AGENDA

JOINT MEETING OF THE

IMPERIAL BEACH CITY COUNCIL
REDEVELOPMENT AGENCY
PLANNING COMMISSION
PUBLIC FINANCING AUTHORITY

AND

DESIGN REVIEW BOARD

June 24, 2009

Community Room
(Behind City Hall)
825 Imperial Beach Boulevard
Imperial Beach, CA 91932

Workshop Meeting – 6:00 P.M.

THE CITY COUNCIL ALSO SITS AS THE CITY OF IMPERIAL BEACH REDEVELOPMENT AGENCY, PLANNING COMMISSION, AND PUBLIC FINANCING AUTHORITY

The City of Imperial Beach is endeavoring to be in total compliance with the Americans with Disabilities Act (ADA). If you require assistance or auxiliary aids in order to participate at City Council meetings, please contact the City Clerk's Office at (619) 423-8301, as far in advance of the meeting as possible.

WORKSHOP MEETING CALL TO ORDER BY MAYOR

ROLL CALL BY CITY CLERK

AGENDA CHANGES

PUBLIC COMMENT - *Each person wishing to address the City Council regarding items not on the posted agenda may do so at this time. In accordance with State law, Council may not take action on an item not scheduled on the agenda. If appropriate, the item will be referred to the City Manager or placed on a future agenda.*

REPORTS (1)

1. COMMERCIAL ZONING REVIEW – CITY COUNCIL/DESIGN REVIEW BOARD WORKSHOP. (0610-95)

City Manager's Recommendation: That the City Council and Design Review Board receive the report and presentation and provide comments, input and direction as necessary.

ADJOURNMENT

The Imperial Beach City Council welcomes you and encourages your continued interest and involvement in the City's decision-making process.

FOR YOUR CONVENIENCE, A COPY OF THE AGENDA AND COUNCIL MEETING PACKET MAY BE VIEWED IN THE OFFICE OF THE CITY CLERK AT CITY HALL OR ON OUR WEBSITE AT www.cityofib.com**.**

Copies of this notice were provided on June 18, 2009 to the City Council, Design Review Board, San Diego Union-Tribune, I.B. Eagle & Times, and I.B. Sun.

STATE OF CALIFORNIA) *AFFIDAVIT OF POSTING*
COUNTY OF SAN DIEGO) *ss.*
CITY OF IMPERIAL BEACH)

I, Jacqueline M. Hald, City Clerk of the City of Imperial Beach, hereby certify that the Agenda for the Joint Workshop Meeting as called by the City Council, Redevelopment Agency, Planning Commission, and Public Financing Authority and Design Review Board of Imperial Beach was provided and posted on June 18, 2009. Said meeting to be held at 6:00 p.m. June 24, 2009, in the Community Room (behind City Hall), 825 Imperial Beach Boulevard, Imperial Beach, California. Said notice was posted at the entrance to the City Council Chambers and the Community Room on June 18, 2009 at 2:30 p.m.

Jacqueline M. Hald, CMC
City Clerk

Any writings or documents provided to a majority of the City Council/RDA/Planning Commission/Public Financing Authority, or Design Review Board regarding any item on this agenda will be made available for public inspection in the office of the City Clerk located at 825 Imperial Beach Blvd., Imperial Beach, CA 91932 during normal business hours.

AGENDA ITEM NO. 1

STAFF REPORT
CITY OF IMPERIAL BEACH

TO:	**HONORABLE MAYOR AND CITY COUNCIL**
FROM:	**GARY BROWN, CITY MANAGER**
MEETING DATE:	**JUNE 24, 2009**
ORIGINATING DEPT.:	**COMMUNITY DEVELOPMENT DEPARTMENT** **GREG WADE, DIRECTOR**
SUBJECT:	**COMMERCIAL ZONING REVIEW – CITY COUNCIL/DESIGN REVIEW BOARD WORKSHOP**

BACKGROUND:

On January 17, 2007, the City Council and Redevelopment Agency authorized the City Manager to enter into a contract with EDAW Inc. to provide the necessary services to conduct a review of the City's commercial zoning and development regulations. To carry out this review, the scope of the contract emphasized the following objectives:

- Provide for (or maximize) sufficient/adequate commercial/retail development to support residents and visitors
- Provide flexible/creative parking regulations for mixed use development that allow for adequate commercial/retail use and an appropriate mix of residential development
- Analyze permitted uses to promote appropriate commercial/retail use (i.e., uses permitted by right vs. conditional or discretionary uses)
- Provide for appropriate or modified development regulations that achieve better mixed-use development consistent with the community's vision
- Analyze possible establishment of minimum commercial/retail percentage/component for mixed-use development
- Analyze possible incentives for provision of adequate retail use
- Address existing deficiencies in the City's Zoning Code related to commercial zoning
- Amend, add or delete certain definitions

DISCUSSION:

Since that time, the consultant team has done considerable work to prepare recommendations for amendments to the City's Commercial Zones. The Recommendations for Zoning, General Plan, and Local Coastal Plan Amendments have been developed following many months of development prototype design, public input, market analysis, and Zoning Code review. The recommendations were developed by testing alternative development and design concepts that could be achieved for each study area using two scenarios: the existing code and proposing code changes. The goal was to identify ways to maximize commercial and mixed-use development feasibility while furthering the vision and goals for the established sub-areas.

Public input was solicited at various points during this study. At project kick-off, stakeholder interviews and a public workshop were conducted to collect input on issues and opportunities

related to community vision, and development feasibility and trends. Through this effort, the following Guiding Principles for the project process were developed:

1. The City's Vision Plan – Imperial Beach: The Big Picture – is confirmed for Each Study Area
2. People Want Change
3. Building Height Limits May Impede Desired Development
4. Improving Quality and Consistency of Urban Design Is Important
5. Commercial Areas Should Be Cleaned Up
6. Pedestrians Need a Safer Environment
7. More Options for Parking Regulations Should Be Explored

Alternative design concepts and proposed Zoning Code changes were presented to the community during a Public Workshop on October 2, 2008, and the concepts and recommendations were generally well received. A summary of the Public Workshop held on October 2, 2008 is included in Appendix B of Working Paper # 2 which is provided with this staff report.

The summary of recommendations presented within the attached document include potential commercial/mixed-use zoning code amendments and potential design guidelines for review, and eventual enactment and enforcement by the City of Imperial Beach in select areas of the City. These recommendations, along with Working Paper #1, will be presented at this and subsequent public meetings to the Design Review Board and City Council for their review and feedback. These meetings will include an overview of the Commercial Zoning Review project, and highlight the issues and ideas identified in stakeholder interviews and workshops and alternative concept evaluation process. A recommendation for CEQA-required environmental review documentation will be issued depending on the nature of the final refinements to the zoning code.

The package of proposed zoning code recommendations addresses four study sub-areas of Imperial Beach, including Palm Avenue/SR-75 (C-1 General Commercial and Mixed-Use 2 Overlay zones), Old Palm Avenue (C-2 Seacoast Commercial Zone), Seacoast Drive (C-2 Seacoast Commercial and Mixed Use 1 Overlay Zones), and the 13th Street Corridor (C-3 Neighborhood Commercial Zones). The highlights of the proposed Zoning Code Amendments include the following recommended changes:

- **Zoning District and Zoning Map changes** – it is recommended that the City redefine the C-1, C-2, and C-3 zones, and MU-1 and MU-2 overlay designations. The areas currently governed by C-1 or R-1500/MU-1 within the Palm Avenue study area would be redefined as "C/MU-1: General Commercial and Mixed- Use". The areas currently governed by C-2 or R-1500/MU-2 within the Seacoast and Old Palm Avenue study areas would be redefined as "C/MU-2: Seacoast Commercial and Mixed-Use." The areas currently governed by C-3 within the 13th Street Corridor study area would be redefined as "C/MU-3: Neighborhood Commercial and Mixed- Use".

- **Creation of a "Palm Avenue Height Overlay Zone"** – a Palm Avenue Height Overlay Zone is recommended within C/MU-1. It is recommended that the existing base requirements of a height limit of 40 feet along Palm Avenue be maintained, and that the Overlay Zone be located over all parcels west of Emory Street within the C/MU-1 zone only. The consultant team recommends that the height for high-density, residential/commercial mixed-use projects meeting certain criteria be increased to 60 feet, within this Overlay Zone.

- **New Land Use Table** – a revised, improved and expanded land use table for permitted uses is proposed.

- **New Land Use Definitions** – additional land use definitions are proposed

- **New Height Measurement Method** – building height is proposed to be measured from the average grade elevation of the highest and lowest point on a given site.

- **Building Height & Residential Density Increases** – building height and density increases/bonuses are recommended for projects meeting specific performance-based criteria (development incentives). These recommendations are based largely upon the economic feasibility analysis as well as the input received during the stakeholder interviews and the public workshops.

- **Development Incentives** - development incentives are a strategic zoning tool that are recommended to allow for greater development capabilities (residential density or building height) within a project in exchange for the developer meeting specific obligations to provide exceptional design, create affordable housing (per existing State and City requirements), invest in community infrastructure, or other important concessions as determined by staff and approved by the City Council. A review of a wide range of potential incentives was investigated based on the experiences of other cities, and it is recommended that the City consider inclusion of the following development incentives to both improve the quality of projects and allow developers to reach maximum permissible development size: lot consolidation incentives, exceptional architectural design incentives, and green building incentives.

- **Maximum Floor Area Ratios (FARs)** – FARs are proposed for development in the commercial zones to appropriately regulate the maximum building area and bulk that can be developed on a given site.

- **Minimum "Active Commercial Use" Requirements and Development Standards** – to promote well-designed and appropriate mixed-use and commercial developments, a development standard that does not exist under the current code is the use of minimum active commercial use requirements at the ground floor level. By establishing these minimum standards, properties in a given district will develop active, pedestrian-oriented commercial uses as full-commercial or mixed-use projects are proposed. Property entrances will be oriented to the street, which will facilitate sidewalk traffic and active streets. The minimum requirements are expressed as a percent of total linear frontage. These were developed after consideration of the financial evaluation which established the likely maximum build-out capacity for commercial uses in the City. Also recommended are design standards for ground-floor commercial/retail use.

- **New Building Setbacks and Stepbacks** – new setback requirements are recommended in the commercial zones (except the Old Palm/Seacoast sub area) to address the relationship between commercial structures abutting existing residential uses. Stepbacks (upper story building setbacks) are also recommended in all but the 13th Street Corridor for the same purpose.

- **Decreased and Consistent Commercial/Mixed-Use Parking Ratios** – adjustments to the parking requirements specifically for mixed-use development are recommended. This includes recommended decreases in the commercial parking ratios for each

ATTACHMENT 1

City Of Imperial Beach
Commercial Zoning Review

Working Paper #1

GUIDING THEMES AND OBSERVATIONS

Including Stakeholder Interview and Community Workshop #1 Summaries

December 6, 2007

EDAW | AECOM

CITY OF IMPERIAL BEACH

Commercial Zoning Review

Working Paper #1

GUIDING THEMES AND OBSERVATIONS

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December 6, 2007

EDAW | AECOM

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- Appendix B: Community Workshop #1 Summary
- Appendix C: Existing Land Use, Zoning/General Plan/Local Coastal Plan, and Urban Design Regulations Review
- Appendix D: Imperial Beach Parking Review
- Appendix E: Development Trends Overview and Retail Space Needs Assessment

Project Overview

The City of Imperial Beach is undertaking a planning process to fine-tune existing commercial zoning and mixed-use overlays applied primarily around the main commercial corridors of Old Palm Avenue, Seacoast Drive, Palm Avenue, and 13th Street around Imperial Beach Boulevard and Iris Avenue.

Existing zoning regulations have allowed for development with a wide variety of design, parking, density and land use standards resulting in incongruous development patterns. Imperial Beach is identifying policy and zoning mechanisms that will encourage long-term, sustainable commercial and mixed-use activity in these areas. In time, this will create business areas with strong local identity and community character for residents and visitors alike.

The primary goals of the project are to identify zoning amendments collectively with stakeholders and community members to ensure that commercial and mixed-use projects achieve the City's economic and growth visions. Additional project goals are listed at the bottom of this page.

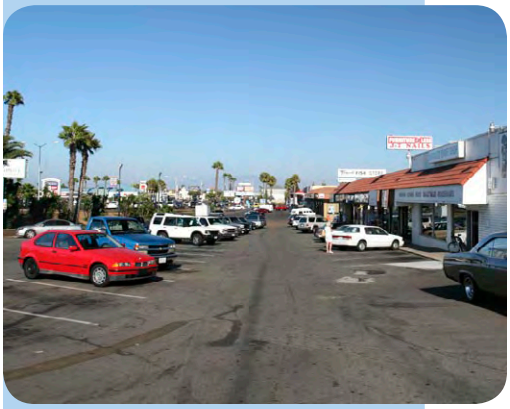
A key component of this project is a public involvement program to engage community members and stakeholders in the process and provide alternatives and zoning recommendations responsive to public input. This program respects Imperial Beach's longstanding tradition of community involvement, commitment to protecting and nurturing its authentic beach town environment, and forward-thinking on new ways to grow. The project will provide a practical plan to obtain these City goals, consider existing land use conditions, development trends, new zoning techniques, consistency with the General Plan and Local Coastal Plan, land use compatibilities, individual district character, retail needs assessments and market evaluation, and will identify key opportunity sites for commercial reuse/redevelopment.

Project Goals

- Maximize retail potential for commercially zoned land
- Create fiscal sustainability
- Provide local shopping opportunities plus opportunities for other types of activity
- Implement commercial corridors near transit (to allow the City to remain eligible for SANDAG Smart Growth grants)
- Present realistic parking strategies
- Respect land use compatibility and achieve quality design
- Implement realistic/feasible development standards

Portion of Palm Avenue Study Area

This program respects Imperial Beach's longstanding tradition of community involvement, commitment to protecting and nurturing its authentic beach town environment, and forward-thinking on new ways to grow.



Report Purpose and Organization

This paper provides a foundation for the research and analysis of a variety of zoning and planning techniques to help the community achieve its goals. This research will identify issues, opportunities, and challenges critical to achieving those goals and also help identify potential amendments to the Zoning Code. In light of the issues raised during the public outreach process, this report has been organized to address **four primary technical considerations**:

- **Zoning, General Plan, and Local Coastal Plan Regulations.** This report explores the regulatory constraints for development in the study areas such as height limitations, design standards, types of land uses, and other regulations. These standards are evaluated for their effectiveness in guiding development to achieve the City's vision for these districts, and for their ability to allow results that the public, staff, and development community desire.

- **Design.** Design challenges and opportunities within the study areas are highlighted in this report. This effort focuses on identifying current weaknesses in architectural and landscaping design in the areas, including how the lack of a cohesive design affects the visual character of the community. Opportunities for enhanced design standards related to visual character, landscaping, signage, and the public realm are explored.

- **Parking Standards.** A summary of existing requirements establishes the current challenges of serving commercial and residential parking needs within the study districts. This assessment evaluates mixed-use parking requirements by studying similar cities plus measurement of actual parking demand at several commercial and mixed-use projects in the City, as well as a potential shared parking option in these districts. Challenges and barriers to provision of parking are also described.

- **Market/Fiscal Considerations.** This report provides an evaluation of current development trends, including property acquisition costs. A retail needs assessment by market area is performed, and revenue "leakage" for each area is estimated; recommendations based on existing zoning regulations, examples from similar mixed-use projects, and other limiting conditions are described in order to evaluate the potential for recapture of revenues through development of specific retail businesses.

The main body of this report provides an overview of the project, including a description of the study areas and a summary of the opportunities and challenges for each of the areas with respect to the technical considerations described above and the Guiding Themes developed through the public participation process. The contents of this report are supported by five detailed **technical appendices**, including:

- **Appendix A: Stakeholder Interview Summary**
- **Appendix B: Community Workshop #1 Summary**
- **Appendix C: Existing Land Use, Zoning/General Plan/ Local Coastal Plan, and Urban Design Regulations Review**
- **Appendix D: Imperial Beach Parking Review**
- **Appendix E: Development Trends Overview and Retail Space Needs Assessment**

"It's one of the last small beach towns, you still have a lot of empty lots," said Aaron Quintanar, an Imperial Beach lifeguard who has surfed since the 1970s. "Small communities end up being gobbled up by development pressures, but the City is trying to do a good job with balancing progress with development while maintaining a small-town feel."

– SD Union-Tribune, August 7, 2006.

Study Areas

The project addresses key areas in the City that are currently in the designated commercial zones and mixed-use overlay areas. Generally, these can be viewed as five separate areas – each with shared and unique points of character, opportunities, and challenges. Additional detailed descriptions of each study area are found in Appendix C of this working paper.

Old Palm Avenue: This east-west corridor extends from Seacoast Drive in the west to Third Avenue in the east and is approximately ¼ mile in length. The development is generally historic, small-scale commercial units with an enhanced landscaped streetscape, pedestrian-oriented shops, restaurants, and boutiques. Some residential units and mixed-use projects exist along the corridor.

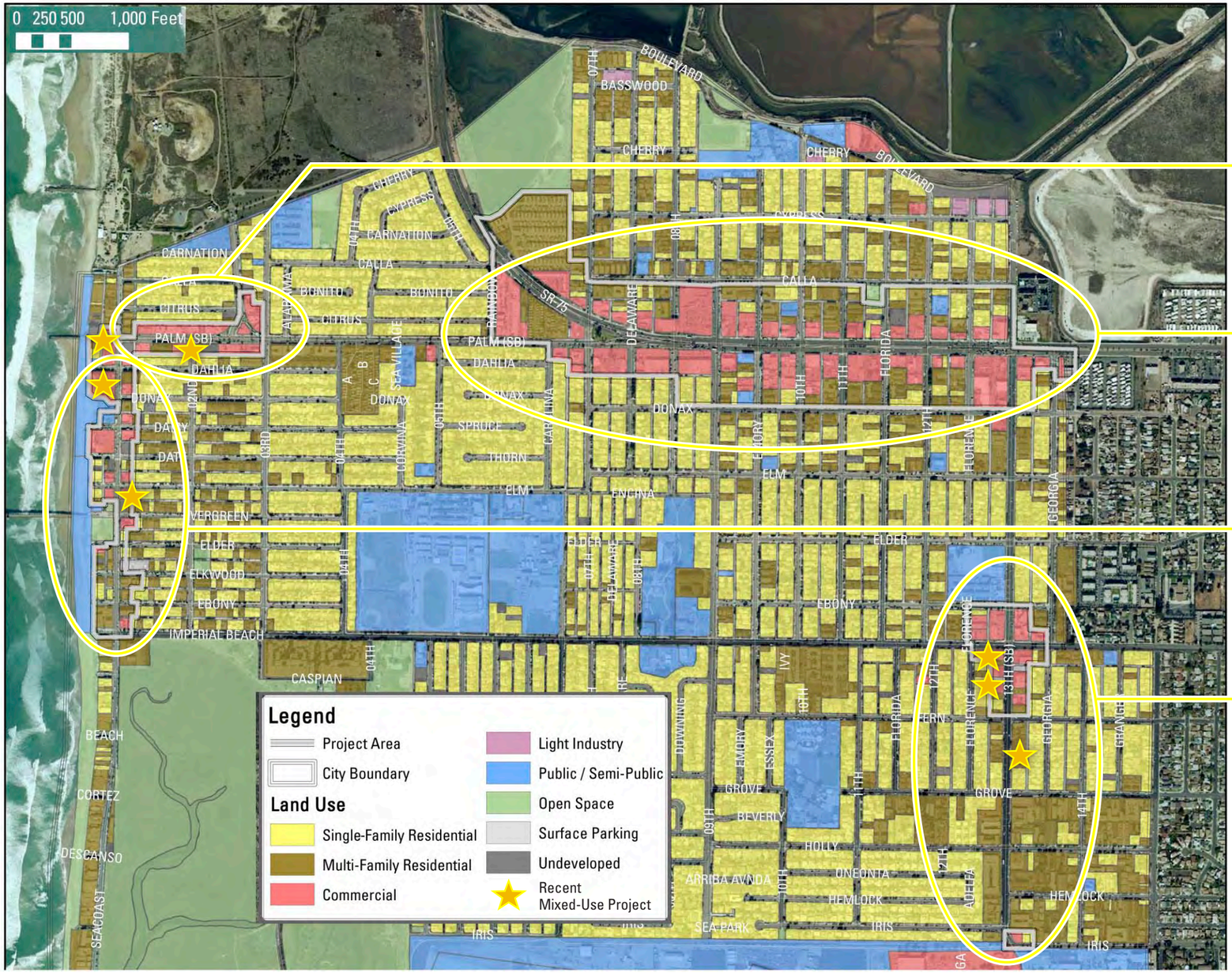
Seacoast Drive: This north-south corridor is generally located in the northwestern portion of the City and is approximately ½ mile in length. Seacoast Drive is the major access road for waterfront properties, and the designated commercial area extends from Old Palm Avenue at the north to Imperial Beach Boulevard at the south. The corridor is generally characterized as a quaint, pedestrian-oriented waterfront district providing recreation, shopping, dining opportunities, and hotel accommodations within well-designed, low-scale structures that illicit a common, ocean-front theme. A mixture of lodging, retail, and mixed-use developments exists within this area.

