

**CASE NUMBER:** PHG 13-0018

**APPLICANT:** City of Escondido

**LOCATION:** Approximately 460 acres extending from I-15 and West Valley Parkway to Palomar Hospital (Downtown Campus), between Washington Avenue and Fifth Avenue.

**PROJECT TYPE:** Specific Plan Amendment and Zone Change

**PROJECT DESCRIPTION:** A rezoning and comprehensive update to the Downtown Specific Plan text involving a number of actions in various districts including:

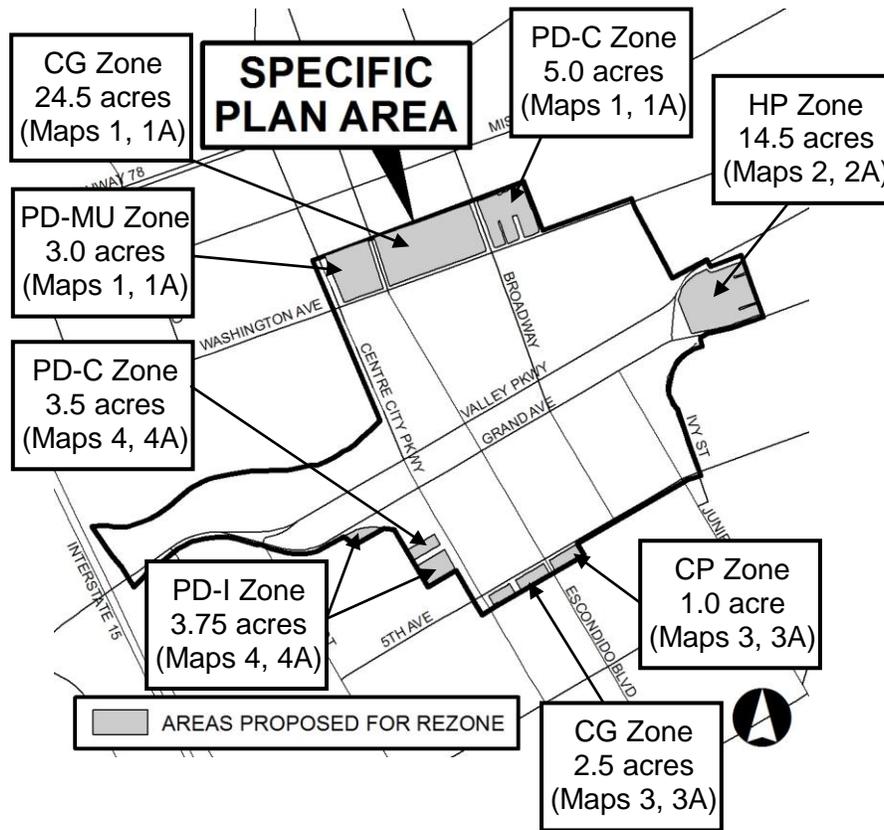
- 1) Rezoning multiple properties totaling approximately 57.75 acres (associated with the comprehensive General Plan Update) from General Commercial (CG), Hospital Professional (HP), Commercial Professional (CP), Planned Development-Commercial (PD-C), Planned Development-Industrial (PD-I) and Planned Development-Mixed Use (PD-MU) to Specific Plan (SP),
- 2) Amending Figure II-2 '*Land Use Matrix*' primarily to allow Home Occupation businesses in residential uses, and expand general retail and specialty services uses (pages II-3 – II-8),
- 3) Establishing a residential buildout for the Downtown SPA of up to 5,275 units (page II-10), updating Figure II-3 '*Residential Land Use Matrix*' delineating types of residential uses (page II-11),
- 4) Adding Figure II-4 '*Residential Land Uses*' delineating locations for the types of residential uses, clarifying the types of residential development and processing requirements (page II-12),
- 5) Adding Figure II-5 '*Residential Densities in the Downtown SPA*' delineating maximum units per acre ranging from 45 to 100 units per acre (page II-13),
- 6) Reorganizing existing text (Chapter III, Section A 1): '*Design Policies, Standards and Guidelines*' that refine Smart Growth strategies to clarify and better achieve the SPA vision (pages III-2 – III-11),
- 7) Adding new text (Chapter III, Section A 2): '*Complete Streets*' that fosters walkability, including Figure III-2 '*Downtown Level of Service "E" Threshold Area*' for the design and operation of certain streets (pages III-12 – III-18),
- 8) Adding Figure III-3 '*Downtown Residential Parking Matrix*' delineating parking requirements for each housing type anticipated for development in the SPA (page III-19),
- 9) Modifying Figure III-5 '*Land-Use District Development Standards*' regarding building heights, stories and setbacks (pages III-26 – III-27), adding Figure III-6 delineating locations for building heights and maximum stories (page III-28),
- 10) Consolidating each Land Use District in Chapter V text primarily referring the reader to appropriate Figures and Matrices to simplify the document,
- 11) Amending the sign provisions adding '*Projecting Wall Signs*' subject to standards and Planning Commission approval (page VI-6), and consolidating sign standards in Figure III-7 (pages III-30 - 31).
- 12) Recertifying a previously adopted Environmental Impact Report (EIR) that assessed the Specific Plan Update.

**STAFF RECOMMENDATION:** Approval

**GENERAL PLAN DESIGNATION:** SPA #9 (Specific Planning Area No. 9 – Downtown Specific Plan)

**ZONING:** Specific Plan (SP) for properties currently within the Downtown Specific Plan Area. Surrounding properties proposed for rezoning to SP involve (also see maps):

Commercial General (CG)	27.0	acres
Hospital Professional (HP)	14.5	acres
Planned Development-Commercial (PD-C)	8.5	acres
Planned Development-Industrial (PD-I)	3.75	acres
Planned Development-Mixed Use (PD-MU)	3.0	acres
<u>Commercial Professional (CP)</u>	<u>1.0</u>	<u>acres</u>
Total:	57.75	acres



**BACKGROUND/SUMMARY OF ISSUES:**

A specific plan for Escondido’s downtown central core was first approved by the City Council in the 1980s, and has been periodically amended over the years. The City Council appointed the Downtown Revitalization Committee to work with staff to update the Plan in January 2005 who recommended provisions for increased densities, more vertical-scale development, and pedestrian-oriented design guidelines.

The Committee's recommendations were forwarded to the City Council as a two-phased approach. Phase I entailed an Interim Plan including modifications requiring minimal environmental review and analysis involving certain land uses and development standards. That Interim Specific Plan was adopted in 2007 and is in use today; subsequent modifications have been approved over the years involving consolidating districts, joint-use and standard parking, auto dealerships, signs, land uses, open-air barbeques, outdoor dining, etc.

