

# Need for PEIR to Convert Complete Communities Housing Solutions to SDAs

## **Executive Summary**

In the opinion of Neighbors For A Better San Diego, an environmental impact report (EIR) is needed to convert Complete Communities Housing Solutions from the Transit Priority Area to the Sustainable Development Area. This is required not just because of the net change in eligible acreage, but also because of structural differences between SDAs and TPAs, including differences in transit plans that can be used as the basis of each map, and the introduction of Mobility zones, CTCAC high opportunity zones, and specific plans into the SDA code.

### **Change in Scope of Complete Communities Housing Solutions**

The Complete Communities (CC) PEIR is inextricably linked to the transit priority area (TPA), "where the most reductions in overall vehicle miles traveled and greenhouse gas emissions reductions can be realized." pg. 1, 53 pdf

"Many of the City's community plans that were updated after the adoption of the 2008 General Plan include goals, land use maps and policies that target residential and non-residential growth, and increased residential density to be located within TPAs or otherwise in close proximity to existing and planned transit, in order to create village cores with improved pedestrian and multi-modal circulation." pg. 94-95 pdf

Sustainable Development Areas (SDAs) expand Complete Communities development into the newly defined Mobility Zone 4 ("Mobility Zone 4 means any area within a community planning area with a VMT efficiency that is greater than 85 percent of the regional average for either resident VMT per capita or employee VMT, as determined by the City Manager") where "the premises is zoned 20 dwelling units per acre or greater or has a land use plan designation that allows for 20 dwelling units per acre or greater ( 143.1002(a) ). The CC PEIR makes clear that building Complete Communities projects in these Mobility Zone 4 areas will increase significant and unavoidable, though unquantified, impacts:

"While VMT related impacts in the majority of the Housing Program project areas would result in less than significant impacts where development is located in VMT efficient areas (at or below 85 percent of the regional average), impacts in less efficient VMT per capita areas (greater than 85 percent of the regional average) would remain significant

and unavoidable." pg. 47 pdf

SDAs expand Complete Communities into areas that produce "significant" impacts that are easily **avoidable** by not allowing this dense development in Mobility Zone 4 at all. These mitigable environmental impacts must be evaluated by a new EIR.

According to the PEIR, "The Housing Program would be consistent with the General Plan's City of Villages strategy, and the City's CAP promoting the placement of new development within TPAs and other smart growth areas." pg. 36, 65 pdf The expansion of the program beyond the confines of the TPA promotes the placement of new development outside the TPA and is therefore, by definition, in conflict with the General Plan's City of Villages strategy and the CAP. "The proposed project is intended to support the City in achieving CAP goals by supporting and incentivizing future development that will reduce GHG emissions, primarily through reductions in VMT." pg. 36 pdf However, this requires reevaluation of the environmental impacts of the new development now allowed up to one-half mile beyond the TPA.

The entire justification for the Complete Communities' environmental benefits is hinged upon limiting future dense development to within the TPA and the associated anticipated reduction in GHG and VMT.

"The Housing Program would help implement the City of Villages strategy by incentivizing the construction of multi-family residential housing with neighborhood-serving amenities within TPAs." pg. 65 pdf

Expanding CC out to 1 mile from transit with SDAs is counter to this principle and inconsistent with smart growth principles as outline in the CC PEIR and would not create the "compact, walkable communities close to transit connections on which the PEIR evaluated impacts.

"The Housing Program would facilitate high-density residential and mixed-use development within TPAs to create compact, walkable communities close to transit connections and consistent with smart growth principles. As the Housing Program would assist in the streamlined establishment of multi- family housing within proximity to transit, it would support the Regional Plan's smart growth strategies by creating pedestrian-oriented urban villages that would reduce reliance on the automobile, and promote walking and the use of alternative transportation. Similarly, the Mobility Choices Program is intended to incentivize housing within TPAs and urban areas, consistent with smart growth strategies. The adoption and implementation of the proposed project would not generate any conflict or inconsistencies with the Regional Plan; thus, impacts would be less than significant... The proposed project would implement the General Plan City of Villages strategy, by allowing increased densities for multi-family residential development to occur in TPAs." pg. 97 pdf

#### According to the PEIR,

"The proposed project would incentivize the development of multi-family residential units within TPAs; however, it would not change the allowable land uses within the project areas." pg. 50 pdf Further, page 85 of the CC PEIR states:

"Additionally, the Mobility Choices Program is intended to incentivize housing development within Mobility Zones 1 and 2; but would not authorize development densities beyond adopted community plan allowances."

