

San Diego APA Chapter

# Complete Communities Housing Solutions Webinar

August 30, 2022

# Moderator



**Diego Velasco, AICP**  
Principal  
Citythinkers

# Panel Members



**Michael Prinz**  
Program Manager  
Development Services  
City of San Diego



**Kelly Moden**  
President  
cREate Development



**Soheil Nakhshab**  
CEO & Founder  
Nakhshab  
Development &  
Design, Inc.

# City of San Diego Planning Policy Framework



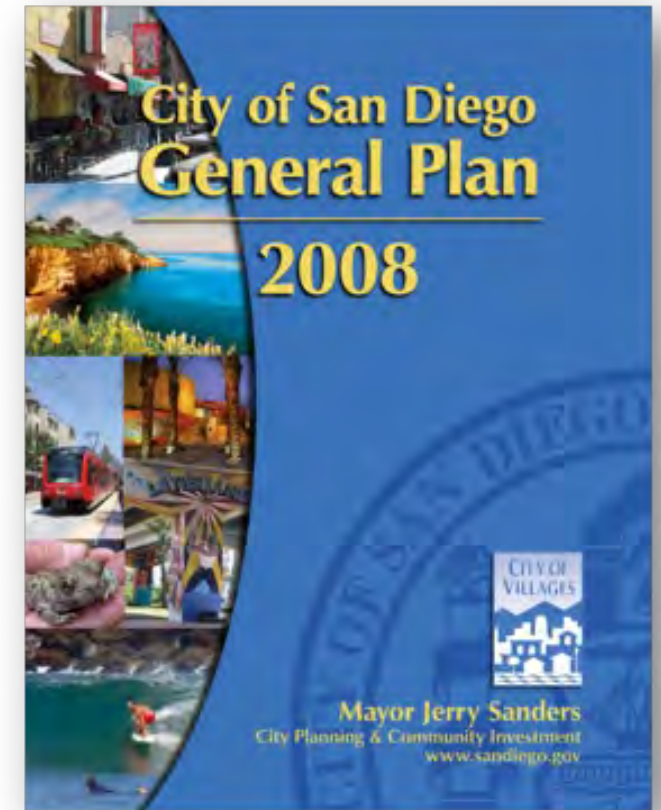
# Live/Work/Play Villages





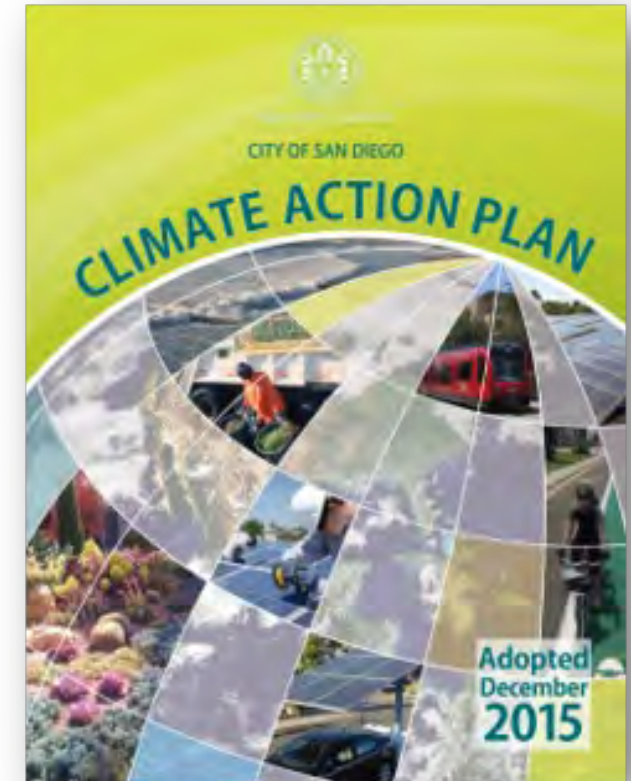
# Citywide General Plan

- Furthers the City of Villages Smart Growth Strategy focusing mixed-use villages connected to transit
- Promotes the integration of public space in village development
- Celebrates the City's diversity through urban design
- Guides the preservation of historical and cultural resources



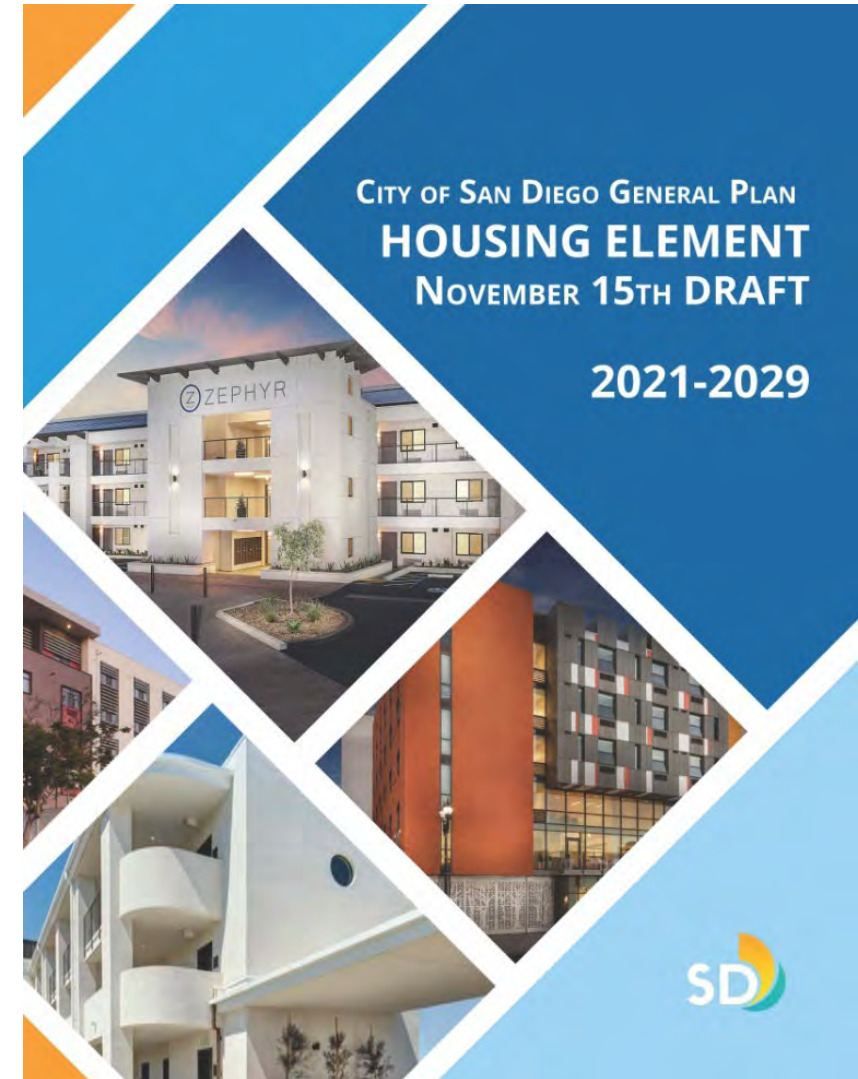
# Climate Action Plan

- Sets Citywide Emission Reduction Targets
- Emphasizes increased use of transit, bicycle and pedestrian commute trips to reduce vehicle miles travelled
- Update in process to strengthen measures



# Housing Element

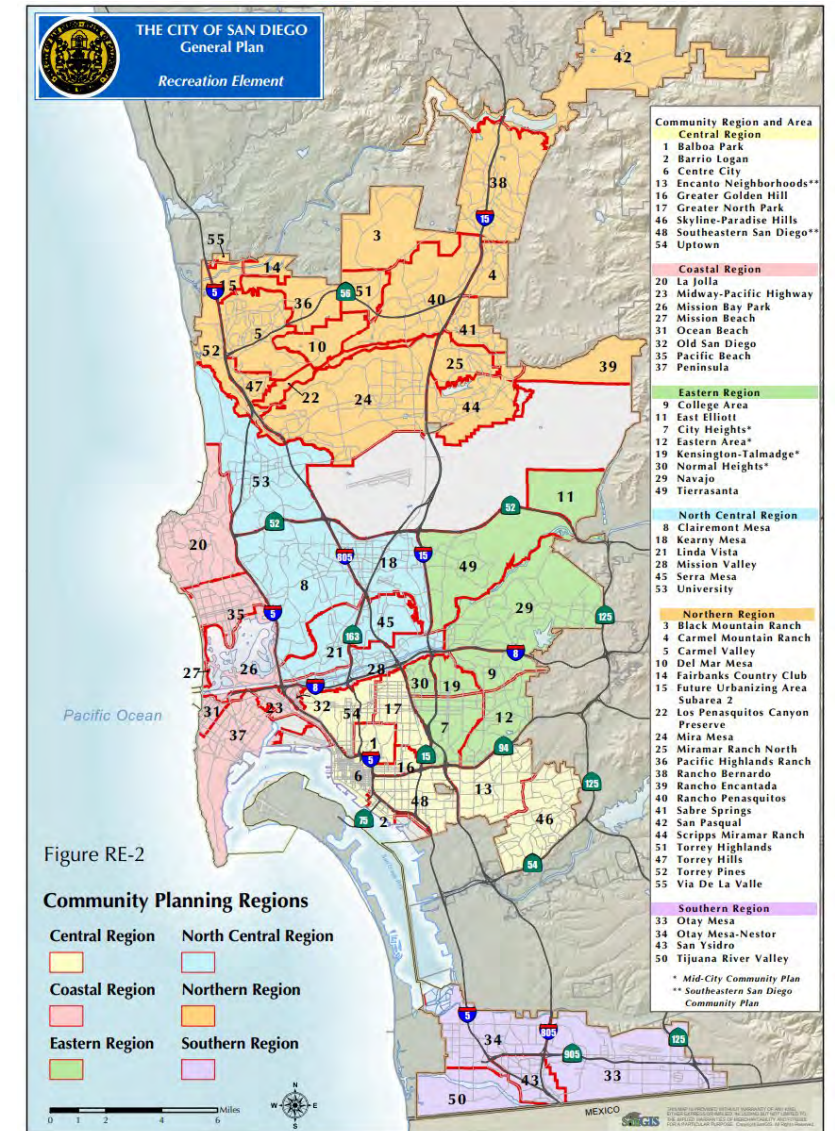
- Provides goals, objectives, policies, and programs to meet the housing needs of San Diego
- Ensures the City has enough potentially developable land zoned for residential use to meet the City's new housing capacity/production target