The 'Phase II' recommendations include expanding the Downtown Specific Plan approximately 57.75 acres, establishing building heights up to 85 feet and densities up to 100 units per acre, accommodating up to 5,275 total residential units (3,275 more units than anticipated in the interim Downtown Specific Plan), modifying setbacks, instituting more urban traffic thresholds, expanding certain land uses, etc. The Environmental Impact Report (EIR) that analyzed the City's General Plan Update in 2012 included the Downtown Specific Plan's 'Phase II' recommendations in its analysis. At issue is whether the Downtown Specific Plan's comprehensive update addresses the Phase II recommendations and accurately promotes the vision for Escondido's downtown.

**REASONS FOR STAFF RECOMMENDATION:**

1. The comprehensive text update and rezoning of 57.75 acres, which incorporates urban densities and building heights, is consistent with the vision calling for an increased downtown population to support a dynamic, attractive, economically vital, entertaining and vibrant city center with activity occurring throughout the day, evening and weekend hours.
2. The Downtown Specific Plan provides for a variety of unique uses and activities that draw people to the area. Refining the standards will enhance the pedestrian ambience and ensure such uses and activities retain their appeal.
3. The proposed text amendments and rezoning are consistent with the General Plan because a) the boundaries are consistent with the Downtown Specific Planning Area #9 identified in the General Plan and, b) the text is consistent with the Guiding Principles (Downtown Specific Plan) because they promote design policies, standards and guidelines that focus on a pedestrian orientation, strengthen connections with outlying areas, promote economic development, provide convenient transit access, expand Grape Day Park, and embrace the vision for downtown as a vital social, cultural, economic center.

Respectfully submitted,



Jay Petrek  
Principal Planner

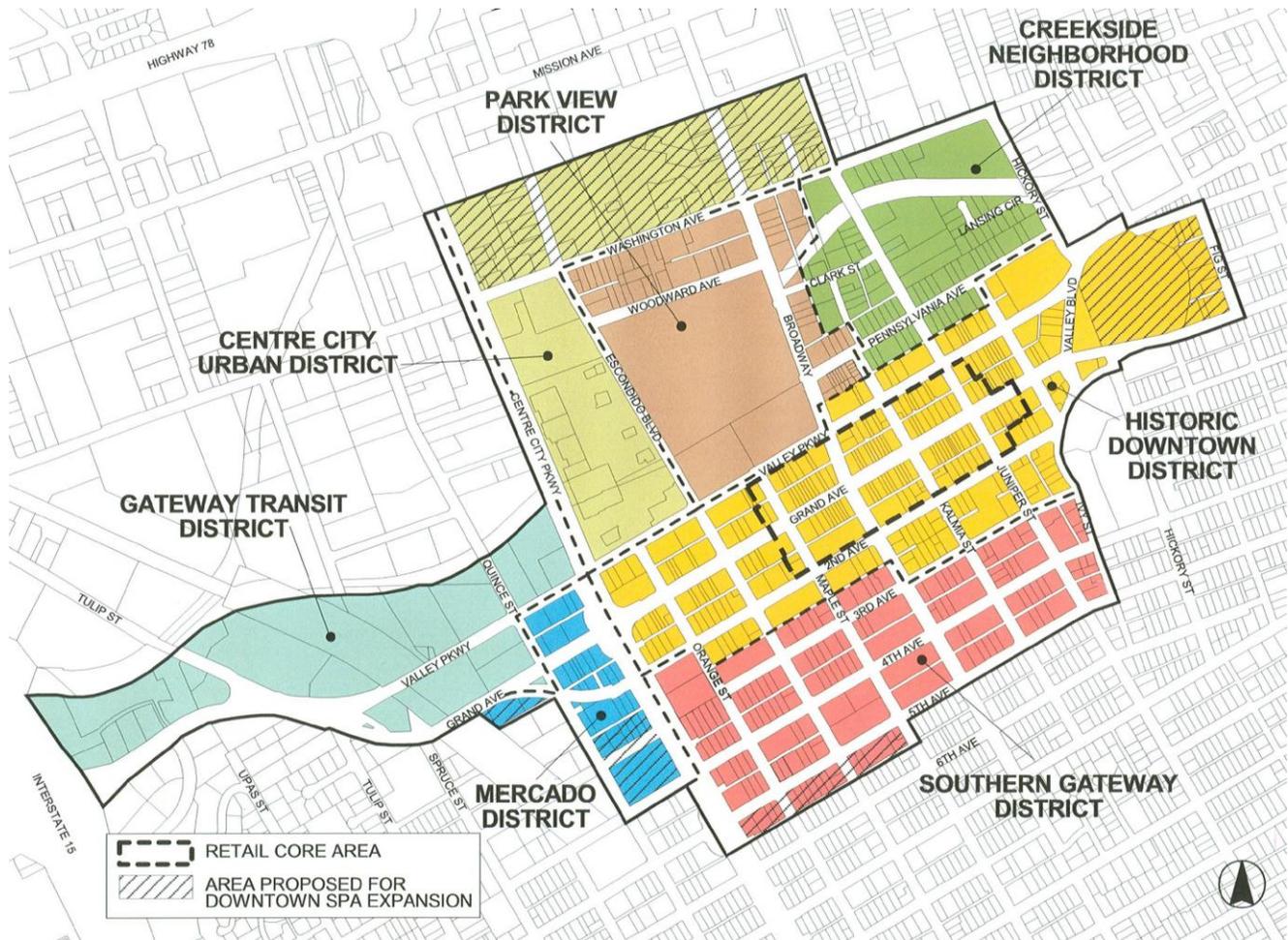


FIGURE 1

## ANALYSIS

### A. CONFORMANCE WITH CITY POLICY/ANALYSIS

#### General Plan

The amendments are consistent with the Guiding Principles identified in the General Plan for Specific Planning Area No. 9 (Downtown Specific Plan) that state:

- 1) Downtown's vision embraces a dynamic, attractive, economically vital city center providing social, cultural, economic, and residential focus while respecting its history.
- 2) The environment shall focus on pedestrian orientation to attract and accommodate local and non-local visitors to experience an atmosphere that is entertaining and vibrant with activity occurring through the day, evening and weekend hours.
- 3) The Specific Plan policies shall foster increased employment densities and encourage the attraction of businesses with salaries that raise the city's median income and improve the jobs / housing balance. The Specific Plan also promotes:
  - a) Prioritizing infrastructure improvements to accommodate growth.
  - b) Targeting residential development around Grape Day Park.