While uses and underlying zoning may not change, densities certainly do. An example project at 301 Spruce Street includes parcels that have an underlying zoning that allows 52 units, yet are being permitted for 261 units under CCHS, a 400% density bonus.

While overall projects might be limited, the distribution of those projects with a community planning area are critical to achieving the overall goals of Complete Communities. In particular, creating "compact, walkable communities close to transit" requires that projects be clustered together near transit to allow a person to make multiple stops (shopping, dining, entertaining, medical, etc.) within a single visit. This aspect of SDAs has been ignored in the Staff Report and presentations. While walking distance from housing is important for transit access, density of uses at points of destination is equally important in driving transit adoption. Neighbors For A Better San Diego surveyed 20 major metropolitan U.S. cities (see Attachment B.3) and found that the threshold for functional density is roughly 15-20 people per acre, which is three times San Diego's current average density (5.8 people per acre). San Diego is projected to add less than 250,000 residents by 2050. If these residents are distributed over an area a mile away from transit, as proposed by the SDA, then there won't be a sufficient increase in collective density in any one area to generate the needed variety of uses needed to make the area a transit destination.

If the City had used the full public process for drafting the SDA proposal, instead of forcing the SDA definition into the limited public discussion provided by the omnibus Land Development Code update process, policy makers could have explored different options for the defined walking distance, including but not limited to the commonly accepted distance of one-half mile. This would have exposed the points of conflict between maximizing housing capacity and achieving climate action and transit equity goals. Successful transit-oriented development requires matching the distance to transit to a number of other factors, including finite population projections, topography, urban canopy, and propensities to use transit (related to both distance from residence to transit and multiplicity of uses at transit destinations).

In lieu of full review as a standalone item separate from the LDC update, the EIR process could have been used to surface potential issues and mitigation strategies (including reducing the distance to travel). Unfortunately, the Planning Department has minimized the long-lasting implications of the SDA proposal and dismissed the necessity to give it a more complete review.

Evaluating individual elements (pg. 98-101 pdf) of the General Plan makes clear that Sustainable Development Areas (SDAs) cannot simply be substituted for TPAs without requiring a new environmental impact report to determine the new impacts SDAs create. Notably, this is because the PEIR clearly stated that inside the TPA is "where the most reductions in overall vehicle miles traveled and greenhouse gas emissions reductions can be realized." pg. 1 pdf

<u>Mobility Element</u>: "The Housing Program would facilitate placement of multi-family development within TPAs, in close proximity to existing and planned transit, pedestrian, and bicycle facilities."

<u>Urban Design</u>: "The Housing Program would facilitate placement of high-density multifamily **development within TPAs**... These areas are best suited to support high multifamily residential densities to create the urban villages envisioned by the City of Villages strategy, due to existing high levels of activity and **availability of transit**..."

<u>Land Use Element and Community Planning Element</u>: "The proposed project would facilitate implementation of the City's General Plan City of Villages strategy which **focuses on directing population growth** into mixed-use activity centers that are pedestrian-friendly and **linked to an improved regional transit system**."

Economic Prosperity Element: "The proposed project would streamline the development of high-density, multi-family and affordable housing within TPAs to achieve the City's General Plan, Housing Element, and Climate Action Plan goals. Development authorized under the Housing Program would occur in close proximity to transit and would support urban hubs envisioned by the City of Villages strategy."

<u>Housing Element</u>: "... multi-family development **within TPAs** that provide an affordable component and a public infrastructure amenity."

<u>Urban Design Element</u>: "The principles ... are to contribute to the qualities that distinguish San Diego as a unique living environment, build upon our existing communities, direct growth into commercial areas where a high level of activity already exists, and **preserve stable residential neighborhoods**. The policies in the Urban Design Element are aimed at **respecting the natural environment**, **preserving open space systems**, and targeting new growth into compact villages. pg. 93 pdf

TPAs are inextricably linked to the Complete Communities Housing Program as evaluated by the PEIR. Simply substituting SDAs for TPAs does not account for the dramatic environmental impacts of adding ½ mile distance between dense housing and transit on reaching CAP goals or achieving City of Villages (compact villages) or urban hub strategies prescribed by the San Diego General Plan. A new EIR on Sustainable Development Areas' impacts on all aspects of the environment is required.