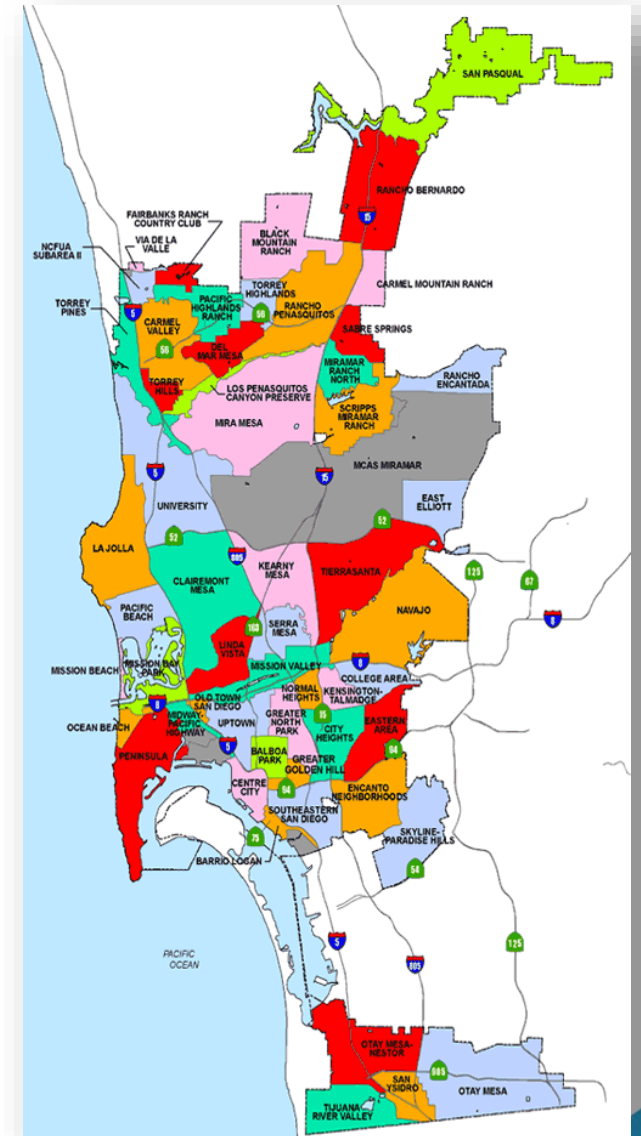
# Community Plans

- Part of the General Plan Land Use Element
- Provide community-specific land uses and residential densities
- Includes tailored policies and regulations
- Identifies implementing zones



# Community Plans

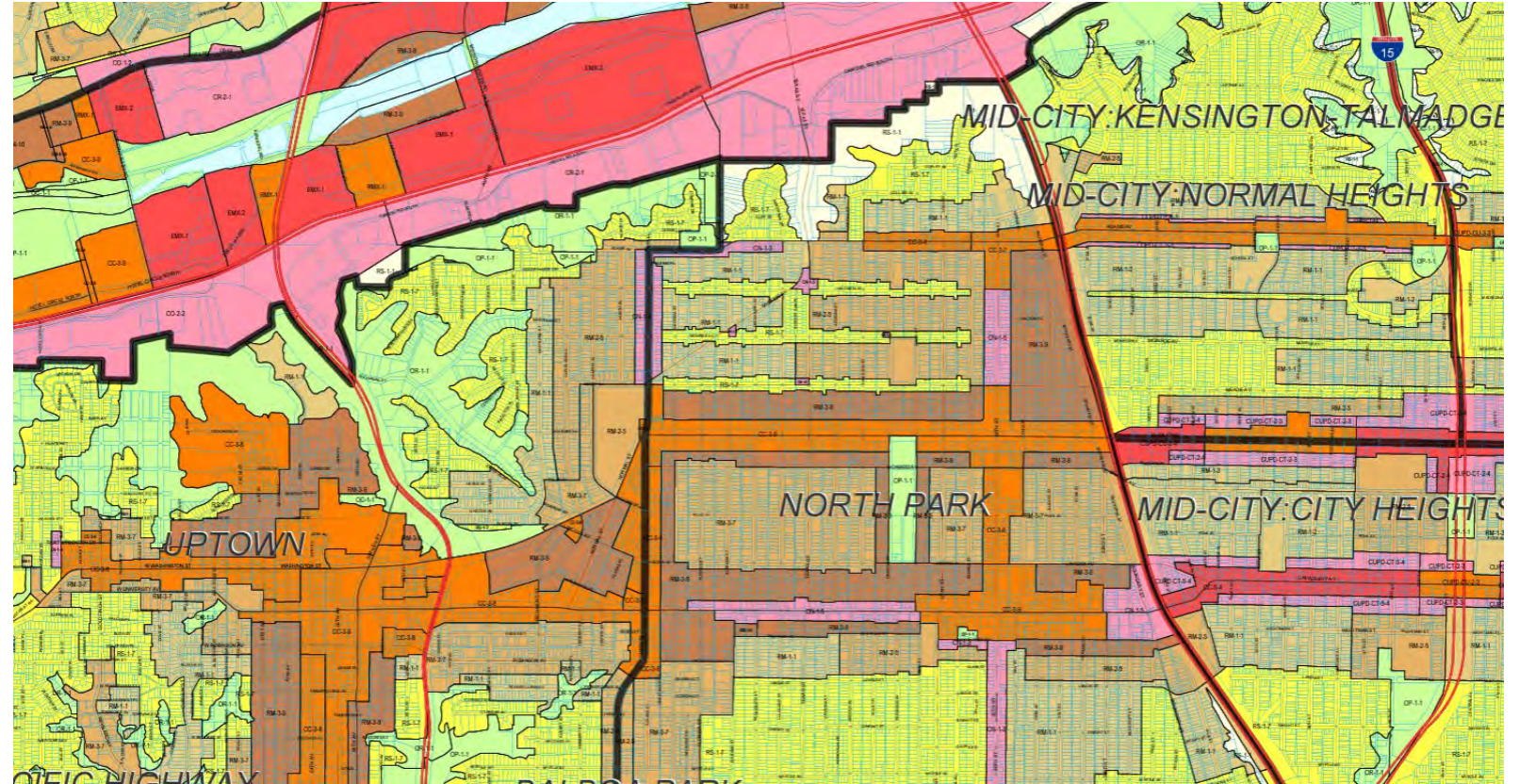
- Long-range policy document that identifies policy and regulatory directions and infrastructure needs





