

**DATE:** October 7, 2014

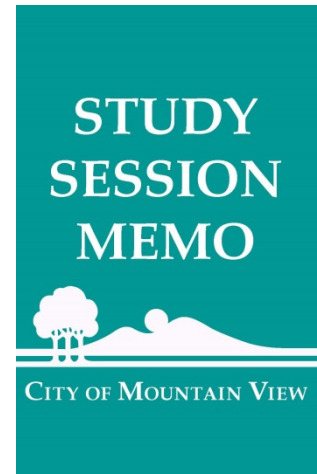
**TO:** Honorable Mayor and City Council

**FROM:** Rebecca Shapiro, Associate Planner  
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Director

**VIA:** Daniel H. Rich, City Manager

**TITLE:** **Public Draft San Antonio Precise Plan**

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## **PURPOSE**

The purpose of the Study Session is for the City Council to review, take public comment, and provide direction on the public draft of the San Antonio Precise Plan.

## **BACKGROUND**

The City Council, Environmental Planning Commission (EPC), and community have provided input for the San Antonio Precise Plan (draft Plan) through 14 meetings and workshops. A summary of those meetings is included in Attachment 1 – Summary of Precise Plan Meetings. These 14 meetings are in addition to the San Antonio visioning process, which collected public input in late 2012.

The Public Draft San Antonio Precise Plan (Attachment 2) and Public Draft Environmental Impact Report (EIR) (Attachment 3) were released on August 22, 2014. The public comment period for the EIR ends on October 6, 2014.

On September 17, 2014, the EPC reviewed the public draft Plan materials. A summary of public and EPC comments from the meeting is provided in Attachment 4. EPC input is also incorporated into pertinent sections of this memo.

## **DISCUSSION**

The draft Plan implements the General Plan’s vision for the San Antonio Change Area. The draft Plan also incorporates Council input received on land use policy and draft Plan materials at the July 8, 2014 Council Study Session. The following are key points from that meeting:

- Prioritize regional retail and residential uses, particularly within the San Antonio Center. Allow for a more flexible mix beyond the Center (see Chapters 2 and 4).
- Prioritize affordable housing as a community benefit (see Chapter 5).
- Deemphasize office uses—reduce the amount of allowed office development and tie limited office development to housing production within the Plan Area (see Chapter 2).
- Plan for a shared bicycle-vehicle roadway along the Hetch Hetchy corridor and Class II bicycle lanes on San Antonio Road (see Chapters 2 and 3).
- Prioritize Showers Drive as a potential bicycle connection to south of El Camino Real, but study and implement southerly connectivity improvements through broader City planning efforts such as the Bicycle Transportation Plan (see Chapters 2 and 3).
- Utilize EPC-recommended draft development standards (see Chapter 4).
- Clarify and revise guiding principles based on updated Council land use direction for housing and office uses (see Chapter 1).

### **Plan Organization**

The draft Plan is organized into five chapters, with key features summarized below.

**Chapter 1 (Plan Introduction)** provides an overview of the draft Plan, including big-picture vision from the General Plan and the Precise Plan’s guiding principles.

**Chapter 2 (Area-Wide Policies)** provides defining policies and plans for circulation, open space and urban form, land use, and parking and transportation demand management (TDM). This includes area-wide circulation network plans and open space diagrams defining the future look and feel of the Plan Area, as well as operational requirements for office development phasing, shared parking, and TDM. It also

includes key land use objectives for the draft Plan's two main subareas, and more specific land use direction for required Master Plan areas. This chapter provides more specific direction than the guiding principles to guide future development and standards identified in Chapters 3 and 4.

**Chapter 3 (Streetscape & Mobility)** describes the planned street network, including typical configurations for improved public streets and new internal connections, intersection improvements, and street design guidelines.

**Chapter 4 (Development Standards & Guidelines)** provides development standards and design guidelines for new land uses and development. This includes standards that vary by subarea such as allowed land uses, height and intensity standards, and open space requirements, as well as general development standards and design guidelines.

**Chapter 5 (Administration & Implementation)** contains information on administrative processes for new uses and development, including Master Plans, office phasing exceptions, and community benefit requirements, as well as City implementation actions.