Palm Avenue Commercial Area: This major east-west corridor is located generally in the northern portion of the City and is approximately 1 mile in length. The six-lane arterial, also designated as SR-75, is characterized by heavy traffic volumes and connects regional traffic from Interstate 5 (and surrounding South San Diego County neighborhoods) on the east to Silver Strand and the City of Coronado to the north. The land uses fronting Palm Avenue are generally neighborhood-serving retail and fast-food restaurants with medium-density residential uses directly behind.

13th Street and Imperial Beach Boulevard: This intersection located generally near the eastern edge of the City provides a neighborhood-serving center with a mix of commercial uses including restaurant, general retail, convenience, gas services, and office. It is bisected by two major thoroughfares, resulting in a high volume of traffic for residents and visitors connecting to the naval facilities in the south, the Seacoast Corridor and other public uses to the west, and regional locations to the east and north. A mixture of commercial developments and several smaller-scale, mixed-use buildings exists in the area.

13th Street and Iris Avenue: This smaller intersection at the southern edge of the residential communities of the City is composed of two parcels. However, it is strategically located near the main entrance to the naval facilities and will continue to serve users of the base and the local residents. A small community-serving commercial parcel currently exists on the site.

Imperial Beach Existing Land Use



Imperial Beach Existing Land Use

Old Palm Avenue

Palm Avenue Commercial Area

Seacoast Drive

13th Street Corridor

Public Input Process

Engaging community members and stakeholders is a core value of Imperial Beach's efforts to revise its zoning regulations. The overall design of the process balances the focused nature of the project with the expectation of significant interest on the part of the community. The process of public participation includes:

- Interviews with stakeholders and representatives of groups with great interest in the future development of the study areas;
- Three workshops open to all members of the public to gain further perspective on the needs of the community;
- Public hearings at City Council meetings and other committees; and
- Media outreach and website postings to inform the public of significant developments and further solicit feedback.

Community members discuss the vision, opportunities, and challenges of the commercial areas of Imperial Beach.

Stakeholder Interviews

Stakeholder interviews are effective ways to quickly identify issues, potential points of controversy, and shared goals. Meetings were held in small groups between June 1 and June 5, 2007, with representatives of local business interests, developers, property owners, housing interests, an ecotourism committee, IB Beautiful and Art Guild, San Diego Association of Governments (SANDAG), individual residents, the Mayor and Planning Commission, and City Planning Staff. In general, there was some consensus within each stakeholder group on one or more of the identified issues. The discussion focused on five essential questions for the project:

1. Vision for the Imperial Beach commercial corridors – what do you see as the opportunities for new development?
2. Challenges to achieving desired development – what challenges limit the realization of these opportunities?
3. Expanding retail – what types of new retail have the best potential for Imperial Beach? Does this differ by area?
4. Blending in new development – have recent projects fit in well with the surrounding areas? Why or why not?
5. Effects of existing zoning on project feasibility and project design – do the City's existing zoning regulations and design standards produce good or bad projects? How do these requirements make developments feasible or not feasible?

A full analysis of the discussion around these topics is provided in Appendix A.

The public workshop provided the foundation for Guiding Principles to direct the next steps in the project.

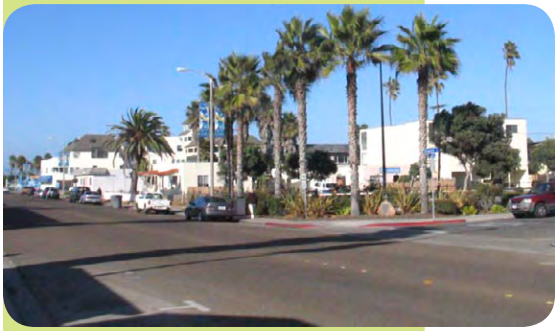
Public Workshop #1

The first public workshop, held on November 8, 2007, sought to introduce the project, explain the existing commercial/mixed-use planning and regulatory framework as well as actual project examples, and obtain input on issues underlying the disconnect between policy intent and actual projects and ideas on how to ensure that future projects achieve community goals. Local shopping patterns and needs were also discussed, and an opportunity was given for members of the public to express any concern about the existing conditions or potential future of the study areas.

Before beginning the group discussion, participants offered initial observations about the unique characteristics of the study areas on prepared boards with representative photographs and an aerial overview of each study area. Then, after a brief presentation, the attendees separated into small groups of 4 to 6 people led by a team moderator to further identify critical issues for each study area. Participants were asked to "rank" these issues, and finally a volunteer participant presented the small group findings to the larger group.

A full summary of the community workshop is provided in Appendix B.

Palm Avenue Commercial Area



Seacoast Drive Commercial Area

Project Framework

The Big Picture

One of the foundations for the project is *The Big Picture*, a document written in 2000 after substantial input from community members. This document established a vision statement and several goals for the four study areas, among other areas within the City. These visions are:

- **Palm Avenue:** Palm Avenue as a neighborhood-friendly, active, beautifully landscaped, well-designed, and vibrant commercial corridor, supporting community residents and visitors alike while generating necessary property tax, sales tax, and Business Improvement District revenues to support future City improvements.
- **Seacoast Drive:** A quaint, casual pedestrian-oriented Waterfront District along an enhanced streetscape with widened sidewalks providing residents, visitors, and tourists with recreation, shopping, and dining opportunities as well as hotel accommodations within well-designed, low-scale structures that illicit a common, ocean-front theme.

- **Old Palm Avenue:** Reestablish "Old Palm" as the historic, small-scale commercial center of Imperial Beach complete with an enhanced, landscaped streetscape, pedestrian-oriented shops, restaurants, and boutiques supported by an active and effective Business Improvement District.
- **13th Street:** A more vibrant, well-maintained commercial activity center to serve this neighborhood and become a more noteworthy "gateway" into the City of Imperial Beach.

Old Palm Avenue Commercial Area

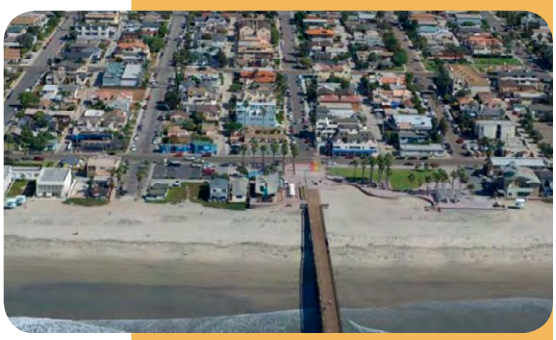
13th Street Commercial Area

Guiding Principles

The community raised a range of issues and ideas during the initial two outreach exercises: the stakeholder interviews and the first community workshop (see Appendices A and B). This input has been synthesized into a set of Guiding Principles for the Commercial Zoning Review project. The principles build off of the Big Picture visions and encapsulate major themes expressed by community members regarding desired development in the commercial areas and the challenges in achieving these goals. As the project moves forward, the Guiding Principles will direct research and consideration of alternative development concepts, which ultimately will inform identification of potential zoning amendments.

The Guiding Principles for this project are:

1. **The Big Picture Vision Is Confirmed for Each Study Area.** The Big Picture vision statements for the four study areas were reviewed to establish whether community members continued to support the visions and goals. This part of the exercise during the meetings and workshop validated that the described visions remained accurate and that residents wanted them implemented. It is critical, then, to continue to evaluate whether changes proposed during the course of the project reflect and promote the established vision for the study areas.
2. **People Want Change.** Community members often commented on not only the need for changes and improvements in the study areas, but also the inability for previous planning exercises to produce physical changes in Imperial Beach. With diminished shopping and dining opportunities, reduced tax revenues, uncaptured visitor-serving opportunities, and deteriorated aesthetics heavy on their minds, residents and other stakeholders seek new tools for revitalization of the commercial areas.

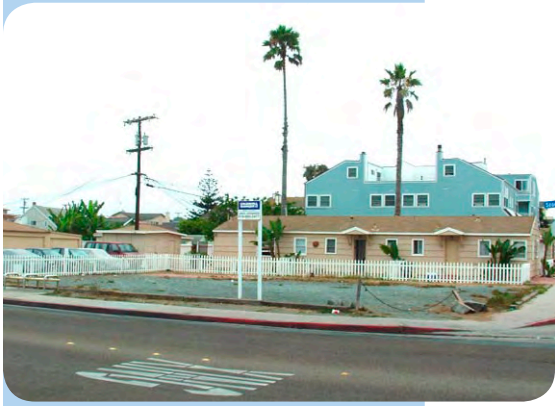


The Big Picture vision was confirmed by involved community members for each study area.

People voiced desire for change.

Building height limits may impede desired development goals according to some stakeholders.

Improving quality and consistency of urban design is important to the community.



Community members strongly want a cleanup of commercial areas.

3. **Building Height Limits May Impede Desired Development.** It was strongly believed that building height needs to be a focus of study for the project. With the exception of the western side of Seacoast Drive (adjacent to the beach and pier), community members would like to see greater heights permitted to varying degrees in all study areas to increase economic potential of developments. These height increases would be carefully implemented and may vary depending on the type of land use, in order to preserve the low-scale character of the community, yet they allow for greater economic viability where appropriate.

4. **Improving Quality and Consistency of Urban Design Is Important.** Design standards specific to each study area will help ensure that a particular vision is achieved. Furthermore, strengthening design code elements to promote aesthetics and character of a study area is essential to the continuity of such a character throughout the entire corridor. Two design issues that specifically need addressing are building mass and lot size. Height, as described above, must be carefully balanced with building mass for new developments, in particular for areas that may have desirable views obstructed. Finally, small-sized and irregularly shaped lots are also believed to be major barriers to economic feasibility of new developments and mixed-use projects, and to achieving a continuous character down the length of a corridor. While all study areas will benefit from strengthening urban design components, special attention is desired for the Old Palm Avenue district, as this neighborhood commercial district is viewed to benefit strongly from establishing and enhancing character. Community members would also like to see the Streetscape Master Plan for the Palm Avenue corridor completed.

5. **Commercial Areas Should Be Cleaned Up.** A common criticism of some community members is the continual state of deteriorated conditions on key parcels in the study areas and, in particular, stretches of parcels resulting in the appearance of an entire run-down corridor. Lack of enforcement of existing building and zoning codes, and the belief that some of the existing problems could be solved through compulsory enforcement of design, parking, and other standards, is one major area of concern that could help to correct this issue. Even if final changes to the Zoning Code are adopted, a commitment will need to be made to enforce the new regulations and supply the tools necessary for cleaning up deteriorated conditions if positive changes are to occur. Also, by focusing on cleaning up the study areas, the relationship between the condition of the corridors/gateways and the city's image would be improved. Addressing this issue will also assist in the improved quality of urban design, as described above.

6. **Pedestrians Need a Safer Environment.** While the existing Palm Avenue corridor has high volumes and speeds of traffic, all study areas are found to have suboptimal sidewalk conditions and community members have concerns for pedestrian safety. Palm Avenue furthermore has few places to safely cross, creating an artificial barrier along portions of the corridor. This impedes the ability of pedestrians to visit commercial space on the opposite side of the street. Creating a pleasant pedestrian environment can aid the viability of ground floor commercial spaces and assist with the community experience of residents. To promote pedestrian activity and safety, traffic calming measures may be explored throughout all study areas.

7. **More Options for Parking Regulations Should be Explored.** Community members see parking constraints as a major barrier to optimal land use and vibrant commercial activity. Existing parking standards are perceived by many to limit the feasibility of good projects and to reduce achievable floor space for ground floor commercial, which affects the viability of that space. By analyzing shared parking, prohibition of truck parking along Palm Avenue, adjusting the parking requirements, promoting ground floor visibility, and other options, more accommodating parking regulations can increase the attractiveness of these study areas to visitors.

8. **Code Revisions Should Recognize Market Demand for Certain Uses.** With the beach, pier, and access to the bay and nature preserve, residents believe the City has strong opportunity for expanded hospitality and tourism, particularly along Seacoast Drive. As well, traditional neighborhood-serving commercial activities and markets experiencing significant leakage of sales activity to other communities need special attention to code revisions, which will improve the likelihood of the development and economic viability of these businesses within the study areas. The intersection of Palm Avenue and 9th Street has long been viewed as a key development opportunity area, and a potential overlay district or other focus for this area during the code design may be addressed to promote economic viability, which could strengthen economic viability for other areas. Specific types of commercial retail, office, restaurant, or other land uses must also be explored for market feasibility, and zoning regulation revisions should focus on specifications that would encourage types of land uses predicted to be more economically successful. Permitted land uses defined for each zoning district in the zoning code also require updating in order to more fully define permitted (and not permitted or conditionally permitted) land uses for each commercial district type.

Residents expressed a need for a safer pedestrian environment.

Many stakeholders want more parking options.

People feel that code revisions should recognize market demand for certain uses.

Palm Avenue

Current inconsistent building setbacks, landscaping theme, building massing, and design character.

Pedestrian-unfriendly environment.

Summary of Observations by Study Area

The following summarizes key observations for each of the study areas that will be further explored during the Zoning, General Plan, and Local Coastal Plan Regulations update. These observations are based on direct input received during the public participation process, several site visits, and the independent research performed related to land use regulations, design, parking and market/fiscal considerations. The observations identify issues, opportunities, and challenges for achieving the City's goals. More detailed information related to each of the study areas can be found in the applicable appendices to this report.

Palm Avenue

Land Use, Zoning, General Plan, and Local Coastal Plan Regulations

- Current inconsistent building setbacks, landscaping theme, building massing and design character
- Propose uniform setbacks, massing, and architectural character to define future vision
- Great opportunity at 9th Street and Palm Avenue due to location
- Consider increased height and density limits to encourage mixed-use and additional opportunities
- Enhanced code enforcement and cleanup needed
- May be appropriate location for loft-style living and mixed residential/retail opportunities

Design

- Currently a wide corridor serving higher-speed traffic
- Create strong gateway (development, landscape, signage) near 13th Street
- Create a clear linkage to Old Palm Avenue through landscaping, directional signage, and building transitions where the Palm Avenue and Old Palm Avenue nexus occurs
- Corner buildings should have inviting side façades that encourage exploration of side streets
- Design should help activate street edges – Provide outdoor semi-public zones
- More landscaping and public art needed
- Pedestrian-unfriendly environment: difficult to cross streets, no buffers between sidewalks and traffic, lack of street trees for shade
- Few clear wayfinding elements to major City destinations

- Few identifiable landmarks, gateways
- Shallow parcel depths
- Alleys need to be addressed
- Explore relationship to existing residential
- Require uniform and complementary design along this corridor
- Improve business façades/buildings on corridor

Parking

- Consider the use of diagonal street parking on side streets to offset development parking requirements
- Require reciprocal access between adjacent uses; limit curb cuts
- Need structured parking with nice façade, or shared parking
- Several of the larger projects may not fully utilize all of the parking they provide. Some of these private lots might be usable for public parking. Alternately, the signage on the existing parking lots might require adjustment to better direct patrons and visitors to these lots

Market

- Potential to concentrate the City's major community retail and services within the SR-75 corridor from Rainbow Drive to 9th Street. This area contains large sites such as
  - The existing Imperial Beach Promenade,
  - Dimenstein Trust property at 9th Street and Palm Avenue,
  - Silver Strand Plaza, and the
  - Bernardo Shores R.V. Park on SR-75.
- Potential tenant types include food and drug; restaurants, cafes, and coffee shops; limited specialty stores; and personal services. Example of potential grocery includes Tesco's Fresh & Easy Neighborhood Market, the British grocer currently siting new stores throughout California
- Critical mass opportunities for multi-family residential, particularly at the west end where large sites could become available. Inclusion of multi-family in mixed-use developments provides market support for new retail and restaurant uses
- Additional opportunities for multi-family further east along SR-75, but may require greater density or height allowances to be feasible
- Office sites may be combined with other uses. Limited potential for first- or second-story office space for finance, insurance, and real estate (FIRE) or medical/dental tenants

Several of the larger projects may not be fully utilizing all of the parking they provide.

Opportunities for multi-family residential, particularly at the west end where large sites are or could become available.

9th Street and Palm Avenue is a key redevelopment site.

Seacoast Drive

Standardize lower-and upper-level building setbacks and encourage the use of arcades.

Vibrant public art program.

Seacoast Drive

Land Use, Zoning, General Plan, and Local Coastal Plan Regulations

- Too many small, vacant lots exist
- The existing building height limits restrict project feasibility and creation of viable ground floor retail space
- Allow higher buildings (only on east side) to accommodate parking
- Lower height on beach side
- Preserve view corridors with stepback requirements
- Need more outdoor uses and seating
- Better code enforcement needed
- Consolidate parcels/redevelop entire blocks
- Need civic spaces that encourage families
- Standardize lower and upper-level building setbacks and encourage the use of arcades
- Building standards should promote activate street edges; provide outdoor semi-public spaces

Design

- Highlight "Heart of Imperial Beach" waterfront district within the City
- Protect and preserve view corridors with stepback requirements
- Break up mass of buildings on beach side
- Enhance walkability and pedestrian realm
- Portions are unattractive / unattractive façades
- Consider streetscape surface enhancements between Elder and Elm Avenues on Seacoast Drive to slow traffic and create a stronger pedestrian zone
- Provide wayfinding signage for vehicles and pedestrians
- New beach pier plaza and facilities support identity
- Vibrant public art program
- Corridor has a lack of view and pedestrian public access to the beach at commercial zones
- Corridor lacks unifying commercial design presence
- Varied building heights, façade designs, commercial uses, and setbacks
- Limited pedestrian commercial attractions

Parking

- Several projects are not fully utilizing their on-site parking facilities
- Redevelop Port parking lots
- Parking too restrictive for projects and is often only fully used in summer
- Consider centralized public parking areas or structures (current parking lot to the north of Pier Plaza appears to be inadequate)
- Limit the number of driveways off Seacoast Drive by utilizing side streets and alleys to access parking areas (where feasible)
- Reduce commercial parking requirements by providing centralized public parking areas
- For existing and future buildings along Seacoast Drive, a high number of persons access each site through walking, biking, and using adjacent on-street parking spaces; consider the multiple modes of access when evaluating parking needs

Several projects are not fully utilizing their on-site parking facilities.

