

TECHNICAL ADVISORY PANEL

Recommendations for the Catalytic Site within the Downtown Specific Plan City of El Cajon, California

Presented by



**Urban Land
Institute**

ULI San Diego/Tijuana
Technical Advisory Panel
July 2009

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1. MESSAGE FROM THE ULI TECHNICAL ADVISORY PANEL CHAIR

Earlier this year, a group of dedicated volunteers from the ULI San Diego/Tijuana District Council were given the unique opportunity to participate in a Technical Advisory Panel (TAP) to provide the City of El Cajon with recommendations regarding land use issues. I speak for the entire TAP when I say that the experience was both challenging and enlightening.

ULI is committed to making a difference in our region. Coming together with other professionals who are bound by the same ethics, principals and standards allowed each of us to utilize our expertise in an exceptional way. The TAP members brought passion, knowledge and commitment to the experience. The results are a series of recommendations to provide the leaders of El Cajon with direction and guidance.

Many individuals contributed to the success of the TAP. I thank each of the panel's members for giving of their valuable time and resources. The City's staff was extremely helpful in providing the TAP with critical information and insight. The ULI San Diego/Tijuana District Council support was invaluable.

This report represents countless hours of work on behalf of the TAP. We hope you find the contents informative and we look forward to seeing the recommendations become reality.

Christopher Morrow, AICP
TAP Chairperson
July 2009

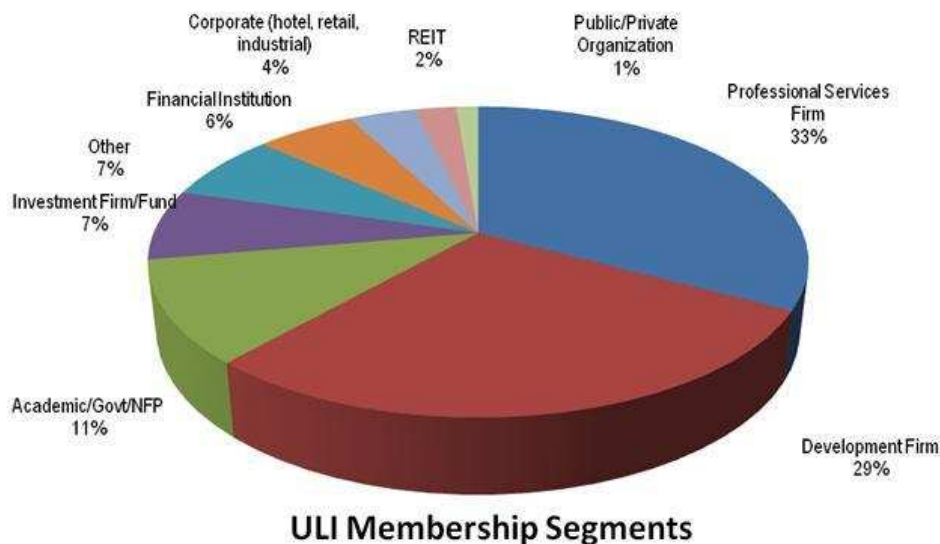
2. URBAN LAND INSTITUTE OVERVIEW

The Urban Land Institute is an international organization that provides leadership in the responsible use of land and in creating and sustaining thriving communities worldwide. For more than 70 years the Urban Land Institute, now with an international membership of 37,000 strong, has been widely recognized as the top advocate for encouraging and fostering high standards of land use planning and real estate development.

The ULI San Diego/Tijuana District Council was established in 1997 and has over 650 members that represent a wide spectrum of real estate disciplines. They include architects, engineers, developers, builders, planners, lenders, brokers, accountants, attorneys, academics and students.

As the "go to" land use organization for real estate issues in our region, the ULI San Diego/Tijuana District Council facilitates the open exchange of ideas among industry leaders, practitioners and policy makers. The District Council sponsors monthly educational forums in addition to an annual Trends Conference and Smart Growth Awards program.

Members represent 26 different disciplines and work in a dozen different sectors of real estate development and land use. These membership segments are illustrated below:



3. ULI TECHNICAL ADVISORY PANEL (TAP) OVERVIEW

The ULI Technical Assistance Panel (TAP) program brings the finest expertise in the real estate, planning and development fields together to collaborate on complex land use and redevelopment projects.

Public agencies and nonprofit organizations facing difficult land use and real estate issues in the greater San Diego region can get expert and objective advice with the help of a TAP offered by the ULI San Diego/Tijuana District Council. A TAP can save immeasurable research efforts, time and costs.

The ULI San Diego/Tijuana District Council brings together a panel of professionals carefully chosen from ULI's extensive membership base to provide advice on diverse issues spanning all aspects of site specific and public policy questions. Volunteers are selected by ULI specifically for each assignment and may include designers, planners, engineers, investors, brokers, and financial analysts.



4. ULI EL CAJON TAP INTRODUCTION

In February 2009, the City of El Cajon's Community Development Director Melissa Ayres submitted a TAP application to the ULI San Diego/Tijuana District Council seeking recommendations on the selection of land uses for a catalyst project within their now nearly complete Downtown Specific Plan. They were looking for a catalyst project that would be of interest to developers, investors, potential tenants, brokers and marketing firms.

ULI San Diego/Tijuana District Council's TAP Committee reviewed the application and determined that the situation, as described by Ms. Ayres in the application, was appropriate for the TAP program. In March, several ULI members from San Diego were invited to serve on the TAP. Each member was specifically selected based upon his or her background and professional area of expertise, thus providing the TAP with a substantive mix of expertise and experience.

The ULI members and staff of the El Cajon TAP were:

Chris Morrow, AICP, Senior Vice President/Director of Planning - Project Design Consultants. Based in San Diego, Morrow provides principal oversight of PDC's land planning, landscape architecture, and policy and entitlements teams.

Damian Taitano, Principal, KTG Architects. Based in Irvine, Taitano leads a team of designers and planners that work hand in hand with local jurisdictions, builders, and communities.

Peter Dennehy, Senior VP, the Sullivan Group. Based in San Diego, Dennehy spearheads the firm's client engagements, including managing market research efforts, conducting public policy research and analysis and relating market positioning and strategy recommendations.

Mary Lydon, Executive Director, ULI San Diego/Tijuana. Based in San Diego, Lydon oversees strategy, programs, events and general operations for the ULI San Diego/Tijuana District Council.

Lin Martin, Broker, Grubb & Ellis, BRE Commercial. Based in San Diego, Martin is a retail properties broker.

Mike Ratajski, Associate, Project Design Consultants. Based in San Diego, Ratajski provides expertise in site planning, land use planning and urban design.

Jan Percival Lipscomb, President, Scribe Communications. Providing strategic media relations consulting since 1986, San Diego-based Scribe Communications offers expertise in land use, sustainability and development issues.

Carolina Gregor, Senior Regional Planner for SANDAG, the regional planning agency for the San Diego region. Carolina was also project manager for the Smart Growth Concept Map which has become an effective tool to illustrate communities potential smart growth strategies.

