



MINUTES
SAN MARCOS CREEK SPECIFIC PLAN OVERSIGHT COMMITTEE
SPECIAL MEETING

TWIN OAKS CONFERENCE ROOM
CITY HALL, 1 CIVIC CENTER DRIVE
SAN MARCOS, CALIFORNIA
MONDAY, DECEMBER 19, 2016 – 6:00 PM

CALL TO ORDER: Steve Kildoo (Chair) called the meeting to order at 6:00 pm.

PRESENT: COMMITTEE MEMBERS: ARNOLD, HERNANDEZ, HYDE, SMITH, TILTON, MORELOS,
KILDOO (CHAIR)

ABSENT: COMMITTEE MEMBERS: FERGUSON, HAYES

CITY STAFF: CITY MANAGER GRIFFIN, PUBLIC WORKS DIRECTOR/DEPUTY CITY MANAGER LITTLE,
DEVELOPMENT SERVICES DIRECTOR LYNCH, PLANNING MANAGER BRINDLEY, ASSOCIATE CIVIL
ENGINEER ETCHAMENDY, PRINCIPAL CIVIL ENGINEER VO, ECONOMIC DEVELOPMENT MANAGER
RADMILL, DEPUTY CITY CLERK WILCOX

1. Introductions

Committee members and staff introduced themselves including the following members of the public: VINH LE, HARLAN LOWE, MIKE HUNSAKER, ED MUSGROVE, HOWARD BLACKSON, DAN WERY, CRAIG GARCIA, MICHAEL HARRIS, BOB CAMPBELL

2. Approval of Minutes – Dated February 18, 2015.

MOVED BY COMMISSIONER HERNANDEZ, SECONDED BY COMMISSIONER TILTON TO APPROVE MINUTES DATED FEBRUARY 18, 2015, AS RECOMMENDED BY STAFF.

AYES: COMMISSIONERS: ARNOLD, HERNANDEZ, HYDE, SMITH, TILTON, KILDOO

NOES: COMMISSIONERS: NONE

ABSENT: COMMISSIONERS: FERGUSON, HAYES

3. Presentation given by Gary London, London Group, Market & Financial Analysis

CITY MANAGER GRIFFIN explained background information and challenges with the Creek District, and introduced Gary London from the London Group to provide the presentation.

GARY LONDON, London Group, provided the presentation on the Market and Financial Analysis of the Creek District Specific Plan. Explained the objectives of the two studies conducted: Phase I – Retail and Office Space: Researched the validity of the Creek District

plan in terms of market demand and opportunity. Phase II – Conceptual Plan: Researched restructuring the Specific Plan within the context of economic conditions, market, and project feasibility. Latitude 33 was contracted to perform initial planning studies and land development cost estimation.

Phase I – Retail and Office Space. The analysis concluded insufficient demand over the next 35 years to support the amount of retail space defined in the combined areas of the University District, Creek District and San Marcos Boulevard area. The analysis identified an oversupply of retail and office space. Based on 2,300 residential units currently planned for the Creek District, only 120,000 to 140,000 square feet of retail space is supportable. The analysis suggested to remove office space from the plan, and recommended that the University District development support future office development, which is already under development and is close proximity to Cal State University San Marcos. The project area analysis did not support a downtown “main street” focus within the Creek District plan, but to create more density in the area in the form of six-to-eight story buildings. An option for the initial phases of the Creek District could revolve around a plan that revitalizes San Marcos Boulevard as a pedestrian corridor with commercial development.

Phase II – Conceptual Plan. The analysis conducted by Latitude 33 considered two scenarios as examples of potential land use plans. This was a very conceptual analysis that looked at development of 1,638 apartments, 625 townhomes or zero lot line homes, 195 single family homes and 50,000 square feet of commercial (141,000 square feet including Main Square Project) for the project area in question.

COMMISSIONER HYDE stated his concerns with traffic on San Marcos Boulevard and Discovery Street and the increase of traffic additional homes would bring to the area.

CITY MANAGER GRIFFIN responded that the market analysis and conceptual land use plans reflect that there would be a less intense development than the original plan, traffic on San Marcos Boulevard has been a challenge in the past, and would need to be addressed in the new plan.

COMMISSIONER HERNANDEZ requested elaboration on the single family homes listed on the conceptual plan, and questioned if the Creek District could be a destination area and whether 1,600 residential units would support commercial uses, and felt the theme moving forward is to be flexible.

GARY LONDON, London Group, responded that there could be a variety of housing configurations depending on the market, and felt that the San Marcos Boulevard area would be more of a destination area.

CITY MANAGER GRIFFIN commented that Council wanted the plan moving forward to be more flexible and adjustable.

GARY LONDON, London Group, commented that in a national survey analyzing millennials, the survey concluded millennials are moving to the suburbs, but wanted a more urban feel.