# Zoning

- Community Plan land uses implemented through zoning





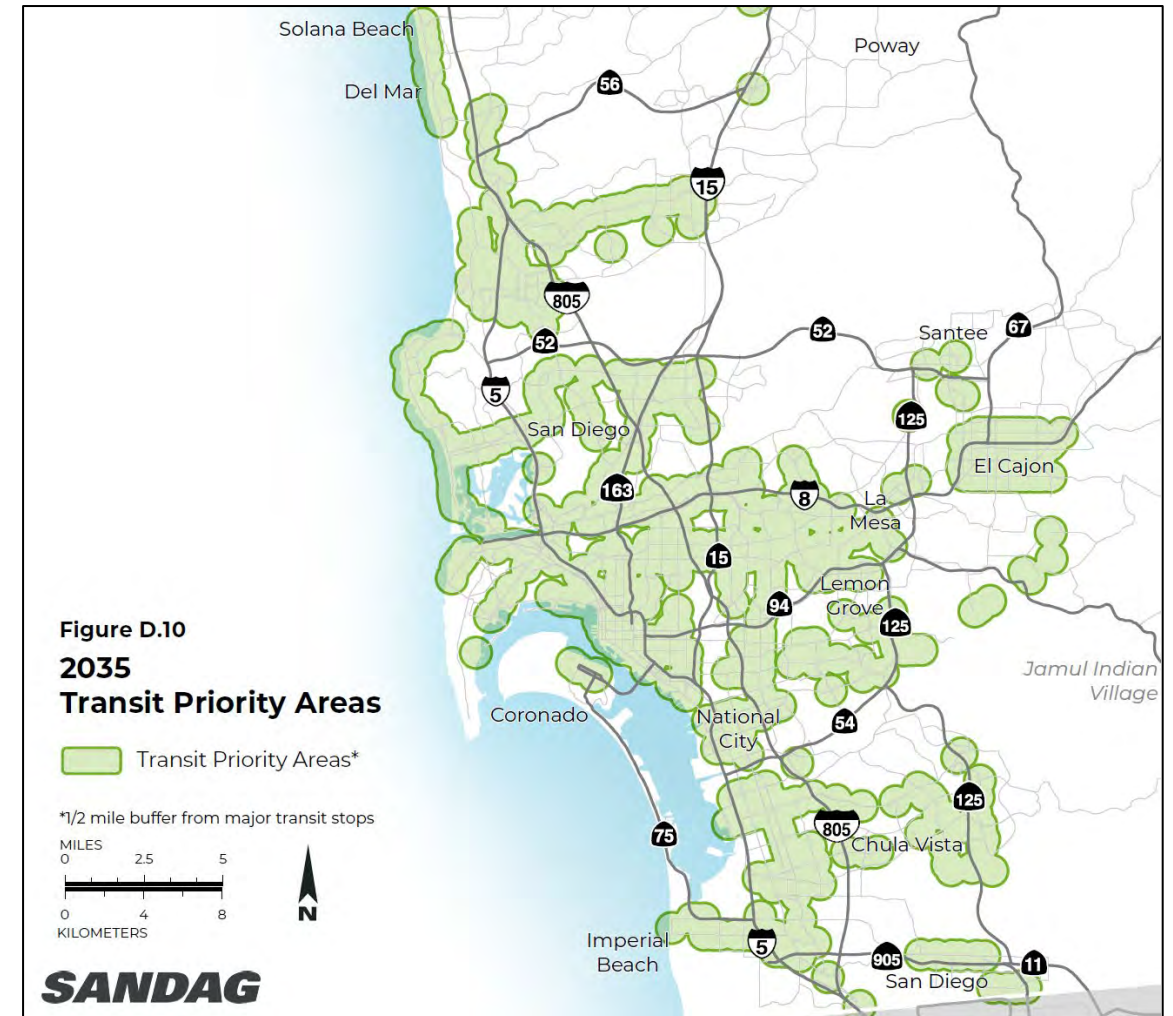
# Transit Priority Areas (TPAs)

Per State law (SB 743), TPAs are defined as an area within one-half mile of a **major transit stop** (existing or planned)

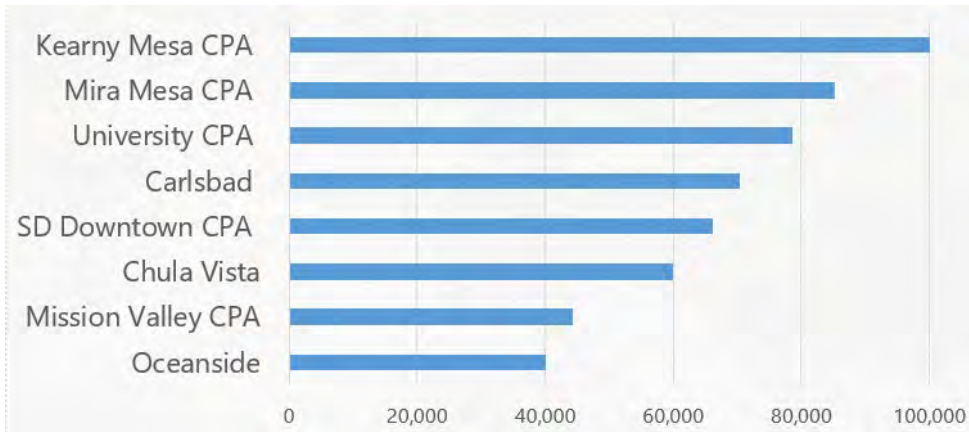
- **Major Transit Stop:** a site that contains an existing or planned rail transit station . . . or the intersection of **two or more major bus routes** with a frequency of service **interval of 15 minutes** or less during peak commute periods.
- Planned stop must be scheduled for completion by 2035 per SANDAG's Regional Transportation Plan

## Major Development Incentives Affected by TPA Designation

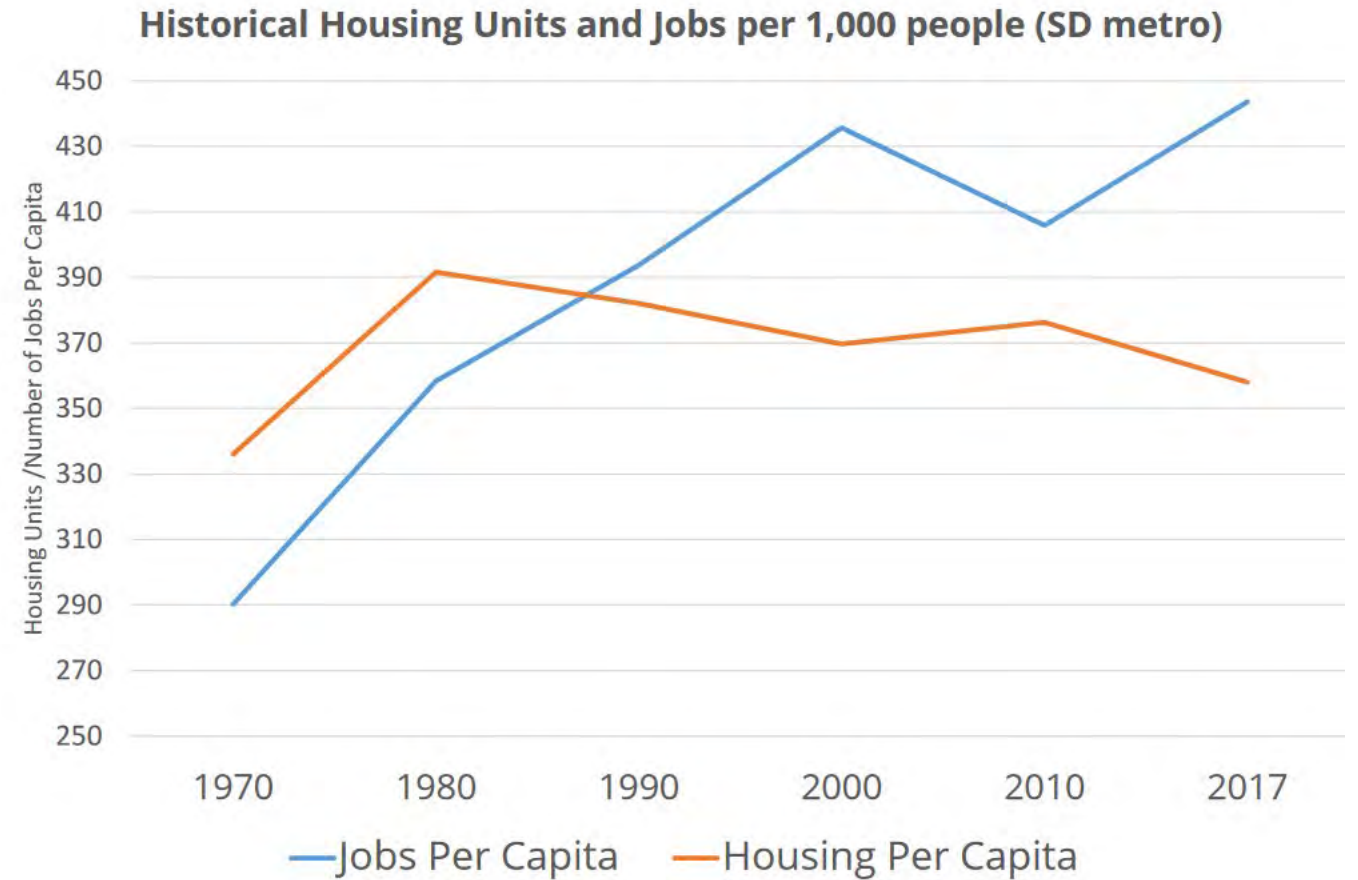
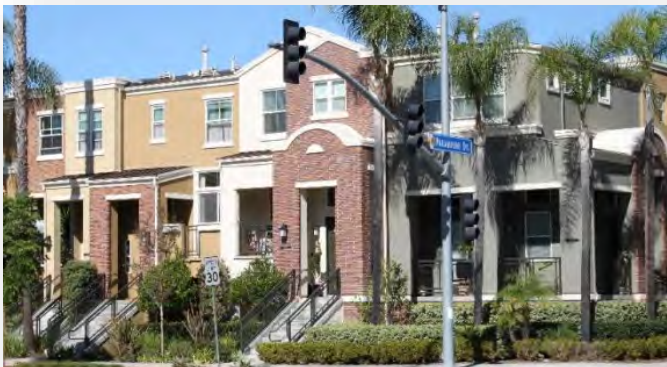
- **Complete Communities Housing Solutions**
- Greater density bonus opportunities
  - Including ADU bonus program
- Reduced parking requirements



# Jobs and Housing Balance



Source: U.S. Census 2017 LEHD Primary Jobs.