Market/Fiscal

- Attract tourist-oriented uses and lodging
- Area businesses are fine in summer but struggle in other seasons
- Potential for small in-fill developments of residential or live/work units over retail and restaurant uses

Area businesses are fine in summer but struggle in other seasons.

Old Palm Avenue

Potential for a vibrant, medium-density, mixed-use village that supports surrounding neighborhoods and attracts visitors.

Good pedestrian-scale character.

Old Palm Avenue

Land Use, Zoning, General Plan, and Local Coastal Plan Regulations

- The existing building height limits restrict project feasibility and creation of viable ground floor retail space
- Too many small, vacant lots exist
- More shops, entertainment, restaurants with entertainment and open air uses needed
- Neighborhood commercial/office with residence on top is appropriate
- Better code enforcement needed
- Opportunity for a unique work / live destination (district) within the City
- Potential for a vibrant, medium-density, mixed-use village that supports surrounding neighborhoods and attracts visitors

Design

- Good pedestrian scaled character: streetscape and buildings
- Strengthen the design of the west corridor terminus to take advantage of the corridor's relationship to the beach
- Transition / linkage potential from Palm Avenue to Seacoast Drive
- Lack of pedestrian activity (limited existing generators of pedestrians)
- Vibrant public art program
- Potential to be a stronger view corridor to the waterfront
- Design Guidelines needed for buildings (façade, landscape, signs)
- Historic vs. modern design approach
- Create gateway design character at the east end of the corridor to help invite visitors traveling west on Palm Avenue
- Identify and designate historic structures
- Street wall is not inviting/accessible
- Special street signs should be investigated
- Incorporate enhanced landscaping in new buildings
- Enhanced streetscape needed
- Create a clear linkage to Seacoast Drive from Palm Avenue through zoning, consistent building standards, streetscape enhancements, public art, landscaping and wayfinding signage

Parking

- Existing parking problems are the result of multiple inefficiencies – lack of use of existing surface lots
- Many persons use adjacent lots or on-street parking to access sites
- Existing regulations require all properties to provide on-site parking, penalizing small private lots
- The existing parking standards limit the feasibility of good projects and reduce achievable floor space for ground floor commercial, which affects the viability of that space
- Utilize on-site parking facilities and create opportunity for shared parking reduction options
- Consider the use of diagonal street parking and landscape pop-outs to slow traffic and to create a buffer between street and sidewalks (helps to increase off-site parking)

Market/Fiscal

- Need one successful project to start economic growth
- Expand activities/businesses that will attract visitors, such as hotels, and that support and serve ecotourism
- Key opportunities exist for hotels, bed and breakfasts, tourist-oriented retail and restaurant uses, limited specialty stores, and residential/live/work over retail and restaurant uses

Consider the use of diagonal street parking and landscape pop-outs to slow traffic and to create a buffer between street and sidewalks (helps to increase off-site parking).

Key opportunity sites exist for residential/live/work over retail and restaurant uses.

13th Street Corridor

Small-scale commercial buildings complement the scale and character of the nearby residential buildings.

Past development has been more auto oriented (parking spaces and driveways dominate the front of buildings).

13th Street Corridor

Land Use, Zoning, General Plan, and Local Coastal Plan Regulations

- Increase height limits
- Move parking away from front, move to back and make pedestrian friendly
- Potential for a vibrant, medium-density, mixed-use neighborhood district or intersection node that supports surrounding neighborhoods
- Consider small-scale commercial buildings that complement the scale and character of the nearby residential buildings
- Provide consistent building setbacks with minimal depths from property line
- Support vibrant commercial uses at ground level
- Minimize driveway curb cuts along 13th Street

Design

- Past development has been more auto oriented (parking spaces and driveways dominate the front of buildings)
- Corner buildings are set back from property line and have various site orientations
- Streetscape / landscape elements vary and do not provide a unified look
- New mixed-use project on west side of 13th Street does not meet the community goal of providing large amounts of mixed-use space
- Consider design guidelines for streetscape and urban character
- Improve façades (landscape/design/etc.)
- Enhanced surface paving at intersection to slow traffic and invite pedestrian crossing and to further establish the heart of the district
- Encourage distinct architectural building features at corners
- Design should help activate street edges
  – Provide outdoor semi-public zones

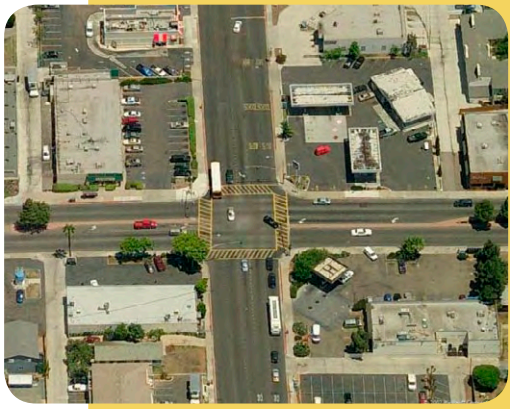
Parking

- Facilities located on 13th Street were accessed almost exclusively through vehicles parking on-site. There are no persons accessing these sites by walking and very few persons accessing the site through off-street parking
- Require reciprocal access between adjacent uses; limit curb cuts
- Parking should be provided behind buildings not on street right-of-way

Market

- Limited opportunities for new retail uses, concentrated at the four corners of 13th Street and Imperial Beach Boulevard
- Focus on neighborhood-serving and/or auto-oriented convenience retail and/or businesses and personal services
- Challenging location to create appealing residential environment with associated amenities
- Stronger development potential where larger building footprints can be assembled (Northwest corner of 13th Street and Imperial Beach Boulevard)
- Limited potential for residential uses or small office suites. May be appropriate for local-serving professional service firms

Facilities located on 13th Street were accessed almost exclusively through vehicles parking on-site.



Limited opportunities for new retail uses, concentrated at the four corners of 13th Street and Imperial Beach Boulevard.

Initial Assessment

Based on the public input received and research completed to date, opportunities exist for further refinement and amendment of the City's Zoning Code. The following summarizes the regulations that warrant further review and possible adjustment:

- **Development Standards** – Existing height regulations exist to protect important view corridors and maintain a lower-intensity built environment. However, these height regulations also pose constraints to viable mixed-use and retail development in the study areas. To address this, further review of height limits and stepback regulations should be performed. Based on public comments and conditions confirmed during site visits, it will also be important to review lot area, frontage, and setback requirements to encourage more consistent and compatible development patterns. Lot siting and design regulations should also focus on pedestrian access and parking to the rear of buildings.

- **Use Regulations** – The Zoning Ordinance use regulations should be reviewed to ensure that they do not pose unnecessary impediments to the types of uses desired by the community and considered viable by the market/fiscal assessment prepared by Keyser Marston associates. These uses include, but are not limited to, outdoor dining and seating, restaurants, bars, hotels, motels, bed and breakfasts, live/work lofts, limited specialty retail uses, and mixed-uses over ground floor retail.

- **Design Regulations/Design Guidelines** – A key part of this review will also be identifying architectural, streetscape, signage, and landscape design standards that will help attain a consistent and enhanced image within the study areas. Community members identified a strong desire for enhanced pedestrian realms, better signage, clear gateways, cohesive designs between study areas, enhanced open spaces/plazas, and overall improved design review for new projects. These issues will be considered during the update process.

- **Parking, Site Access, and Curb Cuts** – Existing parking problems are the result of multiple inefficiencies. Several options for addressing these inefficiencies must be further explored. These include reducing curb cuts and providing reciprocal access between adjacent lots, allowing for shared parking, developing larger public parking lots, and allowing for on-street diagonal parking where appropriate. The review of the parking requirements will also focus on opportunities for enhanced landscaping, parking to the rear of buildings, and access to parking and loading from alleys rather than main thoroughfares.
- **Property Maintenance and Code Enforcement** – Based on public comments and existing conditions in the study areas, enhanced code enforcement and cleanup are needed in many portions of the study areas. The Zoning Ordinance needs to be reviewed for standards related to property maintenance and code enforcement.
- **Development Review Processes** – In some communities the development review process poses constraints to development due to unclear procedures, long time frames, or extensive fees. These review processes should be analyzed to ensure no undue constraints are in place that may unnecessarily hinder development.

Next Steps

Following release of this paper, the project team will begin exploring alternative development scenarios, each based on an underlying theme (such as emphasis on transit-oriented development or emphasis on commercial nodes). Alternative development concepts will be assessed. Preliminary parking standards will also be developed.

As part of the land use alternatives and concepts process, more refined district character documentation, parking strategies, and market/fiscal considerations will be developed. These ideas will be shared with the community at public workshops and in meetings with the City Council and Tidelands & Design Review committees. Full analysis of the alternatives, including public input received at these forums, will be summarized in the next Working Paper. Preferred concepts will become the basis for identifying potential zoning amendments.

Through this careful process, the longstanding tradition of community involvement and commitment to protecting and nurturing the authentic beach town environment of Imperial Beach will be respected.

Next Project Steps

- **Establishment of a preferred plan**
- **Development of draft zoning amendments**
- **Additional meetings and hearings**
- **Formal public review of the proposed draft zoning amendments**

Appendix A

Stakeholder Interview Summary

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EDAW | AECOM

Imperial Beach Commercial Zoning Review
Stakeholder Interviews Summary
June 1 and 5, 2007

The attached tables correspond to the five discussion questions that guided the stakeholder meeting discussions. For each question, input was categorized into major topics. Individual topics are cross-referenced with the individual stakeholder groups that discussed the topic.

In the tables, the major topics are listed according to relative frequency. The following symbols are used to indicate the level of agreement among the stakeholders for the major topics:

- ▪ Significant agreement by participants
- ▫ Issue raised but not necessarily confirmed by others in the group

Key themes from the stakeholder interviews are summarized below:

- The existing parking standards are perceived by many to limit the feasibility of good projects and to reduce achievable floor space for ground floor commercial, which affects the viability of that space.

- The existing building height limits were also discussed in various meetings due to their effect on restricting project feasibility and creation of viable ground floor retail space. Due to the potential controversy of raising allowable heights, there was some agreement on not entertaining increases as part of this process.

- Traffic volumes and lack of pedestrian improvements on Palm Avenue were identified as detrimental to a pleasant mixed-use district.

- A variety of comments pertained to the need to clean up the corridors as well as the relationship between the condition of the corridors/gateways and the city's image (particularly on Palm).

- Some feel that the market demand for retail may be limited in the city, particularly given the limited number of feasible development sites. Several stakeholder groups talked about the need for the city to focus on other ways to generate tax revenue, such as hotels, ecotourism, and other visitor-serving uses.

- Many talked about focusing on developing activities, uses, and facilities that draw in visitors, who will in turn support local businesses. Capitalizing on the city's attractive beaches and natural estuaries/wetlands was a frequent component of these conversations.

- Opportunities and vision discussed for the different commercial areas (Palm Avenue, Old Palm, Seacoast, and 13th Street) varied according to location, assets, and conditions. As expected, people see Seacoast as having the best potential for visitor-serving uses. Visions for Palm Avenue were more diverse, ranging from auto-oriented/larger floor plate uses to capture people driving through town to pedestrian-oriented mixed-use development (contingent on traffic calming). The 13th Street district received less attention but there were a few comments about its neighborhood orientation and potential for extending commercial to Palm Avenue.

- The lack of discussion about housing provisions in the current zoning is noteworthy. While some general anti-growth sentiment was expressed, nobody voiced resolute opposition to new housing in the commercial areas.

1. VISION FOR THE IMPERIAL BEACH COMMERCIAL CORRIDORS: What do you see as the opportunities for new development in the commercial corridors?

Stakeholder Group	**Clean up commercial corridors**	**Expand activities/businesses that will attract visitors, such as hotels**	**Beautiful beachfront setting and natural resources / real assets**	**Accept that city can't survive on retail tax revenue alone and seek**	**Grow a lively art scene to brings people into the city**	**Finish bike bayfront bike path**	**Expand activity that supports and serves ecotourism**	**Develop family-friendly facilities that draw residents from East Bay**	**Notes**
Business Interests	▪	▪	▪	▫		▪	▪	▪	Residents don't have disposable income to support desired commercial development There have been many meetings but little comes to fruition Laguna Bach is a good example for IB (small, intimate, community owned, pedestrian oriented, limited parking) Golf course potential on military base to north Potential for authentic beach community – "the real thing"
Developers	▪	▪	▪	▪	▫			▪	Mobile home park and potentially closed school near bay have good redevelopment potential
Property Owners	▪	▪							Opportunities for a few affordable housing projects using redevelopment funds
Housing Interests	▪								
Ecotourism Committee Reps	▪	▪		▪	▫		▪	▪	Integrate walkability and community health into development concepts Encinitas is a good model for IB

1. VISION FOR THE IMPERIAL BEACH COMMERCIAL CORRIDORS: What do you see as the opportunities for new development in the commercial corridors?

Stakeholder Group	**Clean up commercial corridors**	**Expand activities/businesses that will attract visitors, such as hotels**	**Beautiful beachfront setting and natural resources / real assets**	**Accept that city can't survive on retail tax revenue alone and seek**	**Grow a lively art scene to brings people into the city**	**Finish bike bayfront bike path**	**Expand activity that supports and serves ecotourism**	**Develop family-friendly facilities that draw residents from East Bay**	**Notes**
IB Beautiful and Art Guild	▪				▪	▫			City needs to focus on something else other than big retail Art uses don't need big spaces City needs more open spaces
SANDAG									
Individuals	▪	▪	▪	▪		▫			Need to build upon what we already have Incorporate 1950s design components Seacoast should be more tourist oriented and Palm Avenue should have bigger commercial and cultural activity plus businesses that capture drive-through traffic
Mayor and Commission Reps	▪		▪						We have a wonderful setting but we don't know how to capitalize on it
Planning Staff							▪		

2. CHALLENGES TO ACHIEVING DESIRED DEVELOPMENT: What challenges limit the realization of these opportunities?											
Stakeholder Group	**Palm Ave has too much traffic for residential / traffic calming needed**	**City gov't has reputation as difficult to work with, has communication**	**Poor city image discourages investment / need better marketing**	**Poor gateways**	**Proliferation of code violations**	**Limited demand for retail**	**Land assembly requirements and costs**	**Run-down condition of Palm**	**Community's slow growth mentality**	**Existing parking problems/lack of use of existing surface lots**	**Notes**
Business Interests	▫	▪	▪	▪	▪	▪			▪	▪	Difficult to achieve viable ground floor retail space under existing height limit City should provide some shared parking Semi-truck parking on Palm blocks views of businesses – city should "candystripe" the curb to prevent truck parking Inadequate ground floor windows for visibility Too much planning without action – I've been consulted to death!" Consolidate Palm Ave Auto uses in an auto park C-2 needs to allow health clubs, spas, etc.
Developers		▪	▪	▪	▪	▪	▫	▪	▪		City needs to prioritize area for infrastructure investments Public/private joint venture partnerships have potential for achieving goals Land values being driven up by high rents paid by fast food (the "highest and best use")
Property Owners	▪	▪									
Housing Interests											

2. CHALLENGES TO ACHIEVING DESIRED DEVELOPMENT: What challenges limit the realization of these opportunities?											
Stakeholder Group	**Palm Ave has too much traffic for residential / traffic calming needed**	**City gov't has reputation as difficult to work with, has communication**	**Poor city image discourages investment / need better marketing**	**Poor gateways**	**Proliferation of code violations**	**Limited demand for retail**	**Land assembly requirements and costs**	**Run-down condition of Palm**	**Community's slow growth mentality**	**Existing parking problems/lack of use of existing surface lots**	**Notes**
Ecotourism Committee Reps		▪		▪	▪			▪			People need to feel welcome at the workshops and confident that they are being heard
IB Beautiful and Art Guild	▪							▪			City needs an additional freeway exit to handle traffic
SANDAG											
Individuals	▫	▪		▪							
Mayor and Commission Reps											Palm Avenue is a "river" that divides the community
Planning Staff	▪		▪				▪				

3. EXPANDING RETAIL: What types of new retail have the best potential for Imperial Beach? Does this differ by area?

Stakeholder Group	**Hotels and lodging**	**Offices**	**Cool, funky boutiques and smaller businesses**	**Restaurants**	**Trader Joes, Henry's, Etc.**	**Grocery store**	**Drug store**	**Beach rentals**	**Vacation rentals**	**Notes**
Business Interests	▪	▫	▪	▫	▫			▫		Would new markets hurt existing markets? Expand 13th Street commercial corridor to Palm Need "shop local" campaign
Developers	▫	▫				▫	▫			
Property Owners										
Housing Interests										
Ecotourism Committee Reps	▪		▪	▪						
IB Beautiful and Art Guild										
SANDAG										
Individuals	▪								▫	Vacation rentals generate TOT The retail market is tough – need to focus on generating tax revenue
Mayor and Commission Reps										There are certain types of retail that we want but won't get – Coronado doesn't have it all either. They have a lot of tourist-serving businesses.
Planning Staff										

4. BLENDING IN NEW DEVELOPMENT: Have recent projects fit in well with the surrounding areas? Why or why not?			
Stakeholder Group	**Current zoning does little to address compatibility**	**Live entertainment has created noise for neighbors**	**Notes**
Business Interests			
Developers			
TNT			
Property Owners			
Housing Interests			
Ecotourism Committee Reps			
IB Beautiful and Art Guild			
SANDAG			
Individuals			Need to be careful – IB can't take too much new development Recent development, public art, and other projects are degrading the city's essential character and culture.
Mayor and Commission Reps			
Planning Staff	▪	▪	

5. EFFECTS OF EXISTING ZONING ON PROJECT FEASIBILITY AND PROJECT DESIGN: Do the city's existing zoning regulations and design standards produce good or bad projects? How do these requirements make developments feasible or not feasible?

Stakeholder Group	**Parking standards too high and don't account for shared parking**	**Height limit**	**Need consistency in design**	**Limit areas where ground floor retail required**	**Residential development in the corridors should have a retail component**	**Prioritize areas for infrastructure improvements**	**Zoning should focus on building form rather than uses and ground floor requirement**	**Notes**
Business Interests	▪	▪	▫		▫			Maybe the entire ground floor shouldn't be required to be commercial Apply mixed-use overlay in Old Palm area
Developers	▪			▪		▪	▪	Height limit and density cap not as constraining as the parking requirements Zoning should focus on building form rather than uses Create areas where ground floor retail not allowed Create incentives Tie retail requirements to pedestrian areas 3 acres needed for "wrap" project
Property Owners	▪	▪		▪				Height limit restricts viable ground floor retail space Consider regulating building height by maximum number of stories rather than by feet
Housing Interests								To maintain eligibility for SANDAG Smart Growth grants, the City needs to maintain capacity of 20 du/ac in commercial center and 25

5. EFFECTS OF EXISTING ZONING ON PROJECT FEASIBILITY AND PROJECT DESIGN: Do the city's existing zoning regulations and design standards produce good or bad projects? How do these requirements make developments feasible or not feasible?