COMMISSIONER TILTON commented about the challenge to create value in a dense developable area, and questioned if the development would create enough value to pay for infrastructure improvements.

CITY MANAGER GRIFFIN responded that the Bent Avenue, Via Vera Cruz, and Discovery Street bridge improvements would be funded separately from the Creek District; explained Redevelopment dollars for funding went away, and 88% of bridge improvements would be funded with federal dollars; stated developers would contribute to the pathway along the creek.

PUBLIC WORKS DIRECTOR/DEPUTY CITY MANAGER LITTLE stated that the implementation plan is a critical part of the development document and would be a road map for developers to follow.

COMMISSIONER HERNANDEZ questioned if the area west of Via Vera Cruz would follow the normal development process.

CITY MANAGER GRIFFIN pointed out that the Bent Avenue area is in the floodway, and is not developable until the culvert under the 78 freeway is done; stated that there are no funds for 78 freeway improvements, since Measure "A" did not pass; suggested that the development plan should focus on areas that can be developed.

COMMISSIONER ARNOLD questioned the project development timeline and infrastructure funding.

GARY LONDON, London Group, stated that the plan presented today is a conceptual plan and a timeline for the development of a more detailed land use has not been established.

COMMISSIONER HYDE questioned whether park areas will stay the same on the south side.

COMMISSIONER HERNANDEZ stated that the new general plan specified that the other side of San Marcos Boulevard has mixed-use and commercial zones, and questioned if it would make sense to merge the Creek District plan and San Marcos Boulevard plan.

COMMISSIONER TILTON stated his concerns about the dream and vision of a city center, the challenges of an identifiable downtown, and that a residential development outlined in the conceptual plan would not be a “City Center” or “Heart of the City”.

COMMISSIONER HYDE stated that the original plan for the Creek District was to be a destination area, but did not think it was feasible anymore.

CITY MANAGER GRIFFIN stated that the City is not depending on the Creek District Development to fund the bridges, Discovery Street, and the floodway infrastructures; infrastructure funding will come from redevelopment bond funds or federal bridge dollars; park areas will stay the same; stated that Council gave direction to also look at San Marcos Boulevard and Restaurant Row, but the City will not combine the two projects due to separate environmental processes.

PUBLIC WORKS DIRECTOR/ DEPUTY CITY MANAGER LITTLE stated that they would like to follow the same timeframe when making decisions for the Creek District and San Marcos Boulevard.

COMMISSIONER CHAIR KILDOO commented that committee members and City staff put a lot of hard work into the Creek District plan over the years, and understands the market challenges, and recognized the new reality to subdue the plan that was done in previous years on what was going to be considered to be the city’s downtown; concerned about building residences on the property, but realizes the plan needs to be flexible and able to adjust to new market conditions.

GARY LONDON, London Group, stated that flexibility is key, and suggested to look into a long term phased approach for the Creek District and San Marcos Boulevard; as the analysis shows that the vision may be different than originally planned, but will give the committee an opportunity to reframe planning into a more urban area and revisit the density later.

COMMISSIONER HERNANDEZ commented that the original plan does not have flexibility, and suggested that flexibility be a fundamental driver moving forward.

4. Public Input

HARLAN LOWE, property owner, expressed his concerns with the recommended plan density, property values, and how difficult it would be for developers to purchase property from 100 different property owners.

ALAN BROWN questioned whether the development would include schools.

VIN LI, resident, spoke about wanting a community to be proud of its downtown and an area to have fun with his kids.

MICHAEL HARRIS, resident, stated his concerns with the segregation of the city and how it would be nice to have a new hip area that would draw people and young families to the city.

MIKE HUNSAKER, resident, stated his concerns with retail, the elimination of jobs, and how transportation, parking and water will be an issue.

CITY MANAGER GRIFFIN stated the San Marcos Unified School District will be involved in the City's long range plans and discussions to identify capacity issues, but the current plan did not include a school; reported that the Creek District was duplicating what was already happening in the University District, but the Creek District was way behind; expressed that the Creek District would be an opportunity to develop a cool urbanized place to live and shop; announced that a Planning Consultant will be hired in February 2017, to help with the plan along with development partners; explained that the Creek District is an incredible asset in the city and the original plan was not a total loss; suggested that a kick off meeting with the Consultant and Committee Members be held in March, 2017.

COMMISSIONER DISCUSSION INCLUDED: ideas that property sales within the Creek District be addressed in the new plan; asked for City Staff to provide the latest ideas on the University District; expressed to keep some of the existing components from the original plan; suggested a timeline for future meetings.

5. Adjournment / Next Meeting

COMMISSIONER CHAIR KILDOO: thanked everyone for working together and expressed his appreciation to Gary London for the presentation and keeping everyone on track.

Adjourned meeting at 7:14 PM.

Steve Kildoo, San Marcos Creek Specific
Plan Oversight Committee Chair

ATTEST:

Lori Wilcox
Deputy City Clerk