#### Key Issues

The following are key Plan issues and topics reviewed by the EPC:

#### Guiding Principles

The guiding principles have been revised to address Council input from July and better integrate with more specific area-wide policies.

**EPC Comments:           None.**

#### *Land Use Policy*

The draft Plan prioritizes retail and residential development. Office development is secondary to these uses and is linked to future housing development. The following strategies will help achieve these principles:

- **Residential Development.** The Plan's guiding principles and land use policies prioritize residential development (Pages 1-4 and 2-17). The draft Plan includes residential objectives for the draft Plan's two main subareas (Pages 2-18 and 2-20), as well as targets for the three Master Plan areas (Page 2-22). The draft Plan's

office development cap and phasing program are tools to prioritize residential development and ensure office development does not outpace housing production in the Plan Area.

In the Mixed-Use Center subarea, residential and retail uses are prioritized above office uses in the Plan's allowed land use table (Pages 4-2 through 4-4). In general, retail and residential uses are permitted uses, while office uses require Provisional Use Permits.

- **Office Development.** In July, Council directed staff to consider an office development cap to better balance office and residential development in the Plan Area. The draft Plan (Page 2-24) includes:
  - A cap of 400,000 net new office square feet, which is less than the approximately 880,000 square feet of net new office area studied in the draft San Antonio Precise Plan EIR and General Plan SEIR. The 400,000 square foot cap was selected because this amount of office development would create approximately the same number of jobs as there would be working residents in the Plan Area's projected housing units.<sup>1</sup>
  - Two phases of 200,000 net new office square feet are allowed under the cap. Within each phase, the allowed office development may proceed ahead of housing construction, but the housing units (620 and 625 units in the first and second phases, respectively) must be constructed to move on to the next phase of office development. The draft phasing evenly splits office and housing development across the two phases.

Any additional office development beyond the cap would require a Precise Plan amendment. Any Plan Area housing beyond what was studied in the EIR would require additional environmental review, but would not require a Precise Plan amendment. As directed by Council, the draft Plan includes a development phasing program exception (Pages 2-24 and 5-3) to allow additional limited office development supporting small business growth and creation of new spaces for small businesses.

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<sup>1</sup> The projected 1,245 net new housing units would result in approximately 1,620 employed residents (approximately 1.3 workers per housing unit). The cap of 400,000 square feet of office development would create approximately 1,600 jobs (approximately 1 job per 250 square feet). Employment/worker data is from the State of California Employment Development Department (July 2014). Housing data is from the American Community Survey (ACM 2008-2012).

**EPC Comments:**            **The EPC supported the draft office development cap and phasing program (Page 2-24).**

**Staff Comments:**    The draft development cap and phasing program in the Plan is designed to address the overall land use policy input Council provided in July. Council input is requested to determine if the draft program addresses the Council's vision for the amount of office uses in the Plan Area and coordination with residential development.

**Key Question No. 1:**    Does Council support the Plan's draft office development cap and phasing program?

**Options:**

- A.    Modify the office development cap and/or phasing requirements.
- B.    Modify land use policies and/or area-specific objectives for office or residential land use priorities.

Master Plan Process

The draft Plan defines three Master Plan areas and their key objectives (Pages 2-22 to 2-23) and the Master Plan process (Page 5-4). A Master Plan is typically used for larger developments to ensure coordinated and integrated planning. Given long-term leases and other site conditions, the Master Plan process also provides an opportunity for phased development that does not preclude achievement of fundamental draft Plan objectives and improvements.

A Master Plan does not typically include detailed plans, but instead includes elements such as conceptual architecture, phasing of development, on-site circulation and coordination with off-site areas, and how different uses or buildings relate to each other.

An approved Master Plan provides the regulatory framework for later Planned Community Permits. The draft Plan proposes Master Plans be reviewed by the EPC, with a recommendation forwarded to Council for final action. If a Master Plan is approved, the subsequent Planned Community (PC) Permits would be reviewed by the Zoning Administrator (ZA) and approved by Council.

