLEMENTAL TO EIR

CHANGES FROM DECEMBER 2006 TO JANUARY 2007.

Coastal Zone (Section 143.0750)

Affordable Housing Density Bonus projects within the Coastal Overlay Zone would be subject to the applicable certified land use plan and implementing ordinances, including the Coastal Development Permit. ~~HOWEVER, DEVIATION REQUESTS FOR PROJECTS EXCEEDING THE 30-FOOT PROPOSITION D HEIGHT LIMIT IN THE COASTAL ZONE WOULD YIELD TO THE STATE LAW MANDATING DENSITY BONUSES AND INCENTIVES.~~ Deviation requests from the Environmentally Sensitive Lands Regulations within the coastal zone would require that A SITE DEVELOPMENT PERMIT BE OBTAINED AND supplemental findings be made. DEVIATIONS TO THE HEIGHT LIMIT WITHIN THE COASTAL HEIGHT LIMITATION OVERLAY ZONE/PROPOSITION D AREA WOULD CONTINUE TO BE SUBJECT TO THE CURRENT 30-FOOT HEIGHT LIMIT.

WHICH EIR IS CORRECT? WHO KNOWS?

1. SEPARATE, PROCESS ONE

MINISTERIAL REVIEW OF CONCESSIONS

- Mayor Sanders wants to separate the review level of incentives from the rest of the development application. Unlike any other city in California.
- Mayor Sanders can rubber stamp high-rise condos in all city neighborhoods. The coast is most profitable.
- Process One, Ministerial Over-The-Counter Review does not have to follow the Community Plans, be subject to CEQA, or mitigate effects of development.
- The Public/Taxpayers have to pay for impacts to traffic, police, fire, sewer, city services, etc.
- DSD Stamps-Out approval of projects without public notification or public hearings. Decisions currently made by the City Council will now be made by Mayor Sanders' DSD with no appeal process by the public.

CITY OF SAN DIEGO CEQA MEASURES THAT <u>WILL NOT BE ANALYZED OR MITIGATED</u>

- In addition, ministerial projects are exempt from CEQA, therefore no mitigation to development is required. City of San Diego CEQA mitigation measure that will not be analyzed or considered include: aesthetics, neighborhood character, natural resources, air quality, biology, energy, geology, soils, human health, public safety, hazardous materials, hydrology, water quality, land use, noise, paleontology, population, housing, public services, police, fire, sewer capacity, schools, parks, recreation resources, roads, transportation, circulation, utilities, and water conservation.

- Have residents, not the developer, pay for all off-site improvements such as alley paving, street lights, stop signs, and sidewalks, further depleted the General Fund. Taxpayers will be on the hook. Lower Quality of life.

Mitigation

Ministerial projects are not subject to CEQA, and such projects would not undergo environmental review or be required to provide mitigation. However, specific mitigation measures would be determined on a case-by-case basis for any future projects that go through the discretionary environmental review process.

- Ministerial (Process 1) over-the-counter review do not have to notify neighbors within 300 feet, community plans are not applicable, community planning groups are not consulted, and no public hearings are required at the Planning Commission or City Council.

- Ministerially approved entitlements will make the City Council irrelevant, in that there will be nothing they can do when their constituent need help with unscrupulous adjacent developers. The check and balance of power between the City Council and the Mayor will be in jeopardy. The majority of items currently heard before the City Council will no longer come before the elected official body, but will be approved by clerks in DSD, with no recourse.

- All other cities who have implemented the affordable housing Density Bonus do not interpret the law this way.

2. ADDITIONAL MODERATE <u>INCOME DENSITY BONUS</u>

- ADDS A 15 PERCENT EXTRA DENSITY BONUS FOR MODERATE INCOME UNITS. A FAMILY MAKING $73,000 QUALIFIES FOR MODERATE IN SAN DIEGO. THIS IS MARKET RATE HOUSING WITH NO ADVANTAGES.

- DISCOURAGES VERY LOW AND LOW INCOME UNITS. BECAUSE THE DEVELOPER WOULD GET A BETTER DEAL AND MAKE MORE MONEY WITH MODERATE UNITS.

