



MINUTES

SAN MARCOS CREEK SPECIFIC PLAN OVERSIGHT COMMITTEE MEETING

VALLEY OF DISCOVERY ROOM
CITY HALL, 1 CIVIC CENTER DRIVE
SAN MARCOS, CALIFORNIA
MONDAY, MARCH 27, 2017 – 6:00 PM

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

PRESENT: COMMITTEE MEMBERS: CALTABIANO, CREWS, FERGUSON, GARCIA, HARRIS, HAYES, HYDE, KILDOO, MORELOS, RUSSO, SIMMONS, SMITH, TILTON, ZAHL

ABSENT: COMMITTEE MEMBER: ARNOLD

PRESENT: CITY STAFF: CITY MANAGER GRIFFIN, DEVELOPMENT SERVICES DIRECTOR LYNCH, FINANCE & IT DIRECTOR ROCHA, PLANNING MANAGER BRINDLEY, COMMUNICATIONS OFFICER MACDONALD, SR. MANAGEMENT ANALYST HERZOG, OFFICE SPECIALIST III KISS

1. Introductions

Committee members introduced themselves, talked about their background and why they wanted to serve on committee. Staff and members of the public introduced themselves. Members of the public included Jim Hernandez, Claudia Hunsaker, Mike Hunsaker (arrived later), Harlon Lowe, property owner in Creek District, and Ash Hayes. City consultants from Michael Baker International (MBI) introduced themselves: Dan Wery, Senior Project Manager, and Stephanie Cheng, Community & Transportation Planner. Cheng indicated Howard Blackson would be attending future meetings but was out ill.

2. Approval of Minutes – 12/19/16

MOTION: RICHARD HYDE MOVED TO APPROVE THE MINUTES AS PRESENTED; SECONDED BY DEAN TILTON AND CARRIED BY A MAJORITY VOTE WITH FERGUSON, HAYES & SMITH ABSTAINING. (Minor correction, page 1: Brian Smith was not in attendance at the December meeting).

3. Election of Vice Chairperson

Kildoo: Opened nominations for Vice Chair. MOTION: JUANITA HAYES MOVED TO ELECT MATT SIMMONS; SECONDED BY DEAN TILTON. Brian Smith asked if Dean Tilton would be interested? MOTION: BRIAN SMITH MOVED TO ELECT DEAN TILTON; SECONDED BY CRAIG GARCIA. TILTON ADVISED HE WOULD WITHDRAW. 1st MOTION CARRIED BY A UNANIMOUS VOTE. *Matt Simmons is new Vice Chair.*

4. **Understanding/Guiding Principles**
 - a. **Brief history, conditions, constraints**
 - b. **SMCSP Vision – maintain, update adjust, refine**
 - c. **Flexibility**
 - d. **Implementation–tools & strategies**

Wery: Stated that overall they like the plan but it needs some refining & re-tuning. Informational binders were distributed with a copy of the Specific Plan (SP). Indicated the committee would be receiving additional materials throughout meetings to add to the binder. MBI understands the City has been trying to plan the “downtown” area for 30 years. The growth in San Marcos has been tremendous. PowerPoint presentation shown.

Cheng: Commented that the large poster on display will be shown at the City’s upcoming street fair, in addition to handing out flyers. They want the community to know what’s going on and bring them up to speed, and would appreciate feedback from committee members & staff.

Wery: Discussed background: City went through General Plan update, has Heart of City SP, University District (UDSP) and San Marcos Creek SP. The recession hit in ’07, Amazon changed retail and projects were revised. University District SP was amended in 2014. Corner@2Oaks projects were reshaped. H.G. Fenton is doing the same thing. Some trends are going on throughout CA and nationally. The market realities have changed. City was going to amend the SP in 2015. Engineering was done in ’07, regulatory permits, levees, street placement, etc, which changed the footprint. Figure 7.4., last sheet, the ground floor, pink represents about 1.2M s.f. of retail. Area is about a mile long and that amount of commercial was extremely optimistic. Key limitation was traffic/roads. The Regulatory permits & Phase 1 infrastructure plan are good to go. Project boundaries and limits are changing. The amount/location of office & retail will change and the Plan needs more flexibility. PowerPoint will be posted on City website later. What was approved: 2,300 dwelling units, 1.2 million s.f. retail, & 600,000 s.f. office, lots of parks & open space. There’s a variety of constraints and the recession put a big delay on everything.