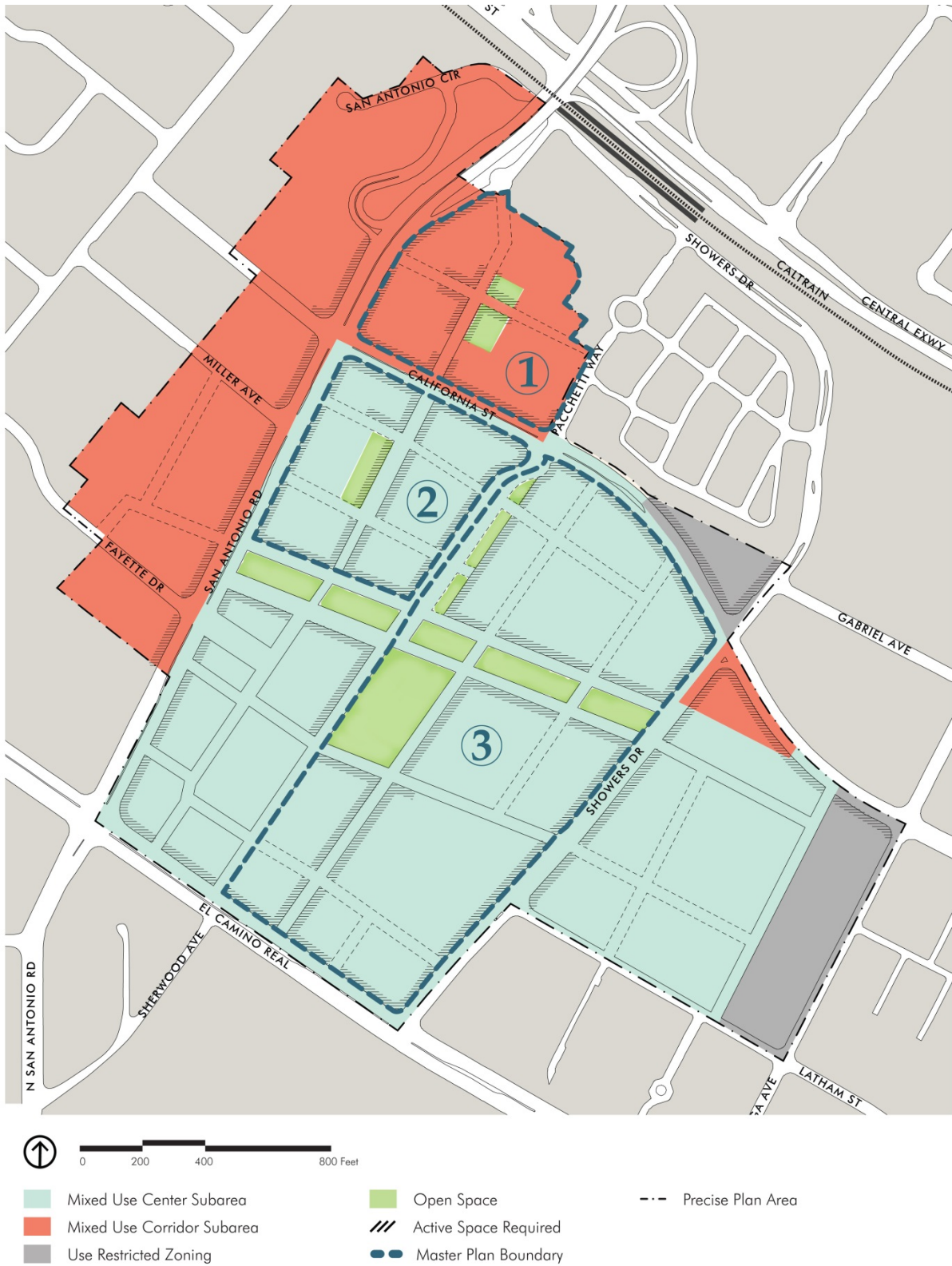
**EPC Comments:**           **The EPC supported the draft Master Plan process, Master Plan areas, and objectives (Pages 2-22 to 2-23 and 5-4 to 5-5).**

**Staff Comment:**   If the Merlone Geier Phase II Gatekeeper application returns to Council for final action after the draft Plan is adopted and in effect, a Master Plan would be required. The project would also be expected to comply with Council direction on the key topics discussed in this memo and other Plan standards. The project has completed much of the analysis required by the Master Plan process and been “deemed complete.” Given this context, Council may modify the Plan to include an exemption from the requirement for the project to prepare a Master Plan.