Sam Farmer, Project Manager, Drew George and Partners. Based in San Diego, Farmer provides LEED consulting for projects from design through construction, for clients ranging from private developers, governmental organizations, non-profits, and large institutions.

Tambra Martinez, Executive Vice President, Jones Lang LaSalle. Jones Lang LaSalle is a global leader in finance and professional services specializing in real estate. Tambra is a part of the Public Institutions practice, the nation's largest real estate advisory group focusing on the needs of government and education entities.

Mike Stepner, FAIA, FAICP, FIUD. Professor of Architecture and Urban Design at New School of Architecture and Design.

Marco Sessa, Senior Vice President, Sudberry Properties, Inc. A San Diego based real estate development and asset management company that specializes in quality shopping center projects and mixed-use town center communities.

Special thanks to the following City of El Cajon staff for their outstanding assistance in this process:

Melissa Ayres, City of El Cajon, Community Development Director.

Kathi Henry, City of El Cajon, City Manager.

Claire Carpenter, El Cajon Community Development Corp, Executive Director.

David Cooksey, City of El Cajon, Redevelopment Director.

Rob Turner, City of El Cajon, Public Works Director.

Barbara Ramirez, City of El Cajon, Principal Planner.

5. ULI El Cajon TAP PROCESS

The City of El Cajon TAP consisted of three meetings to review the overall planning area, gain input from City staff and develop specific plans and recommendations:

April 2, 2009 – Site visit to the area to be evaluated within the Downtown Specific Plan, Q&A with staff and other interested parties, and initial TAP discussion.

April 9, 2009 – Review of information and analysis of challenges and opportunities and began planning process.

April 23, 2009 – Small group planning (two groups) continued. Presentations by both groups were conducted with discussion leading to consensus of plans and recommendations for ULI El Cajon TAP Report.

July 2009 – Present ULI El Cajon TAP Report to the El Cajon City Council.

6. ULI EL CAJON TAP OVERVIEW

The City of El Cajon and its community partner, the El Cajon Community Development Corporation (CDC), have invested significant resources to reinvigorate downtown El Cajon. In 1971, the City established a Redevelopment Project Area and Agency to replace social and economic blight with new economic opportunities and public improvements. In 1987, the Redevelopment Agency's project area was expanded from its original 50 acres to include 1,548 acres of existing commercial, industrial and residential properties. In 1991, the City adopted the downtown Master Plan and, in 1992, it adopted the Downtown El Cajon Specific Plan 182. The CDC was established in 1996 to make the downtown a "beautiful, safe, vibrant and prosperous community rich with housing and business opportunities and alive with art, culture and history."

The new Downtown Specific Plan expands the City and CDC's efforts by covering a larger area of downtown than the existing Downtown El Cajon Specific Plan 182. The project area is 541 acres generally within the downtown Redevelopment Project Area. The boundaries for the proposed Downtown Specific Plan are roughly Interstate 8 on the west and north, Lexington Avenue on the south, and Lincoln Avenue on the east.

El Cajon Demographics

Population: 97,934

Median age: 33.5

Housing units: 35,596

Median household income: \$51,873

Median home price 2009: \$238,683

Households: 34,593

Persons per household: 2.76

Labor Force: 60,264

Employed: 46,323

Unemployment: 9,368

Unemployment rate: 14%



City of El Cajon's Goals:

- a. Increase the City's economic health through revitalization of the downtown.
- b. Meet the City's future fair share regional housing goals through intensification of housing within the Project Area.
- c. Make El Cajon the best possible place to live, work, shop, play, learn, and conduct business.
- d. Contribute to the environmental health of El Cajon residents through the implementation of land use plans and development standards that promote healthy living and sustainable development.
- e. A key feature of the Downtown Specific Plan is to connect and build upon two existing activity centers in the Downtown: the Transit Center and the Main Street/Civic Center areas, which are located within one mile of each other.

Requests of the ULI TAP:

- a. Considering that Metropolitan Transit System has initiated a "Request for Proposals" process to intensify development at the Trolley Center site, what is the best location within the Downtown Specific Plan boundaries to develop the next major catalyst project?
- b. Taking into account the planned land use and development standards for the project location recommended above, what would you propose a project built within the next 5 years at that location consist of in order to spark additional investment/development interest within the Downtown Specific Plan Project Area? (i.e., height/stories, square footages/uses/units, parking spaces, amenities, conceptual site plan, and one that is economically viable).
- c. What, if any, components of the planned land use and development standards within the Downtown Specific Plan will hinder rather than attract new, high quality, urban development and how would you recommend they be changed to become an asset of the plan? Please give particular scrutiny to planned building heights, densities, open space requirements, and parking regulations.
- d. What type and amount of public incentive/capital investments might be necessary to attract developers to build the project you identify in paragraph (b) above in the current economic climate?
- e. Which developers in the San Diego region have the experience and capacity to construct a project like the one recommended in paragraph (2) above?

8. ULI EL CAJON TAP FINDINGS

As was presented, Metropolitan Transit System has initiated a “Request for Proposals” process to intensify development at the Trolley Center site. In light of that, the City of El Cajon requested that the TAP determine the best location within the Downtown Specific Plan boundaries to develop the next major project that showcases the plan and serves as a catalyst for new investment/development interest in the City's downtown.