Stakeholder Group	**Parking standards too high and don't account for shared parking**	**Height limit**	**Need consistency in design**	**Limit areas where ground floor retail required**	**Residential development in the corridors should have a retail component**	**Prioritize areas for infrastructure improvements**	**Zoning should focus on building form rather than uses and ground floor requirement**	**Notes**
								du/ac in mixed-use corridor smart growth designated areas (see SANDAG map).
Ecotourism Committee Reps		▪						Perhaps allow greater building heights for good design
IB Beautiful and Art Guild								Zoning needs to include requirements for open space and landscaping and encourage impervious surfaces Allow for work spaces and gallery spaces throughout buildings Parking requirements have been a significant obstacle for arts and culture facilities Permit parking programs might be an option for impacted neighborhoods Look at Hillcrest for parking ideas
SANDAG								
Individuals	▪	▫						Increasing height limits probably not politically feasible Current parking requirements result in ground floor spaces that are too small for viable

5. EFFECTS OF EXISTING ZONING ON PROJECT FEASIBILITY AND PROJECT DESIGN: Do the city's existing zoning regulations and design standards produce good or bad projects? How do these requirements make developments feasible or not feasible?								
Stakeholder Group	**Parking standards too high and don't account for shared parking**	**Height limit**	**Need consistency in design**	**Limit areas where ground floor retail required**	**Residential development in the corridors should have a retail component**	**Prioritize areas for infrastructure improvements**	**Zoning should focus on building form rather than uses and ground floor requirement**	**Notes**
								commercial Need to have some type of process for variation Maybe increase height limits on one side of the street Residential is essential for the viability of commercial
Mayor and Commission Reps	▪		▪					Design guidelines to communicate the vision so that developers avoid excessive rounds of revising and resubmitting plans If ground floor commercial is the vision, then city needs to make sure that the spaces are viable Look at Coronado's parking requirements, examine stall width requirements, and find creative parking solutions (shared parking, parking bank, etc.) Increasing building heights is probably not feasible at this time
Planning Staff								Lots of great info on existing zoning regulations provided – see Joan's notes Don't see people taking advantage of 4-story

5. EFFECTS OF EXISTING ZONING ON PROJECT FEASIBILITY AND PROJECT DESIGN: Do the city's existing zoning regulations and design standards produce good or bad projects? How do these requirements make developments feasible or not feasible?								
Stakeholder Group	**Parking standards too high and don't account for shared parking**	**Height limit**	**Need consistency in design**	**Limit areas where ground floor retail required**	**Residential development in the corridors should have a retail component**	**Prioritize areas for infrastructure improvements**	**Zoning should focus on building form rather than uses and ground floor requirement**	**Notes**
								provisions City should consider minimum densities Parking requirements are o.k. and maybe too low (based on du rather than bedroom count) Can't combine parcels to maximize yield, even if under same ownership (Prop P)

Appendix B

Community Workshop #1 Summary

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EDAW | AECOM

Imperial Beach Commercial Zoning Review
Workshop #1 Summary
November 8, 2007

The attached tables represent the feedback directly received from participants of the first public workshop. Prior to the formal presentation of the project, community members were asked to offer initial observations of the study areas, and to focus on their unique characteristics. A summary of the comments provided is in the first table.

After a presentation of the project overview and guidance of discussion format for the next steps in the evening, the group assembled into several small groups of 4-6 members. Each small group, led by a team moderator, explored more details about each study area and focused on the likes and dislikes of study area urban design standards, traffic and parking, overall character, business opportunities, and land use and zoning attributes. After a full session of brainstorming on each study area, participants ranked the highest priority issues and presented their findings to the entire group. These findings are summarized in the attached tables. Finally, participants commented on some physical examples of other regional projects they liked, and would like to see emulated in the study areas, and projects within the study areas that they did not like.

Key input received at the public workshop are summarized below:

Summary of Initial Input by Study Area Board *(Input received from community members without prompting or formal discussion)*	
Palm Avenue	Seacoast Drive
o Success of this area could stem from a successful Downtown I.B... Redevelopment in the 9th and Palm area. o Enhance the design district o Great potential for design guidelines (neon) o Key in to traffic. More traffic than business o Traffic! Traffic! Traffic! o Needs updating – looks like TJ o Western entryway/gateway to I.B. o 1st major intersection coming from west o Hwy. 75 sign coming into I.B. – Light? Same for going to Coronado o More landscaping and art landscaping o 1st thing you see as you leave Coronado and enter I.B. – better signage! o Triangle Park "Old Palm" Ave. signage	o Success of this area could stem from a successful Downtown I.B. o Tourist oriented o The dirtiest beach town in Southern California o Too many vacant lots (but we all know that) o Ocean views – greater height needed o Accessibility to ocean, somewhat affordable housing o Parking o Plenty of parking during winter – most days in summer adequate parking with 2 port lots. o Needs more outdoor seating off retail o Wider sidewalks o Better pedestrian access to beach o Needs greater height – 60' o People walking – most in I.B. o Portwood Plaza is a real asset and city does a good job of cleaning! o Need to make something at pizza-taco more eye appeasing o Need to clean up sidewalks by pizza / taco restaurants

Old Palm Avenue	13th Street
o Success of this area could stem from a successful Downtown I.B. and redevelopment o Greater height / needs more height (3 responses) o Historic approach to the beach o Too many vacant lots o Old Palm gateway o School is out of place	o Residents of I.B. like the beach the way it is – laid back, So. Cal beach town. The present master plan is fine. o The success of the beach area would be enhanced by a thriving Downtown I.B. o Needs more: trees, landscaping, mixed use o Entry to I.B. o Power wash sidewalks! o Expand area to north J.U.A. with school o Great opportunity for mixed use o Primary intersection – Welcome to I.B. o Landscaping

Workshop Comments

Observations of Small Group Discussions, by Study Area (numbers in parentheses indicate "votes" given by group members for highest priority of study).

Seacoast Drive

- Ideal for boutiques, restaurants, open dining/sidewalk cafes, galleries (4)
- Hotels / Motels are important (4)
- Allow higher buildings (only on East side) to accommodate parking (4)
- Lower height on beach side (3)
- Break up mass of buildings on beach side (3)
- Deferred maintenance on properties (code enforcement) (3)
- Consolidate parcels/redevelop entire blocks (2)
- 30' height limit is not economically viable (2)
- Walkability – increase sidewalk & landscaping (2)
- Empty lots / maintain lots / city upgrade (2)
- Bring in tourism / hospitality (2)
- Streetwall with stepback of upper floors (preserve view corridors) (1)
- Wants to be Prospect St. (La Jolla) – more commercial/more on inland side (1)
- Attract tourist element, B&B's, hotels- lots to see, nowhere to stay (1)
- Redevelop Port parking lots (1)
- Pedestrian scale environment
- Cleaner public R-O-W (sidewalks, etc.)
- Owner's redevelop land per city programs
- Portions unattractive / unattractive facades
- Parking too restrictive to projects
- Similar issues to Old Palm – need civic spaces that encourage families
- Area businesses are fine in summer – struggle in other seasons
- Need a thriving downtown Imperial Beach: a classic Main Street at 9th & Palm; Not along Seacoast. Surrounding areas will then thrive.
- Restaurants only successful if you own the building
- Condos are currently the only viable economic option and developers find those appealing.
- Seacoast Inn will only work because of hotel/condo units (timeshare) but condo market is currently risky; vacation rental important.
- Possible Women's Club needed in small hotel – Mont prop
- Make one way street to widen sidewalks–exposed aggregate sidewalks
- Dislike Up In Smoke/Surf Hut building
- Likes Port/Pier Plaza buildings

Old Palm

- Design guidelines for buildings (façade, landscape, signs) – historic vs. modern - (5)
- 30’ height limit is too small (3)
- More shops, entertainment, restaurants with entertainment (3)
- Neighborhood commercial/office with residence on top (3)
- Allow greater height on south side (2)
- Too many gaps/too spread out like the Plank building (2)
- Walkability (increase sidewalk width) (2)
- Make it a gateway (2)
- Useless lots – need to improve (2)
- Like classic Southern California beach town – but no economic center (1)
    - San Clemente
- Identify and designate historic structures (1)
- Street wall is not inviting/accessible (1)
- Special street signs (1)
- Vacation rental to be allowed (1)
- Incorporate landscaping in new buildings
- Propose streetscape
    - good/don’t get too busy (landscaping)
    - good for open-air dining
- Need eminent domain tools to create
- Architecture challenges
- Beach economy is difficult in Imperial Beach and other beach areas
    - Seasonal
    - Large population of residents that do not want change
- Bozanawski Beach Club in development went bankrupt
- People like it the way it is
- Doubts success of beach economy
- Currency master plan establishes rights-to-build according to plan
- Need one successful project to start economic growth
- No alley access (Old Palm)
- No easement
- Challenging to build 2nd stories
- Better code enforcement needed
- Need ways for lots to allow for improvements
- Create a transportation system to connect to 9th and Palm
- Potential Women’s Club

Palm Avenue

- Significant draw at 9th & Palm – A destination element: people should go morning/noon/ night (8)
  - young and old
  - walking and driving
  - thriving central location
  - piazza
- Build a new City Hall/Civic Center to revitalize corridor & live theatre (4)
- In & out access issues (3)
- Code enforcement (clean up) (3)
- Market drives land use (3)
- Review for consistent architecture (good design needed) and continuity (3)
- Raise building height – over 40 feet! (2)
- Smart Growth (don't double already existing business uses) (2)
- Improve business facades/buildings on corridor (1)
- Pedestrian safety – need enhanced crosswalk (1)
- Loft style living – commercial artists (1)
- Want opportunities for transit (1)
- Restaurants and retail chains – Ace hardware, bookstore to serve multiple stores (1)
- Need structured parking with nice façade, or shared parking (1)
- Design district – contactors and artists – defined area (1)
- Need design guidelines: good design / updated look / interesting signage (1)
- Designate historic highway (1)
- Too much clutter, not attractive (1)
- Big mix of business traffic on a highway
- Pedestrian bridge over Palm at busy areas
- Intensify land use – more pedestrians – plazas and public art
- Live/work buildings with ground floor
- Corridor ignored by City ($ for refurbishment)
- Bulldoze from 13th to 7th
- Speeds are 45-50 MPH: need to slow down traffic and take control of SR75
- Beautification of Palm Ave. has been on the wish lists for a long time
- Need to have a new Laundromat
- Need a new steakhouse but cannot support one – chains are not coming in; have not been able to (Hungry Hunter, Brewhouse)
- Need private institution or enterprise
- Get rid of "sacred cows"
- 7-11 is biggest institution
- Boys & Girls club and Chamber of Commerce go to Coronado because we lack a major downtown gathering spot

13th Street

- Design guidelines needed (5)
  - urban and streetscape
  - stepback
- Expand district/work with increased height limit - central school to re-build (3)
- Street signage = confusing / I-5/Coronado Ave./I.B. Blvd. (3)
- Good for mixed used, not just commercial (3)
- Create/improve gateway to I.B. – vs. gas stations (2)
- Improve facades (landscape/design/etc.) (2)
- Partnership opportunity with school district (2)
- Increase height (1)
- Non-descript/strip mall. Move parking away from front-move to back and make pedestrian friendly (1)
- Landscaping needed (1)
- Should be more walkable/bike-able (1)
- Trashy / doesn't match / ugly
- Low rent district
  - businesses that support it
  - rough part of town
  - service industry members
  - gateway to Ream Field – need to take advantage of this
  - thrived previously
  - big box caused decline as well as Ream Field changes
- "Latchkey" community
  - people don't go out / stay away from corridor
  - need a way to get people out
- 13th St. Market is good
- I.B. is not a destination city
- Off the beaten path
- Good for living, difficult to keep a business open
- Not enough commercial

Local or Regional Projects We Like

- Adult Education School at 100 block Palm (Imperial Beach)
- El Camino site – mixed use opportunity
- City of Indian Wells (Highway 111): comprehensive streetscape theme and design
- Birdrock (La Jolla):
  - Smaller area did a good job
  - allows for traffic to see business
  - round-abouts do a good job
- Walkability of Gaslamp, Hillcrest; need better walkways overall
- Pedestrian bridge like over Harbor Drive (San Diego)
- Want similar intersection designs at main commercial corridors to keep consistency
- Boardwalk in North Carolina
- Market Creek Plaza, Market & Euclid, Encanto
- Whole Foods – parking arrangement
- 60 ft to 80 ft high buildings – designed right/with views
- Dempsey Holder Center
- Use Neon – historical 30's/40's.
  - Accents; glowing fascia
  - Deco era look / Miami beach
- Projects with "Green building" – solar and wind energy

Examples of Projects We Dislike

- Mission Valley in general
- Mission Valley Mall
- Existing I.B. City Hall
- Paul McNally building
- White condo office across from Pier Plaza (Argus Building)

Appendix C

Existing Land Use, Zoning/ General Plan/Local Coastal Plan, and Urban Design Regulations Review

Existing Land Use, Zoning/ General Plan/Local Coastal Plan, and Urban Design Regulations Review

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Introduction

This report provides a review and analysis of the existing land uses within the study areas and the Zoning, General Plan, and Local Coastal Plan Regulations that apply within these areas. Issues and opportunities associated with current land use patterns, compatibility, design, development standards, and use regulations are highlighted. The goal is to identify policy and zoning amendments that will encourage long-term, sustainable commercial and mixed-use activity in these areas.

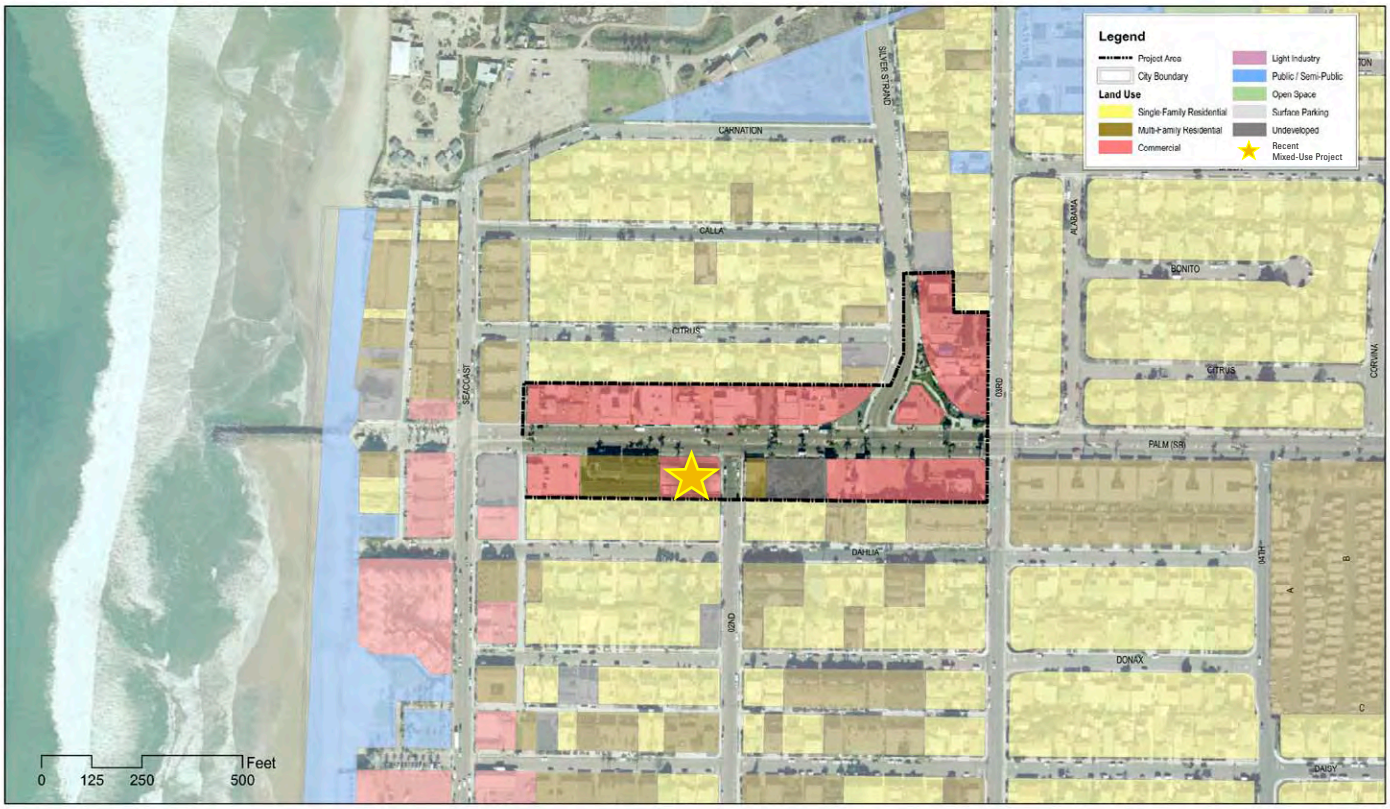
Overview of Study Areas

Old Palm Avenue

Old Palm Avenue serves as the link between Palm Avenue and Seacoast, but also contains characteristics unique to itself. With two blocks spanning approximately 1100 feet, a number of one- and two-story commercial buildings exist housing general retail, convenience, and restaurant activities. Some residential units are located in the study area, including a four-story higher density building at the eastern edge.

This district contains some underutilized parcels and is generally a less active urban environment. It has the potential to become a more vibrant, unique live/work community with its own identity within the Imperial Beach community. At the east end, there is a potential to create a welcoming gesture into the District through the use of architecture, landscaping, and wayfinding signage.

Existing Land Use - Old Palm Avenue



Seacoast Drive

Seacoast Drive is the major visitor destination within Imperial Beach and serves as the waterfront district for the City. With the beach, pier, plaza and park, and existing commercial uses, this district is the primary attraction for visitors of the City. The corridor runs approximately ½-mile from Old Palm Avenue in the north to Imperial Beach Boulevard in the south, and is regionally accessed by vehicles through one of these two gateways. The corridor generally contains a variety of visitor-serving commercial uses from hotel, restaurant, convenience and recreational rental facilities. Several newer projects, including larger hotels and mixed-use residential/commercial projects have been developed over recent years which reflect the long-term redevelopment vision of the corridor.

Developments are generally two stories, with some one- or three-story projects located along the street. Though some projects have prevented direct public view or access to the waterfront area, where access is available, users have panoramic views of downtown San Diego, the Point Loma peninsula, Coronado Islands, and the beach areas of Mexico. Future urban design should take advantage of these views where possible for the benefit of residents and visitors. Several underutilized, dilapidated or vacant parcels are found in the corridor, suggesting strong potential for further enhanced developments. However, many of these parcels have smaller lot sizes or are constrained from assembly of larger, more attractive developments due to adjacent private lots. A number of public art displays and cultural opportunities are present in the district, creating a foundation to encourage further enhancement and enjoyment of the area.

The existing land use of the Seacoast Drive corridor, analyzed in tandem with the Old Palm Avenue corridor, contains primarily commercial and residential designated land uses, with some single-family and other land uses. The zoning categories, which reflect planned land use, are C-2 Commercial, MU-2 Mixed-use, and PF Public Facility.