**Key Question No. 2:**   Does Council support the Plan’s draft Master Plan process and area requirements?

**Options:**

- A.   Modify the Master Plan areas and/or Master Plan objectives.
- B.   Modify the decision-making authority for the Master Plan process.
- C.   Modify the Plan to exempt projects “deemed complete” at the time of Plan adoption from requirements to prepare a Master Plan. *(Note: An exemption from the requirement to prepare a Master Plan would not exempt the Merlone Geier Phase II project from other Plan requirements and standards.)*



**FIGURE 1-3** San Antonio Precise Plan Concept

Tiered Floor Area Ratio (FAR) and Community Benefits

To implement prior Council direction for a tiered FAR program, the draft Plan identifies two FAR tiers for the Mixed-Use Corridor and Mixed-Use Center subareas (Pages 4-9 and 4-11). Different review processes (Page 5-2) apply to projects located outside Master Plan areas.

- **Mixed-Use Corridor.** This subarea (red) is mostly located in the northwest corner of the Plan Area. The Base FAR tier (Table 1) reflects the existing zoning standards for a large portion of the subarea. Tier 1 FAR is consistent with the allowed General Plan FAR for the area.
- **Mixed-Use Center.** This subarea (light blue) is comprised of the mixed-use core of the Plan Area. The Base FAR tier accommodates ongoing use and incremental improvement to existing buildings and businesses without requiring community benefits. Tier 1 FAR supports the expectation that transformation of the subarea will require significant redevelopment, with projects proposing up to the maximum allowed FAR. A lower, middle “bonus” tier was not proposed because it may not support expected redevelopment and transformation.

*Table 1: Allowed FAR/Building Heights and Review Processes*

	<b>BASE</b>	<b>TIER 1</b>
<b>Mixed-Use Corridor Subarea</b>	1.35 FAR 3 stories/45’*	1.85 FAR 4 stories/55’*
<b>Mixed-Use Center Subarea</b>	An addition of <10% of existing floor area (at time of Draft Plan adoption). 2 stories/35’*	2.35 FAR 6 stories/75’*
<b>Community Benefits</b>	No community benefits required.	Community benefits required.
<b>Review Process</b>	Zoning Administrator public hearing required.**	City Council review, with ZA recommendation.**

\* See height standard discussion below.

\*\* A different process is required for Master Plan projects.

Community benefits will be required above the Base FAR tier in each subarea based on the value of the additional allowed intensity. The draft Plan describes community benefit program requirements, including the priority for affordable housing and other types of community benefits such as pedestrian and bicycle amenities, public parks and open space, public parking, community facilities, utility infrastructure improvements,



support for public school development, etc. (Pages 5-6 to 5-7). Community benefits monitoring, including whether contributions are of sufficient value, will be an ongoing implementation action for the Plan (Page 5-10).

Based on community benefits analysis conducted by the Precise Plan team, the potential value of Tier 1 FAR could vary based on the type and scale of the project. Council will be asked to endorse a community benefit target for Tier 1 projects when they consider the Plan for adoption in December. On average, this target could be approximately \$15 per square foot of bonus floor area (above the Base FAR). This would provide benefits of roughly \$325,000 for a 1.85 FAR project on a 1-acre site. Greater benefits are anticipated on 2.35 FAR sites in the Mixed-Use Center subarea, given size of expected projects and the larger difference between Base and Tier 1 FARs.

**EPC Comments:** *FAR Tiers* – The EPC supported the draft FAR tiers with the following modification for the Mixed-Use Center:

**Revise the Base FAR from “an addition of less than 10% of existing square feet at the time of Plan adoption” to 1.35 FAR (Page 4-11 of Draft Plan).**

**Staff Comments:** Implementing EPC comments would significantly reduce potential community benefit contributions from Mixed-Use Center projects. Excluding the developed Merlone Geier Phase I parcels, the average existing FAR in the Mixed-Use Center subarea is less than 0.35 FAR. Raising the Base Tier to 1.35 FAR would cut potential community benefits approximately in half, and allow existing development to quadruple in size without providing community benefits.