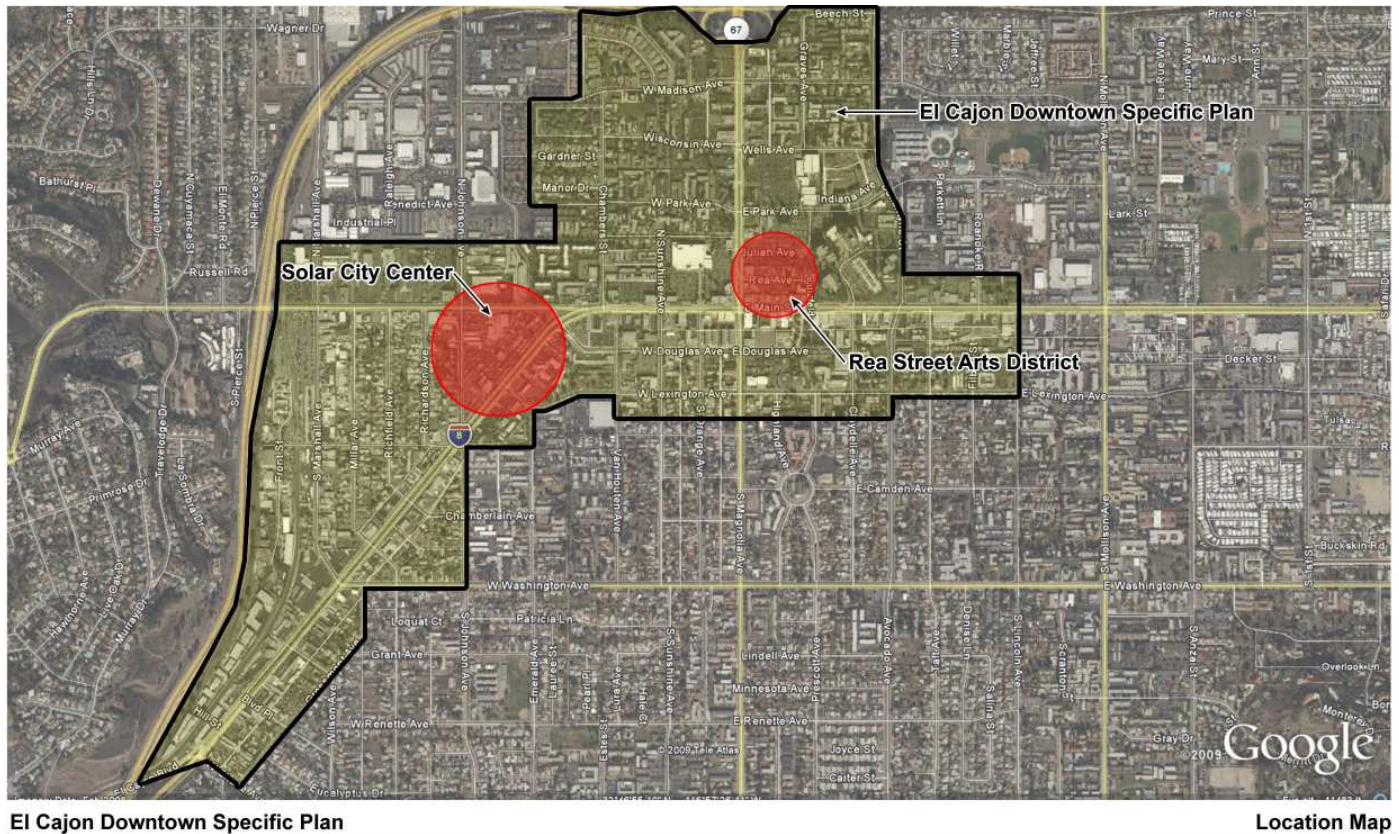
General Recommendations:

- One focus should be on the revitalization of a 100% corner (Main and Magnolia) or the one location that everyone, from pedestrians to commuters to public transportation users, can see from most vantage points. Trends indicate a return to this concept as a means of creating a "sense of place" for a community. The project should not try to compete with existing regional and large format shopping centers.
- It is important to establish "gateways" to the downtown along major streets--Magnolia, etc. This can be accomplished with an organized system of entry signs and markers, public plazas, and iconic architecture.
- The catalyst project should take advantage of the diverse ethnic make-up of the community. This can be a showcase for the city and function as a critical component of attracting people to the downtown.
- The development of the public realm is as critical to the success of downtown as the development of a catalytic private development. El Cajon has a good start with the parks, plaza and public buildings in the Civic Center but those could be reoriented and redesigned to make them more people friendly. The public spaces must be programmed to make them more attractive and useable. The city should work with the CDC and other organizations to expand the existing activities similar to Cajon Classic Cruise, Alley Cat Art Walk, and First Fridays.
- The TAP recommends that the two major anchors --the Civic Center and the trolley station--be connected through public and private actions. The city should proceed with small interventions while working on the major catalytic projects. This could include the implementation of the pedestrian pathway plan, the proposed new open spaces and plazas, as well as small-scale private projects.

After careful review and analysis, the TAP has developed two recommended plans for the project area:

A. Alternative 1 - Solar City Center

B. Alternative 2 - The Rea Avenue Arts District

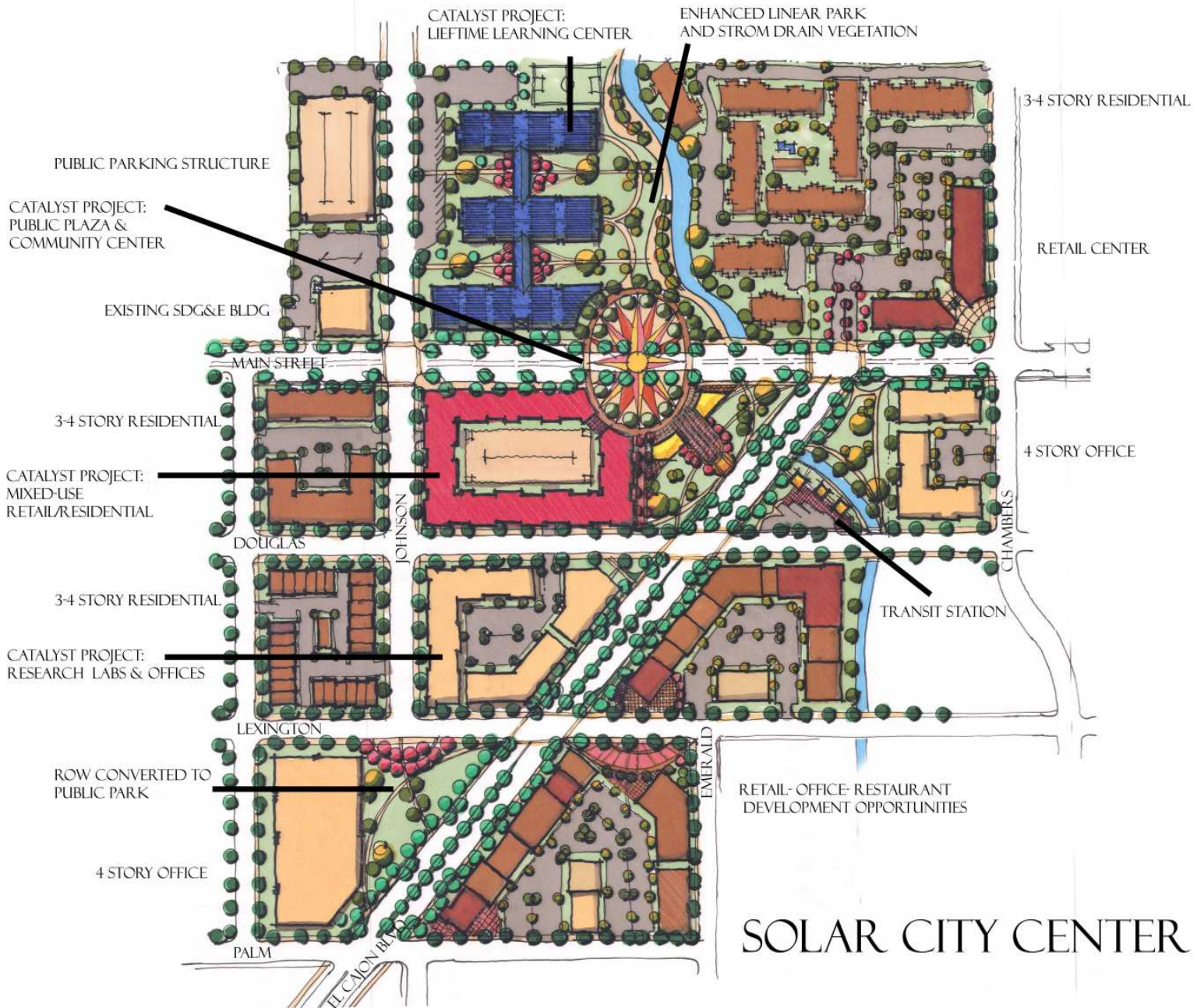


El Cajon Downtown Specific Plan

Location Map

A. Alternative 1 – Solar City Center

Solar City Center addresses the City of El Cajon's four overarching goals with a focus on the intersection of West Main and El Cajon Boulevard. Currently, two of the most prominent activity centers in El Cajon are the areas around the Civic Center and the MTS Transit Center. This proposed plan strives to create a link between these two activity nodes, and will help create community focused momentum in an area that lacks character and is not currently pedestrian friendly. The majority of the parcels addressed in this Alternative are currently dominated by one large auto dealership. This land use does not fit within the new Specific Plan zoning guidelines for the Five Unique Downtown Districts. This proposed Alternative aligns well with the guidelines and established goals of the Downtown Specific Plan. Specifically, it is focused on bringing educational opportunities to the Lifetime Learning District, it utilizes parks and open spaces already planned to be included in the future development of this area, it will increase the density in the District, and it also allows for implementation of the proposed street layout within the new Downtown Specific Plan. The driving concepts for Solar City Center is to mesh El Cajon's abundance of sun, the future of energy production, and the strategy for revitalizing the Lifetime Learning District into a plan that will increase economic vitality in the heart of the Downtown Specific Plan.



Developing the Lifetime Learning District with a focus on the intersection of West Main Street and El Cajon Boulevard that could include:

- Redeveloping the eight acre site northeast of the intersection of West Main Street and South Johnson Avenue as a school. This location is currently developed with the A-1 Storage and Calvary Chapel of El Cajon.
- Develop a mixed use housing component on the four acre site southeast of the intersection of West Main Street and South Johnson Avenue. This location is currently a portion of the Toyota dealership.
- Develop a commercial office and retail building on the site between Douglas Avenue and Lexington Avenue, South Johnson Avenue, and El Cajon Boulevard. This site is currently part of the Toyota dealership.
- Create a park and open space along the existing storm drain within the proposed project area.
- Develop a parking structure to be located on the SDG&E parking lot northwest of the intersection of West Main Street and South Johnson Avenue.

Charter/Technical School

- The creation of a school in this area will help promote the Vision Strategy of the Lifetime Learning District.



- During the day a Charter School, such as High Tech High, would operate the facility. At night, the facility would serve as a place for technical training for adults. Ideally, the technical training would focus on renewable energy, which would help attract funding from SDG&E, Kyocera, Toyota or other technology and energy companies.
- The school's energy focus could provide a branding opportunity for El Cajon. Monument signs could be placed at the intersections of Main Street & Johnson Avenue, El Cajon Boulevard & Johnson Avenue, and Main Street and Chambers Street to help define the activity center. Located on the southwest corner of the proposed school ground, a sunburst enhanced pavement area would further define the District's center. The sunburst design would mirror the current sunburst design at the intersection of Main Street and Magnolia Avenue.
- 300-400 students should be anticipated for the charter school and 300-450 would be anticipated for the technical school.
- Bike racks could be included to allow students an alternative transportation option.
- The school could feature a green roof that would provide a hands-on learning tool for the students and community.

Mixed Use Housing

- The proposed four to five story mixed use housing (approximately 200 units) would be targeted to families.
- Parents would be attracted to the proximity of the school and the park, and the increased density would help provide more activity than the current car dealership.
- This site's size lends itself to a building wrapped around an interior concrete parking structure also known as a "liner" or "wrap" building.
- The ground floor would be reserved for businesses that will help bring activity and foot traffic to the area. Both retail and other commercial uses should be considered based upon their ability to get people out of their cars and walking around the neighborhood. Mountain views will be maximized as they will be an added attraction.

Office & Retail Building

- The site located south of the proposed mixed use housing project could be an office building with ground floor retail on the side facing El Cajon Boulevard.
- Ideal tenants for the office would be companies in the clean energy field, however, the market will dictate the tenant mix.
- Again, ground floor uses will be reserved for businesses that help bring activity and foot traffic to the area, especially on the building frontage that borders El Cajon Boulevard.

Park and Open Space Area

- The school could utilize the park for physical education and special events. The park would be seen as an amenity for the housing in the area, and it would help add character to the intersection of Main Street and El Cajon Boulevard.



- The bus stop, currently located on the section of Douglas Avenue could be removed and relocated to the new intersection of El Cajon Boulevard and Douglas Avenue. This bus stop, in the center of the park, would be an excellent place to have newsstands, coffee shops and other services that would enhance the bus rider experience and increase activity at the park (i.e. Consider the Escondido or Santa Monica bus stops).

- As the City of El Cajon staff indicated, if the storm drain is moved or altered, the regional water board will likely require an increased capacity for this storm drain. This could be accomplished in an aesthetically pleasing and park oriented manner. One possibility is to incorporate a terraced storm water management system that could integrate pedestrian/open space into the storm drain design.
- San Diego River Watershed may have funding available for a park of this nature and may help focus and refine the design concept.
- The park could feature a community center that can also serve as an education facility for the school and residents of the neighborhood to learn about different topics revolving around sustainability and green development.
- The whole project area, especially the park, would feature native and drought tolerant trees to provide shade and reduce the urban heat island effect in the area.

Parking Garage

- This Alternative could incorporate a parking structure on the SDG&E lot to meet the increased parking demand in the area.
- SDG&E's Sustainable Communities program would likely be interested in putting solar panels on the parking structure that would help promote the concept of the Solar City Center.
- The parking structure will help provide screening of the substation equipment.
- The existing SDG&E office on the corner of South Johnson Avenue and Main Street could be incorporated into the design of the parking garage and ground floor retail could also be a feature of the structure.
- The structure should reserve an area for bike racks to further facilitate alternative transportation to the Lifetime Learning District.

B. Alternative 2 – Rea Avenue Arts District

The center of El Cajon is Main Street and Magnolia Avenue. The establishment of the Civic Center in this area is an indication of the thinking of former civic officials and planners who wanted the civic functions to be proximate to the "Downtown" area. One of the principal buildings within the Civic Center is the Performing Arts Building. While the building's recent history has not been especially financially positive, the building could be an important element for an El Cajon Arts District. The proposed plan is relatively achievable due to the limited amount of private property involved as well the minimal expense for parcel assembly. The plan is also achievable because it's incremental.