Source: U.S. Census and Federal Economic Reserve Data





108,000 units  
needed over the  
next 8 years



Need to **TRIPLE** annual  
housing production

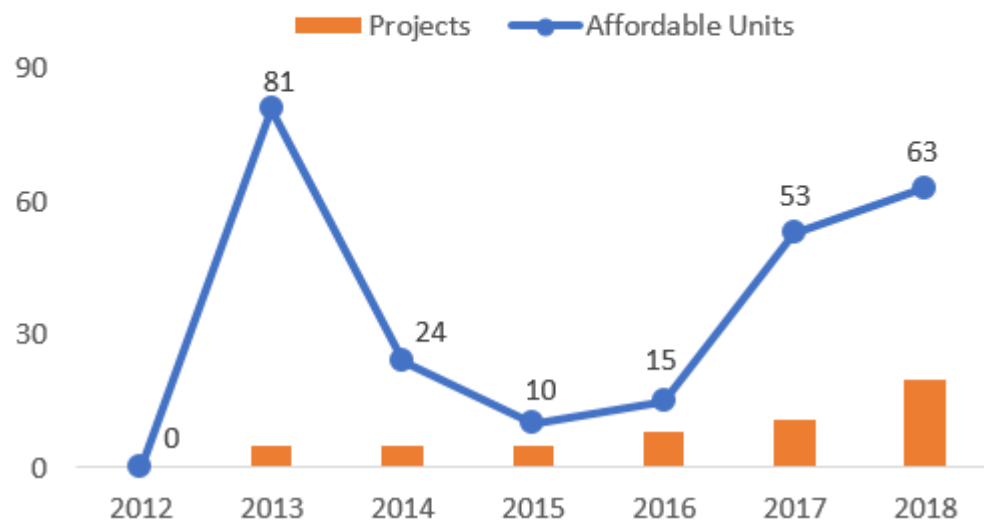


Especially Very Low,  
Low, and Moderate  
Income

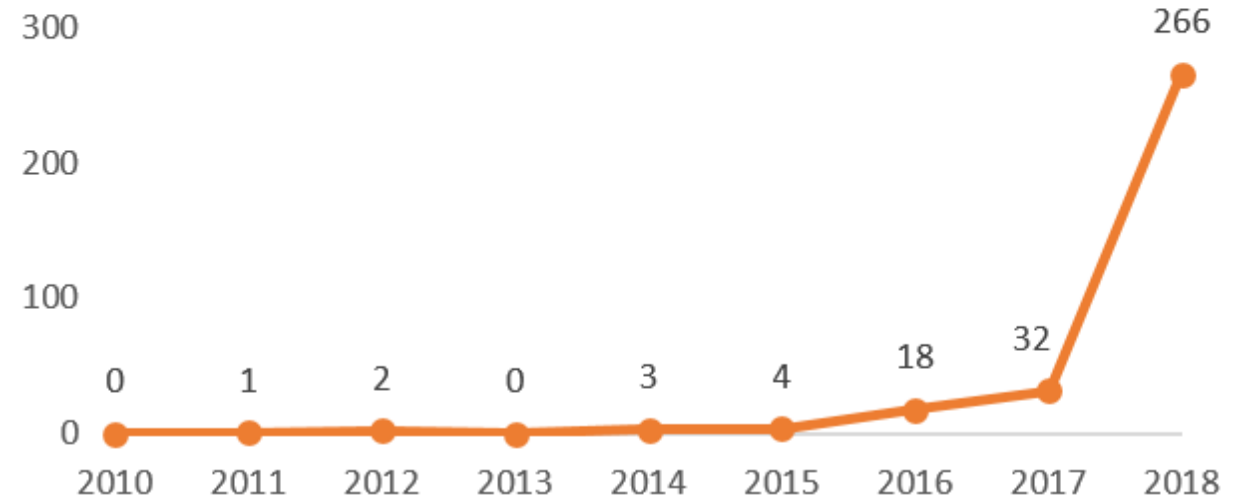


## Local and State Initiatives Are Helping, But Not Enough

PROJECTS AND UNITS BUILT USING THE  
AFFORDABLE HOUSING DENSITY BONUS  
2012-2018

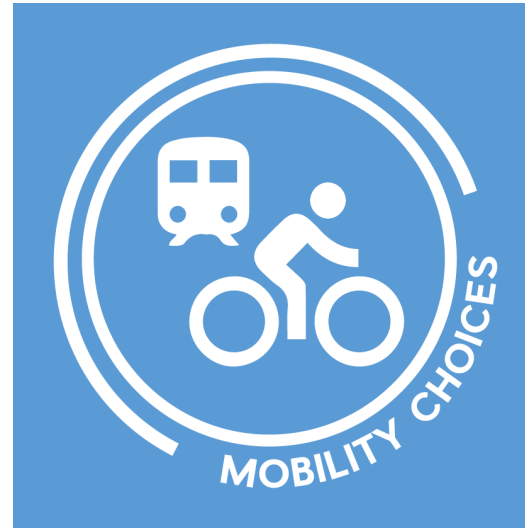


COMPANION UNITS CONSTRUCTED  
2010-2018



# Adding Housing Capacity through Community Plan Updates









# Housing Solutions Goals

- Focus housing construction in multi-family/mixed-use areas within Transit Priority Areas;
- Remove regulatory barriers to housing at all income levels, especially low to moderate-income households;
- Invest in neighborhood amenities, such as linear parks, urban plazas, and promenades;
- Preserve existing affordable housing units.



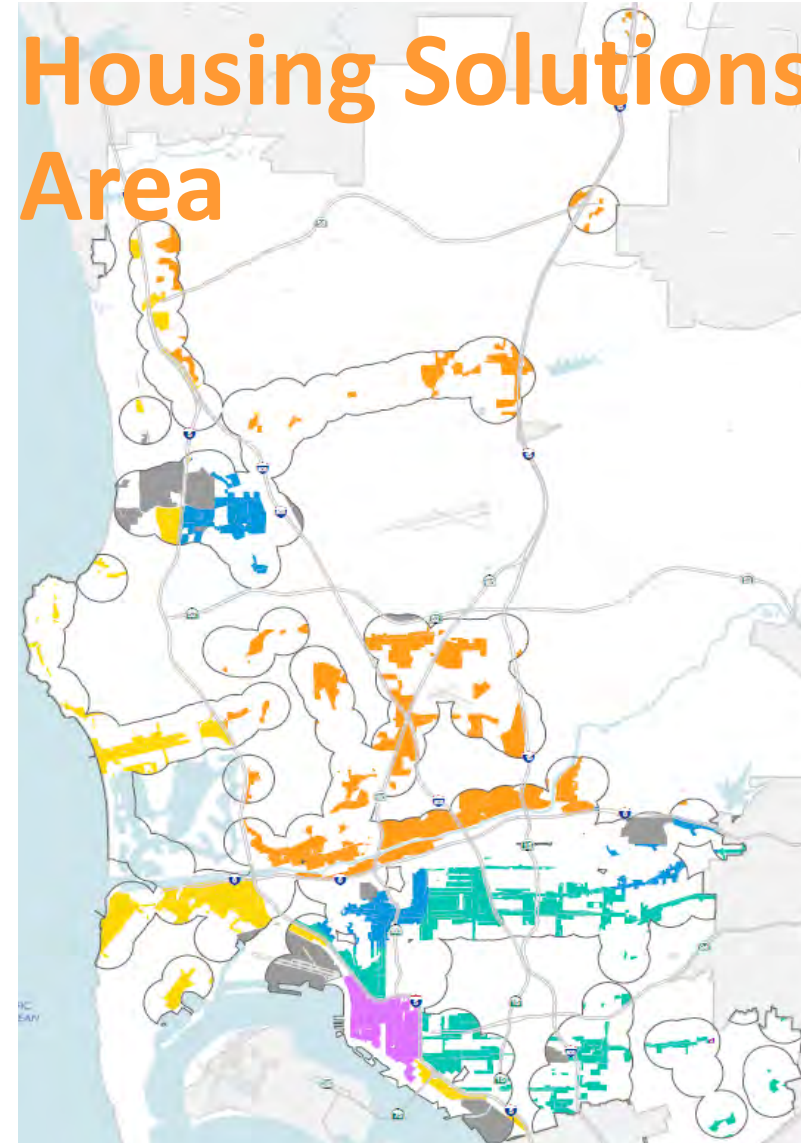
## Eligible Sites Criteria

- Located within a TPA
- Zoned for 20 du/ac or greater
  - Or LU allows 20 du/ac or greater and located ¼ mi from rail
- Development must propose at least 100% of zone max density or max base FAR (downtown and MXD zones)
- [GIS Map](#) is a reference guide for Eligible Sites

## Ineligible Sites

- Visitor Accommodations (except SROs)
- Designated Historic Districts
- Old Town PDO