Cheng: Commented that Shane Burkhardt, MBI’s Economic Strategist, will be attending meeting next month.

Wery: Stated that Shane is doing a Retail Market Analysis. The London Group report said you can support however many households you add. 2,300 households yielded 150,000 s.f. retail. The more households you add, the more retail you can add. They are general numbers. Detailed analysis is being conducted and they’re looking at specific types of retail. Want to get a more accurate and specific number as it will be a real key driver to develop the plan.

Hayes: Asked if Shane is working with City’s Economic Development Manager?

Wery: Not yet.

Lynch: Stated that Tess Radmill is aware of the plan.

Michael Caltabiano: Inquired about the early background?

Kildoo: Explained that the first committee started in the early 90's. Second attempt got bogged down with the required way to channel the creek. Army Corp wanted a concrete channel like Escondido. The original idea was started by Jim Eubanks, owner of Restaurant Row. He thought it should be similar to the San Antonio River Walk and it was his drive to see something happen. Corky Smith was Mayor at the time. It was a 3.5-year effort, the longest City Task Force ever, where they looked at it to see if it could be viable. Mixed-use wasn't really understood until the later Task Force. Part of the development must offset the cost, so you need mixed-use & density to make it work. At that time, Redevelopment existed and no one was better at that than San Marcos. The City was one of the first to do it and had the second highest percentage in the state. The State later took Redevelopment funds away and it killed the growth & infrastructure improvement. It was a short term fix to the economic downturn and the State didn't receive that much money, because so much was in bonded assets they couldn't get to. The recession really hurt the project also. City staff later found grant money, 80%, to get two big bridges done, but it still leaves a lot of infrastructure to do.

Tilton: Added that the concern financially was that the area was already in use, cut up in different ways, with some single family homes that would have to be purchased. City hasn't condemned property for profit and wanted the plan to make sense for all players. That early committee was formed because City leaders weren't sure how high density housing and height would be perceived. There was a perception that people were still moving to City to be in the country. They thought there would be political backlash. In the end, there were no complaints. Everyone loved the idea because it would create a downtown area, a focus that the City didn't have. People liked the idea of seeing a skyline there. The key is creating that special place, which is no less than University District.

Kildoo: Explained that they worked hard to talk to residents in the City. Had workshops, listened to and addressed concerns and revised the plan. At Planning Commission, the only people who had questions were from Lake San Marcos, concerned about outflow of creek to lake. Those issues were addressed with check dams, and ways to make it better than what it is now. There was virtually no opposition at City Council. Every year at street fair, people still show interest in it.

Cheng: Pointed out that MBI has also worked on the University District SP. Their role is to assist, make it implementable, successful, viable and very special.

(Charles Zahl arrived).

Wery: Commented that there are necessary adjustments to be made and obstacles to overcome. Discussed guiding principles: Create an urban, mixed-use, pedestrian-oriented

community and maintain as much of the Creekside SP as possible. Feature the Creekside promenade and parks - it's a key amenity they need to build on. Develop attractive, vibrant public spaces. Need to have something special here. Reflect on market realities and make buildable over the long term. Provide flexible land use options. Improve Implementation Strategies. They'll do a couple pro forma's and study different types of projects.

5. Work Plan/Schedule

a. Project scope – major elements, deliverables

b. Task Force Role

c. Schedule – substantial progress report to City Council

Wery: Discussed work plan and schedule. Two phases: Phase 1 - Updating the plan. Develop alternative land use plan. It will be intensive, meetings every month over next six months. By end of year, should have several alternative plans and a preferred plan. They'll go through public engagement and a meeting with City Council on 6/27 to show progress. Phase 2 - Implement plan, make red-line changes, adjust plans, work with staff, Committee will check it, then to the Public to get it done. Define guiding principles, economic analysis, developer focus group, formal public workshop, online surveys, recommendation & report to Planning Commission and City Council with a preferred alternative.

Smith: Requested copy of PowerPoint.

Wery: Indicated they'd e-mail and bring to next meeting for the binders.