Location Map

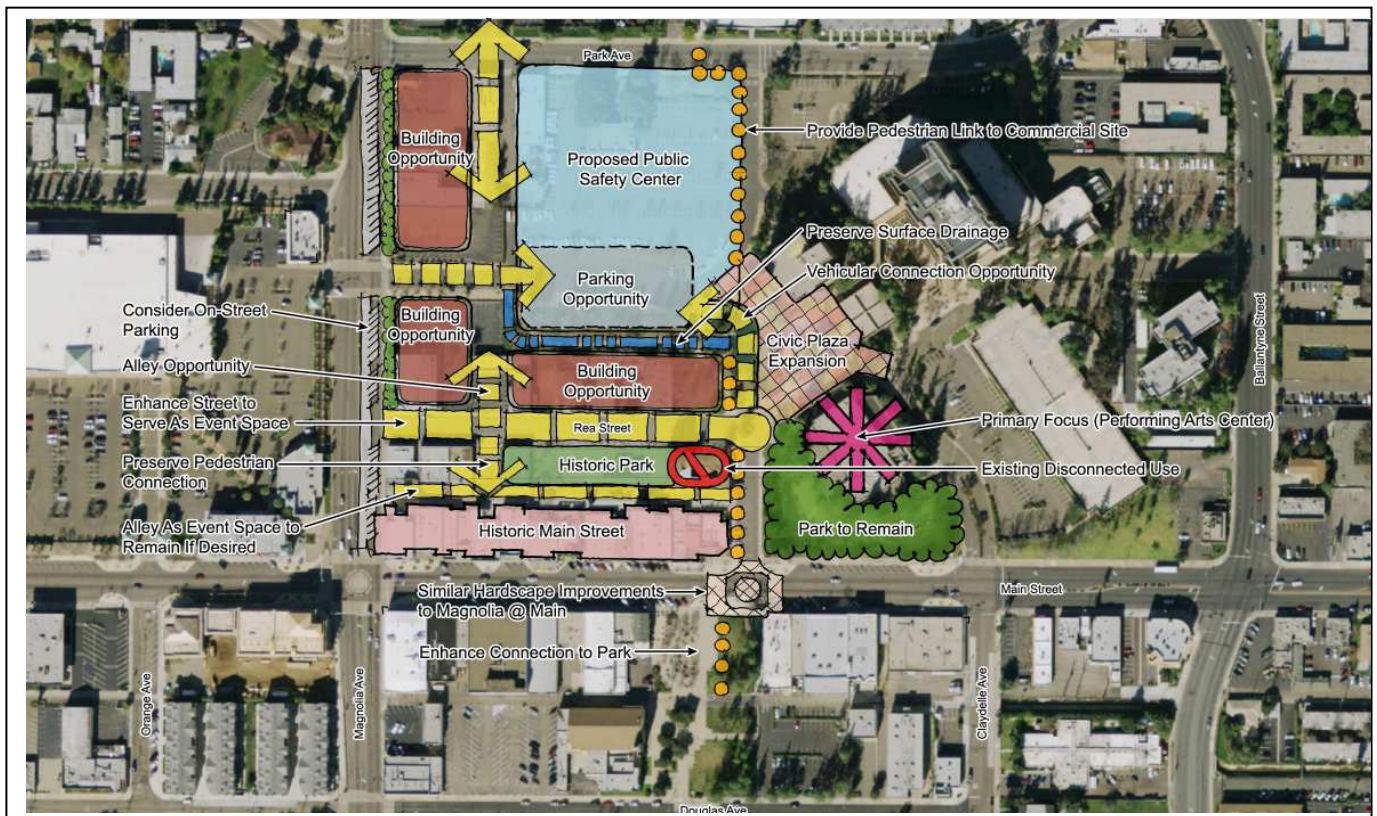
In addition to the existing Arts District on Rea Avenue, the Olaf Wieghorst Museum and other planned and attendant art uses, the structures along Main Street could become part of this renaissance. Successful retail development seeks to be "authentic" which communicates genuine attraction and brings people to an area.

The establishment of an Arts District within the Specific Plan area is an investment that potentially can have continuous economic benefit - not just a one time opportunity or event. See Appendix for San Diego Daily Transcript article on arts as an economic generator.

The basis for an Arts District is the fact that artists are continually looking for inexpensive spaces to work and live. Historically, artists are attracted to an area with the economic benefits of low rent. Over a period of time the area becomes gentrified as others, including attendant retail uses, become attracted to the area. Local models for precedent provide a good example of how this has worked. Examples include: South Cedros Street in Solana Beach, North Park around Ray Street, and Liberty Station at the former Naval Training Center.

The development of the South Cedros Designer District began in an area of industrial buildings along a street that bordered the railroad tracks. Due to the available rents the uses transitioned from industrial to artisan to arts. The evolution was indigenous and reflected the coordination by property owners and tenants to promote events thereby attracting the public to the area. As artists and artisans produced attractions, the public became aware of the district and began coming to the area to shop. This created a synergy for other tenants to locate to the area and the evolution began.

The area around Ray Street in North Park is another example of an arts district that evolved albeit with substantial public investment. Ray Street began with inexpensive rents along a small street between University Avenue and North Park Way. Existing buildings with inexpensive rents attracted artists who opened studios and galleries.



Opportunities and Constraints Map

These locals began organizing events to promote their businesses which ultimately evolved into a program now known as Ray at Night—a monthly evening event whereby the various shops and galleries open their doors to the public.

At the same time the local residential community was going through a gentrification wherein many of the small Craftsman homes in the area were being purchased and remodeled. The new residents wanted change in the area and focused on a former movie theater. The San Diego Redevelopment Agency acquired the theater, at a substantial expense and remodeled it. They then acquired adjacent land to construct a multilevel parking garage that now provides parking for the theater events. The theater is leased to the local Civic Light Opera organization which manages the facility and produces musicals and provides a venue for other musical oriented events. The establishment of this center provides a sense of place for the area and, within a relatively short period of time, has attracted numerous restaurants, cafes, and other uses to provide attendant retail for the area.

Other Similar Arts District Examples:

- Art Village in Balboa Park and tie in to Art Institute in Balboa Park
- North Kettner Boulevard in Little Italy
- Downtown San Diego's East Village District

Art uses generate public interest and provide a place to socially interact which results in traffic, pedestrians and customers for retail and restaurants. The process requires time and patience. For example, the evolution of North Park has transpired over the last eight and a half years but it is one of the longest surviving art events in San Diego.

In El Cajon there are already several factors that can serve as the basis for a local Arts District: the Performing Arts Center, Main Street, and the existing Rea Avenue establishments. Programming events and marketing those events for the Rea Avenue Arts District is as important as the physical improvements—infrastructure, new buildings, building renovation, and site amenities. The City currently promotes activities such as Concerts on the Green, Alley Cat Art Walk, El Cajon Invitational Art Exhibit, and the Regional Juried Art Show. In addition to finding opportunities for other programmed events such as a monthly “Rea at Night”, the City should celebrate the variety of El Cajon’s cultural heritages; identify educational opportunities and classes; include dance, music, literature, and other art forms; and, involve the “little artists” from local schools.