The CC PEIR accounted for the expansion of, or changes to TPAs.

"It is possible that additional project areas may be able to take advantage of the Housing Program if future zoning changes permit development of multi-family residential uses in additional areas within TPAs. If TPA boundaries change or are expanded, additional project areas with residential or commercial zoning that currently permit multi-family residential uses could be allowed to use the proposed program benefits in exchange for providing affordable housing and neighborhood-serving infrastructure amenities." pg. 110 pdf

However, Sustainable Development Areas (SDAs) represent a complete change from TPAs. They are not TPA boundary changes, nor are they an expansion of TPAs, because they eliminate some areas of TPAs altogether and add areas that were never included in TPAs. SDAs represent an additional 7,533 acres never included in TPAs and acres of land are non-fungible, so development and environmental impact on these new acres must be evaluated.

The CC/MC PEIR places a great deal of emphasis on incentivizing development within the TPA Mobility Zones 1 and 2, however the introduction of SDAs has strayed from that focus. SDAs have expanded Complete Communities well into Mobility Zones 3 and 4, again dramatically changing the footprint of the development and its environmental impacts. "Under the No Project Alternative, the proposed ordinances would not be adopted and growth would continue to occur in accordance with the adopted General Plan and applicable Community Plans without the proposed project incentives for development within TPAs and Mobility Zones 1 and 2." pg. 26 pdf However, with Complete Communities development now extending to Mobility Zones 3 and 4, this is no longer the case and environmental impacts will be felt in all mobility zones. The CC PEIR did not take this into account.

Regarding air quality, the PEIR claims that "The primary source of operational emissions resulting from residential development is vehicle emissions. While the proposed project could increase multi-family residential densities within Housing Program project areas; the redistribution of density to focus within TPAs would provide a more efficient land use pattern that will support a reduction in vehicle miles traveled (VMT) and associated operational air emissions." pg. 130 pdf By expanding the Housing Program ½ mile beyond TPAs to 1 mile from transit, the "redistribution of density" will no longer "provide a more efficient land use pattern that will support a reduction in vehicle miles traveled (VMT) and associated operational air emissions." Therefore, a new EIR must be conducted to evaluate the impacts of the expanded operational air emissions.

Re: transportation energy use, the PEIR states that

"The increased development potential within the project areas would be **focused** around TPAs and would support the City's CAP and associated energy reduction goals, primarily through reductions in vehicle trips. The Housing Program would incentivize high density residential development near transit to – among other objectives –

encourage a mode shift from single occupancy vehicles to active transportation and transit use. ... The <u>convenient access</u> to the existing and planned trolley stations and bus lines as well as the proximity of homes to services, combined with the mobility improvements proposed throughout the City, would support a more energy-efficient land use and transportation system and increase opportunities for transit and active transportation modes. Therefore, long-term implementation of the proposed project would not create a land use pattern that would result in a wasteful, inefficient, or unnecessary use of energy. Impacts would be less than significant." pg. 175 pdf

Because SDAs would allow dense development beyond ½ mile (TPA border) up to 1 mile from transit, the energy reductions anticipated in the PEIR will not materialize, nor will the "convenient access to the existing and planned" transit or "proximity of homes to services." In fact, the "long-term implementation of the proposed project would …create a land use pattern that would result in a wasteful, inefficient or unnecessary use of energy." Thus SDAs up to 1 mile from transit are not consistent with San Diego's CAP nor the CARB Climate Change Scoping Plan, that guides us to:

"Encourage future housing production and multi-use development in infill locations and other areas in ways that make future trip origins and destinations closer together and create more viable environments for transit, walking, and biking."

(https://ww2.arb.ca.gov/sites/default/files/2022-12/2022-sp.pdf pg. 210)[E]

The Complete Communities PEIR actually summarizes why a new EIR is needed to establish the environmental impacts of SDAs on San Diego in light of development from both Complete Communities and ADU Bonus Programs.

"High density multi-family residential development with affordable housing would support and encourage the use of transit within the project areas by providing additional potential transit riders with easy access to high-quality transit. The proposed project would support reductions in GHG emissions attributable to vehicle sources as future residents would be more likely to rely on transit and active modes of transportation to a greater degree than development occurring outside of TPAs and Mobility Zones 1 and 2....