Seacoast/Old Palm Avenue Existing Land Use

Land Use	Acres	%
Commercial	10.18	56.9%
Multi-Family Res.	4.24	23.7%
Single-Family Res.	1.66	9.3%
Undeveloped	1.30	7.3%
Public/Semi-Public	0.40	2.2%
Surface Parking	0.11	0.6%
TOTAL	**17.90**	**100.0%**

Seacoast/Old Palm Avenue Zoning and Planned Land Use

Zoning/Land Use	Acres	%
C-2/Seacoast Commercial	15.20	84.9%
MU-2/Mixed-use 2	2.52	14.1%
PF/Public Facility	0.11	0.6%
TOTAL	**17.90**	**100.0%**

Existing Land Use - Seacoast Drive

Palm Avenue

Palm Avenue, also designated as part of State Route 75, serves as a main traffic thoroughfare through Imperial Beach and major gateway for the City by residents and visitors. Traffic may come from Coronado and Silver Strand in the north, or regionally via Interstate 5 and the City of San Diego from the east. With a high volume of both thru and non-thru traffic, this six-lane arterial offers significant opportunities and challenges for adjacent land uses. The study area covers approximately one mile of length along Palm Avenue.

Most of the development fronting Palm Avenue is commercial, however the study area also includes a significant amount of multi-family and single-family residential in lots behind the commercial parcels. Businesses have tended to cater to automobile traffic. Buildings are primarily commercial/retail and, in most cases, are small in scale in relationship to the corridor's width. Fast food, convenience and neighborhood serving businesses are also in abundance. The area generally is low-scale, with single-story development predominant along the length of the corridor. With some exceptions, the commercial building areas are generally aged and of varied design along the length of the corridor.

Major potential sites for redevelopment include a mobile home park, vacant hotel site, parking area between SR-75 and Palm Avenue (east of Silver Strand Plaza). Due to irregular commercial parcels and narrow lot sizes, lots would often need to be combined to assemble parcels big enough to accommodate larger businesses.

The Palm Avenue corridor contains a mix of existing commercial, residential, and other land uses. The predominant planned land use and zoning categories are C-1 Commercial, MU-1 Mixed-use, and R-1-6000 Single Family Residential.

Palm Avenue Existing Land Use

Land Use	Acres	%
Commercial	35.13	44.3%
Multi-Family Res.	30.90	39.0%
Single-Family Res.	10.64	13.4%
Public/Semi-Public	1.82	2.3%
Undeveloped	0.66	0.8%
Open Space	0.14	0.2%
TOTAL	**79.31**	**100.0%**

Palm Avenue Zoning and Planned Land Use

Zoning/Land Use	Acres	%
C-1/General Commercial	56.34	71.0%
MU-1/Mixed-Use 1	21.36	26.9%
R-1-6000/Single-Family Res.	1.67	2.1%
PF/Public Facility	0.14	0.2%
UR/Urban Reserve	0.09	0.1%
TOTAL	**79.31**	**100.0%**

Existing Land Use - Palm Avenue

13th Street

This corridor contains two smaller study areas: one around the intersection of 13th Street and Imperial Beach Boulevard, and the other at the northeast corner of 13th Street and Iris Avenue. The area experiences very high traffic volumes as it serves as regional gateway to the City (eastward), primary access to the beachfront areas (westward), and for commuters to the military facilities (southward) in addition to local residents in the surrounding neighborhoods. The areas contain neighborhood-serving commercial uses, with a few residential or mixed-use projects. The largest parcels contain standard strip commercial with uses such as restaurants, general retail and neighborhood-serving amenities. Several newer mixed-use projects have been developed in this location, and some redevelopment activity is currently underway. However, further redevelopment of the area will be challenged by assembly of the smaller, private lots.

The existing smaller scale commercial buildings at the intersection were designed with an automobile access orientation, which has allowed the erosion of the intersection's corners with open space parking lots. While this provides a visual open space relief traveling by car, it creates an environment with is not pedestrian friendly. It will be important to uncover the community's design vision for this district.

The 13th Street Corridor study areas primarily contain existing commercial and multi-family residential land uses, although some mixed-use, single-family residential and surface parking also exist. The area is fully zoned C-3 Commercial which reflects its planned land use.

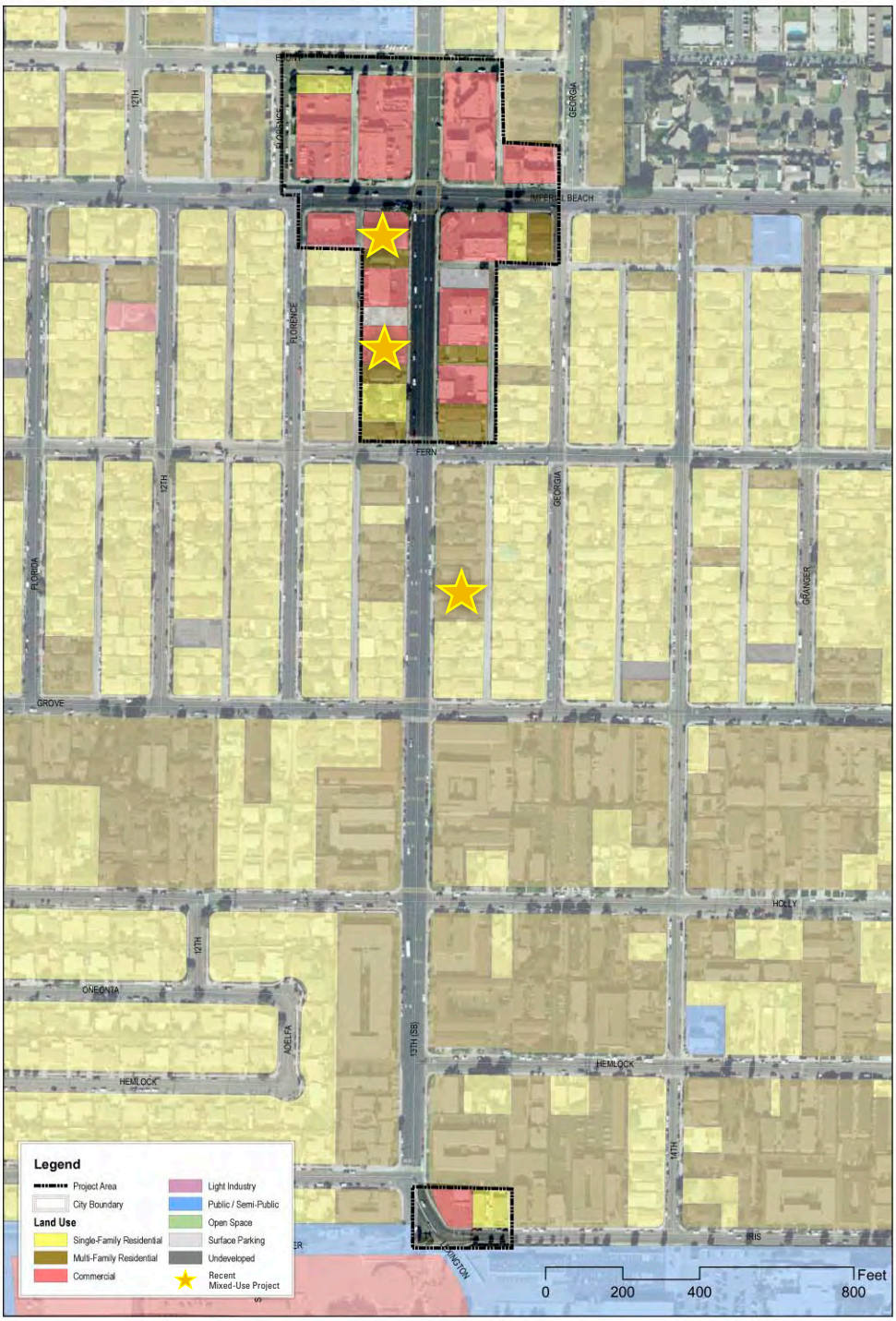
13th Street Existing Land Use

Land Use	Acres	%
Commercial	5.29	71.4%
Multi-Family Res.	1.05	14.2%
Single-Family Res.	0.81	10.9%
Surface Parking	0.28	3.4%
TOTAL	**7.41**	**100.0%**

13th Street Zoning and Planned Land Use

Zoning/Land Use	Acres	%
C-3/Neighborhood Commercial	7.41	100%
TOTAL	**7.41**	**100%**

Z Existing Land Use - Thirteenth Street



Land Use Compatibility

All of the commercial corridor study areas are adjacent to residential neighborhoods which potentially create land use compatibility challenges. In many cases, residential units may share a wall or be within ten feet of a commercial property. Possible issues include:

- **Visual Impacts** – impacts to scenic vistas from residential units could occur through larger commercial development, or creation of new sources of light or glare could disturb residential units. This is a very sensitive issue for the Seacoast Drive corridor, and somewhat challenging for the Palm Avenue corridor with views to the bay.
- **Excessive Noise** – noise from commercial operations, congregations of people, truck deliveries or other sources could potentially disturb nearby residences. This is a potentially sensitive issue for all study areas.
- **Parking Constraints** – increased automobile trips to commercial destinations may place greater needs for local parking than are available, and constrain nearby shared parking or on-street parking availability for residents and residential visitors. This is a challenging issue for all study areas, though particularly for Seacoast Drive.
- **High Traffic** – increased trips to commercial destinations could cumulatively increase the traffic concentration along a corridor, which could impact local pedestrian safety. This is a particularly challenging issue for Palm Avenue corridor and the 13th Street and Imperial Beach Intersection.
- **Air Quality and Odor** – idling truck delivery to commercial units, larger commercial waste receptacles, restaurant operations or similar commercial activity could potentially impose odor or local air quality effects on nearby residential units. Areas specifically sensitive to this issue correlate with high traffic.
- **Hazardous Materials** – some commercial uses may handle hazardous or commercial waste which could potentially affect nearby residents if not handled or disposed appropriately. This is a potentially sensitive issue for all study areas.

Design elements and code enforcement can limit the actual or perceived nuisance, making the residential experience more pleasant. Mitigating commercial environmental impacts is particularly challenging for residential-over-commercial mixed-use units, but the location of residential units in close proximity (within 50 yards) may also result in one or more of the above adverse effects.

Zoning/General Plan/ LCP Regulations

At the heart of this project is a comprehensive review of the Zoning Ordinance and General Plan/Local Coastal Plan regulations and potential amendments to the zoning code. The Zoning Ordinance is an adopted set of development rules which place minimum and/or maximum limitations of the size, scale, density, and other specific characteristics of development projects in the City. Design specifications, including signs, lighting, curb cuts, and façades, other issues of special importance to Imperial Beach, and implementation issues are further described and codified in the Zoning Ordinance. All zoning regulations may differ between each of the established zones. Parking regulations within the Zoning Ordinance are discussed in the next chapter of this working paper.

The General Plan/Local Coastal Plan is the document which contains the guiding principles for growth in the City and establishes the general vision, goals and objectives for a period of approximately 20 years. The Local Coastal Plan component sets further goals, objectives and conditions for development in the City due to the location within the Coastal Zone as required by the California Coastal Commission.

Zoning Ordinance

The zones established for the Study Areas are defined in the City's Zoning Ordinance (1994). Traditional zoning ordinance contents include: general regulations, definitions, zone map and boundaries, and development standards for specific zones and land uses. The zones include:

Zone	Land Use	Description
R-6000	**Single Family Residential**	provides communities composed of single-family detached homes and accessory uses and related community services
PF	**Public Facilities**	designates land to public facilities and utilities, including schools, parks, civic and public parking facilities. All proposed developments are subject to site plan review process and noticed public hearing
C-1	**General Commercial**	provides for commercial goods and services; community and neighborhood serving retail and office uses
C-2	**Seacoast Commercial**	provides for commercial goods and services by tourist population and local residents using beach area. Dominant uses will be specialty stores, surf shops, restaurants, hotels & motels
C-3	**Neighborhood Commercial**	provides for commercial goods and services for local demand; dominant uses will be markets, professional offices, personal services, restaurants and hardware stores
MU-1	**General Commercial Mixed-Use Overlay***	allows for future commercial expansion in orderly manner into areas designated R-1500 only if lot proposed is immediately adjacent to existing commercial use and building is newly constructed (CUP required of Planning Commission)
MU-2	**Seacoast Mixed-Use Overlay***	allows for gradual commercial expansion in an area which is currently used for residential purposes
UR	**Urban Reserve**	reserves land which is vacant or may become another land use in the future

* Overlay districts are applied to parcels or areas already regulated by another zone, and allow for additional optional or mandatory regulations to promote a particular development goal. For Imperial Beach, the MU-1 and MU-2 districts respectively overlay with the C-1 and C-2 districts, and are established to give further guidelines to support residential/commercial mixed-use projects.

Development Standards

Development standards are established to provide minimum or maximum specifications for some spatial elements of site development:

Development Standard	R-6000[1]	C-1[1]	C-2[1]	C-3[1]	UR[4]
Min Front Yard Setback	20'	0'	0'2	0'	
Min Side Yard (w/ alley)	5'	0'	0'	0'	
Min Side Yard (no alley)	5'	0'	0'	0'	
Min Street Side Yard	5'	0'	0'	0'	
Min Rear Yard (w/ alley)	5'	0'	0'	0'	
Min Rear Yard (no alley)	10'	0'	0'	0'	
Min Front Yard Garage Setback	20'				
Min Lot Size (sq. feet)	6000	3000	3000	3000	
Min Lot Frontage on street	60'	30'	30'	30'	
Max Building Height (whichever less)	2 story / 26'	4 story / 40'	3 story / 30'[3]	2 story / 28'	26'
Min Separation of Buildings on same lot	10'	5'	5'	10'	

[1] Open Space, Parking, Signs provisions are described elsewhere in code
[2] C-2 zone properties on Seacoast Drive must have front of building set on front property line
[3] H-1 Hotel Types in C-2 zone may have a height up to 40' as part of approved Specific Plan
[4] All development in OS & RU shall require a CUP

Development Standards specific to MU-2 Overlay Zone:
(other C-2 standards apply)

Development Standard	Residential	Commercial
Residential Density (DU / sf Lot Area)	1 DU / 1500 sf	None
Min Ocean Lane Yard Setback	5'	0'
Min Side Yard Setback	5'	15'
Min Ocean Blvd (Beach) Setback	10'	10'
Height (whichever less)	2 stories / 26'	3 stories / 30'

Development standards addressed for other zone categories but not for the zones located within a study area include: increased yard set-backs for upper floors if next to single family residence, maximum accessory building structure height, maximum density, density bonus, pedestrian orientation and defensible space, parking access, maximum floor area ratio, and maximum lot coverage.

Permitted Land Uses

The Zoning Ordinance further specifies which land use types are expressly permitted, not permitted, or conditionally permitted for each zoning district. For those conditionally permitted, the ordinance further clarifies the conditions.

Land Use	R-6000	PF	C-1	MU-1	C-2	MU-2	C-3
Single-family detached	P		N	MU-1 Uses identical to C-1	N	P	N
Second-family units	N		N		N	P	N
Accessory buildings, structures, private garages	P						
Residential units above 1st Floor (at one unit per square foot noted)			P/C (1000)		P/C (1500)		P/C (2000)
Day care facilities	C						
Library	C	P					
Parks	C	P				P	
Schools	C	P	C		C		N
Mobile home parks	C	CC					
Senior housing	C						
Playground & recreation areas		P					
Governmental or quasi-public building		P					
Public riding & hiking trails		P					
Retail food stores			P				P
Restaurants			P		P		
Department stores			P				
Specialty shops, personal service			P		P		P
Banks / Financial institutions (*=1st floor only)			P		C*		
Business / Professional office (*=1st floor only)			P		C*		P
Hotels, Motels			P		P	C	N
Light manufacturing, Manufacturing, Industrial			N				N
Arcades / Game centers			C		C		C
Athletic and Health clubs (*=2nd floor only)			C		C*		N
Automobile repair (*=includes wrecking yards)	N		C		N*		N
Bars, Cocktail lounges			C		C		N
Body shops			C		N		N
Body piercing establishment			C[o]		N		N
Churches, clubs, fraternal/veteran/service orgs (* = C for churches only)	C	P	C		C		C*
Wireless communication facilities	C	C	C		C		C
Equipment yard rental, Incidental manufacturing			C				N
Fortune telling			C[o]				N
Gas stations			C				C
Kiosks			C		P[oo]		C
Liquor stores			C		C		N
Mortuaries			C				
Boarding house, Tattoo establishment, Kennels			C		N		N
Beach equip rental, Surf shop, Fishing supply					P		
Short term rentals					P	P	
Bed & Breakfast					P	C	N
Bookstores, Boutiques					P		
Postal services					P		C
Timeshares					C[oo]	C	N
Theatres / Assembly					C		
Public parking lots		P			C		
Campsites					N		N
Drive-thru establishments, Pawn shops					N		
Other			CC		CC		

P = expressly permitted
C = permitted with conditional use permit
CC = would require City Council permission to evaluate for compatibility with district zone
N = not permitted
[o] = other requirements exist in locating near other specific land use types
[oo] = other requirements exist

Other Zoning Ordinance Regulations

The Zoning Ordinance requires Site Plan Review under certain development circumstances:

Site Plan Review by Planning Commission is required for:

- New construction
- Addition, construction or alteration of existing buildings resulting in increase of 10% of space or an individual retail space
- Any development requiring CUP
- Any development with residential above the first floor

Site Plan Review by the Community Development Director is required for:

- Addition, construction or alteration of existing resulting in increase less than 10% of gross floor area
- Exterior façade alterations to existing buildings located on design review corridors
- Building or site that has been vacant for period of 2+ years
- Kiosks (C-2 zone only)

In addition, notice to adjoining property owners shall be given when considering a CUP for church, club, or organization and notice public hearing mailed to owners within 300 feet. Other requirements for these uses are detailed in the zoning code.

Other chapters of the Zoning Ordinance that have more specific regulations and also apply to our study area are listed below.

- Accessory Buildings and Building Height, Secondary Residential Unit Permit
- Lot Area, Frontage, Setbacks
- Curb Cuts
- Vehicular Access
- Fences
- Open Space, Landscaping, Fences, Walls & Hedges
- Supplemental Site Development Standards for Automotive Related Uses
- Lighting
- Bars & Cocktail Lounges
- Historic Resources
- Telecommunications Facilities
- Family Day Care Facilities
- Outdoor Uses
- Trash Enclosures
- Performance Standards – for fire and explosion hazards, radio frequency energy or electrical disturbance, noise, vibration, and emissions of dust, smoke, or glare.
- Miscellaneous Uses
- Density Bonus Agreements and Development Agreements
- Nonconforming Uses
- Conditional Use Permits/Special Use Permits
- Development Plan Review, Architectural Review
- Implementation Issues: Process, Appeals, Variances, Temporary Use Permits, Administration and Enforcement
- Parking

Based on the research completed to-date and comments received during public outreach, the sections noted above that will most likely require additional fine-tuned review and potential amendment to achieve the City's goals are: Lot Area, Frontage, Setbacks, Curb Cuts, Vehicular Access, Historic Resources, Outdoor Uses, Development Plan Review, Architectural Review, and Parking.