- c) Expanding Grape Day Park to Washington Avenue to foster additional recreation opportunities and facilitate more convenient access from northern areas.
- d) Expanding the “Grand Avenue” pedestrian environment throughout downtown by encouraging vertical mixed use developments.
- e) Strengthening the Escondido Creek path connection with downtown.
- f) Providing convenient transit access, innovative housing options and pedestrian-oriented design.
- g) Linking downtown to the development of future regional attraction(s) within Target Area #1 by providing attractive and safe pedestrian access.

### **Rezoning of Properties to Specific Plan (Project Description #1)**

Concurrent with planning efforts involved in updating the General Plan was the need to accommodate future population growth anticipated for Escondido’s buildout. In order to preserve established densities and neighborhood character in outlying suburban areas, the city’s downtown was identified as an appropriate location for focusing most of the projected growth. This direction benefitted the city on multiple fronts:

- a) Most of the city’s municipal services are concentrated in or near downtown (City Hall, Library, Police, Fire, etc, which are convenient for serving future population,
- b) Infrastructure (utilities, roads, etc.) can be more efficiently planned, consolidated and maintained,
- c) Urban-style living satisfies community needs, as expressed by residents during the General Plan update, by expanding housing options,
- d) A concentrated downtown population provides a more stable customer base for existing and new businesses and residents’ ‘eyes-on-the-street’ promote safety.

Properties north of Washington Avenue and east of Palomar Hospital’s downtown campus were identified as appropriate areas for expanding residential uses downtown. In addition, areas south of Fifth Avenue and in the Mercado Area are included based on their orientation and proximity to Downtown. The General Plan designation for these areas were amended to “SPA #9;” the proposed zone changes implements the General Plan action. A limited number of land uses will be rendered legal non-conforming upon rezoning from General Commercial to Specific Plan based on the list of permitted uses contained in the Downtown Specific Plan Permitted Use Matrix (Pages II-3 – II-8). These uses include a tattoo parlor, automobile service facilities (tires, brakes, oil change establishments), Dollar Store retail, etc. These uses may continue to operate at their current locations and would be subject to the City’s non-conforming use ordinance regarding future modifications, expansions and relocations.

The Mercado District was approved in 2001 as an overlay area involving a separate text describing the district’s history, goals, design standards, permitted / conditional uses (see attached Mercado Plan document). The Downtown Specific Plan update proposes to include the entire Mercado District boundary, which currently extends partially outside the SPA boundaries (*staff report* Figure 1). Much of the information from the overlay has been included in the Specific Plan text. However, many portions of the Mercado overlay text are rendered outdated and obsolete. Upon approval of the Downtown SPA text, staff proposes to restructure the Mercado Overlay text as an brochure that can still be retained for marketing purposes and directs the reader to the Specific Plan for development-related information

### **Revisions to the Permitted Use Matrix (Project Description #2)**

The Permitted Use Matrix of the Downtown Specific Plan (SPA Figure II-2, Page II-3 – Page II-8) has been amended several times since first adopted to respond to changing market conditions and facilitate new business opportunities. Staff has received several requests over the past year aimed at expanding retail, educational, and dining opportunities. The proposed amendments would revise and

expand permitted land uses in certain districts that would promote business opportunities and accommodate the anticipated population growth. Specifically, changes to land uses involve:

- a) Adding *'Home Occupations'* in residential uses (subject to current regulations),
- b) Adding *'automobile supply stores (with no installation)'* as a General Retail use,
- c) Adding *'yoga, jazzercise, aerobics, zumba and similar programs'* to athletic clubs
- d) Clarifying *'government services ... that provide direct contact with the public'* as a General Office use and *'government services ... that do not provide direct contact with the public'* as a Miscellaneous Service use.
- e) Expanding uses allowed in the Commercial Neighborhood District along Pennsylvania Avenue to be generally consistent with similar uses allowed in the Southern Gateway District along Escondido Boulevard.

### **Residential Buildout, Residential Uses, Densities and Locations (Project Description #3-#5)**

Escondido's prior General Plan did not identify a downtown buildout projection (2,000 units were allocated for planning purposes, approximately 1,200 units currently exist). Buildout densities have been established for all areas of Escondido that are planned for accommodating residential development as part of the General Plan update. Escondido's Downtown SPA was identified for a buildout of up to 5,275 units, which was included in analyses performed by General Plan economic consultants who confirmed that such a buildout is appropriate to serve downtown's planned employment and retail/service sector growth.

Densities downtown are intended to promote vertical mixed use (residential on upper floors) closer to Grand Avenue and along main thoroughfares. Ground floor residential is permitted in areas more distanced from Grand Avenue and along side streets, and in some areas are subject to a Planned Development approval (Figures II-3 and II-4). Downtown densities range from 45 to 100 units per acre. The Downtown Specific Plan does not establish a minimum residential density but encourages higher density mixed-use projects and allows flexibility that responds to the varying character of each land use district on a block-by-block basis. The ability to reach a buildout of 5,275 units can be achieved by a variety of means, including develop more properties with mid-range densities of 30-45 units per acre, or developing fewer sites at higher densities.

Higher residential densities are planned for areas near the SPRINTER station, Grape Day Park, and Palomar Medical Campus, which are along major transit routes (Figure II-5). Conversations with developers indicated that structured parking is typically required for densities above 30 units per acre and the cost of construction requires higher densities to achieve financial viability. As examples, the Latitude 33, the 5-story residential structure (NW corner of Centre City Parkway and Washington Avenue) is 71 units per acre; City Square (NW corner of Centre City Parkway and Second Avenue) is 28 units per acre.

### **Design Policies, Standards and Guidelines (Project Description #6)**

Proposed edits in Chapter III, Section A1 (pages III-1 – III-12) reorganize the text to segregate standards (which are required) and guidelines (which are optional). The revisions are intended to provide clarity for the public and developers when proposing future projects.

### **Complete Streets Policies, Level of Service 'E' Threshold Area (Project Description #7)**

Existing policies, standards and guidelines pertaining to pedestrian pathways and streets have been reorganized in Chapter III Section A2 (pages III-12 – III-18). A primary focus for areas within the public right-of-way is to prioritize the pedestrian experience through wider sidewalks, street furniture and landscaping while accommodating vehicular traffic.

Recognizing that the current right-of-way widths must accommodate all modes of traffic (pedestrians, bicycles, transit, vehicles, deliveries, etc.), and that roadway widening is constrained by existing development, the General Plan included provisions for a more urban traffic level of service. Figure III-2 (page III-18) depicts downtown areas appropriate for a Level of Service E threshold for determining significance and requiring mitigation, which was included in the EIR prepared for the General Plan Update. In these areas it is recognized that traffic will be slowed through downtown during limited peak morning and afternoon travel periods.