§143.0740 Development Incentives for Affordable Housing Density Bonus Projects

Moderate Income Density Bonus Table 143-07C		
Percent *Moderate Income* Units	**Percent Density Bonus**	**Number of Incentives**
10	20 [State 5% - City Additional Gift 15 %]	1
11	21 [State 6% - City Additional Gift 15 %]	1
12	22 [State 7% - City Additional Gift 15 %]	1
13	23 [State 8% - City Additional Gift 15 %]	1
14	24 [State 9% - City Additional Gift 15 %]	1
15	25 [State 10% - City Additional Gift 15 %]	1
16	26 [State 11% - City Additional Gift 15 %]	1
17	27 [State 12%- City Additional Gift 15 %]	1
18	28 [State 13% - City Additional Gift 15 %]	1
19	29 [State 14% - City Additional Gift 15 %]	1
20	30 [State 15% - City Additional Gift 15 %]	2
21	31 [State 16% - City Additional Gift 15 %]	2
22	32 [State 17% - City Additional Gift 15 %]	2
23	33 [State 18% - City Additional Gift 15 %]	2
24	34 [State 19% - City Additional Gift 15 %]	2
25 - 29	35 [State 20% to 24% - City Additional Gift 11 % to 15 %]	2
≥ 30	35 [State 25% at 30 Units to 35% at 40 units - City Additional Gift Up to 10 %]	3

MINISTERIAL PROCESS ONE FROM MAYOR SANDERS' OPTION 1 ORDINANCE AND EIR

- Municipal Code 143.0740 (d)(2,3, and 4)

- 143.0740(d)(2) – Granting an incentive shall not require a General Plan amendment, zoning change, or other discretionary approval.
- 143.0740(d)(3) – The decision process for a development requesting an incentive shall be the same decision process that would be required if the incentive were not part of the project proposal.
- 143.0740(d)(4) – The development permit requirement for a development requesting an incentive shall be the same development permit that would be required if the incentive were not part of the project proposal.

3. SMALL WORDING CHANGES WITH BIG UNINTENDED CONSEQUENCES

- The words “**In and of itself**” and “**Local Coastal Plan Amendment**” were removed from DSD’s version. Why?

- STATE LAW: The granting of a density bonus shall not be interpreted, **in and of itself**, to require a general plan amendment, **local coastal plan amendment,** zoning change, or other discretionary approval.

- Not allowing negotiation for fee waivers.

MAYOR SANDERS'
FINANCIAL "RECOVERY" PLAN

This is an example of Mayor Sanders "Streamlining" the City.
What "Streamlining" does:

1. Remove the public from city planning.
2. Shift the financial burden of new development to existing city residents.
3. Deny the City Council their role in the development process.
4. Removes the checks and balances between the Mayor and City Council. City Council's authority will be transferred to a clerk in Mayor Sanders' Development Services Department.
5. No public notice, public hearings, or public recourse.

Is this "Taxation Without Representation?"

PARK LA JOLLA SENIOR AFFORDABLE APARTMENTS
OUTSIDE OF COASTAL ZONE

AFTER DENSITY BONUS

Tear Down Affordable Housing and Build Up Luxury Condos with 1-3 Moderate Units.

Break the Height Limit & Blow the Zoning.

One Unit Per Floor. Less Parking. More Units – More Traffic.

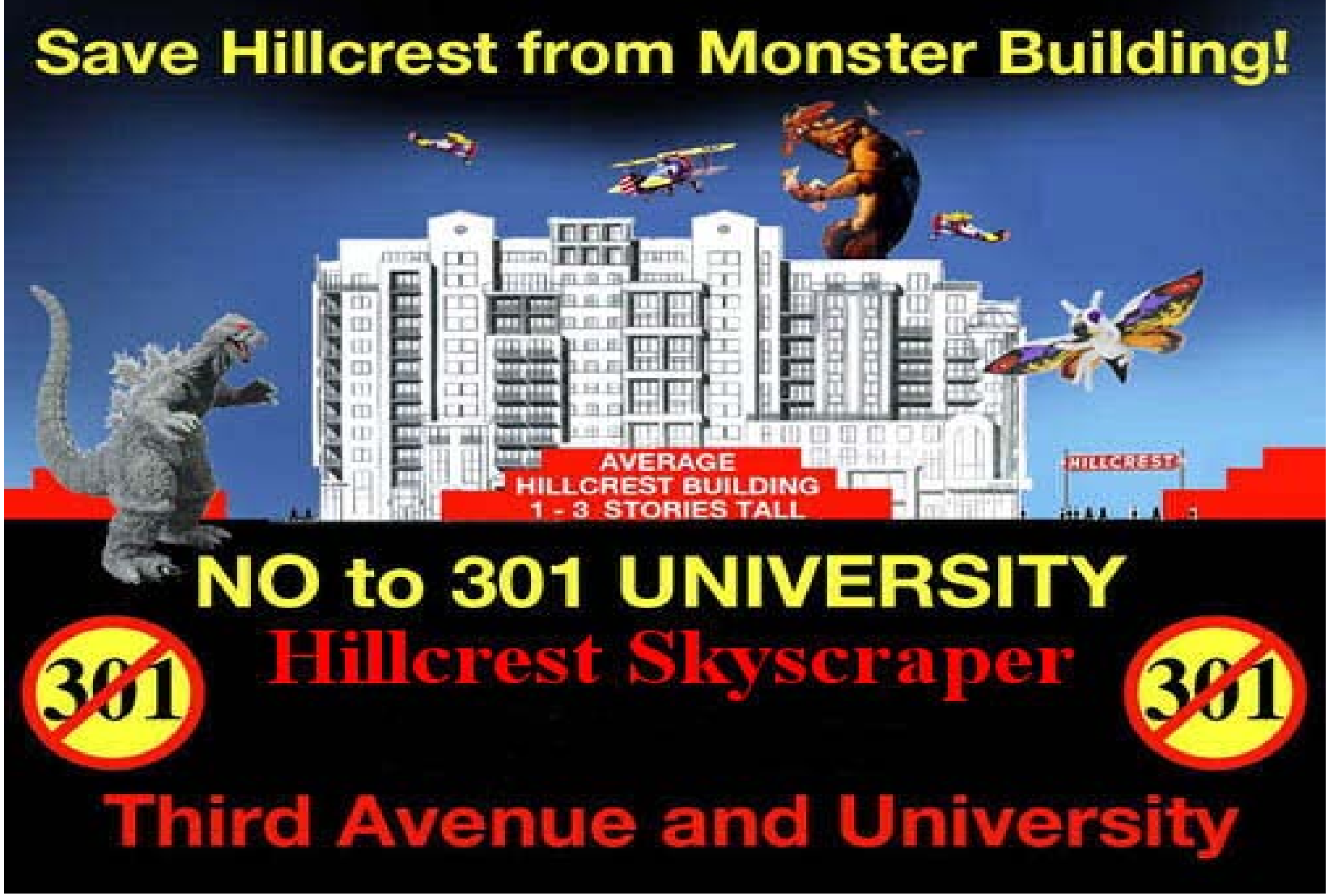
MARINA DEL REY HAD A 30-FOOT HEIGHT LIMIT JUST LIKE SAN DIEGO.