Hayes: Requested something they can read with a larger font.

Kildoo: Expressed that a commitment is needed by all of the committee members. Meeting once a month, and 6/27 City Council date is aggressive. Want to make sure if changes are made, they are good changes. The information provided by consultant in the binder is well done and he encouraged the committee members to read it all.

Wery: Discussed schedule & future meetings. MBI will be attending the Street Fair.

Kildoo: Asked if he or other committee members can go to see what people say?

Wery: Felt it was a great idea and suggested committee members bring comments back next month. With the retail market analysis, they're trying to find out what people want, what can't they get in the City, and where do they go? The key focus for next meeting is the results of the Market Analysis. May 29th Memorial Day meeting will be moved to May 22nd.

Kildoo: Asked what they envision with the Developer Focus Group?

Wery: Indicated they'd be meeting with a small group to get feedback, those familiar with the area, include staff and developers, not the committee. Or, could possibly have a few from committee?

Kildoo: Expressed that some committee members are in the real estate industry and he'd like to see some attend.

Griffin: Pointed out the key is to talk to developers.

Harris: Commented that it will be important to get the right developers. Suggested someone that has a mixed-use background, a bigger perspective.

Tilton: Need to find out what will work into the future that will have a market.

Cheng: Indicated they'll ask about the hurdles. Do they need parking lots first or infrastructure? It's a good idea to bring local developers in.

Wery: Continued to go over the Work Plan/Schedule. A significant progress report is due to City Council on 6/27/17. Item #4, is homework for the committee, about 20 pages, a cheat sheet for the SP, the goals and sub-policies. He asked Committee to note whether they should stay, change or be adjusted.

Cheng: Commented that a lot of the policies are not changing.

Harris: Asked if they're doing the Developer Focus Group to get confirmation? Or, look for their input on what City should do?

Wery: Suggested both. It's a test of what City has come up with so far, and to see how they react.

Harris: Indicated he doesn't feel two weeks after that meeting is enough time to be prepared for City Council.

Lynch: Explained that the challenge was they need meaningful input and a few meetings with the committee, to get to the alternatives by May. There must be an opportunity after to make the significant changes.

Harris: Suggested early June.

Kildoo: Pointed out it may work if committee meets 5/22. June 27th is just a timeline for City Council, to give a lot of information, but not the final information.

Griffin: Stated his belief that the Council will want a comfort level that there's a good sense of where the Plan is going and how it can get there, that the work is moving in a direction, and can be done in a certain timeframe. The Developer meeting will be important and helpful to Council. City

is not a developer but is trying to be the master developer of the district. Bringing in the people who would be making the large investments would be hugely important in terms of coming out with a plan that makes sense.

Hayes: Inquired who will make the presentation to Council? It shouldn't look one-sided.

Griffin: Replied that MBI, staff and Kildoo would.

Crews: Asked if anyone has done pre-pro forma's?

Wery: Indicated the London Group did a study in August '16, and looked at all types of residential. Any mix could work and everything was profitable.

Hayes: Commented that several years ago they went on a bus tour to look at various mixed-use developments. Locations included La Brea, Mission Valley, East Village, Little Italy and Old-town Pasadena. Asked what is current now vs. then, and if committee should be envisioning something now?

Wery: Explained that the original plan was a mile long main street, with high-end retail and restaurants, which is hard to do, and requires a lot of people. They don't pop up overnight, unless you have a master developer that can do the whole thing.

Cheng: Added that the phases need to be adaptable and flexible. That's the current trend, some uses may change.

Kildoo: Asked them what places represent the idea?

Cheng: Anaheim Packing District or the Courtyard in San Diego. They're very busy with activity.

Wery: Commented that the Courtyard was an empty parking lot on Market & Park. The buildings are shipping containers. The large dog run brings people out on regular basis. There are different food vendors, picnic tables, bands, and they've held a mini-beer and craft festival. It's constantly evolving.

Simmons: Asked the size?

Wery: Half a city block.

Kildoo: Commented that it could be a component inside the Specific Plan.

Wery: The Market at Liberty Station is now a destination. The Naval facilities sat vacant for years. Stone Brewery was the beginning, and they've been filling in with mixed-use since.