General Plan/Local Coastal Plan

The City of Imperial Beach adopted a General Plan/Local Coastal Plan on October 19, 1994 in order to establish the guiding vision for development in the City. The following major elements are addressed in conformance with State law: Circulation; Conservation and Open Space; Housing; Land Use; Noise; and Safety. In addition, other elements not mandated by State law further describe goals and objectives important to the City. These include Design; Facilities and Services; and Parks, Recreation, and Access. Major goals, such as retaining the quality of life and atmosphere of a small beach-oriented town guide the development of objectives to meet the desired vision for future growth. Specific aspects of this goal include

- keeping residential neighborhoods stable, well-maintained, and pedestrian oriented;
- protecting natural resources including the shoreline;
- balancing visitor and resident needs; and
- fostering economic resources.

Land Use categories are defined in the General Plan/Local Coastal Plan. For convenience, Imperial Beach has chosen to utilize land use categories identical to those described in the Zoning Ordinance. Further policies addressed for commercial areas include creating attractive and stimulating surroundings, protecting residential areas, fostering new commercial development, and improving the Highway 75 commercial district.

The Design Element also contains goals and objectives important to the study areas. These goals direct the development (and where appropriate, further adoption) of design guidelines, city image, public utilities and facilities, trees, project design, open space and highway corridors. These project design goals state that developments shall be designed to:

- respect, work with and enhance the natural features of the land;
- provide a harmonious relationship with adjoining uses;
- respect and enhance the view and safety of the passerby;
- attempt to give the appearance of a suburban density and scale;
- have an eye to safety without giving the appearance of a fortress or a sea of concrete or asphalt; and
- conserve energy and water and work toward healthful air quality.

Furthermore, residential developments should include and provide for a number of amenities, and development in the Seacoast area and Highway 75 Commercial Area should follow further standards and criteria.

Other major goals and objectives which concern the Commercial Zoning Review project are included in the Circulation element. These include design standards for major street corridors, access, street identification, street improvements, and parking.

Initial Assessment

Based on the public input received and research completed to-date, opportunities exist for further refinement and amendment of the City's Zoning Code. The following summarizes the regulations that warrant further review and possible adjustment:

- **Development Standards** – Existing height regulations exist to protect important view corridors and maintain a lower intensity built environment. However, these height regulations also pose constraints to viable mixed-use and retail development in the study areas. To address this, further review of height limits and stepback regulations should be performed. Based on public comments and conditions confirmed during site visits, it will also be important to review lot area, frontage, and setback requirements to encourage more consistent and compatible development patterns. Lot siting and design regulations should also focus on pedestrian access and parking to the rear of buildings.

- **Use Regulations** – The Zoning Ordinance use regulations should be reviewed to ensure that they do not pose unnecessary impediments to the types of uses desired by the community and considered viable by the market/fiscal assessment prepared by Keyser Marston associates. These uses include, but are not limited to: outdoor dining and seating, restaurants, bars, hotels, motels, bed and breakfasts, live/work lofts, limited specialty retail uses, and mixed-uses over ground floor retail.

- **Design Regulations/Design Guidelines** - A key part of this review will also be identifying architectural, streetscape, signage, and landscape design standards that will help attain a consistent and enhanced image within the study areas. Community members identified a strong desire for enhanced pedestrian realms, better signage, clear gateways, cohesive designs between study areas, enhanced open spaces/plazas, and overall improved design review for new projects. These issues will be considered during the update process.

- **Parking, Site Access, and Curb Cuts** – Existing parking problems are the result of multiple inefficiencies. Several options for addressing these inefficiencies must be further explored. These include reducing curb cuts and providing reciprocal access between adjacent lots, allowing for shared parking, developing larger public parking lots, and allowing for on-street diagonal parking where appropriate. The review of the parking requirements will also focus on opportunities for enhanced landscaping, parking to the rear of buildings, and access to parking and loading from alleys rather than main thoroughfares.

- **Property Maintenance and Code Enforcement** – Based on public comments and existing conditions in the study areas, enhanced code enforcement and clean-up are needed in many portions of the study areas. The Zoning Ordinance needs to be reviewed for standards related to property maintenance and code enforcement.

- **Development Review Processes** – In some communities the development review process poses constraints to development due to unclear procedures, long time frames, or extensive fees. These review processes should be analyzed to ensure no undue constraints are in place that may unnecessarily hinder development.

Appendix D

Imperial Beach Parking Review

FEHR & PEERS
TRANSPORTATION CONSULTANTS

MEMORANDUM

Date: November 29, 2007

To: City of Imperial Beach

From: Chris Gray, Fehr & Peers

Subject: ***Imperial Beach Parking Review***

OC07-0081

Please find attached a review of parking conditions, as related to Imperial Beach. This summary includes the following information:

- A review of existing parking requirements in the City of Imperial Beach including those related to multi-family residential, hotels, general commercial, and eating/drinking establishments. This review also discusses an allowance for shared parking within the C-2 zone.
- A localized policy demand analysis which compares the parking requirements in Imperial Beach to other cities in Southern California. We determined that the parking requirements are slightly higher than the regional average. We also discuss the inclusion of shared parking reductions noted in several of the codes.
- Local data collection where we collected pedestrian, bicycle, and transit data at six mixed-use sites within Imperial Beach. For each site, we noted the development characteristics and collected parking data at each site.
- An assessment of shared parking using the standardized Shared Parking Spreadsheet developed by the Urban Land Institute (ULI).
- A summary of opportunities and challenges related to parking.

If you have any questions, comments or require any additional information, please contact Chris Gray at 949-859-3200 or by e-mail at cgray@fehrandpeers.com.

Imperial Beach Parking Review

Existing Parking Requirements

Table 1 documents the existing parking requirements within the City of Imperial Beach for several major categories of uses.

Table 1[1] Imperial Beach Parking Requirements	
Use	**Parking Requirement**
Multi-Family Residential	1.5 spaces/dwelling unit (C-1, C-2, MU-1, MU-2) 2.0 spaces/dwelling unit (all other zones)
Hotels	1.5 spaces/unit
General Commercial	1 space/200 square feet + 1 space per 2 employees
Eating/Drinking Establishments	1 space/75 square feet + 1 space per 2 employees

The existing Municipal Code does not allow for any shared parking reductions or the use of off-site parking except for the following statement:

In the C-2 zone[2], an interim parking ratio of one space for every five hundred square feet of net floor area may be approved by conditional use permit. This interim ratio shall no longer be in effect after the City has approved parking for 100 under this provision. Shared parking or off-site parking within five hundred feet of the project site may be used to satisfy this requirement.

Of these 100 original spaces, 69 have been allocated according to an e-mail received from Jim Nakagawa at the City of Imperial Beach (11/29/07 e-mail).

Localized Policy Demand Analysis

We reviewed parking requirements for similar uses throughout Southern California, with a particular focus on coastal cities in San Diego, Orange, and Los Angeles County. A summary of these code requirements is provided as Table 2. Our review concluded that Imperial Beach parking requirements are generally within the range of the regional average, although generally on the high side. For example, the regional average for residential units is 1.5 spaces/unit while the City requires 1.5 to 2.0 spaces per unit. The restaurant requirement in Imperial Beach is 1 space/75 square feet while the regional average is approximately 1 space/100 square feet.

[1] Imperial Beach Municipal Code Chapter 19.48 Off-Street Parking
[2] Imperial Beach Municipal Code 19.48.050 Required Spaces-Commercial and Other Uses

Table 2[3] Parking Code Comparison			
Land use	**Imperial Beach**	**Range**	**Average**
Multi-Family Residential	1.5-2.0 spaces/unit	0.25 -3.0 spaces/unit	1.5 spaces/unit
Hotels	1.5 spaces/room	0.8 to 2.0 spaces/room	1.1 spaces/room
Restaurant	1 space/75 sq. ft	0.35 spaces/100 sq. ft to 1 space/50 sq ft.	1.1 spaces/100 square feet
Commercial	1 space/250 square feet	0.85 spaces/500 square feet	1 space/500 square feet

In addition to the specific requirements, we reviewed each code to determine allowances for mixed-use or shared parking. Shared parking can be defined as follows:

> Shared parking may be applied when land uses have different parking demand patterns and are able to use the same parking spaces/areas throughout the day. Shared parking is most effective when these land uses have significantly different peak parking characteristics that vary by time of day, day of week, and/or season of the year. In these situations, shared parking strategies will result in fewer total parking spaces needed when compared to the total number of spaces needed for each land use or business separately. Land uses often used in specific shared parking arrangements include office, restaurants, retail, colleges, churches, cinemas, and special event situations. Shared parking is often inherent in mixed-use developments, which include one or more businesses that are complementary, ancillary, or support other activities. (*Shared Parking Handbook*, Portland Metro, 1997).

Shared parking is typically implemented through a model developed by the Urban Land Institute (ULI). The City of San Diego has approved the use of the ULI shared parking methodology to determine shared parking reductions.

Some specific statements related to shared or mixed use parking are as follows:

> City of Coronado[4]: Up to 50 percent of the parking facilities required by this chapter for a use considered to be primarily a daytime use may be provided by the parking facilities of a use considered to be primarily a nighttime use; up to 50 percent of the parking facilities of a use considered to be primarily a nighttime use may be provided by the parking facilities of a use considered to be primarily a daytime use…
>
> City of Carlsbad[5]: The planning commission may, upon application by the owner or lessee of any property, authorize the joint use of parking facilities by the following uses or activities under the conditions specified in this title:
> (A) Up to fifty percent of the parking facilities required by this chapter for a use considered to be primarily a daytime use may be provided by the parking facilities of a use considered to be primarily a nighttime use; up to fifty percent of the parking facilities required by this chapter for a use considered to be primarily a nighttime use may be provided by the parking facilities of a use considered to be primarily a daytime use, provided such reciprocal parking area shall be subject to conditions…

---

[3] When calculating these averages, we referenced the Municipal Codes of the Cities of Anaheim, Carlsbad, Coronado, Chula Vista, Del Mar, Encinitas, La Jolla, Pasadena, Oxnard, San Francisco, San Jose, Solana Beach and West Hollywood

[4] Coronado Municipal Code Title 86 ZONING 86.58.210.B Joint Use

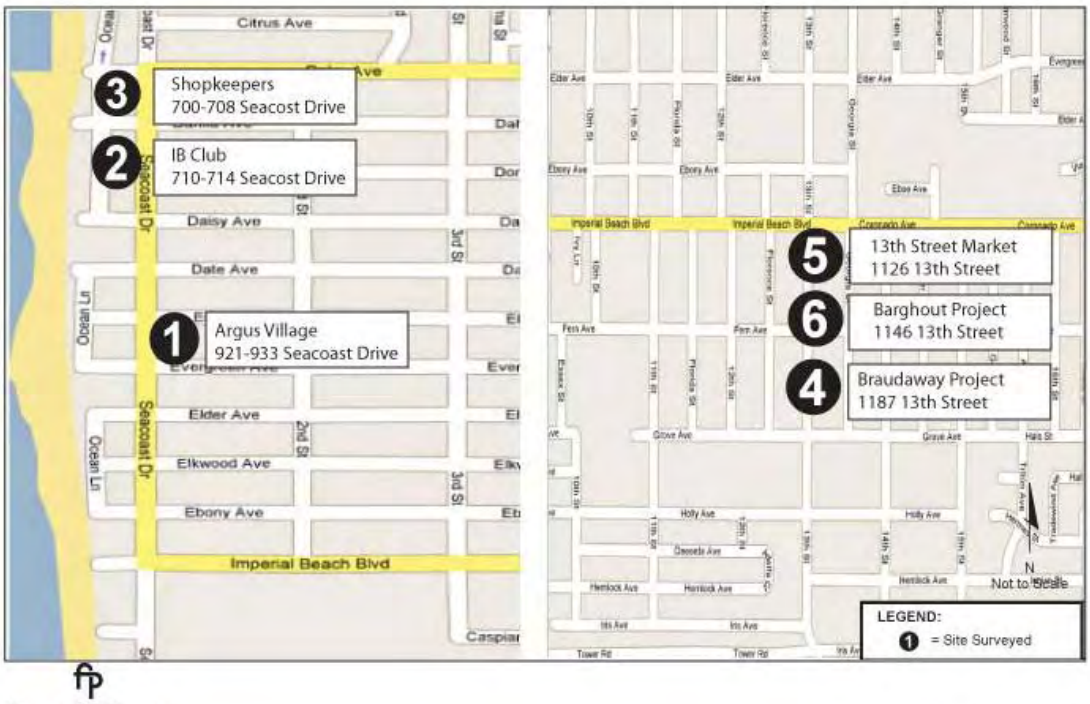
[5] Carlsbad Municipal Code Title 21 Zoning, Chapter 21.44.040.4A

City of Solana Beach[6]: In all zones, parking facilities may be shared by multiple uses whose activities are not normally conducted during the same hours, or when hours of peak use vary. The applicant shall have the burden of proof for a reduction in the total number of required off-street parking spaces for shared parking purpose. Shared parking may be permitted pursuant to a conditional use permit issued by the director of community development or concurrently with another application reviewed by the city council subject to the following minimum conditions…

City of Del Mar[7]: Where 2 or more non-residential uses will be operated in a manner where there will be no substantial overlap in the hours of operation of the uses, a portion of the off-street parking required for one or more of the uses(s) may be provided as shared use parking spaces.

Local Data Collection

We also conducted field visits to determine localized parking demand at selected sites in Imperial Beach, based on information provided by City Staff. A map of the sites surveyed is shown below:



FEHR & PEERS
TRANSPORTATION CONSULTANTS
September 2007
DC07-0087

Field Data Collection Locations
FIGURE 1

[6] Solana Beach Municipal Code Title 17 Parking and Loading Regulations Chapter 17.52.050 Shared Parking
[7] Del Mar Municipal Code Chapter 30.80 Parking 30.80.140 Shared Use Parking Permit

Site #1- Argus Village, located on 921-933 Seacoast Drive, was completed in 1986. The site consists of 14 residential units and 5,755 square feet of commercial. The residential units are located above the commercial units. There are 18 residential parking spaces and 13 commercial parking spaces in a garage underneath the building. Some photos of the site and the on-street parking are shown below.

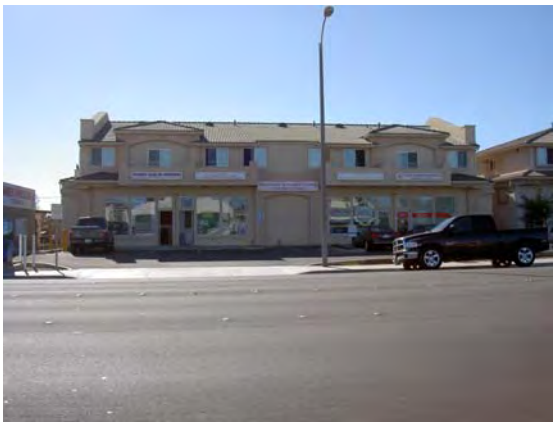
Site #2- IB Club, located on 710-714 Seacoast Drive, was completed in 1991. The site consists of 45 residential condominium units, of which 29 are two-bedroom units and 16 are three-bedroom units, and four commercial units totaling 7,500 square feet. The residential units are located above the commercial units. There are 90 residential parking spaces and 46 commercial parking spaces, all of which are located in a parking garage. A view of the building taken from Seacoast Drive is shown below.

Site #3- Shopkeepers, located on 700-708 Seacoast Drive, was completed in 1999. The site consists of eight mixed-use units, which consist of 1200 square feet of residential and 1000 square feet of commercial for each unit. The residential units are located above the commercial units. There are two residential tandem parking spaces per unit and two commercial tandem parking spaces per unit. There are also 12 diagonal public parking spaces along Seacoast Drive. A photo of the site is provided below.

Site #4- George Braudaway's project, located on 1187 13th Street, was completed in 2004. The site consists of three residential units, totaling 3,192 square feet, and 1,092 square feet of commercial retail space. The residential units are located above the commercial units. There are ten parking spaces, all of which are located in a parking garage. A photo of the site is provided below.

Site #5- Kamal Nona's 13th Street Market, located on 1126 13th Street, was completed in 2004. The site consists of four residential units, totaling 3,632 square feet, and 3,962 square feet of commercial retail space. The residential units are located above the commercial units. There are 17 open parking spaces, which are shared with the Rusty Barghout project. A photo of the site is shown below.

Site #6- The Rusty Barghout project, located on 1146 13th Street, was completed in 2007. The site consists of four residential units, totaling 3,632 square feet, and 3,962 square feet of commercial retail space. The residential units are located above the commercial units. There are 17 open parking spaces, which are shared with the Kamal Nona project. Two photos of the site are shown below.



A summary of each site's characteristics site is provided in Table 3.

Table 3
Project Site Characteristics

Project Name	Location	Commercial Space	Residential Space	Off-Street Parking Spaces Provided
Argus Village	921-933 Seacoast Drive	5,755 square feet	14 units	31
IB Club	710-714 Seacoast Drive	7,500 square feet	45 units	136
Shopkeepers	700-708 Seacoast Drive	8,000 square feet	8 units	32
Braudaway's Project	1187 13th Street	1,092 square feet	3 units	10
13th Street Market	1126 13th Street	3,962 square feet	4 units	17 (Shared)
Barghout's Project	1146 13th Street	3,962 square feet	4 units	17 (Shared)

Please note that City Staff requested that we conduct counts at the Palm Plaza project at 129-177 Palm Avenue. On the day we visited the site; we noted a fire at the building and were not able to conduct the needed counts.

From these field visits, we determined the following:

- Several of the facilities are not fully utilizing their on-site parking facilities. For example, the Argus Village property has 18 on-site parking spaces for residents in a restricted entry parking garage. We noted that during the day when we conducted field observations, only 6 of the spaces were fully occupied. At the IB Club, only 40 of the designated residential and commercial spaces were fully occupied.
- For those facilities located on Seacoast Drive, there was a significant amount of access through persons parking at adjacent on-street spaces, walking, or bicycling. At the Argus Village property, we noted 20-30 persons per hour between 2:00 and 4:00 PM accessing the property through other means than the parking provided. A majority of these persons parked in adjacent on-street spaces and walked to the project site.

- Facilities located on 13th Street were accessed almost exclusively through vehicles parking on-site. There are no persons accessing these sites by walking and very limited persons accessing the site through off-street parking.