Consider the district as you would a park. Parks that are actively programmed are more attractive. Urban parks need programming to work. Use funding from taxes on surrounding parcels through formation or extension of business districts to create the programmatic elements.



Rea Avenue Arts District, El Cajon, CA

Concept Illustrative Plan A



Rea Avenue Arts District, El Cajon, CA

Concept Illustrative Plan B



Components of the Proposed Development of the Rea Avenue Arts District:

Performing Arts Center:

- The Performing Arts Center is the appropriate terminus for Rea Avenue and should be improved so that the primary entry faces the plaza. The terminus serves as an excellent location for a monumental feature (i.e., clock tower, public art component, enhanced lobby entry, etc.).



- Consider the possible connection to local Native American tribes for programming and events in the building.
- The open venue in front provides another public space and an inexpensive area for events.

Civic Plaza:

- The City is considering removing the duck pond due to maintenance costs. The space presents an opportunity for expanding the existing civic plaza and/or Historic Park Expansion.
- The existing office building with parking on the ground floor located at the east end of Rea Avenue is a use that is inconsistent with the character and purpose of an Arts District. The site could be better suited for expansion of the Historic Park, information center, galleries, shops or similar cultural museum.
- The City may want to consider a redesign of the existing plaza. The plaza's location adjacent to the Performing Arts Center, next to the historic park, and at the terminus of the Arts District is an ideal location for large public events. However, the plaza is currently not well-suited for such a purpose. The space has multiple levels, visual obstructions, and is partitioned into many smaller spaces. The logistics of a proposed design would require the need to minimize the number of grade changes throughout the plaza. The City may also consider utilizing grade changes in this area for the construction of an amphitheater.

- The plaza could be used for special events, historic park expansion, sculpture garden, stage, splash fountain, etc.



Proposed Buildings:

- General. These buildings would provide retail on the ground level that would encourage pedestrian traffic and help animate Magnolia and Rea Avenues in the heart of downtown El Cajon. The uses of the upper levels would be a combination of studio/office space and work/live lofts. “Provide inexpensive space and they will come.” Keeping costs and rents affordable will help attract the desired businesses to this area to truly kick-off a catalyst project.
- Funding Source. Low to moderate income housing funds could be used to subsidize the artists’ loft space.
- Alternative Study A. The building summary for Concept Illustrative Plan A is identified in the table below. This summary represents the minimal square footages that would be achievable in the current market with minimum site improvements. Structured parking is not anticipated. The square footages identified are approximate. The actual building design and configuration as well as the intended use may reflect different square footage scenarios.

Potential Building Area Summary				
Concept Illustrative Plan A Scenario				
Building	Location	# Stories	Ground Floor Retail/Office (SF)	2 nd Floor Office/ Studio Lofts (SF)
A	Magnolia n/o Civic Center Way	2	20,500	17,500
B	Magnolia n/o Rea Avenue	2	13,500	12,500
C	(Remainder of) Rea Avenue	2	19,500	16,500
TOTAL			53,500	46,500

- Alternative Study A (cont.) Parking for the proposed Rea Avenue Arts District Concept A Scenario one- and two-story buildings could be accommodated with both proposed and existing parking in the Arts District and within 500' of the project site. Additional parking of approximately 150 spaces could be located along Private Drive A west of the Public Safety Center, shared parking with the Public Safety Center north parking lot, and existing spaces on the south side of Rea Avenue. Shared parking is possible since the greater demand for parking for the Public Safety Center occurs on weekdays. The greater demand for parking for the proposed ground floor retail uses of the Rea Street Arts District is likely to occur evenings and weekends. Alternative Study A identifies a suggested location for additional parking should the City decide to pursue greater building heights.
- Alternative Study B. A second study was conducted in order to address the maximum potential for development within the Rea Avenue Arts District. In order to achieve these densities, a realignment of the existing subterranean channel would need to occur. The City would need to weigh the costs of the required construction and the benefits of the greater amount of proposed building area. The square footages identified are approximate. The actual building design and configuration as well as the intended use may reflect different square footage scenarios.

Parking Structure:

- The City's investment in a parking structure to serve multiple users is a way to both reduce parking standards and the cost of development/redevelopment. An ideally located parking structure would encourage visitors to "park once and walk" to patronize multiple locations in the downtown area. A parking study would have to be conducted in order to determine the adequate number of spaces necessary to accommodate public events, shops, upper floor office/studio lofts, the Public Safety Center, and other facilities. Locations for a parking structure are limited due to the subterranean drainage channel that runs diagonally throughout most of the project area. Both the length and the width of available parcel sizes are too limited to accommodate structured parking. In addition, Magnolia Avenue should be animated with ground floor retail/office uses, not a parking structure. The proposed surface parking lot located north of the Public Safety Center is the most likely location for a parking structure within the project area. In order to accommodate an efficient two-bay parking structure, the City may want to consider the location as depicted in Concept Illustrative Plan A. Other options are available that would yield a greater number of parking spaces such as a realignment of a section of the subterranean channel (approximately 130LF). Each level of parking as shown in Concept Illustrative Plan A is likely to supply approximately 90 spaces.



- As a rule of thumb, each level added to the parking structure could yield an additional 46,500SF of office space. The Downtown Specific Plan vision identifies building heights in this area at 3-5 stories.

<p style="text-align: center;">Potential Building Area Summary</p> <p style="text-align: center;">Concept Illustrative Plan B Scenario</p>				
Building	Location	# Stories	Ground Floor Retail/Office (SF)	3rd-5th Floors Office/ Studio Lofts (SF)
A	Magnolia n/o Civic Center Way	3-5	30,000	63,000-150,000
B	Magnolia n/o Rea	3-5	18,000	32,000-72,000
C	(Remainder of) Rea Street	3-5	30,000	45,000-120,000
TOTAL			75,000	127,000-292,000



Rea Avenue Street Improvements:

- Additional Improvements to Rea Avenue: Plant large canopy trees to provide shade; provide wide sidewalks to facilitate pedestrian movement and encourage outdoor cafes, coffee shops, and sidewalk sales; and, plant special paving surface for sidewalks to delineate area.



- Landscape and Hardscape: Improvements on Rea Avenue create a sense of place and encourage pedestrian use. Rea Avenue from street wall to street wall should be viewed as a venue space and the street could be closed for events such as festivals, shows etc. (i.e., La Mesa Boulevard in La Mesa).



- Improvements could include poles or other means of attaching overhead screening for events and to provide shade during summer and protection during inclement weather such as Reston, VA Town Center and the shops at Norterra in Phoenix, AZ (see images below)..



Extension of Private Drive A (Part of Public Safety Center plan) to Rea Avenue:

- Creates additional access to Rea Avenue from the north and improves pedestrian access to the proposed parking structure.