## Housing Solutions Area



# Project Requirements

## ***Affordable Housing***

Provide 40% of  
**pre-density bonus**  
units as Affordable

## ***Anti-Displacement***

Replace residential  
units rented to  
lower income  
households

## ***Public Amenities***

Build Promenade  
or  
Pay Enhancement  
Fee

## ***Design Requirements***

Supplemental  
Development  
Regulations





# Affordable Housing



## Adding and Preserving affordable housing



15% of base units at 50% AMI  
10% at 60% AMI  
15% of at 120% AMI



Aging NOAH units must be replaced with new deed-restricted units

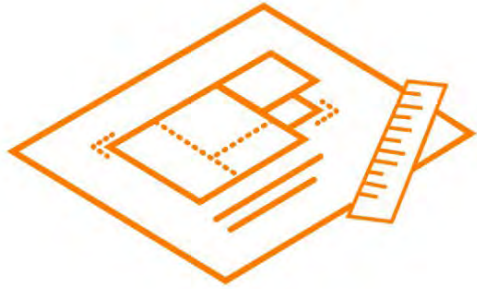


New deed-restricted units must be provided

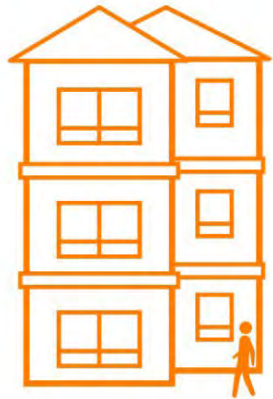


50 percent of new funds will be reserved for affordable housing preservation

# Program Incentives



**Expedited  
Permitting**



**FAR-Based  
Height**



**FAR-Based  
Density**



**Affordable  
Housing  
Incentives &  
Waivers**



**Right-Sizing  
the DIF**

# Incentives

Number of Incentives	Percent of <u>pre-bonus</u> affordable units
2	20% lower (low and very low income AMI categories)
3	40% lower and 20% very low
4	At least 50% of deed-restricted units include 3 bedrooms
5	100% of all dus are deed-restricted with 20% allowed for moderate income (excluding manager's units)

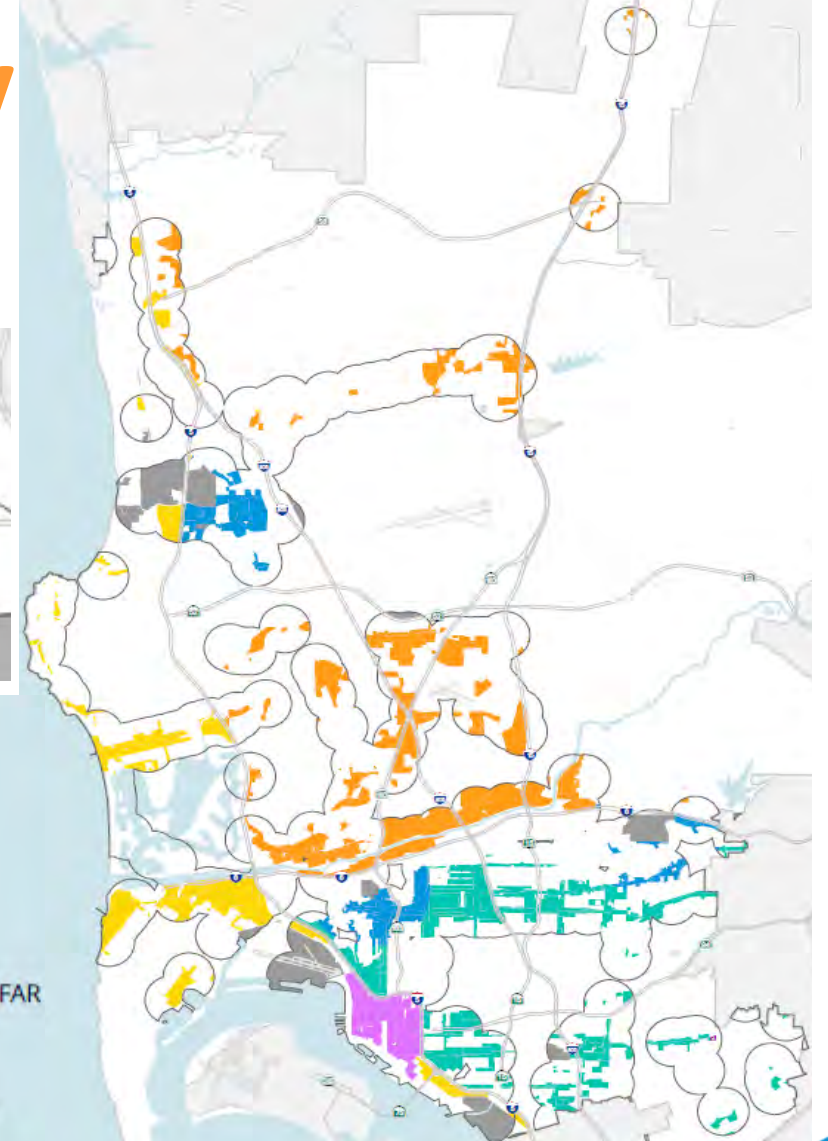
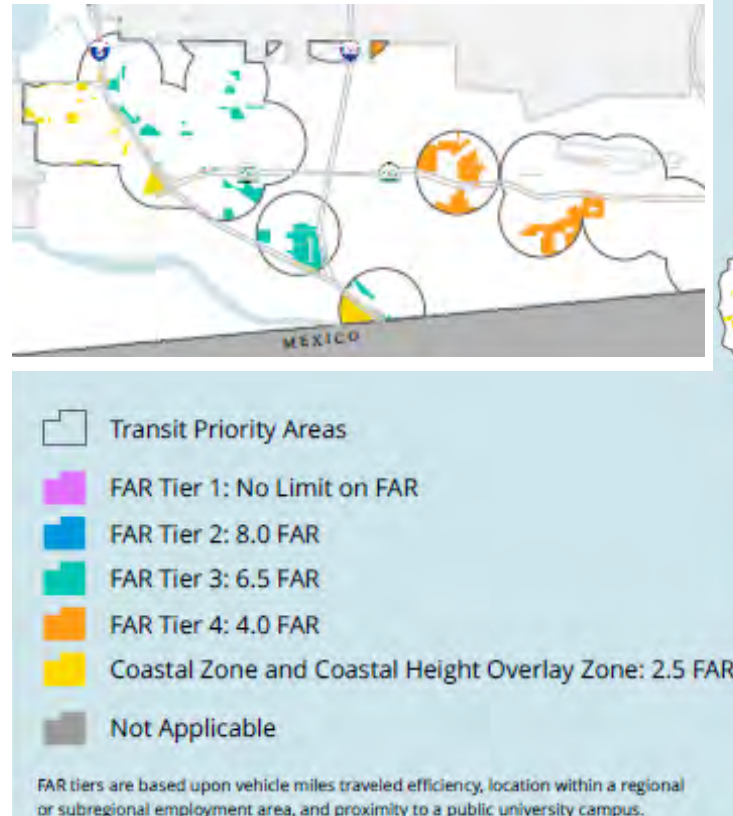


- Incentives and Waivers **CANNOT** be used to waive requirements of the CCHS regulations



# FAR Tiers – Increased Capacity

- Tier 1 – no max (Downtown)
- Tier 2 – 8.0
- Tier 3 – 6.5
- Tier 4 – 4.0
- Coastal – 2.5
- Mixed use – zone max square footage applies to non-res uses



# Promenade Requirements

- Premises of 25,000 sf or larger and with 200 sf of street frontage
- 2 community workshops to review design
- Public recreation easement
- 8 ft min width
- Design criteria and features