**EPC Comments:** *Community Benefits* – The EPC supported modifying the community benefits table (Page 5-7 of the draft Plan) to give equal priority to affordable housing, bicycle/pedestrian amenities, and open space community benefits as well as move the “public parking facilities” benefit category to the list of “Other” example benefits.

**Staff Comments:** At the July Study Session, Council prioritized affordable housing as the most important community benefit.

**EPC Comments:** *Additional Topics*—The EPC requested the Plan’s community benefits analysis return to them in November for input on the community benefit target to be endorsed with the Plan.

**Staff Comments:** A complete community benefits memo will be available ahead of the adoption hearings. The consultant team will be available for questions on the community benefit analysis at the Council meeting.

**Key Question No. 3A:** Does Council support the EPC modifications to the draft FAR tiers?

**Key Question No. 3B:** Does Council support the EPC modifications to the community benefit priorities?

**Options:**

- A. Maintain the draft FAR tiers without modification.
- B. Modify the draft FAR tiers per EPC comments.
- C. Provide direction on the community benefits value.

*Small Business – Exemptions and Exceptions*

In prior meetings, there has been broad policy-level support for small business retention. The draft Plan includes two main strategies:

- **FAR Exemption** (Pages 4-8 and 4-10)—The draft Plan proposes floor area exemptions for existing or relocated small businesses such as retail, educational, cultural, or public services at the discretion of the Zoning Administrator through the Planned Community Permit process.
- **Office Development Phasing Exception** (Pages 2-24 and 5-3)—Council proposed this concept at their July Study Session. The draft Plan allows up to 12,500 square foot office additions to existing developments or up to 25,000 square foot new office development (stand-alone or as part of a mixed-use project) for new or existing small businesses.

**EPC Comments:** The EPC supported using draft strategies and requested the final Plan include more criteria for the FAR exemption (e.g., what qualifies as a small business, is there an exemption cap, etc.) (Pages 4-8 to 4-10 and 5-3).

**Staff Comments:** EPC comments will be incorporated in the final Plan materials unless directed otherwise by Council.

**Key Question No. 4A:** Does Council support the Plan's FAR exemption, including the additional criteria requested by EPC?

**Key Question No. 4B:** Does Council support the office development phasing exception?

**Options:**

- A. Add, remove, or modify the FAR exemption.
- B. Add, remove, or modify the office development phasing exception.

Frontage Setbacks

Setback requirements have been modified to provide greater clarity in identifying where buildings should be located along street frontages and flexibility to allow larger active exterior places such as plazas along street frontages.

Required building setbacks (Page 4-15) are measured from the curb or frontage line for the draft Plan's different street types and the typical setback requirements have not changed. However, the previous minimum and maximum setbacks have been modified into a single building frontage setback (original minimum setback) and more flexible building frontage design guidelines (original maximum setback) identifying expectations for the amount of the building to be located within 10' of the frontage setback line (Page 4-20).

Building heights at the front setback line (Page 4-15) are still limited to a maximum of four stories, with an additional setback of at least 10' required for building walls above four stories.

**EPC Comments:** None.

**Staff Comments:** Through further analysis after the EPC meeting, staff has determined that parts of two of the five buildings in the Merlone Geier Phase II project do not comply with the draft Plan's height limits at the front setback line. Specifically, up to approximately 50 percent of the hotel (Building 4) and the mixed-use/parking garage (Building 5) structures have six-story building area that does not provide the additional required setback from the Hetch Hetchy and Pacchetti Greenway frontage lines, respectively. The draft Plan allows a maximum of 20 percent of taller building area to be located closer to the front setback lines, and the standard is applicable throughout the Plan Area. The affected Merlone Geier Phase II buildings have been conceptually supported by Council at recent project Study Sessions and public hearings.

**Key Question No. 5:** Does Council support the Plan's height at front setback line standard?

**Options:**

- A. Maintain the draft height at front setback line standard without modification.  
*(Note: The Phase II project could propose a general exception from this area-wide standard for the affected buildings through the Planned Community Permit process or Council could direct the project plans be revised to comply with the standard.)*
- B. Modify the standard to:
  - Allow a higher percentage of taller building area to be located at or near the front setback line (e.g., up to 50 percent); OR
  - Translate the percentage of taller building area requiring additional setback into a more flexible design guideline.
- C. Provide a specific exception to the standard to be considered on a case-by-case basis.
- D. Exempt development projects deemed complete prior to Plan adoption to be exempt from Precise Plan development standards.