Other Considerations:

- Surrounding parks, landscaped areas, and connections to adjacent uses need to be incorporated into the overall design. The City is currently planning substantial expenditures to change the existing infrastructure such as eliminating the existing pond, making improvements to the plaza area, changes in streets, etc. It does not appear that there has been an integration of the surrounding elements into an overall plan. .
- The development of the Rea Avenue Arts District is achievable because the capital demand is less to convert large or historical buildings (ie. Liberty Station or Birth North Park Theater). The use of the authentic building of Main Street would not require public funding but would benefit from the changes made to Rea Avenue and the surrounding area.
- The City and the downtown association should work with the commercial property owners to find retail uses that support the goal of the downtown plan. Retail in the new structures on and around Rea Avenue should be appropriate to the intended goals of the Arts District. Some limited ground floor office and residential may need to be considered during the early start up period depending on the market conditions/demands at that time.
- Possible partners in looking at the use of the Performing Arts Center are the local Native American tribes which have entertainment venues and could book acts to follow performances from their gaming centers to the performing arts venue.
- Establish a public art program and advisory commission similar to Escondido, Oceanside, and San Diego.

- Create a unique graphic elements plan for the street signage and banner program for the Rea Avenue Arts District such as in Valencia Town Center, CA (see image below).



- Create an “Arts Promenade” from Rea Avenue and the Civic Plaza to the Prescott Promenade (where Concerts on the Green are held) to the El Cajon Public Library on Douglas Street. However, the establishment of a public art program could suggest new development fees to developers. While a public art program in the heart of downtown should be considered an important program to complement downtown improvements, provide an increased sense of pride, and generate community interest and involvement, the City must be cautious of discouraging development in the early stages by requiring various fees when promoting catalytic projects.
- Project Developer: Bond sales through the City of El Cajon could provide redevelopment funds once the plan is refined. Some of the bond money could be used for low to moderate income housing for the residential component of the work/live development. A Request for Proposals could be developed to attract developers once a plan has been sufficiently refined. The current economic climate provides a good opportunity to attract a diversity of developers and to increase the pool of qualified developers outside of those who have historically developed projects for the City.
- Subsequent development should be encouraged and directed north on Magnolia Avenue to extend towards the north gateway of the City and west on Main Street to connect to the new multimodal transportation center. Subsequent development and street improvements should be encouraged and directed west on Main Street to extend towards the proposed Solar City Center development —Alternative 1 as identified by this TAP.
- Acquiring and assembling land is fundamental to successfully offering land at below market rates for rent or sale to low and moderate income households and businesses. The public sector can play an important role in reducing land costs to developers.

9. Proposed Development Regulations

The city also requested the TAP to conduct a review and assessment of the development standards in the draft Downtown Specific Plan with an eye toward whether the proposed standards will attract or hinder new high-quality urban development and what, if any, changes should be made to them to ensure they are an asset of the plan.

We commend the city and the Downtown Specific Plan for a good foundation of development regulations. Per the request of the TAP, the panel, as part of its efforts, "tested" the regulatory scheme outlined in the Downtown Specific Plan and, based on our "testing," we would recommend that the city consider a more flexible model.

The specific numerical requirement for open space, we believe, is arbitrary. Rather, the requirements should be replaced with policies and guidelines that describe what is wanted. The space between the street curb and building façade should be considered valued open space if designed properly.

We commend the use of a modified form based code to guide the image of the City's downtown plan; however, we recommend that it be supplemented with the SANDAG Smart Growth Design Guidelines.

Development Regulation Recommendations for Solar City Center District Concept:

We suggest a 25'-30' minimum height limit and maximum setback of 15' to be more flexible for the desired development rather than prescribe the interior of the building program. To force multi-level buildings may deter investment in the community.

Development Regulation Recommendations for Rea Avenue Arts District Concept:

- Building Heights:
 - The current state of the economy suggests that 2-story buildings in the Rea Street Arts District are the likely building height for this area, and 2-stories is compatible with existing development; however, the flexibility to build 3, 4, and 5 stories as recommended by the Downtown Draft Plan should be considered. Future development should include buildings on the south side of Rea Street as well. Allow the market to dictate the height of each story of the proposed buildings in the project area. Note: Future development is encouraged for both sides of Rea Avenue.
- Build-to Lines (from existing property line):
 - Rea Avenue (North Side): 15' – 20' from back of curb to allow for wider sidewalks and street trees. 20' sidewalks are preferred for outdoor cafes.
 - Rea Avenue (South Side): 0'.
 - Magnolia: 15' to 20' from back of curb to allow for wider sidewalks and street trees. 20' sidewalks are preferred for outdoor cafes.
 - Civic Center Way and Park Avenue: 5'.
 - Private Drive A: 0'.

- Parking Standards:
 - 1 parking stall per studio loft unit.
 - Downtown Specific Plan recommendations for all other uses based on Shared Parking reductions with an allowance for existing parking within 500' that accommodates primarily weekday uses (i.e., Civic Center).
- Parking will require further study due to the need to accommodate events, Performing Arts programming, Public Safety Center, and new and existing uses. We would suggest a shared parking approach based on time of day, day of the week, proximity to bus stop, mixed-use, etc. We support recommendations made by the El Cajon Downtown Specific Plan 2010 – 2040 update for new parking standards for land use and a parking reduction management plan.

10. Potential Public Incentive/Capital Investments to Attract Qualified Developers

What types and amount of public incentive/capital investments might be necessary to attract developers to build either project in the current economic climate?

In the current economic climate, financing projects of all types is a challenge for developers. The City of El Cajon can help by focusing near-term catalyst efforts on the types of projects that present the best near-term market potential. The City can work proactively with developers and/or institutions to identify and secure tenants and users in advance for any new catalyst development. For example, the Solar City Center proposal is tied to the presence of Sempra/SDGE in the Lifelong Learning District area. Early commitment by them and to provide financial help and/or to be a development anchor for any development would be crucial.

Other public incentives may include direct incentives such as fee waivers or deferrals for impact fees or infrastructure hookups, site acquisition assistance, redevelopment or enterprise zones, loans or grants and capital facility construction.

It is not unusual for cities to invest in public facilities in specific areas as a means of attracting investment. Both proposals will require public infrastructure of various types. This may involve Community Development Block Grants. In 2004, the City of San Diego's Deputy Mayor Toni Atkins – recognizing the importance of the Ray Street Arts District in North Park – allocated over \$100,000 through Community Development Block Grant funds for streetscape improvements on Ray Street. Funds were used for streetscape improvements including new sidewalks, curbs and gutters, flowering street trees, decorative tree grates and guards, benches, trash receptacles, light poles and planters.

A strategy for encouraging infill development, particularly for housing and live/work lofts such as the uses suggested for Rea Avenue Arts District, is to add amenities that may include the alley extension, sidewalks, on street parking along Magnolia Avenue, and streetscape in order to make the area more attractive. An amenity such as the addition of a public parking structure (which will have shared usage for public events, Public Safety Center, and existing shops) will also encourage infill development in the study area. Providing on street parking and/or dedicated space in an adjacent parking structure would substantially help lower the parking requirements for the proposed infill development. This can greatly reduce development costs.