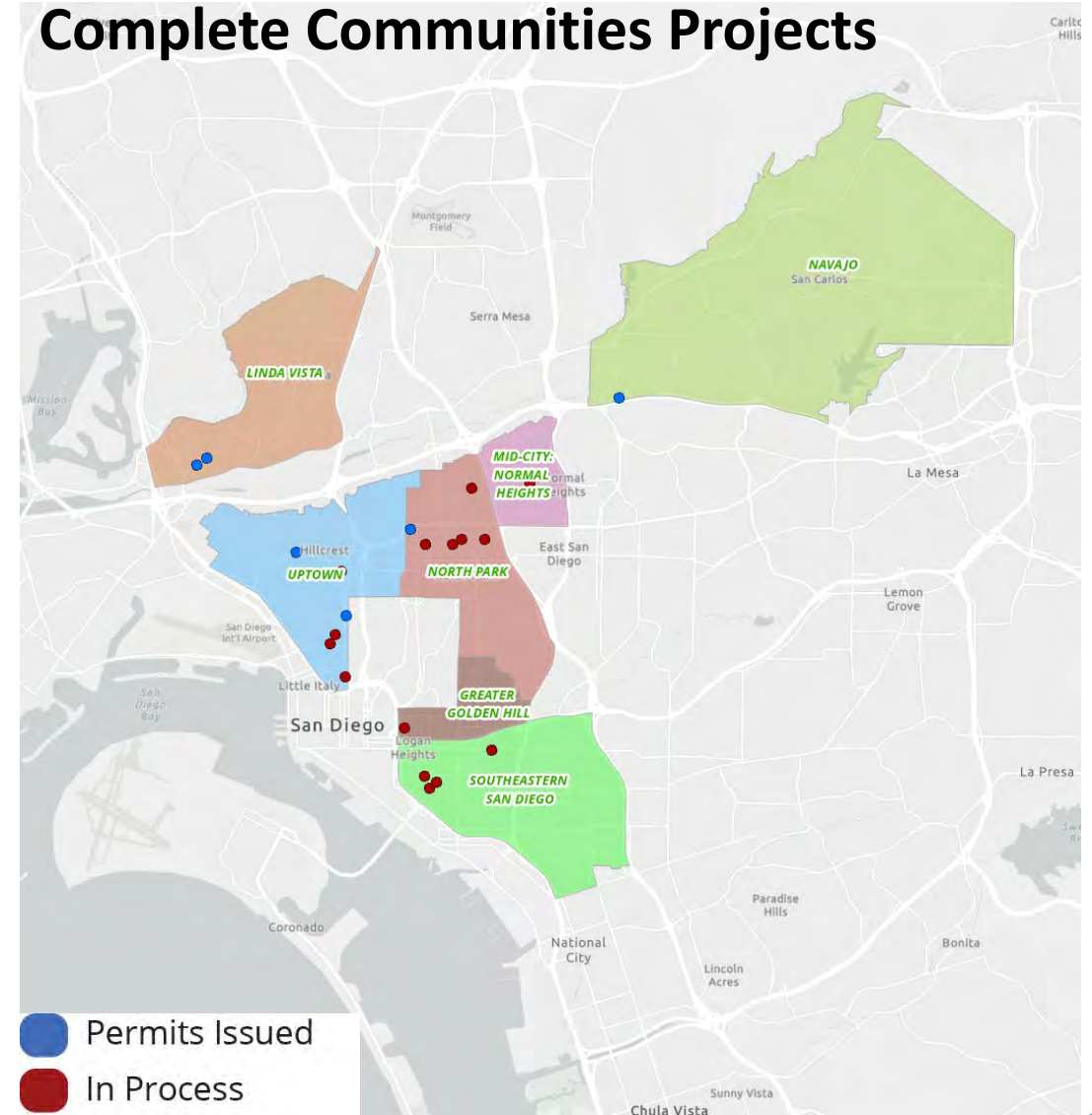
# Implementation

- 21 projects completed or in process
  - 6 projects with issued permits
  - 15 projects in process
- Dozens of inquiries and preliminary reviews

# Increased Production

- **1,451 units** developed or in process using CCHS regulations
- **880 units more** than affordable housing regulations would allow

## Complete Communities Projects







Complete Communities Housing Solutions (CCHS) Data	
Preliminary Review Applications	2-3 dozen
Total Projects Submitted (as of June 2022)	21
<b><i>Approved CCHS Projects</i></b>	
Projects Approved Since Inception	6
Dwelling Units Created	379
Affordable Units Created	153
<b><i>In Process CCHS Projects</i></b>	
Projects in Process	15
Units Proposed	1072
Affordable Units Proposed	107

# COMPLETE COMMUNITIES- HOUSING SOLUTIONS

PRESENTATION TO: APA Cal Chapter

---

Kelly Moden | cREate Development

**August 30, 2022**



# COMPLETE COMMUNITIES: HOUSING SOLUTIONS

A series of overlapping diamond shapes in shades of olive green, grey, and yellow, arranged in a diagonal pattern from the top right towards the center.

---

01. Origin

---

02. Policy  
Overview

---

03. Development  
Incentives

---

04. cREate example

---

05. Pros & Cons

---

06. Questions?



# 01. ORIGIN

- Complete Communities Housing Solutions was created in response to Assembly Bill AB 2732 (CASA Act) that was sponsored by former Assemblymember Gloria, now Mayor of the City of San Diego:  
<https://legiscan.com/CA/text/AB2372/2017>
- It is an Opt-In bill, meaning that jurisdictions do not have to implement like other state density bonus legislation
- Does require a CEQA analysis of its impacts if jurisdictions implement



## 02. POLICY OVERVIEW

FAR Based Housing (neighborhoods outside of downtown)	
Must be located in Transit Priority Area (TPA)	NOAH units must be replaced with deed restricted units
Underlying zoning must have a density greater than 20 DU/Acre, which is approx. 1/2178	Different FARs (2.5, 4.0, 6.5, 8.0) depending on location within the City
Inclusionary units must be on-site	Requires a Neighborhood Enhancement Fee of \$9/SF of lot area, or \$11/SF if the project height exceeds 95'
No limit on # of units (FAR-Based Density)	Must provide a minimum of the following inclusionary units at certain AMIs: <ul style="list-style-type: none"><li>- 15% of base density @50% AMI</li><li>- 10% of base density @60% AMI</li><li>- 15% of base density @120% AMI</li></ul>

# 03.

## DEVELOPMENT INCENTIVES

No limit on # of units (FAR-Based Density)

DIF relief on all units <500 SF and all inclusionary units

Different FARs (2.5, 4.0, 6.5, 8.0) depending on location within the City  
-2.5 for Coastal, and 4, 6.5, 8 depending on transit and urban corridors

No parking requirements

Can exceed height limits with the exception of Coastal Zone and certain flight path locations as determined by the FAA.

Can still get other development incentives ranging from 2- 5 depending on total inclusionary units on base density



## 04. Case Study







# THE MINN

## GOLDEN HILL

- Located at 1905 Broadway in the Golden Hill neighborhood of San Diego
- Has a bus stop directly in front which route runs up and down Broadway into downtown
- Across the freeway from the East Village neighborhood of downtown and walkable to the trolley, City College, and many other places downtown
- Adjacent to the 5 freeway





# THE MINN

## GOLDEN HILL

### **Base Zone**

**Lot Size:** Approx. 20,000 SF

**Base Zoning:** CN-1-3 (Neighborhood Commercial and allows residential at 1/1500)

**Base Density:** 14 units

**Base Height Limit:** 45'

### **Using Complete Communities**

**Density (FAR):** 91 Units (mix of studios, 1-beds, 2-beds, 2-bed townhomes, and 3-beds)

**Floors:** Type IIIM/Type I – 7 stories, 90'

**Parking:** 66 spaces

**Average Unit Size:** 788 SF





# THE MINN

## GOLDEN HILL

### **CC Requirements:**

Inclusionary units:

- 50% AMI 3 units
- 60% AMI 2 units
- 120% AMI 3 units

Neighborhood Enhancement Fee: \$185K

### **Benefits:**

- Increased max density from 21 (using 50% DB) to 91 and allowing for diverse unit mix
- Reduced DIF by approx. \$59K
- Increased height to 90' from 45'
- Made the site financially feasible

# 06.

## PROS & CONS

### PROS

- Increased flexibility for developers
- No parking requirements
- Encourages high density in transit areas
- Requires some 'moderate income' units
- Ideal if base density is low
- Removal of density limitations can make projects financially feasible

### CONS

- Inclusionary rounding requirement per income level can increase units to account for much more than 40% of base density
- May saturate the market with studios
- Does not encourage units for families
- Not ideal if base density is high
- Only certain locations can qualify for CC
- Complicated if a site has dual zoning and one zone does not qualify
- Neighborhood Enhancement Fee can exceed the DIF relief



# NAKSHAB DEVELOPMENT & DESIGN, INC.

SOHEIL NAKSHAB  
*Owner, CEO*





# ABOUT US

At award-winning Nakhshab Development and Design, we strive to do more than build houses – we build homes.

Our style and craft has evolved over the span of two generations and multiple continents, beginning with our roots in Iran. A family-owned and operated business, we currently have more than 40 years of experience in architecture, development, engineering, construction, and design.

Whether it be single-family luxury homes or multi-family workforce housing, we aim to inject a high level of quality and detail into all our projects in order to enhance our communities and our environment.





