

DATE ISSUED: November 22, 2006

ATTENTION: Centre City Development Corporation
Meeting of November 29, 2006

SUBJECT: A Status Update Of The Consistency Determination Review
Process For The Navy Administration Building – Proposed By
Manchester Financial Group To Be Developed And Constructed
On The Navy Broadway Complex Site -- Marina And Columbia
Sub Areas Of The Centre City Redevelopment Project

STAFF CONTACT: Eli Sanchez, Senior Project Manager

REQUESTED ACTION: Centre City Development Corporation (“CCDC”) Board action as
needed on the Consistency Determination Review Process.

STAFF RECOMMENDATION: None.

SUMMARY

In 1992 the City of San Diego (“City”) entered into an agreement with the Navy adopting a Development Plan and Urban Design Guidelines (“Agreement”) for redevelopment of the Navy Broadway Complex (“NBC”) Site (Attachment C). The Agreement gives CCDC the authority to act on behalf of the City to make a determination whether or not plans and specifications for any proposed project are consistent with the Development Plan and Urban Design Guidelines. CCDC will handle architectural and design review, public workshops and hearings to ensure consistency with the Development Plan and Urban Design Guidelines and the North Embarcadero Visionary Plan (“NEVP”), including scale and building materials. The project has been reviewed for consistency to CEQA by the Development Services Department of the City.

At the November 8, 2006 Board meeting, Manchester Financial Group (Developer) requested an opportunity to submit a revised Consistency Determination Submittal for the Navy Administration Building (NAB) and site in response to public input and Board comments. The Board accepted the Developer’s request for resubmission and directed staff to meet with the Developer to discuss the process related to such a resubmission. This item will provide a status update of the process for resubmission and subsequent review.

FISCAL CONSIDERATIONS: None.

BOARD RECOMMENDATION:

On November 14, 2006, the Board adopted Resolution 2006-04 incorporating the Master Plan Consistency Determination, as conditioned, subject to certain modifications contained in Resolution 2006-04.

BACKGROUND

On October 25, 2006, the Board adopted Resolution 2006-03, by which it adopted the October 19, 2006 "CEQA Consistency Analysis for Navy Broadway Complex" issued by the City's Development Services Department ("DSD") and the determination by DSD based on such analysis that no further environmental review is warranted for the NBC Project. The Board also approved the staff recommendation on the Master Plan Consistency Determination, as conditioned.

On November 8, 2006, the Developer requested and the Board granted a request for the Developer to resubmit the "Consistency Determination Submittal Requirements" for the Navy Administration Building ("NAB"). At that meeting, the Board also directed staff to meet with the Developer to coordinate the process for the resubmission of the submittal package for the NAB. On November 14, 2006, the Board adopted Resolution 2006-04 incorporating the Master Plan Consistency Determination, as conditioned, subject to certain modifications contained in Resolution 2006-04.

DEVELOPMENT TEAM

ROLE/FIRM	CONTACT	OWNED BY
Property Owner United States Navy	Karen Ringel	United States of America
Developer Manchester Financial Group	Perry Dealy, President Manchester Development	Privately Owned
Construction Manager <i>Not Selected</i>		
General Contractor <i>Not Selected</i>		
Subcontractor <i>Not Selected</i>		
Architect Gensler Tucker, Sadler	Arthur Gensler Hal Sadler	Privately Owned Privately Owned
Landscape Architect Wallace Roberts & Todd, Inc.	Kathleen Garcia	Privately Owned

DISCUSSION

Four Steps of Consistency Review

The consistency review includes a review and analysis of whether the development proposed by the Developer substantially conforms to the Development Plan and Urban Design Guidelines.

The submittal, review and consistency determination is to proceed in four steps as specified in Section 5.2 of the Agreement. The four steps involve the submission of plans and specifications at the following stages:

1. Basic Concept/Schematic Drawings
2. Design Development Drawings
3. Fifty percent (50%) Construction Drawings
4. One hundred percent (100%) Construction Drawings

A final consistency determination may be made as each individual block(s) and/or building(s), together with the more advanced plans and specifications for the public open space for each block, are submitted and reviewed by CCDC in accordance with Section 5.2 of the Agreement. No development on any portion of the Project can proceed under the Agreement unless and until a determination of consistency has been made by CCDC, and no construction activities on any portion of the Project may commence until CCDC issues the final consistency determinations of each portion of the Project. The Developer, in previous public meetings, has made a commitment to the Board to follow this process as development proceeds.

The four step process is contained in Section 5.0 of the Development Agreement (Attachment A). The progression of drawings through the four step process shall illustrate how the conditions imposed in connection with previous submissions have been accommodated.

Process For Resubmission

Each individual building and site for which a determination of consistency is sought is to be submitted and evaluated in four stages per the Development Agreement. In addition to the Development Agreement, Development Plan and Urban Design Guidelines for the Navy Broadway Complex (as amended), each building and site will be evaluated against the approved Navy Broadway Complex Master Plan as conditioned by the Navy Broadway Complex Master Plan – CCDC Consistency Determination (“Master Plan Consistency Determination”) (as amended by CCDC Resolution 2006-04, November 14, 2006), and North Embarcadero Schematic Design Drawings. If a specific matter is not addressed by these documents, the Centre City Planned District Ordinance and Downtown Community Plan will be used for guidance in the evaluation.