### **Residential Parking (Project Description #8)**

Downtown Specific Plan non-residential parking requirements are not proposed for amendment. Residential parking is included in Figure III-3 (page III-19) for the four types of residential uses permitted with the SPA). The proposed parking requirements for Mixed Use and Artisan Loft units are based on research from other similar sized agencies and local experience. The Specific Plan allows for parking requirements to be modified through the Planned Development application process based on acceptable peak-hour parking demand methodologies. As an example, City Plaza (incomplete mixed use project at the NW corner of Escondido Boulevard and 3<sup>rd</sup> Avenue) includes a parking plan that shares a limited number of spaces between residential and commercial uses.

### **Land Use District Development Standards, Building Heights & Stories (Project Description #9)**

Downtown development standards are intended to promote an urban, compact and vertical environment. During the Specific Plan update process the Committee's strong sentiment was to preserve the lower-scale, compact development character along Grand Avenue's retail core area. Areas primarily north of Valley Parkway and south of Second Avenue are identified as appropriate for taller structures. At a workshop in 2012 that included a discussion on downtown building heights and stories the City Council expressed concern regarding mid-rise structures that exceeded 6 stories, and their potential for degrading the character of downtown. In response, Figure III-6 has been revised to incorporate maximum stories accompanying maximum building heights in order to ensure that the character and vision for downtown is preserved while accommodating taller structures (page III-28). As proposed, only the block developed with City Hall and Center for the Arts would allow structures up to 6 stories; elsewhere in Downtown a maximum of five (5) stories would be permitted in selected locations.

Building and parking setbacks in Figure III-5 (page III-26) are intended to promote a pedestrian environment. The existing Specific Plan allows a zero (0) foot setback throughout much of downtown, and buildings can be constructed on the property line separated by only 8 – 10 feet of sidewalk area. One example is the recently completed Las Ventanas mixed use project (NE corner of Escondido Blvd. at 15<sup>th</sup> Avenue). This development is outside the Specific Planning Area, but similar projects could be proposed in downtown. An issue at Las Ventanas is the proximity of the building to the street and an 8-foot sidewalk that limits opportunities for establishing an engaging pedestrian environment. In updating the Specific Plan, the Committee desired to replicate the pedestrian environment of Grand Avenue where structures are setback 14 feet from the face of curb. In some cases this may require new structures to be set back from the property line to accommodate the additional width. The Specific Plan establishes provisions for transitioning between public sidewalks and private 'plazas,' with property owner maintenance for these areas. In addition, all surface parking and signs will require a 5-foot landscaped setback to avoid the installation of parking and signs immediately adjacent to the sidewalk.

**Land Use District Chapter V Text Revisions (Project Description #10)**

The Downtown Specific Plan text has always included a chapter discussing each of the seven Land Use Districts that includes a unique vision, various policies, standards and guidelines (Chapter V). The proposed edits in Chapter V, reorganize the text to streamline the document and provide clarity for the public and developers when proposing future projects.

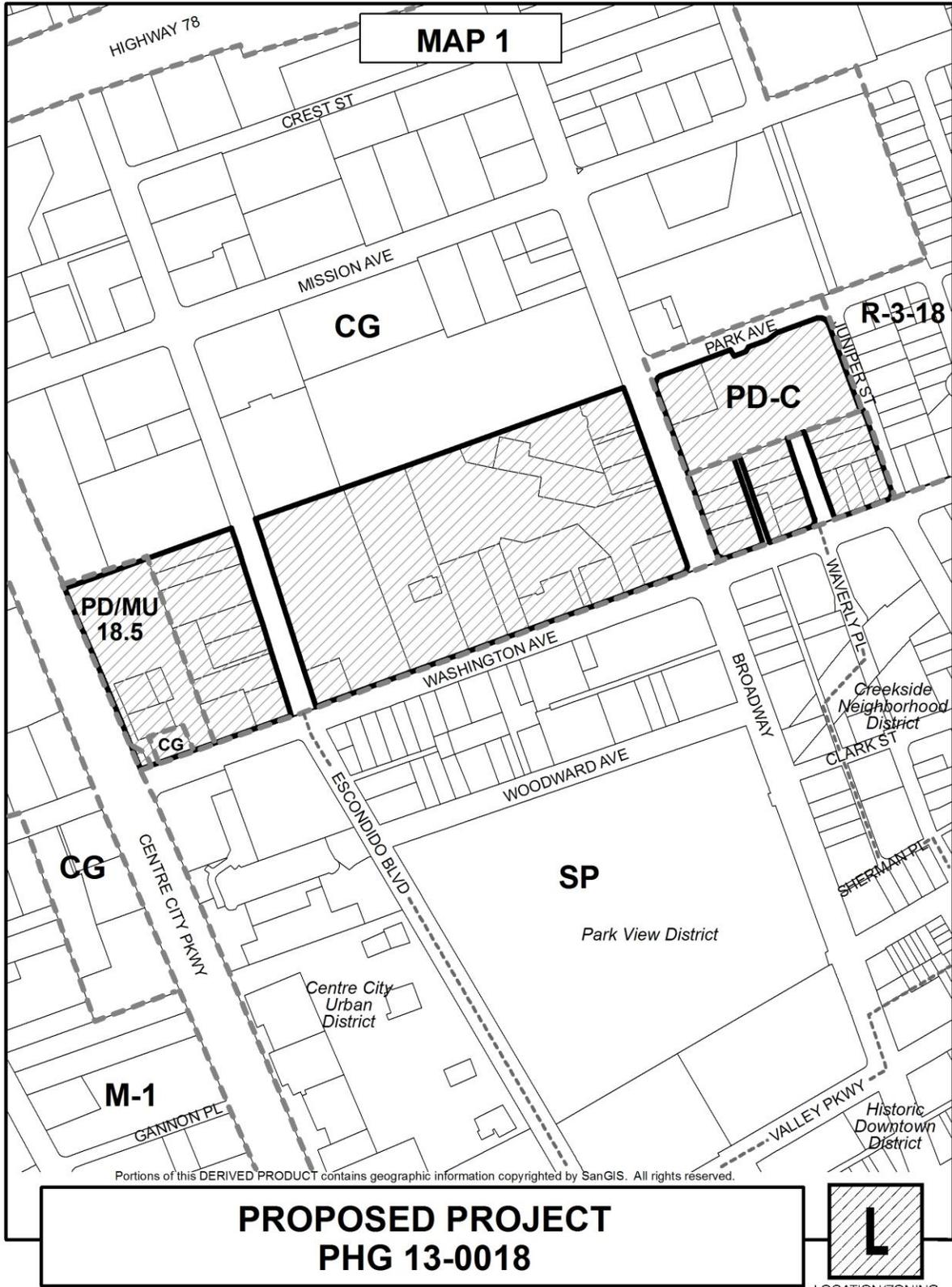
**Sign Standards, Projecting Wall Signs (Project Description #11)**