# 3445 IBIS STREET

 mission hills

LOT DIMENSION: 50' X 100'  
LOT SIZE: 5,000 SF



BEFORE



DATE COMPLETED

2012

PUBLICATIONS

*Dwell*  
*Riviera*  
*Label*  
*San Diego Union Tribune*  
*Interior Pixels*

AWARDS

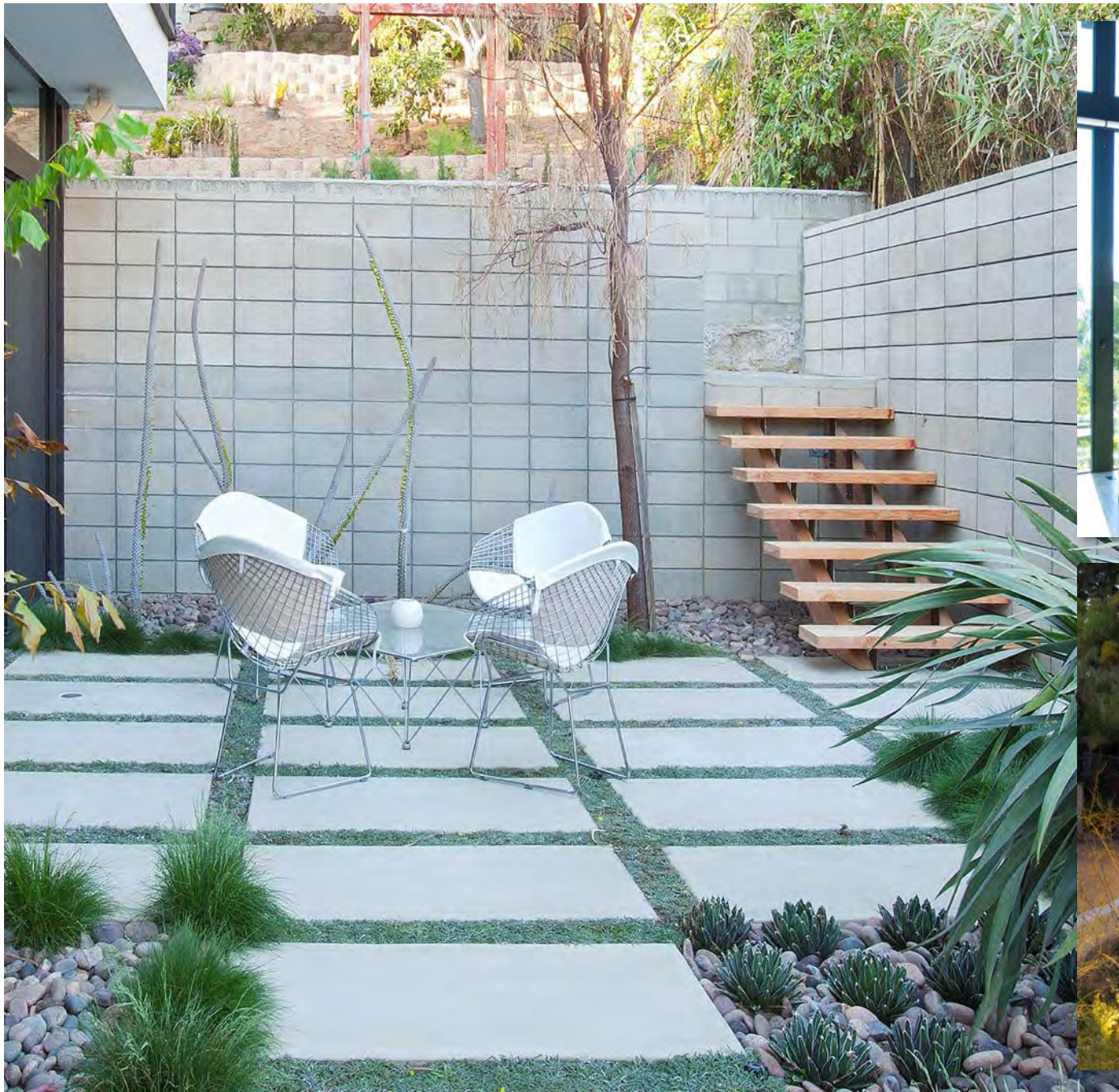
Architecture Lab  
Presidio Sentinel  
BIA Icon  
Structural Engineers  
Association of CA

# SHAYAN HOUSE

FIRST LEED CERTIFIED  
HOME IN SAN DIEGO







SHAYAN HOUSE

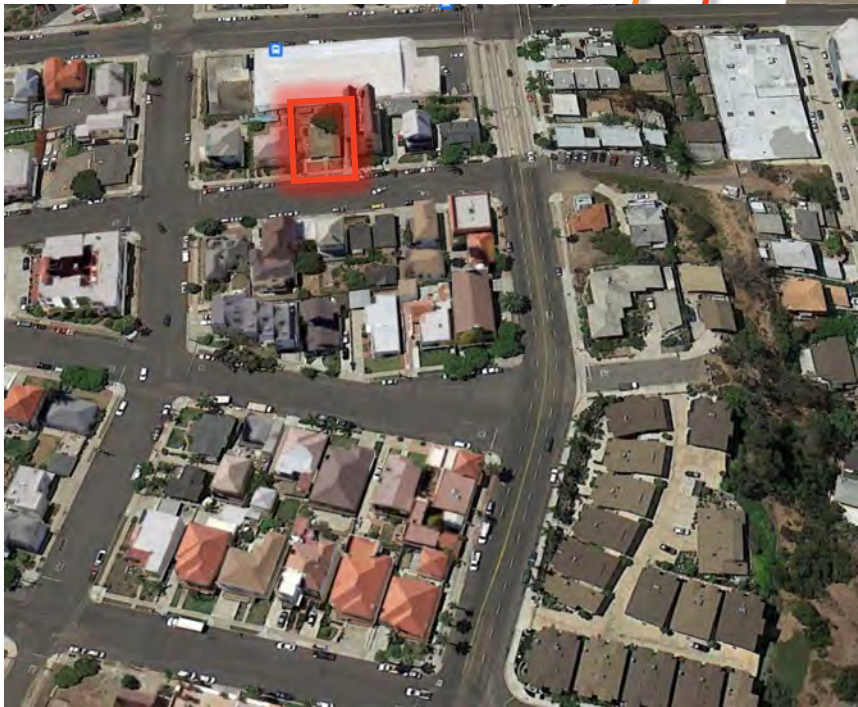


# 2430 UNION STREET



bankers hill

LOT DIMENSION: 50' X 100'  
LOT SIZE: 5,000 SF  
HISTORICAL COMPONENT  
AIRPORT COMPONENT



Apr 2011

BEFORE



DATE COMPLETED

2013

PUBLICATIONS

*Pacific Magazine*  
*Coastal Magazine*  
*Interior Pixels*

AWARDS

*BIA Icon*  
*LEED Homes of the Year*

UNION 4







UNION 4

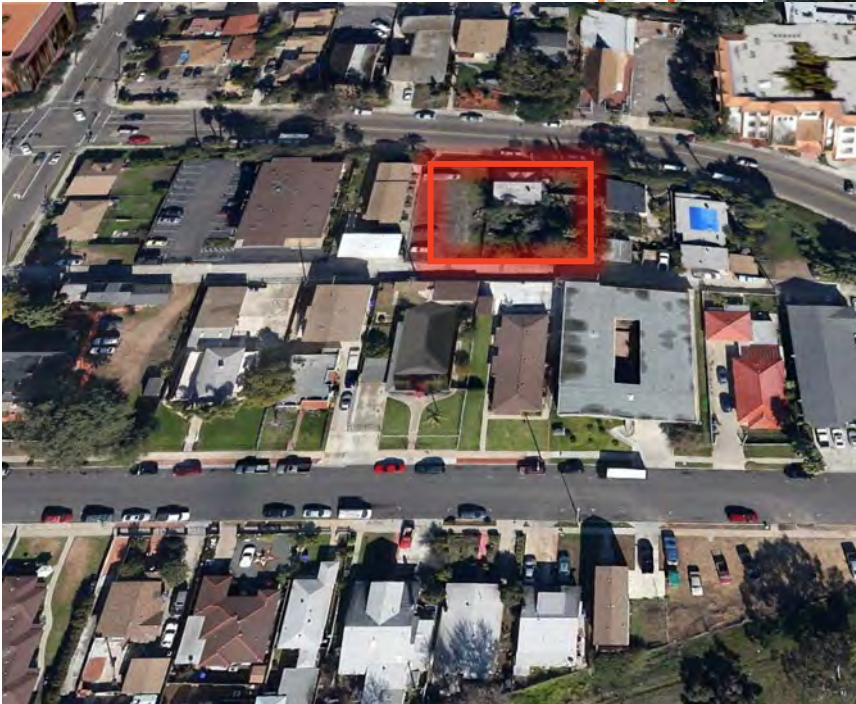


# 3051 BROADWAY



golden hills

LOT SIZE: 14,000 SF  
HISTORICAL COMPONENT



BEFORE



DATE COMPLETED

2014

PUBLICATIONS

*Urban Land Institute Case Study*  
*Professional Builder*  
*Riviera*  
*Dwell*  
*Architizer*  
*Interior Pixels*  
*Arch Daily*  
*Architect Magazine*  
*Architecture Lab*  
*YouTube*