### Maximum Height Standards

The General Plan establishes maximum building heights of eight stories and four stories, respectively, for the Mixed-Use Center and Mixed-Use Corridor subareas. The General Plan building heights are maximums but are defined as a guideline. The General Plan states additional stories may be permitted through a Precise Plan with significant public benefits or to advance larger General Plan goals or policies. The draft Plan provides height standards in both stories and feet.

- **Mixed-Use Center.** The Council and EPC previously supported a “soft cap” of six stories, with up to eight stories allowed on a case-by-case basis with significant public benefits. The draft Plan includes this prior direction.
- **Mixed-Use Corridor.** Analysis by the Precise Plan team has determined that additional height flexibility may be warranted in this subarea on a case-by-case basis to support development of the open space amenities or other major Plan objectives. The draft Plan limits this flexibility to cases where significant community benefits are provided beyond Plan requirements or where it would support provision of Plan-identified major open space improvements (Page 2-15).
- **Height Standards (in feet).** The draft Plan provides height standards in both maximum stories and feet (see Table 1 above). The standards are based on assumptions regarding typical wall heights per story. However, given the diverse range of land uses and draft Plan objectives for building variety along street frontages, the draft Plan allows discretion for additional height (in feet) if needed to accommodate commercial uses. Examples of this might include buildings where ground-floor regional retail requires significantly taller wall heights or other commercial uses where taller walls allow more natural light into the building core.

**EPC Comments:**           **None.**

### Shared Parking

Prior Council direction endorsed shared parking and efficient standards based on parking demand while acknowledging the responsibility of each site to provide its own parking. City-wide parking ratios will be updated as part of the upcoming comprehensive Zoning Code update. The draft Plan supports shared and reduced parking through policies and parking reduction processes, rather than developing new standards ahead of the Zoning Code update.

The draft Plan includes the same process (Pages 2-26 to 2-27 and 5-5) introduced in the El Camino Real Precise Plan to allow and incentivize shared parking among compatible uses (e.g., with different peak parking times), new uses near transit, and using innovative management strategies (e.g., valet parking).

Normally, parking reductions require a Zoning Administrator hearing, but the new process would waive the public hearing process for projects that comply with the draft Plan's operational or location characteristics affecting parking demand. A public hearing could be required if parking issues arise in the future. Comparable parking reductions for larger projects would be considered as part of the development review process.

**EPC Comments:           None.**

Public Schools

The EIR acknowledges future residential population could generate additional students to support a neighborhood elementary/middle school in the Plan Area, especially given existing local student population and existing school capacity.<sup>2</sup> State law limits City authority over school fees and land acquisition for schools. State law also determines that potential school impacts are fully mitigated through payment of school district-adopted fees. However, to address community needs for a public school in the area, the Plan includes the following strategies:

- Public schools are included as allowed uses (Pages 2-17 and 4-2 to 4-4).
- Community benefits can help fund public school development (Pages 5-6 to 5-7).
- Transfer of development rights can help provide land for a new public school (Page 5-5).

These strategies support potential public-private partnerships to create a public school in the Plan Area. Another possible strategy, outside the Precise Plan process, would be for the City Council to discuss the use of park in-lieu fees to provide land for open space that would be shared with a district school in the Plan Area.

**EPC Comments:           None.**

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<sup>2</sup> The adopted LASD policy for maximum school size is 600 students. Based on LASD student generation projections, the Plan Area could produce as many of 370 new elementary/middle school students.

**Staff Comments:** At the EPC Study Session, staff corrected an error in the public draft Plan, which omitted the following text from the “Other” category of the community benefits table:

“Provision of school fees in excess of adopted requirements or land for siting of a public school in the Plan Area.”

### Environmental Impact Report

The EIR includes “program-level” analysis of the draft Plan’s projected growth and change, focusing on potential impacts to transportation and traffic, noise, air quality, and utilities and service systems. This analysis relies on high-level assumptions on the characteristics of future growth because project-level information is not yet known.