Located seaside on Santa Monica Bay, the Regatta is a 20-story concrete tower that contains 224 high-end condominium units

Trump Towers in Rosarito, Mexico

<u>Ivanka Trump on San Diego:</u> "When you hear the announcement, you'll hear the announcement. It'll probably happen pretty soon… Actually, I've spent the better part of this morning exploring the market generally, and I think you'll probably be hearing about a Trump deal coming to this market in the very immediate future."

-- *San Diego Union-Tribune, March 4, 2007.*



The landscape of future residential real estate projects in San Diego County is rapidly and permanently changing, with the once-dominant single-family home being steadily replaced by high-density, mixed-use infill projects, says Guy Asaro, senior v. p. of land development for The Corky McMillin Cos. *San Diego Metropolitan Magazine, March 2007.*

City Hall's Power Play to Rezone for <u>Neighborhood High-rise Towers</u>

<u>Nearby Coastal High-rise Developments</u>

1) Marina Del Rey -- Once had 30' Height Limit
2) Rosarito Beach -- Trump's 3 Huge Towers on the coast
3) Naval Training Center -- 2 new over-height hotels

<u>Mayor Sanders, Council & Developers' Projects over 30'</u>

1) Bird Rock -- SeaHaus Condos, 44' in 30' Area
2) Bankers Hill -- 6 City of Villages high-rises, more to come
3) Hillcrest -- 301 University -- Lawsuit underway
4) Belmont Park -- Proposed new 49 foot Hotel, Paid Parking
5) 3119 Carleton Street in Point Loma already broke the height

Impacts to the City of San Diego

1) Years of construction truck traffic, noise, diesel exhaust
2) No affordable housing -- can build "moderate"
3) Traffic Gridlock
4) Longer Emergency Vehicle Response Time
5) Paid Parking -- Loss of beach and on-street parking spaces
6) Walled off Public Access to Our Bays and Ocean
7) Bulldozing Our Beautiful Canyons & Hillsides
8) Loss of Ocean and Bay Views
9) Tower Shadow Zones
10) Special Neighborhoods Ruined
11) Loss of Property Values and Quality of Life
12) Breaking 60 year-old pipes
13) Budget Drain from Police, Fire, Libraries to build new Infrastructure

CARLETON STREET IN POINT LOMA
4 STORIES - MINISTERIAL RUBBER STAMP

5480
40 FOOT SEAHAUS CONDOS

NTC HOTEL
65 FEET IN COASTAL ZONE
NO PUBLIC APPROVAL

WHAT WE WANT FROM THE CITY.

- We want this option to give developers nothing more than what the State requires.

1. We want local voter initiatives to be protected from State Density Bonus law.

2. We want beach access and parking protected.

3. We want the affordable housing to be the focus of density bonus, not developer giveaways.

4. We want the public to maintain control over how their communities develop.

OUR FUTURE?

MIAMI BEACH, FLORIDA

LUXURY OCEAN FRONT CONDOS

CondoCompany.com

Shanghai. China

don't let it happen here

ORIGINAL 1972 PROPOSITION D DRAWING