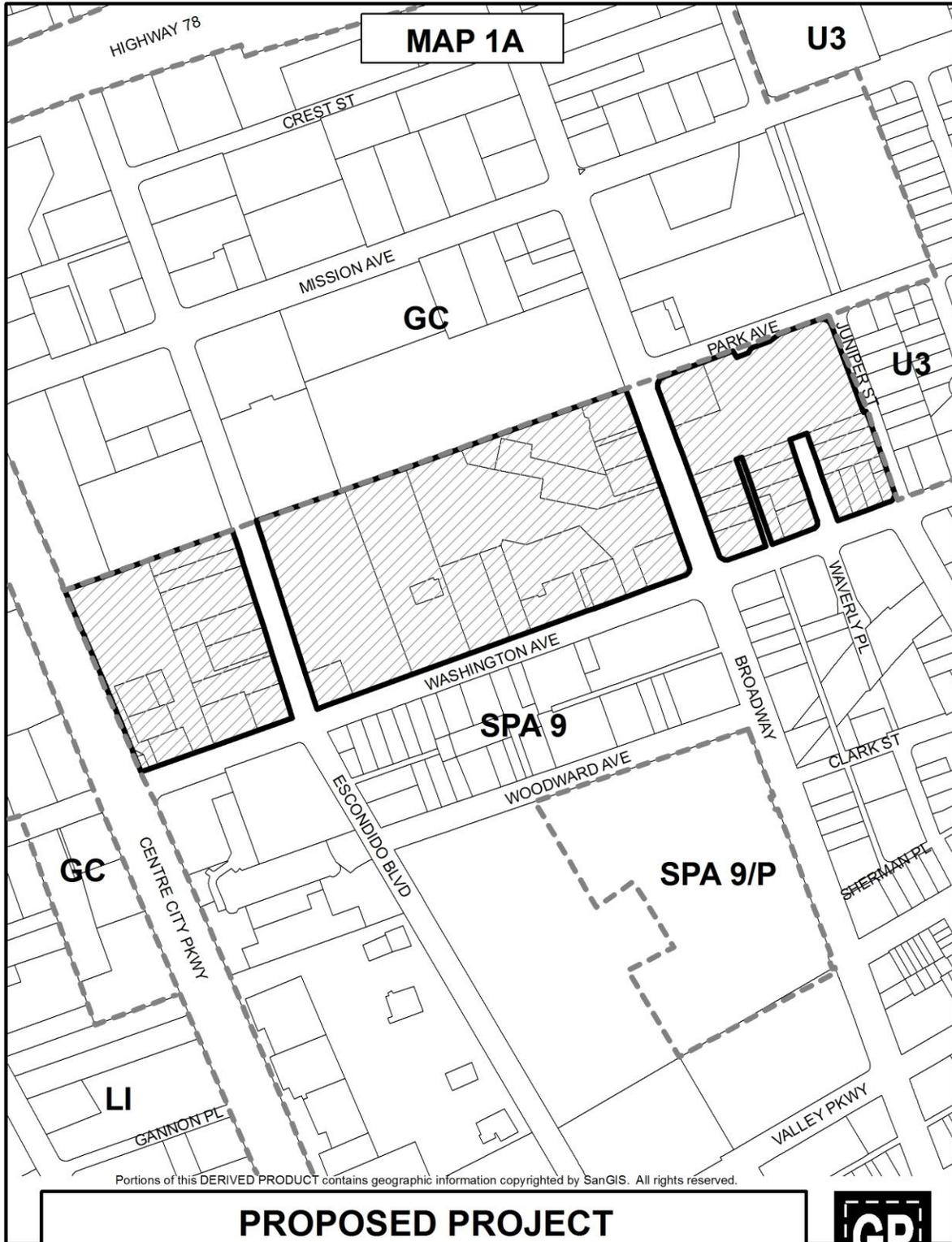
Staff's edits in Chapter VI are intended to provide clarity for the businesses and developers when proposing future projects, similar to the Design Policies, Standards and Guidelines revisions proposed in Chapter III. Sign square footage and development standards provisions have been consolidated and restructured in Figure III-7 (pages III-30 – III-31).

A new type of building sign is proposed: the 'Projecting Wall Sign' for building signs to be placed perpendicular to the building wall (page VI-6). Specific standards are included for such proposals including a limitation of the number of such signs, allowing them only on freestanding buildings of four (4) or more stories in certain districts, and requiring approval from the Planning Commission (and City Council if appealed).

**B. ENVIRONMENTAL STATUS (Project Description #12)**

The Environmental Impact Report for the General Plan incorporated the draft Downtown Specific Plan in its analysis. The CEQA Findings of Significant Effect, Statement of Overriding Considerations and Mitigation Monitoring and Reporting Program have been referenced in the Downtown Specific Plan Resolution of adoption in order to be consistent with the General Plan Update Resolution. The EIR was certified on May 23, 2012. Approving the Specific Plan update requires that the City recertify the document.