Shared Parking Option Assessment

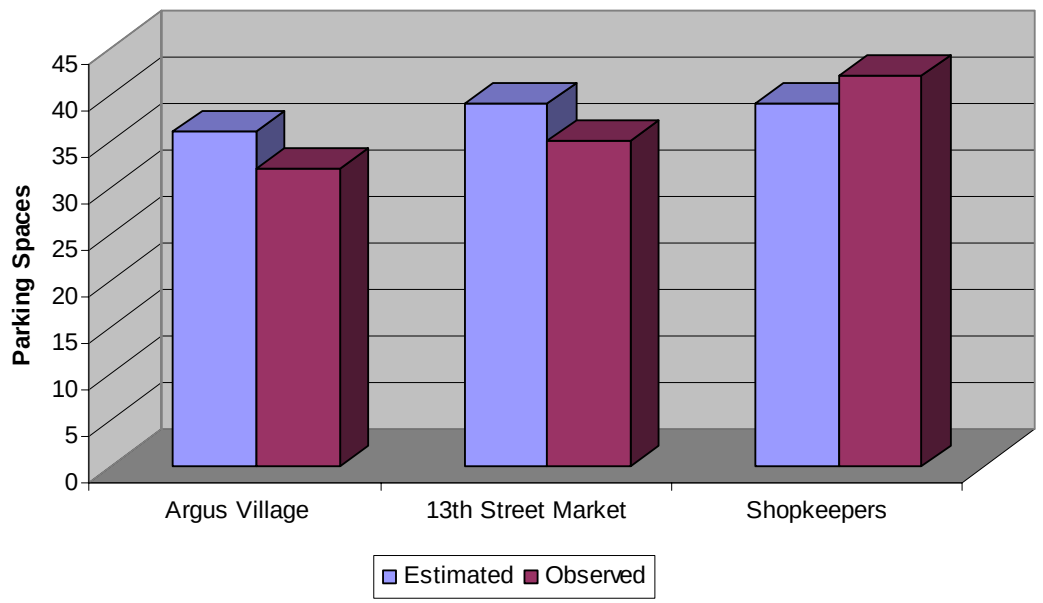
As noted previously, one recent innovation relating to parking codes is the use of a shared parking analysis. Shared parking reflects the variation in parking demand, by time of day. For example, commercial uses tend to experience their highest demand during the day while residences have the highest demand during either the early morning or late evening. Because the peak hours of demand are offset, a single parking space can be used by multiple types of uses. Shared parking reductions are typically implemented through site specific studies, most commonly through a spreadsheet model developed by ULI.

To determine shared parking would be applicable to the City of Imperial Beach, we applied the standardized shared parking model at four sites where we conducted field observations. These field observations noted those persons parking on site and those persons parked in adjacent on-street spaces who walked to each site as well. These sites where we applied the shared parking model included :

- Argus Village
- 13th Street Market/Barghout project
- Shopkeepers

We determined that the shared parking model was able to closely replicate conditions as they were found in Imperial Beach, as shown in Figure 2 below.

Figure 2- Shared Parking



Summary of Opportunities and Challenges

Based on our review of the items above, we would note the following opportunities as related to parking:

- The City of Imperial Beach's parking requirements are not overly conservative and are generally consistent with the parking requirements instituted by other cities in the region. Therefore, it does not appear necessary to conduct a wholesale revision of the parking code. Some minor adjustments downward could be considered but likely would not be significant.
- We would suggest that the parking code should be revised to allow for shared parking reductions. These shared parking reductions could be implemented by the use of the ULI model or other appropriate techniques.
- Several of the larger projects may not be fully utilizing all of the parking they provide. For example, the IB Club is only using about 1/3 of the parking provided. We would interpret this result as indicating that some of these private lots might be usable for public parking. Alternately, the signage on the existing parking lots might require adjustment to better direct patrons and visitors to these lots.
- For existing and future buildings along Seacoast Drive, we would note a high number of persons accessing each site through walking, biking, and adjacent on-street parking spaces. We would suggest that consideration be given the multiple modes of access when evaluating parking needs along Seacoast Drive.

However, we would note the following challenges related to the parking issue:

- The parking requirements, unless modified to allow for a shared parking reduction or other allowances for mixed-use development, require each property to provide its own parking. By doing so, the City is requiring developers of all sized parcels to provide on-site parking. This requirement tends to penalize developers of smaller parcels where some form of structured parking may be the only way to provide sufficient parking.
- Additionally, we would note that the current development pattern has lead to the creation of small, private lots which are typically allocated for use by individual properties. In a mixed-use environment, it is more preferable to have larger lots which are usable by a variety of patrons. These larger lots lead to a "park once" environment, whereby a visitor or patron would park once in a location like Seacoast Drive and patronize multiple establishments.
- The existing issues with the parking would not be remedied solely by any changes to parking code or allowances for shared parking. One fundamental issue is the small lot size within the study corridors (Seacoast Drive, Palm Avenue, 13th Street). This small lot size is a major factor in the current pattern of small, dedicated use parking areas which can lead to major inefficiencies in the use of parking.

Appendix E

Development Trends Overview and Retail Space Needs Assessment

KEYSER MARSTON ASSOCIATES
ADVISORS IN PUBLIC/PRIVATE REAL ESTATE DEVELOPMENT

MEMORANDUM

ADVISORS IN:
REAL ESTATE
REDEVELOPMENT
AFFORDABLE HOUSING
ECONOMIC DEVELOPMENT

SAN FRANCISCO
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SAN DIEGO
GERALD M. TRIMBLE
PAUL C. MARRA

To: Joan N. Isaacson, AICP
Senior Project Manager
EDAW

From: KEYSER MARSTON ASSOCIATES, INC.

Date: September 7, 2007

Subject: Development Trends Overview and Retail Space Needs Assessment
Commercial Zoning Review – City of Imperial Beach

I. INTRODUCTION

In accordance with our March 2007 subcontract with EDAW, Keyser Marston Associates, Inc. (KMA) has undertaken a Development Trends Overview and Retail Space Needs Assessment for the City of Imperial Beach.

As background, the City has engaged the EDAW Team to review the City's General Plan/Local Coastal Program and Zoning Code, primarily focusing on the commercial zones and their development regulations. The intent of the commercial zoning review is twofold:

1. to encourage and facilitate sufficient, well-designed commercial and retail development to support the City's residents

2. to allow for well-designed and suitable mixed-use development compatible with the City's existing small-scale, beach-oriented community and quality of life

In preparing the Development Trends Overview and Retail Space Needs Assessment, KMA undertook the following key work tasks:

1. Kick-off meeting with the EDAW Team and City staff

2. Review of background information such as resource documents, maps, and relevant plans

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3. Tour of the Plan area, environs, and competitive developments

4. Review of key demographic trends in the market area

5. Overview of market factors for each land use

6. Preparation of a retail sales import/export (leakage) model and estimate of retail space demand based on potential recapture of retail spending

7. Review of comparable mixed-use developments

This memorandum report addresses the KMA economic analysis tasks identified in Task 2.2 of the EDAW contract with the City. The appendices attached to this report present additional detail related to demographic trends, market conditions, land acquisition costs, retail space demand, and mixed-use development case studies.

II. CURRENT DEVELOPMENT TRENDS

A. Market Overview

Table 1, attached, presents an evaluation matrix of current development trends for four land use categories: retail/restaurant, office space, hotel, and residential. For each land use, KMA has addressed national trends, regional trends, South Bay trends, the Imperial Beach situation, and key assets and constraints affecting its development potential within Imperial Beach. The key KMA findings are summarized below:

KEY ASSETS	KEY CONSTRAINTS
1. Retail/Restaurant	
Turnover and upgrade of the housing stock has contributed to rising disposable incomes The Redevelopment Agency assisted in the rehabilitation and expansion of Imperial Beach Promenade shopping center at the NWC 9th & Palm The Redevelopment Agency is currently pursuing a major mixed-use development at the SWC 9th & Palm	The retail trade area is challenged by the City's remote location, natural boundaries, low population density, and relatively low household incomes There are very few national credit tenants within the City Competitive community, power, and regional shopping centers are well established in other South Bay communities

The upscale Coronado Cays community and Loews Coronado Hotel are located just four miles north of the City's main commercial corridor	The City's retail sales fall well below comparable benchmarks for the County The Imperial Beach and Coronado military commissaries/px's drain retail sales from the City Commercial parcels tend to be shallow and difficult to assemble
2. Office Space	
None noted	The City is not an employment center, with only modest demand for office space to house local-serving businesses
3. Hotel	
The City's natural amenities and beachfront are underutilized assets New hotel development is planned at the Seacoast Inn site, and the Redevelopment Agency is currently pursuing a hotel development at the NWC Seacoast Drive & Imperial Beach Boulevard Regional hotel performance benchmarks are quite strong	The City is lacking in visitor-serving amenities such as restaurants, entertainment, and shopping
4. Residential	
The City has experienced significant investment in housing stock, including single-family turnover and upgrade, condominium conversions, and limited in-fill development Home prices and apartment rents rose steadily during the early 2000s Long-term developer interest in new multi-family housing is quite strong	Existing housing stock is generally older with signs of deferred maintenance Site assembly for new multi-family development is difficult/expensive The national housing market downturn has stalled new multi-family development in Imperial Beach

Supporting data and analyses are included in the appendices. Appendix A presents a demographic profile for Imperial Beach and the South Bay, and Appendices B through E present market overviews for the four land uses.

B. Property Acquisition Costs

KMA analyzed property acquisition costs to assemble existing properties in the western South Bay, based on comparable sales of land (vacant and teardown sites) as well as improved properties, including older retail, office, hotel, and apartment developments. Our analysis was based on a review of comparable sales (CoStar Comps, Inc.) and discussions with real estate developers and brokers.

The KMA survey of comparable sales ranged from January 2005 to the present for all land uses for the Cities of Imperial Beach, Chula Vista, and San Diego, west of the I-805. Since the objective of the KMA analysis was to identify potential costs to assemble a development site, KMA focused on vacant land and improved properties containing older, lower-value buildings. The key KMA findings are summarized below:

Acquisition Costs per SF Land	Low	High	Median
Vacant and teardown land	$16	$92	$64
Retail buildings	$77	$191	$122
Hotel/motel properties	$20	$84	$69
Apartment buildings	$40	$211	$92
Office buildings	$83	$158	$157

The analysis of the comparable sales indicates that:

- vacant land is significantly less expensive than improved properties, but there are few vacant sites in the South Bay
- improved properties are expensive to acquire, typically $50 to $150 per SF land
- site assembly costs present a challenge for developers proposing to redevelop existing properties with new commercial, mixed-use, or multi-family uses

III. RETAIL SPACE NEEDS ASSESSMENT

KMA prepared a retail sales import/export (leakage) model and estimate of retail space demand for the City of Imperial Beach based on potential recapture of retail spending. The detailed models are found in Appendix F. The KMA analysis concluded that the City of Imperial Beach exports more than half of its retail sales potential to outside communities, as shown below:

RETAIL CATEGORY	ESTIMATED ANNUAL SALES LEAKAGE	PERCENT OF TOTAL POTENTIAL SALES
General Merchandise	$25,833,000	99%
Other Comparison Goods (1)	$27,209,000	82%
Convenience Goods (2)	$18,231,000	27%
Eating and Drinking	$9,548,000	37%
Home Improvement	$18,831,000	99%
Auto Dealers and Supplies	$16,267,000	43%
Other Retail Stores (3)	$13,825,000	83%
Total	**$129,743,000**	**57%**

(1) Includes apparel, home furnishings and appliances, and specialty stores.
(2) Includes food and drug stores.
(3) Includes second-hand merchandise; farm implement dealers; farm and garden supply stores; fuel and ice dealers; mobile homes; trailers and campers; and boat, motorcycle, and plane dealers.

KMA prepared a retail space demand model based on estimates of potential recapture of existing residents' spending that could be achieved. The KMA demand model assumes that that significant investment in new commercial development occurs within Imperial Beach, possibly involving the City's Redevelopment Agency. On this basis, KMA estimates that potentially 14% to 22% of the lost retail sales could be recaptured within the City, supporting an additional 55,000 to 88,000 SF of retail space development. It should be noted that these projections do not take into account the potential for additional support for new retail space as a result of new housing development that might occur within the City.

IV. PROFILES OF MIXED-USE DEVELOPMENTS

KMA prepared profiles of selected comparable mixed-use developments in Southern California. KMA profiled the following comparable developments:

- Baily's Restaurant, Old Town Temecula
- Brea Downtown, Brea
- CityMark Paseo, La Mesa
- Dalton Buildings, Old Town Temecula
- Heritage Towne Center, Otay Ranch
- Kensington Plaza, San Diego
- Little Italy Neighborhood Development (LIND), San Diego
- Mission Hills Commons, San Diego
- Paseo de Mission Hills, San Diego (under construction)
- Plaza Almeria, Huntington Beach
- Spotlight on Broadway, Chula Vista
- Uptown District, San Diego
- Via Roble, Escondido

As shown in Appendix G, each profile describes the project, identifies the developer, the opening date, whether the Redevelopment Agency was involved, and provides a photo or rendering. Table 3, Section E, refers to these comparables as potential examples of the types of development opportunities within three sub-areas of the Imperial Beach commercial zone. (See discussion, below.)

V. SUMMARY OF OPPORTUNITIES AND CHALLENGES

Table 2, attached, presents the KMA conclusions regarding key development opportunities by land use category. The key KMA findings are summarized below:

OVERALL POTENTIAL	RECOMMENDED PRODUCT TYPE	KEY SITE OPPORTUNITIES
1. Retail/Restaurant		
Moderate	Neighborhood/community retail and services such as small grocer, convenience stores, and drugstore	Both sides of S.R. 75 from Rainbow Drive to 9th Street
2. Office Space		
Weak	Local-serving businesses such as finance, insurance, and real estate (FIRE) Medical and dental services	Combined with other uses
3. Hotel		
Moderate	Tourist accommodations oriented to families	Current redevelopment sites (2) on Seacoast Drive fronting ocean

4. Residential		
Strong	For-sale townhomes and stacked flats Rental apartments with "wrap" parking	Current redevelopment opportunity at 9th & Palm

Table 3, attached, presents the KMA conclusions regarding commercial development potential within three sub-areas: Palm Avenue (S.R. 75) Corridor; Seacoast Drive Corridor (Seacoast Drive and Old Palm Avenue); and 13th Street Corridor (Imperial Beach Boulevard intersection). The key KMA findings are summarized below:

AREA TO PRIORITIZE COMMERCIAL	TYPES OF COMMERCIAL SUPPORTED	OTHER LAND USES SUPPORTED
1. Palm Avenue Corridor		
S.R. 75 from Rainbow Drive on the west to 9th Street on the east	Food and drug Restaurants, cafes, and coffee shops Limited specialty stores Personal services	Multi-family residential on larger sites (standalone or mixed-use)
2. Seacoast Drive Corridor		
Seacoast Drive between Palm Avenue and Imperial Beach Boulevard Palm Avenue between Seacoast Drive and 3rd Street	Entertainment and visitor-serving uses such as: • restaurants, cafes, and coffee shops • bars and clubs • limited specialty stores	New lodging facilities Residential or live/work units over retail/restaurant uses
3. 13th Street Corridor		
Intersection of 13th Street and Imperial Beach Boulevard	Neighborhood-serving and/or auto-oriented convenience retail	Limited potential for residential or office uses

VI. LIMITING CONDITIONS

1. The analysis contained in this document is based, in part, on data from secondary sources such as state and local government, planning agencies, real estate brokers, and other third parties. While KMA believes that these sources are reliable, we cannot guarantee their accuracy.

2. The analysis assumes that neither the local nor national economy will experience a major recession. If an unforeseen change occurs in the economy, the conclusions contained herein may no longer be valid.

3. The findings are based on economic rather than political considerations. Therefore, they should be construed neither as a representation nor opinion that government approvals for development can be secured.

4. Market feasibility is not equivalent to financial feasibility; other factors apart from the level of demand for a land use are of crucial importance in determining feasibility. These factors include the cost of acquiring sites, relocation burdens, traffic impacts, remediation of toxics (if any), and mitigation measures required through the approval process.

5. Development opportunities are assumed to be achievable during the specified time frame. A change in development schedule requires that the conclusions contained herein be reviewed for validity.

6. The analysis, opinions, recommendations and conclusions of this document are KMA's informed judgment based on market and economic conditions as of the date of this report. Due to the volatility of market conditions and complex dynamics influencing the economic conditions of the building and development industry, conclusions and recommended actions contained herein should not be relied upon as sole input for final business decisions regarding current and future development and planning.

attachments

TABLE 1

OVERVIEW OF DEVELOPMENT TRENDS
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

RETAIL/RESTAURANT	OFFICE SPACE	HOTEL	RESIDENTIAL
A. NATIONAL TRENDS			
• Nationally, developers, investors, and consumers continue to support street retail and "town center" entertainment districts. • The growth in baby boomer, senior, and immigrant populations provides growing demand for mixed-use destinations with active pedestrian environments offering specialty stores, eating and drinking, and entertainment. • New regional retail centers are being developed (and existing malls are being redeveloped) as "lifestyle centers" emphasizing apparel, home goods, and books and music stores in combination with restaurants and entertainment in an open-air, "main street" environment. • The current housing market downturn is depressing retail sales, particularly home furnishings and improvement stores.	• Nationally, investors have shown strong interest in acquiring, upgrading, and developing new Class A office buildings in prime locations. Vacancies are trending downward and office rents are increasing. • The national residential market downturn is likely to decrease office space demand from related users, e.g., mortgage, title, and escrow companies; lenders and investors; and homebuilders.	• Following 9/11, the hotel industry was hit hard with significant decreases in occupancy and room rates. Since 2003, numerous submarkets have experienced robust improvement in performance. • The hotel market is relatively healthy nationwide. Occupancy levels and average daily rate (ADR) at the end of 2006 were 72% and $141 in the U.S. overall, with resort properties registering 74% occupancy and $210 ADR. • Despite strong market performance in many submarkets, new hotels have been difficult to finance due to escalating land and construction costs. • Increasingly, new upscale hotels are being developed in combination with housing or as "condotels".	• From 2006 forward, the national housing market has suffered substantial declines in pricing and sales activity. As a result, new ownership housing development has slowed considerably. • In the long term, there are strong fundamentals supporting attached housing development in in-fill locations. Scarcity of land, rising housing costs, and the increase in non-family households will continue to generate demand for townhomes and condominiums. • Nationally, the apartment market has experienced a surge of demand as many renters postpone homeownership and apartment developers pursue sites formerly planned for ownership housing projects.

TABLE 1 (CONT'D.)

OVERVIEW OF DEVELOPMENT TRENDS
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

RETAIL/RESTAURANT	OFFICE SPACE	HOTEL	RESIDENTIAL
B. REGIONAL TRENDS			
• Regional malls throughout the County are undergoing expansion, renovation, and re-tenanting to remain competitive. • The County's newest regional mall opened in eastern Chula Vista in 2006. Otay Ranch Town Center is an 860,000-SF lifestyle center anchored by Macy's and AMC Cinemas.	• In recent years, the strongest office submarkets in the County have been in the I-5 and I-15 corridors in North County, where major high tech employment is concentrated. • Three new Class A office buildings opened in Downtown San Diego in the past three years, the first new office development there in nearly 15 years.	• Southern California remains one of the most desirable visitor destinations in the U.S., due to favorable climate, beaches, and ample dining and shopping. • Numerous Southern California properties are undergoing renovation, expansion, and redevelopment to capitalize on the current and projected market dynamics. • The San Diego County visitor market continues to be among the strongest in the nation. Since 2003, both occupancy and room rate have risen significantly, to averages of 76.3% and $172.75 in 2007. The region's diverse economy, its popularity with visitors from the western U.S., and its status as a first-tier convention city all contribute to its success.	• The San Diego housing market has been hit particularly hard by national housing downturn, with many development proposals and entitlements put on hold. • During the housing boom leading up to 2006, new housing production was concentrated in Downtown San Diego, eastern Chula Vista, and the S.R. 56 communities in the City of San Diego. • At the same time, housing prices and rents remain out of reach for many County residents. The 2007 median home price for attached and detached homes combined is estimated at $500,000 (California Association of Realtors). • Countywide, the apartment vacancy rate remains relatively tight, at just under 5% as of second quarter 2007, according to RealFacts. The average apartment rent in the RealFacts survey is $1,345, or 5.4% higher than a year earlier.