The City may also be able to offer to form a special tax district, tax abatement programs or to otherwise publicly bond for civic improvement and assist developers by obtaining lower interest rates and reduced project costs.

Indirect incentives may include expedited access between businesses and City officials or staff, permit processing assistance, and business advocacy. The City can play a role in serving as a project advocate, sponsor and taking the lead on identifying grants, programs and partnering opportunities. Fast track permitting allows infill developers to get their applications processed ahead of non-infill applications. Since developers face holding costs during the development review process, long delays jeopardize the financial viability of the project, but expeditious approval processing can substantially benefit developers.

11. Advance Planning and Current Economics

Planning, as practiced by local governments, seeks to determine the intensity and location of various uses within a particular community or jurisdiction. Goals of planning include improvement of the physical environment and fiscal conditions. The goal of the El Cajon Technical Advisory Panel has been to identify and describe potential “catalytic” projects that, through implementation, would prove to be an asset to the city. While we cannot predict future economic outcomes, we need to address current economic conditions as they will impact the short- and possibly the longer-term implementation strategies of the city relative to the projects identified within this report.

From the builder/developer perspectives, we offer the following information:

- Three-story buildings are possible now and likely the most viable for the foreseeable future; four-story structures without podium parking could be problematic at this time as construction costs are prohibitive.
- Five-story buildings do not appear to be feasible due to the costs associated with construction. To be economically feasible, such units would need a sale value of \$400/square foot or a cost of approximately \$500,000/per unit. From a cost perspective, within the City of El Cajon, there are opportunities to purchase units at a lower cost that are much less dense. These opportunities create competition for the redevelopment of the downtown study area.
- Density of up to approximately 20 units per acre will work economically, densities above 25 units per acre will be difficult to successfully achieve due to the costs associated with building this higher density product.
- The communities, within the City of San Diego, that may be good comparisons for this area of El Cajon, are North and South Park. The process of redevelopment of any community is done in phases as land values and consumer attraction increases.
- One way to achieve successful plan implementation over the longer term is to indicate, relative to the desire for five-story and taller buildings, a minimum standard of 12-14 dwelling units per acre with a minimum two-story building height. This type of standard allows the market to function while meeting the City’s planning goals. It also must be noted that if mixed use buildings are desired, shared parking strategies must be promoted.
- Another way to look at this issue is from a construction cost perspective. Generally speaking, direct costs of the structure (i.e., excluding land, financing soft costs, fees and site preparation)

are approximately \$55 per square foot to build a single-family detached home. Type V construction (up to three stories, 20 du/ac) costs approximately \$75 per square foot to build. A Type I building (concrete high rise) costs approximately \$300 per square foot to construct. These construction costs create the sale values identified in the second bullet point above.

- Within the study area reviewed by this TAP, it appears that the City could accommodate all of its forecast growth over the next 50 years by redeveloping with minimum three-story buildings. Establishment of minimum standards while allowing/encouraging even higher intensities could be an appropriate strategy for the City of El Cajon. By mandating more intense minimum standards, the City could hinder, or halt, making projects work from an economic point while potentially forcing development away from the downtown study area.
- Notwithstanding the above, we feel that redevelopment plans and efforts should be both forward reaching and consistent with the City's desire to improve the study area. As land values increase, the demand for being in downtown El Cajon will increase. Establishment of viable minimum standards while allowing for more intense development options may assist the City in reaching its long-term goals and objectives. As Daniel Burnham said, "Make no little plans; they have no magic to stir men's blood."
- Open space requirements placed on new development need to consider proximity to existing open spaces, plazas, and sidewalk spaces between buildings and the street curbs. For example, the Rea Avenue Arts District is less than a five-minute walk to nearly two acres of open space, plazas, and a half mile of sidewalk improvements (Main Street, Magnolia Avenue, and Rea Avenue) and less than a ten-minute walk to 1.2 acres of Prescott Plaza. Downtown El Cajon's future will be a much more urban environment and should consider the urban open spaces within a walking distance to proposed development. If the City is looking to encourage new development here, eliminating or reducing the requirement for open space may make the location more attractive to new developers.

12. Appendix



Mayor clarifies ripple effect of arts funding on local economy

By JENNA LONG

Tuesday, June 2, 2009

There is reportedly concrete evidence that art is more than just a luxury to sacrifice in times of recession, but an essential source of employment and revenue dollars that San Diego cannot afford to lose.

Mayor Jerry Sanders held a press conference Tuesday to release a 2008 report on the positive economic and community impact of local nonprofit arts organizations, stressing that continued funding for performing and visual arts is vital to San Diego's well being.

"Arts and culture are good for business in San Diego," said Sanders, in a brief address at the Old Globe Theatre Tech Center in southeastern San Diego.

He spoke of the 6,300 jobs made possible last year by the city of San Diego's Commission for Arts and Culture, which provides funding for 72 organizations through an organizational support program, subsidized by the Transient Occupancy Tax.

The 2008 report verified that San Diego's arts sector accounts for \$180 million in direct expenditures, a highly substantial economic boost to the region. Victoria Hamilton, executive director of the city's arts commission, presented nationwide evidence of high rankings San Diego has received as a top tourist destination in terms of its arts and culture credentials, citing that the city boasts 1,140 works of art in its current collection.

Hamilton also referenced two local Tony award-winning theaters, The Old Globe and La Jolla Playhouse, which have collectively sent more regional productions to Broadway than any other U.S. city. She joked that if Playhouse-born "33 Variations" takes home a Tony award for Best Play this Sunday, she'd be among locals that could say "I saw it here."

But the most amusing part of Tuesday's press conference was during host and Globe CEO Lou Spisto's speech, giving thanks to the city for all its financial support.

"We get quite a sizeable grant," Spisto said. "I was blown away by the amount of money this city gives." After building on how generous San Diego has been to the arts, Spisto turned to Sanders and joked, "I take that back!" and "Change the tape!" to the cameraman, not wanting it to appear that arts funding has been too liberal. Spisto also took time to talk about the Globe's newly-built tech center, "the engine of the operation," which houses the theater's costumes and props and provides a very large, covered area where complex sets are built. After searching for the center's location for three years, Spisto credited Councilmember Anthony Young of the fourth district for his assistance in launching a residency project.

The project served as a catalyst for community development, which connected the Globe to its new surroundings and provided several ways for students to get involved in making theater a new option. Spisto ended by reiterating his thanks to the city for giving back to the arts, and promising that upcoming Globe productions are "only getting bigger and only more and more elaborate."

Sanders closed the press conference by noting that it's easier to support the arts when you're able to see the economic benefits and impact it has on San Diego. "It's a win-win both ways," he said. And in terms of future funding keeping local arts alive, Sanders modified an old theater expression by declaring, "The show must go on -- and it will go on."