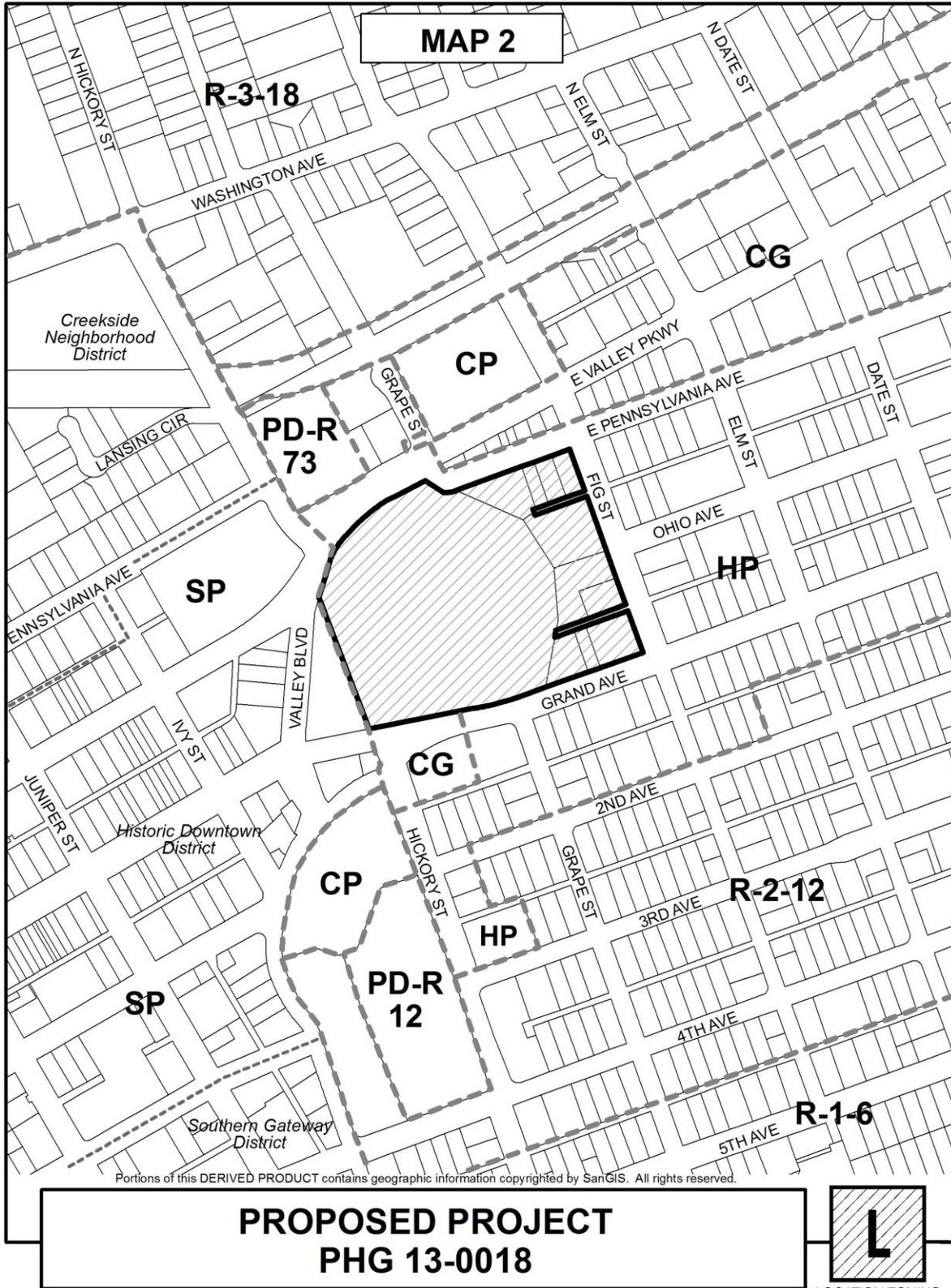


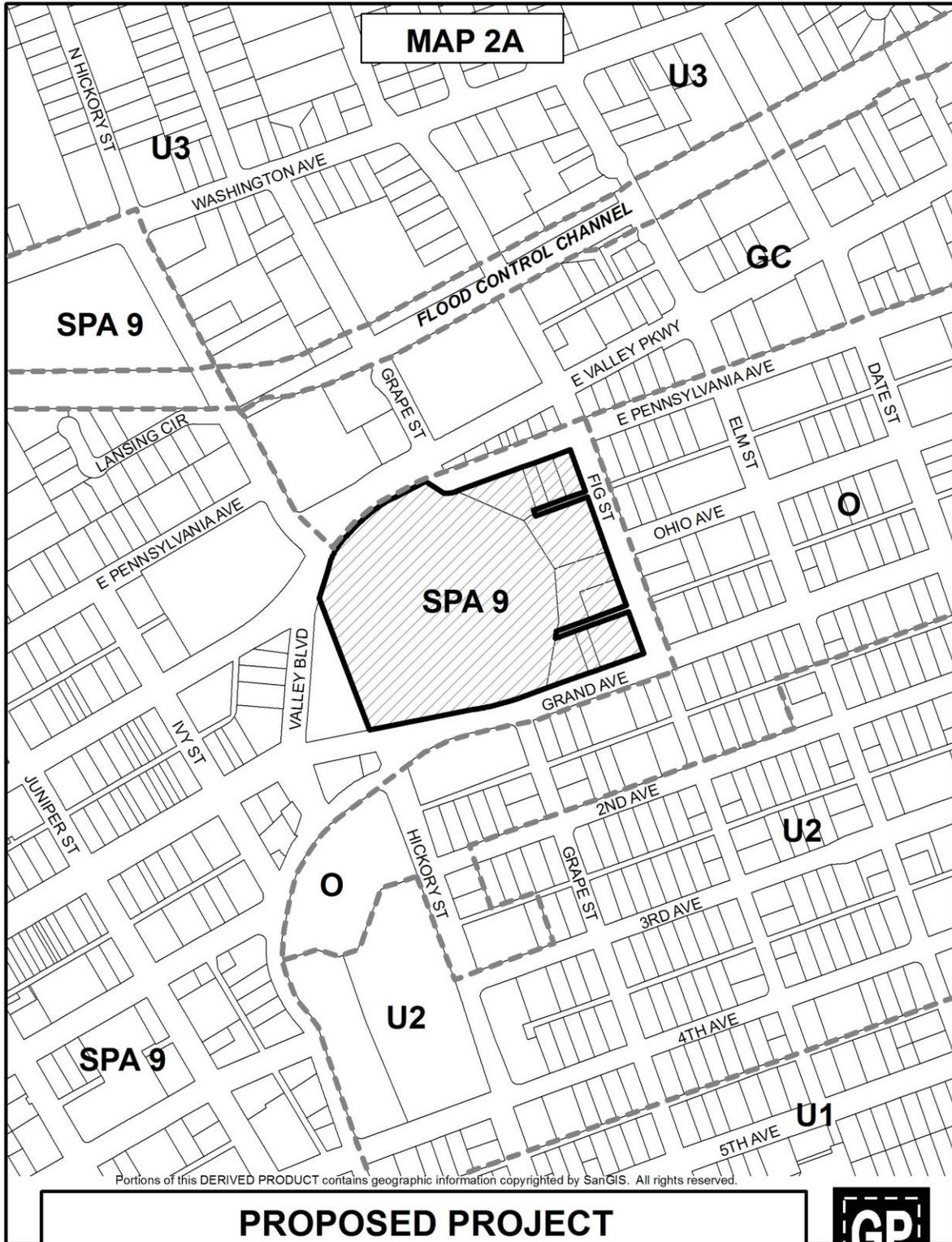


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