It is important to note the EIR analyzed significantly more office growth than what is allowed under the office development cap in the draft Plan. The following are brief descriptions of the identified impacts for projected Plan Area growth:

#### *Identified Impacts*

- **Transportation - 1.** Future development could result in impacts to level of service standards at the California Street/San Antonio Road intersection. Mitigation: With adjustments to signal phasing, this impact becomes less than significant.
- **Air Quality - 1.** Construction could expose nearby residents to air pollutants. Mitigation: If construction equipment and techniques are modified, impacts would become less than significant.
- **Air Quality - 2.** New residents located close to El Camino Real or Central Expressway could be exposed to air pollutants from these roadways. Mitigation: If new buildings are constructed with certain site design characteristics and/or include upgraded air filtration systems, this impact would become less than significant.
- **Noise - 1.** Construction could create short-term vibration impacts. Mitigation: If special construction/demolition techniques and equipment are used, this impact would become less than significant.

- **Utilities - 1, 2, and 3.** Future development could require upgrades to water distribution, sanitary sewer, or stormwater system infrastructure. Mitigation: If projects study the systems they could affect and construct or pay their fair share of any improvement, this impact would become less than significant.

### *Alternatives*

The EIR also qualitatively compares the potential outcomes of alternatives to the draft Plan. The full descriptions of the alternatives start on Page 189 of the EIR and include:

- **No Project Alternative.** This alternative assumes the draft Plan is not adopted. Without the Plan, the General Plan would direct higher-intensity development on an ad-hoc basis.
- **Medium Design Housing Alternative.** This alternative assumes a change in the type of housing occurring within the Plan Area from high-density to medium-density residential.
- **Reduced Office Development Alternative.** This alternative assumes a lower amount of office development is allowed in the Plan Area.

**EPC Comments:** The EPC expressed concern regarding cumulative traffic conditions. The EPC identified a need for the City to develop a comprehensive plan to address the future congestion anticipated at many intersections due to regional and City-wide growth.

**Staff Comments:** At the EPC meeting, staff identified projects addressing City-wide transportation issues. This includes a City-wide Multimodal Transportation Plan (Deficiency Plan) for improvements to major routes. In addition, the State is in the process of evaluating changes to CEQA requirements that will affect how transportation impacts are evaluated and identified.



## **RECOMMENDATION**

Staff is seeking City Council direction on the draft Plan, including the topics in this memo and, specifically, the following key questions:

**Key Question No. 1 (Land Use Policy):** Does Council support the Plan's draft office development cap and phasing program?

**Key Question No. 2 (Master Plan Process):** Does Council support the Plan's draft Master Plan process and area requirements?

**Key Question No. 3 (Tiered FAR & Community Benefits):**

**3A:** Does Council support the EPC modifications to the draft FAR tiers?

**3B:** Does Council support the EPC modifications to the community benefit priorities?

**Key Question No. 4 (Small Businesses):**

**4A:** Does Council support the Plan's FAR exemption, including the additional criteria requested by EPC?

**4B:** Does Council support the office development phasing exception?

**Key Question No. 5 (Height at Front Setback Line):** Does Council support the Plan's height at front setback line standard?

## **NEXT STEPS**

The formal EIR public comment period ends on October 6, 2014. The Precise Plan team will make edits to the public draft of the Plan based on Council direction, and respond to comments provided on the public draft EIR. The Precise Plan will return to the EPC and Council in November and December, respectively, for final adoption hearings. For these hearings, the Plan materials will include all text, images, and diagrams reflecting proposed changes from the public draft Plan. The Precise Plan team will lay out the final document after the Plan is adopted and incorporating any final edits.

## **PUBLIC NOTICING**

A notice was sent to property owners and residents within 300' of the Plan Area. Meeting notices were also provided by e-mail to interested parties. In addition, the meeting agenda and staff report were posted on the City's website, the San Antonio Precise Plan website, and announced on Cable Television Channel 26 and the City calendar.

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- Attachments:
1. Summary of Precise Plan Meetings
  2. [Public Draft San Antonio Precise Plan](#)
  3. [Public Draft Environmental Impact Report](#)
  4. Summary of September 17, 2014 EPC Meeting