By facilitating new growth along high density transit corridors, future housing development within the project areas would be consistent with the General Plan's City of Villages strategy, and thus, with Action 3.1 of the CAP, which calls for implementation of the General Plan's Mobility Element and the City of Villages strategy in TPAs to increase use of transit and active modes of transportation. Specifically, the Mobility Element of the General Plan states that the City of Villages strategy would support a more cost-effective expansion of the transit system by calling for villages to be located in areas that can be served by high-quality transit. Increasing the allowable development intensity and residential densities around the existing and planned transit corridors would lay the groundwork for future transit use as well as provide

riders for the existing transit network. The proposed project would be consistent with the General Plan's Mobility Element Policy ME-B.1, which calls for increased transit service accessibility, and Policy ME-B.9, which calls for transit-supportive land use planning.

Therefore, any potential increase in GHG emissions associated with development under the Housing Program or incentivized housing resulting from the Mobility Choices Program would be a result of the implementation of CAP strategies and the General Plan's City of Villages strategy. While GHG emissions would increase within the project areas, as discussed in the CAP and evaluated in the CAP Final PEIR, overall citywide GHG emissions would decrease with the development concentrated in the TPAs², rather than areas outside of TPAs, where vehicle miles traveled, and therefore GHG emissions, would be greater. Increasing multi-family residential density within TPAs and Mobility Zones 1 and 2 and providing transportation improvements in TPAs and Mobility Zones 1 and 2 would support the City in achieving the citywide GHG emissions reduction targets under the CAP. Impacts related to GHG emissions would be less than significant. pg. 211-212 pdf

Unfortunately, by removing Complete Communities from the confines of the TPA and expanding the program to SDAs up to one mile from transit, all of the benefits claimed in the three paragraphs immediately above will be undone.

- High density multi-family residential development with affordable housing will not support and encourage the use of transit within the project areas by providing additional potential transit riders with easy access to high-quality transit – 1 mile is not "easy access."
- The proposed project won't support reductions in GHG emissions attributable to vehicle sources as future residents will not be more likely to rely on transit and active modes of transportation to a greater degree. They will be in all four mobility zones rather than within the TPAs and within ½ mile to transit which is considered a reasonable walking distance by respected authorities.
- The City won't be focusing new growth along high density transit corridors, so future
  housing development within the project areas will not be consistent with the General
  Plan's City of Villages strategy or with Action 3.1 of the CAP, which calls for
  implementation of the General Plan's Mobility Element and the City of Villages strategy
  in TPAs to increase use of transit and active modes of transportation.
- The proposed project will not be consistent with the General Plan's Mobility Element Policy ME-B.1, which calls for increased transit service accessibility, and Policy ME-B.9, which calls for transit-supportive land use planning. (Transit-supportive land use planning, like TOD, is considered within ½ mile or less walking distance to transit and increased transit service accessibility.
- The General Plan's City of Villages strategy with 1 mile SDAs will not support a more

cost-effective expansion of the transit system because the City won't be increasing the allowable development intensity and residential densities by focusing programs close to the existing and planned transit corridors laying the groundwork for future transit users and providing riders for the existing transit network.

• Finally, because high density housing will be spread across the City and not focused within TPAs and Mobility Zones 1 and 2, citywide GHG emissions reduction targets under CAP will likely not be achieved.

The EIR that should be conducted on SDAs and on the expansion of Complete Communities into SDAs would provide a definitive answer to the last point. The remaining points are intuitive, but are also clearly explained in the body of the CC PEIR.

#### **OTHER CONSIDERATIONS:**

Based on SANDAG 2050 RTP – what portion of the plan has been executed and how likely is the rest to happen given that the VMT tax funding device has not been approved? Additionally, post-Covid, transit is struggling to regain its ridership from a decade ago. These factors are likely to impact the availability of transit improvements previously factored into the Complete Communities EIR.

The introduction of SDAs has:

- Dramatically changed the size of the area impacted by the Complete Communities program
- Potentially increased acreage in high fire hazard severity zones
  - The PEIR acknowledges that "... due to the allowance for additional height and floor area ratio (FAR), development under the Housing Program could result in additional residents in certain locations compared to what would be allowed without the Housing Program." pg. 50 pdf
  - o Risk for additional loss of life must be considered
  - Incremental funding costs for police and fire protection should also be considered
- Changed altogether the definitions of the Mobility Zones which in turn define the areas impacted by Complete Communities

In the time since the PEIR was conducted in 2019, the City's anticipated infrastructure deficit has ballooned from \$1.86 billion to \$5.17 billion, making the likelihood of providing the pedestrian and biking infrastructure needed to support Complete Communities within the TPA, let alone within the enlarged SDA, increasingly unlikely. This deficit would require reevaluating the environmental impacts of the SDA expansion given the decreasing funds available for bike and pedestrian improvements, as well as transit funding. Furthermore, with the new Build Better SD funding mechanism recently codified, it is unclear whether any of the bike and pedestrian infrastructure dollars will actually end up in neighborhoods that would support Complete Communities projects at all.