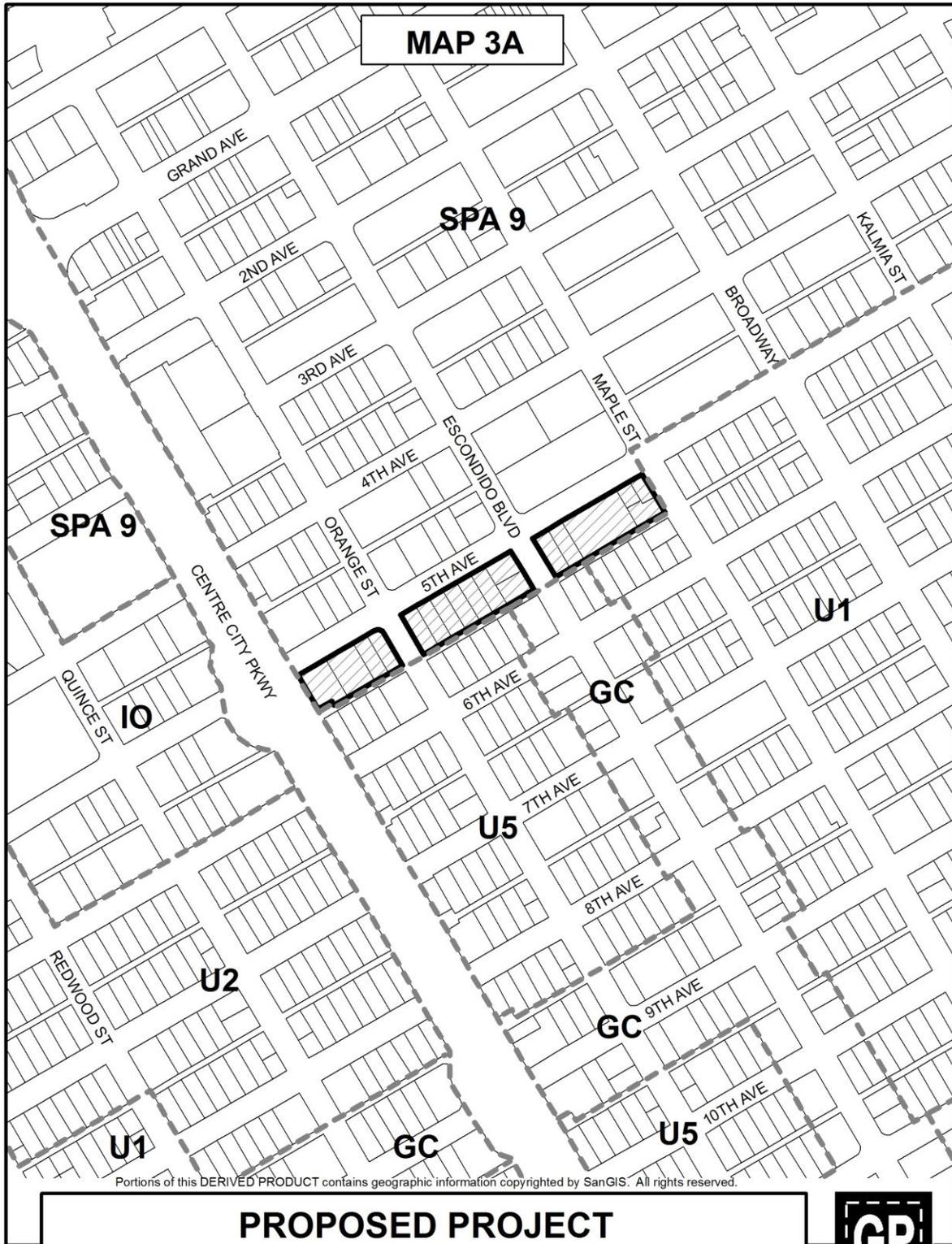


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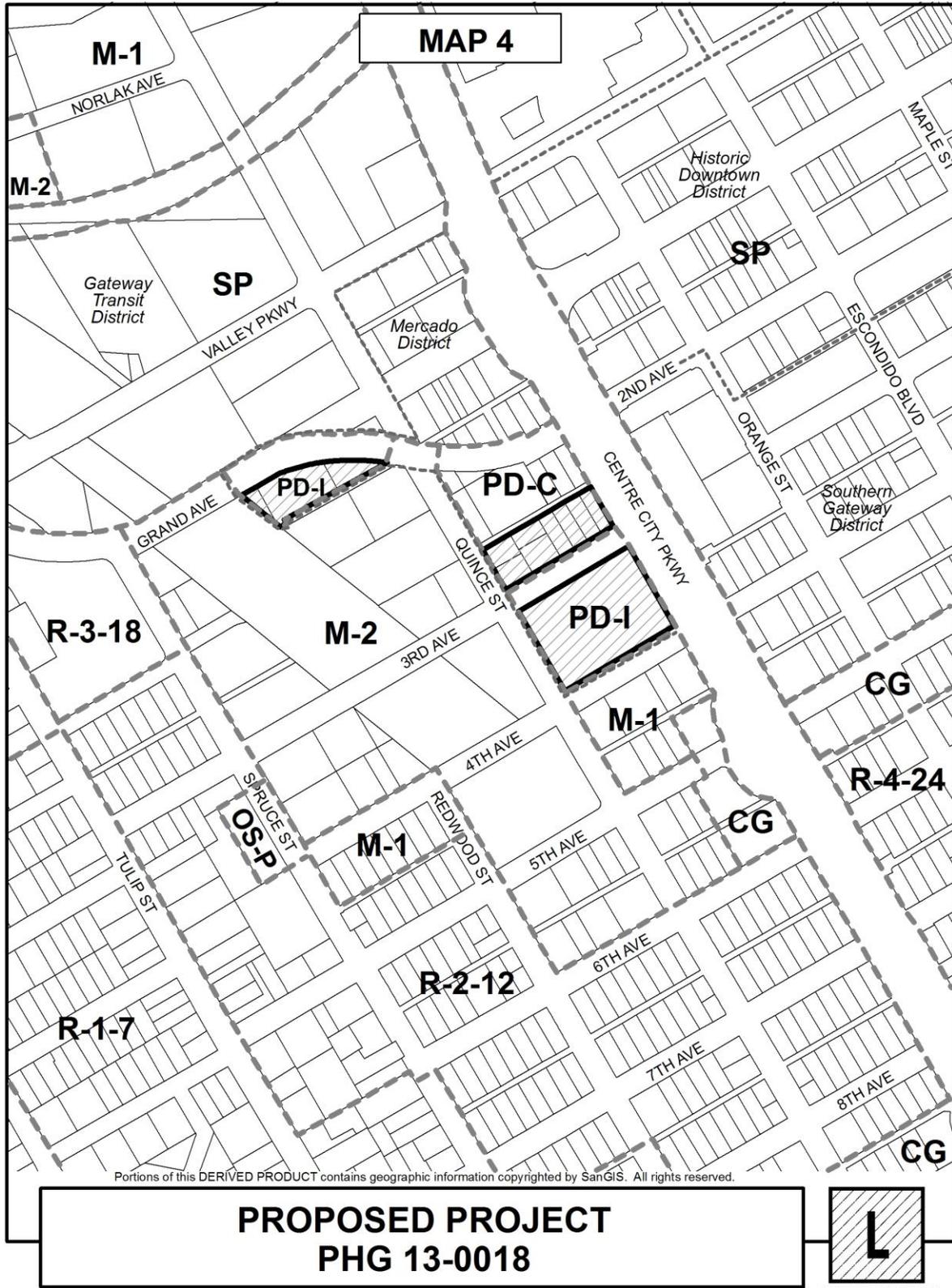