Cheng: Stated that MBI has Civil Engineers who work with mixed-use developers.

Kildoo: Asked for a list of ideas at the next meeting.

Wery: Continued to discuss schedule. They're planning a July workshop and want to reach out to Community Services Commission. Aug.-Sept., a Preliminary Recommendation Report with three solid alternatives and perhaps a joint meeting with Planning Commission and City Council in November.

Kildoo: Commented that this starts to look more like the original task force. The committee will learn a lot about mixed-use. Everyone will get educated again as things have changed.

Wery: Asked that everyone read the Specific Plan and make notes. Need to get everyone on the same page. MBI will prepare an Administrative Draft, Interim Screencheck Draft, a Public Draft, and then will go to hearings.

6. Public Outreach & Engagement Plan

Cheng: Discussed Public Outreach & Engagement: The committee is a great source of local knowledge. There will be monthly public meetings, two community workshops, posting & sharing information. They want to make sure public interest doesn't die off and want to keep the momentum going. They've found that online surveys give the biggest return. Project website will be updated and include social media interaction.

Kildoo: Suggested attendance at the second street fair.

Simmons: Indicated the Fall one is in October.

MacDonald: Pointed out that an article will be included in the Fall edition of 360.

Cheng: Recommended community blogs also.

Harris: Agreed it's important to do a multi-platform approach. Asked if it matters if non-residents give input at Street Fair?

Kildoo: Suggested a location could be asked for on the forms and then factor it differently.

Zahl: Commented that North City is envisioned as a draw for all of North County.

Harris: Feels an electronic survey would be ideal and you could ask non-residents what would bring them in.

Hayes: Suggested adding balloons at the booth to draw attention.

7. Preliminary Due Diligence

- a. SMCSP Goals & Policies Matrix**
- b. Composite Regulating / Creek Engineering Master Plans**
- c. Constraints, assumptions, opportunities**

Wery: Asked everyone to look at the Goals & Policies Matrix (from SP). Retail Market Analysis is next month. It's still mixed-use and urban. The mile long retail will change. The size, location & orientation are to be discussed and determined.

Harris: Inquired about the Hwy. 78 culvert and how it affects project?

Griffin: Pointed out the culvert location under the highway, east side of ramps at San Marcos Blvd. interchange. It's significantly undersized, a 100-year flood causes overflow in the central area of SP (between Via Vera Cruz & Bent) and it's not likely to be developable for a long time. When the interchange gets improved, the culvert may get funded. They estimate \$40M for the culvert, not counting the interchange and no one is saving for it. Original plan assumed it would be in first ten years, but it will likely be last 10 years, so must be realistic about it.

Kildoo: Commented that San Marcos Blvd. development is already done. Asked if that comes out, or do they live with the flooding?

Griffin: Indicated any future development would have to follow guidelines being in floodway.

Zahl: Asked if any other flood mitigation measures taken?

Griffin: Stated they are doing everything possible within permits and have increased the width of the creek area to maximize flow.

Michael Caltabiano: Asked if it re-routes before freeway?

Griffin: Explained that until the opening is properly sized, flooding could happen.

Kildoo: Commented that he has lived in City for many years, doesn't ever recall that happening, but it potentially could.

Harris: Asked about the new development on eastern end?

Griffin: Indicated they are outside of it.

Harris: Inquired if there should be multiple tiered analyses if that doesn't get done?

Griffin: Culvert alone is estimated at \$40M.

Kildoo: Commented that somewhere down the road some funds may become available, like the grant money did for the bridges. The committee can look at a lot of the overall area and develop it.

Harris: Pointed out if a section can't be developed, it changes the numbers.

Hayes: Inquired how big an area it affects?

Kildoo: Four blocks.

Simmons: Advised group that Figure 4.2., shows the floodway and the undevelopable area. Asked what kind of mix you get with just the levees? Asked if they've looked at a new floodplain map based on those improvements?

Wery: Replied that they have not yet, and that area of land may remain as is.

Michael Caltabiano: Asked how many times it flooded in last 20 years?

Kildoo: Indicated he didn't think it had happened, but you can't build on that and must live with 100-year protection. Every year the creek floods at least a couple days.