AWARDS

Gold Nugget  
ULI Global  
Architizer A+  
Orchids & Onions

SOFIA LOFTS







SOFIA LOFTS



# 340 15<sup>TH</sup> STREET



east village

LOT DIMENSION: 25' X 100'  
LOT SIZE: 2,500 SF



BEFORE



DATE COMPLETED

2015

PUBLICATIONS

*San Diego Union Tribune*  
*San Diego Magazine*  
*Coastal*

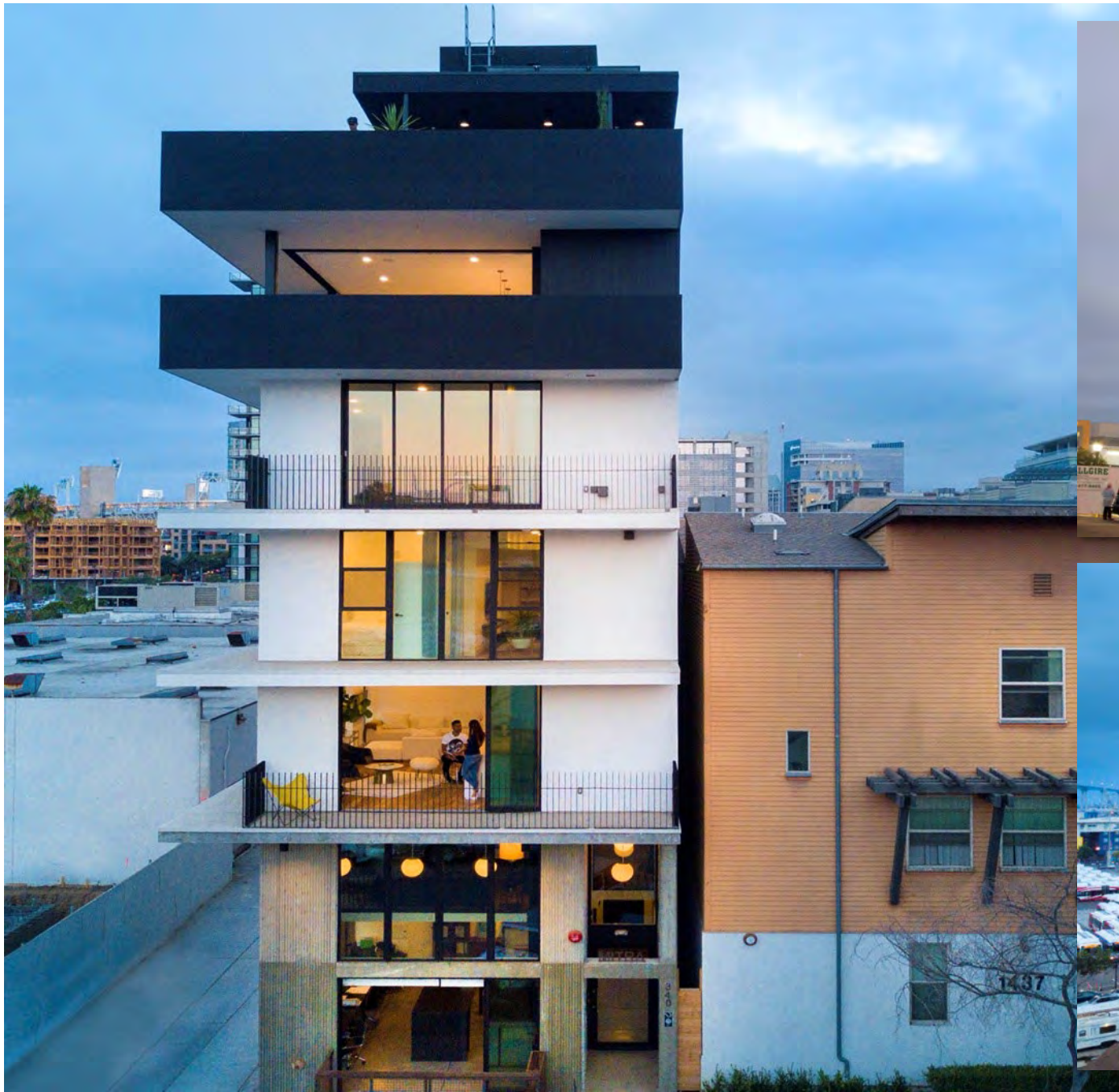
AWARDS

Modern Homes Tour

MITRA LOFTS







MITRA LOFTS



# 540 WEST LAUREL



bankers hill

LOT SIZE: 30,000 SF  
L-SHAPED LOT  
HISTORICAL COMPONENT  
50% PARKING REDUCTION



BEFORE



DATE COMPLETED

2020

PUBLICATIONS

*San Diego Business Journal*  
*San Diego Magazine*  
*Professional Builder*

AWARDS

PCBC Gold Nugget  
Judge's Special Award  
ULI Global Finalist

TRUAX LOFTS







TRUAX LOFTS

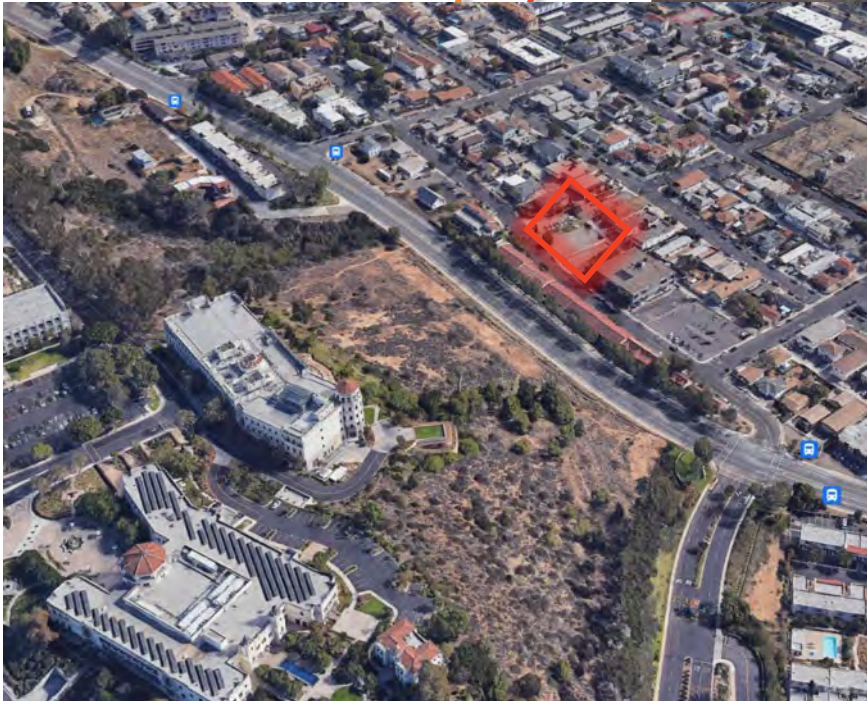


# 5555 MILDRED STREET



linda vista

LOT SIZE: 51,000 SF



BEFORE

© 2022 Google



DATE COMPLETED

2022

NOTES

*First Complete Communities*  
project in San Diego



MILDRED APARTMENTS







# 454 13<sup>TH</sup> STREET



east village

LOT DIMENSION: 42' x 100'  
LOT SIZE: 4,200 SF  
HISTORICAL COMPONENT  
NO PARKING



BEFORE



DATE COMPLETED

2021

PUBLICATIONS

*San Diego Business Journal*  
*San Diego Magazine*

AWARDS

PCBC Gold Nugget

EZABELLE







EZABELLE

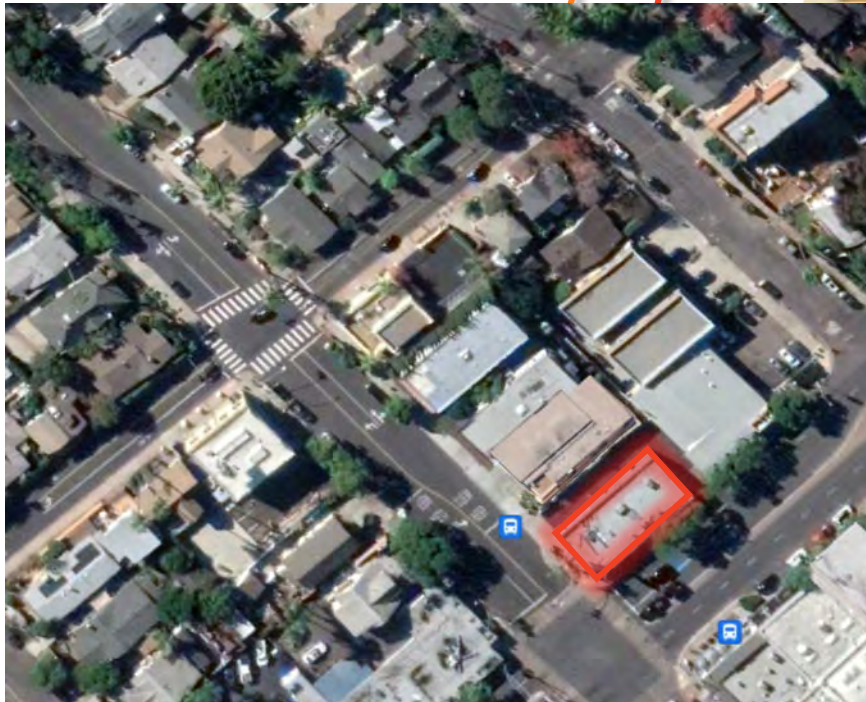


# 901 WEST WASHINGTON



mission hills

LOT DIMENSION: 50' X 100'  
LOT SIZE: 5,000 SF



BEFORE



DATE COMPLETED

**Expected 2023**

WITHOUT COMPLETE COMMUNITIES

**Maximum Allowable Base Density:** 9 units

**50% Density Bonus Maximum:** 14 units

**100% Density Bonus Maximum:** 18 units

WITH COMPLETE COMMUNITIES

**Density is based on FAR**

**Proposed Density:** 54 residential, 2 commercial

**SASAN LOFTS**