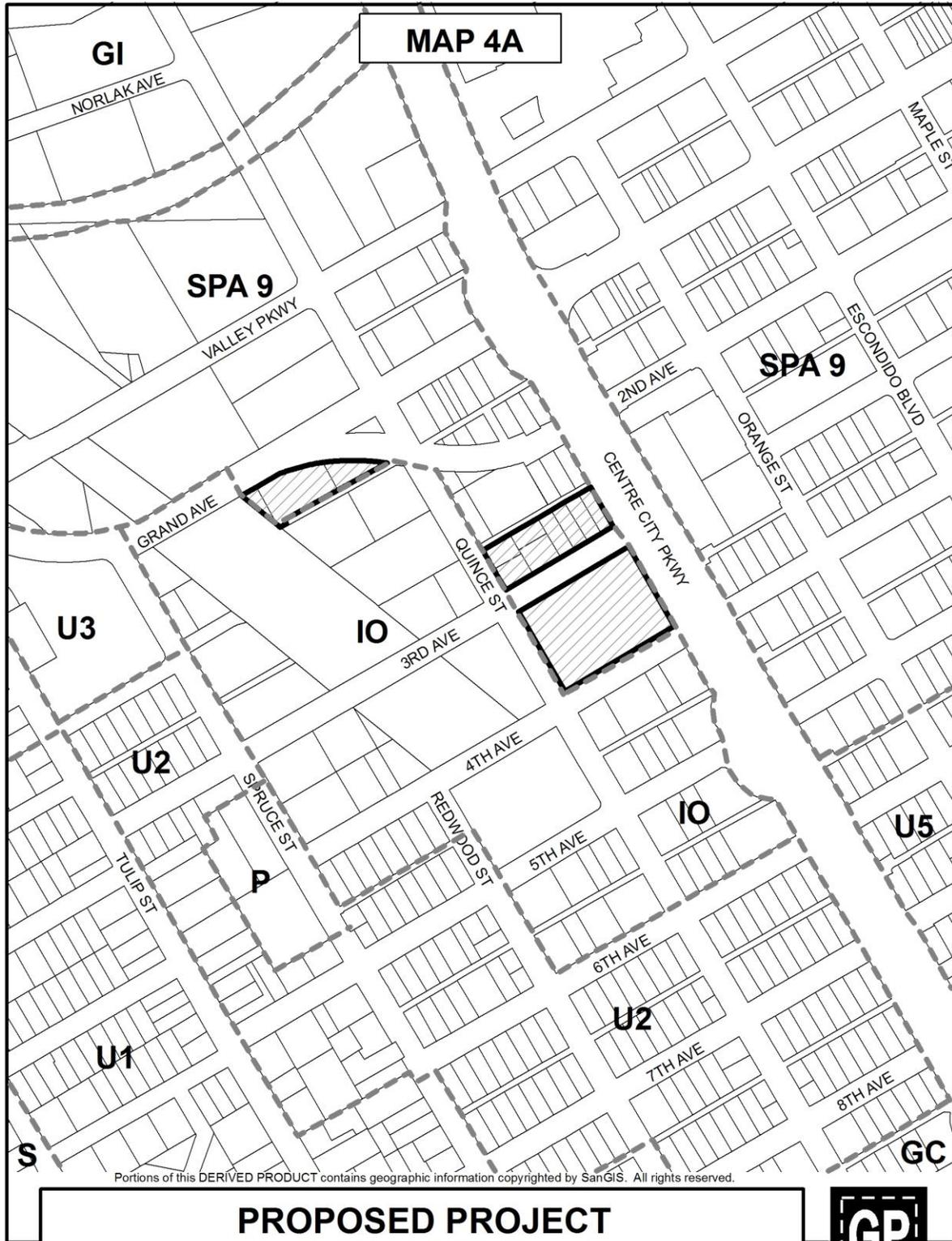




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**FACTORS TO BE CONSIDERED**  
**PHG 13-0018**  
**EXHIBIT "A"**

1. The public health, safety and welfare would not be adversely affected by the proposed amendments to the Interim Downtown Specific Plan or the proposed zone changes because the amendments would clarify and refine permitted land uses in the downtown area, provide consistency to the document, and codify existing policies to promote an economically vibrant downtown. The proposed zone changes are consistent with the area identified as Specific Planning Area #9 in the General Plan and would not alter existing land uses while allowing future land uses to align with the Specific Plan's long-term vision.
2. The proposed amendments to the Interim Downtown Specific Plan would not be detrimental to surrounding properties because the proposed changes to the Permitted Use Matrix include land uses that already exist elsewhere in the specific plan area, and provide safeguards against potential nuisances. The proposed zone changes would not be detrimental to surrounding properties because there would be no physical change in properties as a result of the rezones; future development would be required to ensure no negative impacts occur off-site unless mitigated.
3. The proposed amendments to the Interim Downtown Specific Plan and the proposed rezoning of property would be consistent with the General Plan because the General Plan currently identifies the affected properties within the Downtown Specific Plan boundaries. In addition, the SPA text is consistent with General Plan Guiding Principles for SPA #9 (Downtown Specific Plan) because it promotes a dynamic, attractive, economically vital city center that focuses on pedestrian orientation to attract and accommodate local and non-local visitors and encourage the attraction of businesses.
4. The property involved in the zone changes are suitable for the uses permitted by the proposed zone because a majority of the current land uses comply with the list of permitted uses for Downtown. Existing non-conforming uses will not substantially degrade the character of Downtown and said uses can be transitioned to conforming uses over time without impacting surrounding properties or the long-term vision.