The Housing Program Land Use table below is provided in the PEIR. Of the acres reported, at least 6,994 are not developable for Complete Communities (870 Industrial, 225 Institutional, 417 Parks, 5,442 Roads, 40 Water Bodies). That leaves 13,125 potentially developable acres, though it is highly likely that some portion of the 8,024 residential acres do not meet the 20 units/acre minimum for Complete Communities and that some portion of the 2,217 Commercial Employment, Retail and Services acres would not qualify. The PEIR and any new environmental analysis should screen these parcels for these factors before evaluation. As is, the additional 633 developable acres that would be added by Sustainable Development Areas to the 13,125 gross developable acres identified above represent an approximate 5% increase in acreage, but this is likely understated for the reasons identified above (additional residential and commercial acreage not developable under Complete Communities).

Table 2-1 Housing Program Project Areas Land Use			
Land Use	Acreage		
Commercial Employment, Retail and Services	2,217		
Industrial Employment	225		
Institutional, Public and Semi-Public Facilities	879		
Multiple Use	2,397		
Park, Open Space and Recreation	417		
Residential	8,024		
Roads/Freeways/Transportation	5,442		
Water Bodies	40		
Vacant (blank)	478		
TOTAL	20,119		
SOURCE: City of San Diego 2019.			
Numbers in the table are approximate.			

pg. 62 pdf EIR

The final consideration for conducting another EIR on Complete Communities and the impacts of Sustainable Development Areas is the fact that the original CC PEIR did not evaluate the codified FAR structure that the City adopted. Below are the FAR zones considered in the CC PEIR:

Table 3-3 Summary of Incentives and Additional Unit Potential				
Zone	New FAR	Density Allowance	Building Height Allowance <sup>1</sup>	
TPAs <sup>2</sup> in Mobility Zone 1	Unlimited	Limited by FAR	Limited by FAR	
TPAs in Mobility Zone 2	8.0	Limited by FAR	Limited by FAR	
TPAs in Mobility Zone 3	4.0	Limited by FAR	Limited by FAR	

<sup>&</sup>lt;sup>1</sup>Height incentives only available outside of the City's Coastal Height Limit Overlay Zone and existing height limitations associated with airports would continue to apply.

The adopted FAR structure is as follows:

- FAR Tier 1 Unlimited
- FAR Tier 2 8.0
- FAR Tier 3 6.5
- FAR Tier 4 − 4.0

A new EIR that considers the expansion of programs allowed by SDAs should also consider the environmental impacts of adding the 6.5 FAR Tier to the Complete Communities code.

#### Conclusion

There are many reasons why the PEIR prepared for the Complete Communities project does not provide a basis for the current project, which entails the replacement of Transit Priority Areas (TPAs) with the proposed Sustainable Development Areas (SDAs). Neighbors For A Better San Diego estimates that just the difference in area between SDAs and TPAs, which the City states as 688 acres, would support roughly 86,000 additional homes. This is more than twice the number of dwelling units forecast in a Community Plan Update. Just as a Community Plan Update would require a PEIR, so should the proposed change to redefine SDAs.

Taken together, the above comments make clear that Sustainable Development Areas will have a significant impact on the environment in San Diego versus confining projects to the TPA. This is true not only for the execution of the Complete Communities Housing Solutions program, but also for the ADU Bonus Program and any future housing density programs that require proximity to transit to act as both transit-oriented development and transit-supportive projects.

The key to creating walkable neighborhoods and lowering VMT while encouraging transit usage and economic development is realistic proximity to functional, convenient transit within ½ mile walking distance or less. This is essentially undisputed by transportation experts and the prerequisite to transforming any society from auto-dependent to climate-resilient.

<sup>&</sup>lt;sup>2</sup>Housing Program applicable within TPAs in zones that allow multi-family housing.