The first submittal to be evaluated is Basic Concept/Schematic Drawings. Pursuant to Exhibit 1 of the Master Plan Consistency Determination, each submittal is required to include the subject building and surrounding site improvements. The Development Agreement sets forth minimum submittal requirements for this stage and requires that these drawings are “sufficiently detailed and at a scale to enable CCDC to make the determination of consistency.”

In addition to the minimum submittal requirements in the Development Agreement and in response to the size and complexity of the overall Navy Broadway Complex project, staff modified the standard Submittal Requirements List normally used for project applications for development in Centre City to include:

- 1) Consistency Determination Submittal Requirements for Navy Broadway Complex -- Individual Buildings and Sites (Attachment A);
- 2) Submittal requirements established in the Development Agreement per section 5.2(a);
- 3) Relevant conditions from the Navy Broadway Complex Master Plan -- CCDC Consistency Determination (including Exhibits).
- 4) Project Statistics detailing the square footage of land uses, open space area, hotel rooms, and parking showing the relationship of project-specific information to that established in the Navy Broadway Complex Master Plan (as currently proposed and conditioned).
- 5) Itemization of ATRP standards applicable to the site (Navy Building only), including but not limited to the following:
 - a) Distance the building walls required to be set back and where the measurement is taken from;
 - b) Key dimensions of any raised planters, walls, or other barriers (height, length, girth) -- note reasons for location and size of allowable openings in length.
- 6) Electronic files of each submittal and subsequent revisions.

NEXT STEPS

Pursuant to a meeting held on November 20, 2006 between representatives of the CCDC Board, CCDC staff and legal counsel, and the Developer, the following resubmission and review process will be followed:

- a) Staff will provide the Developer with revised submittal guidelines for the Master Plan and NAB (completed);
- b) The Developer will submit a revised Master Plan and revised plans for the NAB by the end of November 2006;
- c) A design meeting has been scheduled for December 8, 2006 with CCDC consultants and staff and Manchester consultants and team to review the latest Developer submittal for the Master Plan and NAB. The results of this design meeting will be shared with the CCDC Board in January 2007;
- d) Staff will work with the Developer and legal counsels to review the format and phrasing of the staff recommendation to clarify those items 1) that are inconsistent, 2) that have insufficient plans, and 3) additional information to be submitted (especially in a narrative format);
- e) Staff and the Developer will continue negotiations on the agreement regarding Site 2A; and
- f) The Developer will offer new language regarding the indemnification of the City/Agency and CCDC with respect to this project.

PROJECTED ANALYSIS AND IMPACT ASSESSMENT

Environmental Impact -- In 1992 the City certified a project-level Environmental Impact Report/Environmental Impact Statement ("EIR/EIS")² for the Navy Broadway Complex Project ("NBC Project"), adopted a Mitigation Monitoring Plan to govern the implementation of mitigation adopted for the NBC Project, and the Agreement incorporated a Development Plan and Urban Design Guidelines for the NBC Project ("Design Guidelines").

² / This environmental document was jointly prepared by the City and the Navy in 1990 pursuant to the California Environmental Quality Act ("CEQA") and the federal National Environmental Policy Act ("NEPA").

On October 19, 2006, the City's Development Services Department ("DSD") issued a memorandum explaining DSD's CEQA Consistency Analysis for the NBC Project, in which, pursuant to Public Resources Code section 21166, DSD reviewed the proposed project against the 1992 NBC Project EIR/EIS and several more recent EIRs which considered or assumed the development approved for the NBC Project. DSD determined that the 1992 NBC Project EIR/EIS, the 1992 Final Master EIR for the Centre City Redevelopment Project, the 1999 Final Subsequent EIR for the Ballpark and Ancillary Development Projects, the 2000 North Embarcadero Visionary Plan EIR, and the 2006 Downtown Community Plan EIR all adequately considered or assumed the development of the NBC Project and included those assumptions and the mitigation required to be implemented for the NBC Project in those documents' transportation/circulation/parking, air quality, and cultural resources analyses, among others.

DSD concluded that the proposed NBC project is substantially the same as the project assumed in the 1992 NBC Project EIS/EIR, and that subsequent environmental documents covering the downtown area assumed the development contemplated for the NBC Project and have updated the impacts analyses for potentially affected resource areas, such as transportation and parking, air quality, land uses, cultural resources, and others. Therefore, DSD concluded that the conditions listed in Public Resources Code section 21166 triggering subsequent or supplemental environmental review are not present here and no further environmental documentation needs to be prepared.

CONCLUSION

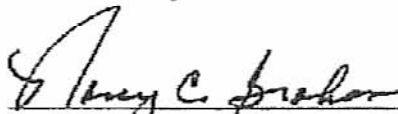
CCDC staff and the Developer have committed to moving this project forward. This report indicates the steps to be followed to continue the Consistency Determination Review of the revised Master Plan and revised NAB plans.

Respectfully submitted,

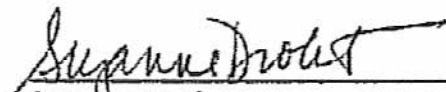
Concurred by:



Eli Sanchez
Senior Project Manager



Nancy C. Graham
President



Suzanne Drolet
Associate Planner

Attachments: Attachment A – Consistency Determination Submittal Requirements
Attachment B – Section 5.0 Development of Property