Hyde: Pointed out that once you get going on a plan, it opens up the potential for grants. Right now it's just a dream.

Kildoo: Commented that the projections on how you finance it are impacted by the inability to develop that early on, until you can fix the problem and open it up for development.

8. Next Steps

Wery: Suggested monthly meetings on Wednesday?

Garcia: Indicated that staff had already e-mailed Monday meeting dates that most could agree on.

Kildoo: Commented that he has a special Planning Commission meeting on 4/24.

Russo: Indicated he'd be out of town on 4/24 and asked if the Market Analysis could be sent electronically?

Wery: After it's presented.

Griffin: Suggested the 4th Monday every month. Understand that some will not be able to attend all meetings.

Michael Caltabiano: Asked if it would be possible to listen in if not able to attend?

Kildoo: Inquired if they could get a speaker phone?

Lynch: Yes.

9. Public Input

Tilton: He feels there is too much commercial if it's not going to be a destination. Thinks 150,000 s.f. is much more realistic. San Marcos Blvd. has been rezoned to multi-use/retail, which changes equation. It would be a competitor for what committee envisioned. There was a walkover bridge planned. Feels there is not enough parking. The new townhouse developments don't have enough parking now. He gets calls from people wanting to rent parking spaces. They must also consider the future view of transportation. There was no such thing as Uber or self-driving cars, and that will have a big change on development in the future. Expressed concern about money collected by City for future "tram" and thinks that was a step in the wrong direction. The new plan for San Marcos Blvd., is supposed to be traffic calming, but he feels it is traffic enraging. Need to get cars through the City. He hopes they now think about mixed-use horizontally.

Kildoo: Added that the committee needs to re-think it conceptually, not just because of the money changes, but the changes from technology, traffic, retail, etc.

Hyde: Expressed the need for adequate parking and spaces that are wide enough.

Wery: Stated many cities are getting away from compact spaces.

Smith: Commented that he doesn't fully understand how it will coordinate with UDSP.

Kildoo: Explained that they never factored in North City because it didn't exist. It's different and there's room for both.

Harris: Commented that he'd like to see people come to City because there are a wide variety of things to do and see. It's important to look at what UDSP is doing so they can complement each other.

Kildoo: Expressed that the Committee needs to understand what creates a regional draw.

Russo: Commented they should look long-term, free public wi-fi, hotels, office space, etc. There's a young, tech-savvy population at the colleges.

Kildoo: Indicated they'll be talking about new business possibilities starting to develop that are exciting & unique and didn't exist five years ago. The watchword is flexibility.

Garcia: Stated that the Plan calls for non-residential. It's important to have mixed-use flexibility. He's not okay reducing square footage of retail that much. Need to be able to create a destination and retail for a later date. He'd like to see 300,000-400,000 s.f. non-residential. There's no way he'd tell people that City is putting in 2,300 homes across from Discovery Elementary and they won't have anything cool.

Hayes: Commented that many organizations need a nice place for large events, 600-800 people. There's nothing available in City, and hopes that type of use is looked at.

Hernandez: Stated he was a member of the original Task Force. He's happy to hear the word flexibility. Destination place was supposed to be part of it. London Group didn't think of that and he hopes that doesn't get lost. Asked if all documents presented to committee will be on City website?

Cheng: Indicated yes will be, but isn't yet.

Lowe: Questioned if London Group said plan could be spread out and not go vertical?

Tilton: Explained that he didn't think that plan was a starter personally. He thinks vertical is the solution. Plan was to create value so problems could get solved. It was always the hope to have retail on most ground floors, but practicably that is not going to happen.

Lowe: Expressed that the promenade along the creek lends itself to a destination and the location is irreplaceable. He hopes it goes in that direction. He envisions an arch at the entrance to the district.

Kildoo: Stated that San Marcos creates Task Forces & Committees better than other cities in the County and is part of the success of the City. Staff listens to public input and it's been like that through multiple City Managers.

10. Adjournment / Next Meeting

Kildoo: Adjourned meeting at 8:15 p.m. Next meeting: Monday, April 24, 2017.

Steve Kildoo, San Marcos Creek Specific
Plan Oversight Committee Chair

ATTEST:

Lisa Kiss
Office Specialist III