TABLE 1 (CONT'D.)

OVERVIEW OF DEVELOPMENT TRENDS
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

RETAIL/RESTAURANT	OFFICE SPACE	HOTEL	RESIDENTIAL
C. SOUTH BAY TRENDS			
• Major new retail centers have opened in eastern Chula Vista to serve thousands of new households in the master-planned communities. These include Otay Ranch Town Center, EastLake Village Marketplace, Village Walk at EastLake, and EastLake Terrace. • Las Americas Premium Outlets is a 370,000-SF outlet center on the Mexican border in San Ysidro on the Mexican border. The center contains 125 stores offering a broad array of apparel merchandise to South Bay and Mexican shoppers. • Although the current proposal status is uncertain, Gaylord Entertainment is planning retail/entertainment uses (up to seven restaurants) as part of a major conference hotel facility on the Chula Vista bayfront. • The San Diego Chargers are studying the feasibility of a football stadium on the Chula Vista bayfront.	• The South Bay traditionally has not been a regional office node. Employment uses are concentrated in business parks in Otay Mesa, Eastlake, and diverse other locations. • Two buildings of a three-phased Class A office complex have been developed at the Chula Vista Gateway office development in downtown Chula Vista in a partnership with the City's Redevelopment Agency.	• There are no existing full-service or business-class hotels in the South Bay. Proximity to Mexico is one of the main demand drivers for economy hotels along the I-5 and I-805 corridors. • According to PKF Consulting, occupancy and room rate in the South Bay have risen steadily since 2003, with current estimates of 79.9% and $63.80, reflecting the concentration of budget motels in the I-5 corridor. • Although project status is currently uncertain, Gaylord Entertainment has proposed a 1,500-room high-rise hotel with 400,000-SF conference facility, and potentially a second 500-room hotel, for the Chula Vista bayfront. • New developments on the National City waterfront include a marina, aquatic center, 173-room hotel, and three restaurants. Groundbreaking for the Sycuan Indian tribe-backed hotel is slated for late 2007.	• Most new residential development in South Bay has occurred in the master-planned communities of eastern Chula Vista, with the Otay Ranch development alone adding over 7,000 homes in the past decade. • Private developers are partnering with redevelopment agencies to build new in-fill, mixed-use, and affordable housing developments in western South Bay communities of San Ysidro, downtown Chula Vista, and National City.

TABLE 1 (CONT'D.)

OVERVIEW OF DEVELOPMENT TRENDS
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

RETAIL/RESTAURANT	OFFICE SPACE	HOTEL	RESIDENTIAL
D. IMPERIAL BEACH SITUATION			
• The City is remote from the freeway and served by only one principal transportation artery. S.R. 75 /Palm Avenue serves as the key gateway, and contains the City's major concentration of retail uses. The corridor contains a mix of small strip centers, automotive uses, convenience stores, service stations, economy motels, and trailer parks. • There are very few national credit retail tenants in the City. Most retail and service businesses are small, locally-owned establishments. • On a per capita basis, the City's retail sales fall well below comparable benchmarks for the County. • Commercial parcels in main commercial corridors tend to be shallow in depth and backed by residential uses, thus limiting possibilities for assemblage. • The Southland Plaza community shopping center, located at the northwest corner of Palm Avenue and I-5 in the City of San Diego, dominates the Imperial Beach trade area. The 292,000-SF center is anchored by Mervyn's, Longs Drugs, and Vons.	• There are few pure office buildings in the City, with no particular concentration of office uses in any one location. • Total office inventory in the City is estimated between 15,000-25,000 SF. By contrast, industrial space inventory is estimated between 75,000-100,000 SF. (Note: classification methods vary.) • Many traditional office tenants operate from retail storefronts, spaces located in retail centers, or residential buildings. • Typically, office buildings are occupied by owner/users.	• The City of Imperial Beach is served by four lodging properties, consisting of a total of 117 rooms, as follows: Seacoast Inn (36 rooms), Sand Castle Inn (17 rooms), and Hawaiian Garden Suites (64 rooms). • The two beachfront properties, the Seacoast Inn and the Sand Castle Inn, achieve strong occupancy and room rates in the summer season. The owners of the Seacoast Inn, Pacifica Companies, plan to replace the existing hotel with a modern 78-suite hotel. Plans call for a pool, conference space, restaurant with patio dining, and underground parking. • Demand for weekly vacation rentals is strong in the Seacoast Drive area. Approximately 40% of the City's transient occupancy tax (TOT) revenues is derived from vacation rentals.	• Through the early 2000s, Imperial Beach experienced a rapid increase in home prices. Median home prices in 2007 are estimated at $426,000, down 9% from $470,000 in 2006. • The City has experienced a substantial number of condominium conversions in recent years. Most of these involve apartment buildings with fewer than 10 units. Most new residential construction involves the addition of one to three single-family homes. • The City is essentially built out, with virtually no vacant sites available for new housing development.

TABLE 1 (CONT'D.)

OVERVIEW OF DEVELOPMENT TRENDS
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

RETAIL/RESTAURANT	OFFICE SPACE	HOTEL	RESIDENTIAL
E. KEY ASSETS			
• In 2001, the City's Redevelopment Agency assisted the rehabilitation and expansion of the Imperial Beach Promenade shopping center at 9th Street and Palm Avenue. The center currently houses Wally's IGA grocery store, Factory 2-U, CVS drug store, and Jack in the Box. • Turnover and upgrade of the existing housing stock in Imperial Beach has contributed to rising incomes and greater retail expenditure potential. • The Redevelopment Agency is currently pursuing a developer partner for a potential mixed-use development on a three-block site on the south side of Palm Avenue from 7th to 9th Streets. • Proximity to Mexico provides retail capture opportunities, with an estimated two million population in the greater Tijuana area.	• None noted.	• The City's natural amenities and beachfront setting are underutilized assets that could be marketed to attract more visitors, particularly the family market segment and birdwatching aficionados. • Plans for major public and private improvements to the Chula Vista bayfront will eventually bring increased tourism to the South Bay, which could stimulate greater demand for lodging in Imperial Beach. • The Redevelopment Agency is currently working on a development agreement for a potential hotel at NWC Seacoast Drive and Imperial Beach Boulevard.	• Although median home prices are lower than the County, sales price appreciation has exceeded the County benchmark. • Apartment vacancy is low and rents are strong, though lagging County benchmarks. • Despite the current housing market downturn, private developers have expressed long-term interest in developing market-rate multi-family housing in the City's commercial zone.

TABLE 1 (CONT'D.)

OVERVIEW OF DEVELOPMENT TRENDS
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

RETAIL/RESTAURANT	OFFICE SPACE	HOTEL	RESIDENTIAL
F. KEY CONSTRAINTS			
• The immediate retail trade area is challenged by natural boundaries, low density of population, and household incomes that are low relative to the County. However, the affluent Coronado Cays residential community and Loews Coronado Hotel are located approximately four miles north along Silver Strand. • Competition from regional malls and power centers elsewhere in the South Bay has increased substantially. • Existing retail storefronts tend to be older and in need of upgrade. • The military commissaries and px's in both Imperial Beach (Ream Field) and Coronado provide tax-free, discounted shopping opportunities to many members of the military, retirees, and their families, effectively siphoning off demand from private sector retail. • Developers find it difficult to assemble sites to develop new retail due to the high cost of acquiring existing improved properties.	• The City is not a significant employment center within San Diego County. • There is very little pure office space in the City, with most office tenants occupying retail storefronts. • Demand for office space appears modest in light of existing vacancies the conversion of spaces formerly used as offices to retail usage.	• The City is lacking in visitor-serving amenities such as restaurants, entertainment, and shopping opportunities. • The City's existing hotels are outdated, limited service facilities that offer little evidence of the potential demand for new, higher-quality lodging properties.	• The City's existing housing stock is generally older with signs of disinvestment. • Developers find it difficult to assemble sites to build new housing due to the high cost of acquiring existing improved properties.

TABLE 2

KEY DEVELOPMENT OPPORTUNITIES BY LAND USE
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

RETAIL/RESTAURANT	OFFICE SPACE	HOTEL	RESIDENTIAL
A. OVERALL POTENTIAL			
Moderate	Weak	Moderate	Strong
B. KEY CHALLENGES			
• Limited trade area population and income levels • Abundant supply of retail in competing locations outside the City • No new "rooftops" to support retail uses	• No significant demand generators • Established employment centers are clustered in Central and North County submarkets	• Lack of supporting amenities • Community image	• Current market downturn • Innovative construction types precluded by existing density and height limits
C. RECOMMENDED PRODUCT TYPE			
• Neighborhood/community retail and services such as small grocer, convenience stores, and drugstore • Sit-down restaurants, fast casual, and other eating and drinking uses • Specialty stores such as books, pet supply, beauty supply, and limited soft goods • Services such as cell phone stores, banks, taxes, insurance, salons, and postal/copy stores	• Local-serving businesses such as finance, insurance, and real estate (FIRE) • Medical and dental services	• Tourist accommodations oriented to families	• For-sale townhomes and stacked flats • Rental apartments with "wrap" parking • Live/work units, possibly in mixed-use buildings

TABLE 2 (CONT'D.)

KEY DEVELOPMENT OPPORTUNITIES BY LAND USE
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

RETAIL/RESTAURANT	OFFICE SPACE	HOTEL	RESIDENTIAL
D. PRE-CONDITIONS FOR NEW DEVELOPMENT			
• Site assembly • New housing development • Gateway improvements	• Can be combined in retail and mixed-use developments	• Site assembly • Development of new retail/entertainment uses • Gateway improvements	• Site assembly
E. KEY SITE OPPORTUNITY(IES)			
• Both sides of S.R. 75 from Rainbow Drive to 9th Street	• Combined with other uses	• Seacoast Inn redevelopment plans • NWC Seacoast Drive and Imperial Beach Boulevard redevelopment opportunity	• 9th & Palm redevelopment opportunity • Bernardo Shores R.V. Park at S.R. 75 and Rainbow Drive

TABLE 3

ASSESSMENT OF COMMERCIAL DEVELOPMENT POTENTIAL BY SUB-AREA
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

PALM AVENUE CORRIDOR	SEACOAST DRIVE CORRIDOR	13TH STREET CORRIDOR
A. AREAS TO PRIORITIZE COMMERCIAL		
• Potential to concentrate the City's major community retail and services within the S.R. 75 corridor from Rainbow Drive on the west to 9th Street on the east. This area contains the existing Imperial Beach Promenade and large sites such as the Dimenstein Trust property at 9th & Palm, Silver Strand Plaza, and the Bernardo Shores R.V. Park on S.R. 75.	• Most likely locations to concentrate retail/restaurant uses are: (1) Seacoast Drive between Palm Avenue and Imperial Beach Boulevard, particularly in proximity to the Pier; and (2) Palm Avenue between Seacoast Drive and 3rd Street.	• Limited opportunities for new retail uses, concentrated at the four corners of 13th Street and Imperial Beach Boulevard.
B. POTENTIAL TO EXPAND COMMERCIAL ZONING		
• None noted.	• None noted.	• None noted.
C. TYPES OF COMMERCIAL SUPPORTED		
• Potential tenant types include: food and drug; restaurants, cafes, and coffee shops; limited specialty stores; and personal services. Example of potential grocery includes Tesco's Fresh & Easy Neighborhood Market, the British grocer currently siting new stores throughout California.	• Emphasis on entertainment and visitor-serving uses, such as restaurants, cafes, and coffee shops; bars and clubs; and limited specialty stores.	• Focus on neighborhood-serving and/or auto-oriented convenience retail and/or business and personal services.
D. OTHER LAND USES SUPPORTED		
• Critical mass opportunities for multi-family residential, particularly at the west end where large sites could become available. Inclusion of multi-family in mixed-use developments provides market support for new retail and restaurant uses. • Additional opportunities for multi-family further east along S.R. 75, but may require greater density or height allowances to be feasible. • Limited potential for first- or second-story office space for finance, insurance, and real estate (FIRE) or medical/dental tenants.	• Potential for new lodging facilities, primarily along Seacoast Drive. May include bed and breakfast inns on the east side of Seacoast or along Old Palm. • Potential for small in-fill developments of residential or live/work units over retail and restaurant uses.	• Challenging location to create appealing residential environment with associated amenities. Stronger development potential where larger building footprints can be assembled, e.g., NWC of 13th Street and Imperial Beach Boulevard. • Limited potential for small office suites. May be appropriate for local-serving professional service firms.
E. EXAMPLES OF COMPARABLE DEVELOPMENTS		
• Uptown District, San Diego • Plaza Almeria, Huntington Beach • Brea Downtown, Brea • Little Italy Neighborhood Development (LIND), Downtown San Diego	• Dalton Buildings, Old Town Temecula • Baily's Restaurant, Old Town Temecula • Via Roble, Escondido • Paseo de Mission Hills, San Diego (under construction) • CityMark Paseo, La Mesa	• Kensington Plaza, San Diego • Mission Hills Commons, San Diego • Spotlight on Broadway, Chula Vista • Heritage Towne Center, Otay Ranch, Chula Vista

Prepared by: Keyser Marston Associates, Inc.
Filename: Imperial Beach\Imperial Beach summary matrix\9/10/2007;rks

APPENDIX A

Demographic Profile

Commercial Zoning Review
City of Imperial Beach

TABLE A-1

POPULATION FORECAST, SAN DIEGO COUNTY AND SOUTH BAY CITIES, 2000-2030
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

	Population Forecast			Average Annual	
	2000	**2010**	**2030**	**2000-2010**	**2000-2030**
I. South Bay					
Imperial Beach	26,992	28,331	36,125	0.5%	1.0%
National City	54,260	59,905	74,241	1.0%	1.1%
Chula Vista	173,556	248,174	316,445	3.6%	2.0%
Other South Bay (1)	82,996	101,681	145,350	2.1%	1.9%
Total South Bay	**337,804**	**438,091**	**572,161**	**2.6%**	**1.8%**
II. San Diego County	**2,813,833**	**3,245,279**	**3,984,753**	**1.4%**	**1.2%**

(1) Includes City of San Diego Community Planning Areas (CPAs) of Otay-Nestor, Tijuana River Valley, and Otay Mesa, and County CPAs of Otay and Sweetwater.

Source: SANDAG
Prepared by: Keyser Marston Associates, Inc.
File Location: I:\Imperial Beach\Market Study Tables;9/10/2007;rks

TABLE A-2

HOUSEHOLD INCOME FORECAST, SAN DIEGO COUNTY AND SOUTH BAY CITIES, 2000-2030
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

	Median Household Income (1)			Average Annual	
	2000	**2010**	**2030**	**2000-2010**	**2000-2030**
I. South Bay					
Imperial Beach	$35,949	$41,052	$46,155	0.1%	0.8%
National City	$29,980	$34,716	$39,852	1.5%	1.0%
Chula Vista	$44,834	$55,198	$62,860	2.1%	1.1%
II. San Diego County	**$47,268**	**$54,223**	**$62,598**	**1.4%**	**0.9%**

(1) Includes City of San Diego Community Planning Areas (CPAs) of Otay-Nestor, Tijuana River Valley, and Otay Mesa, and County CPAs of Otay and Sweetwater.

Source: SANDAG
Prepared by: Keyser Marston Associates, Inc.
File Location: I:\Imperial Beach\Market Study Tables;9/10/2007;rks

TABLE A-3

DISTRIBUTION OF POPULATION BY AGE GROUP AND AREA, 2006 (1)
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

	19 and Under	20 to 34	35 to 54	55 and Above	Total Population	Median Age
I. South Bay						
Imperial Beach	30.0%	25.0%	27.2%	17.8%	100.0%	32.0
National City	32.3%	30.0%	22.1%	15.6%	100.0%	27.2
Chula Vista	31.4%	20.7%	28.5%	19.4%	100.0%	33.4
Other South Bay (2)	29.0%	24.6%	28.2%	18.1%	100.0%	-
Total South Bay	30.9%	23.3%	27.4%	18.4%	100.0%	-
II. San Diego County	28.5%	22.5%	28.8%	20.2%	100.0%	34.3

(1) Reflects estimate as of August 2006.

(2) Includes City of San Diego Community Planning Areas (CPAs) of Otay-Nestor, Tijuana River Valley, and Otay Mesa, and County CPAs of Otay and Sweetwater.

Source:SANDAG
Prepared by: Keyser Marston Associates, Inc.
Filename: i:Imperial Beach\Market Study Tables;9/10/2007;rks

APPENDIX B

Retail Market Overview

Commercial Zoning Review
City of Imperial Beach

TABLE B-1

RETAIL SPACE MARKET FACTORS, IMPERIAL BEACH/SOUTH SAN DIEGO(1), 2001-2007
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

	2001	2002	2003	2004	2005	2006	2007 (3)	Average Annual
Rentable Area (SF)	1,535,532	1,364,032	1,364,032	1,319,032	1,319,032	1,445,327	1,445,327	-1.0%
Vacancy Rate	5.7%	3.5%	0.5%	3.6%	2.4%	1.8%	1.1%	-
Net Change in Supply	-	(171,500)	0	(45,000)	0	126,295	0	(15,034)
Average Asking Lease Rate (2)	$1.33	$1.65	$1.51	$1.94	$1.71	$2.08	$2.10	7.9%

(1) South of Chula Vista, west of I-805.
(2) Per SF/month full-service gross.
(3) Based on 2nd quarter data.

Source: CB Richard Ellis
Prepared by: Keyser Marston Associates, Inc.
Filename: Imperial Beach\Market Study Tables\9/10/2007;rks

TABLE B-2

PROFILE OF MAJOR SOUTH BAY RETAIL CENTERS
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

Name	City	Gross SF	Year Opened	Anchor Stores
Chula Vista Center	Chula Vista	885,739	1962	Ultra Star Cinemas, JCPenney, Macy's, Mervyns, Sears, CVS/pharmacy
Otay Ranch Town Center	Chula Vista	860,000	2006	Macy's, REI, Barnes & Noble, AMC Theatres (1)
Westfield Plaza Bonita	National City	818,000	1981	JCPenney, Macy's, Target (1), Borders, AMC Theatres (1)
Palm Promenade	San Diego	440,000	1994	AMC Theatres, Home Depot, Vons, Wal-Mart
EastLake Village Marketplace	Chula Vista	410,000	2003	Lowes, Office Depot, Target
EastLake Terrace	Chula Vista	405,000	2004	Wal-Mart, Home Depot, Walgreens
Las Americas Premium Outlets	San Diego	371,716	2001	Neiman Marcus, Nike, Gap, Old Navy, Banana Republic
Costco Plaza	Chula Vista	371,043	1980	Costco
Terra Nova Plaza	Chula Vista	310,000	1986	Bed, Bath and Beyond; Marshalls; Vons; Sports Authority; Longs Drugs
Southland Plaza	San Diego	292,000	1983	Mervyns, Longs Drugs, Vons
Sweetwater Town & Country	National City	240,400	1976	Circuit City, Staples, Longs Drugs
EastLake Design District	Chula Vista	231,000	2005	Bassett Furniture Direct, Lane Home Furnishings, Dunn-Edwards Paints, Ashley Furniture Home Store
Palomar Trolley Center	Chula Vista	180,372	1994	Office Depot, Ross, Blockbuster
Village Walk at EastLake	Chula Vista	162,000	2006	Trader Joe's, Henry's Farmers Market, Borders, Petco

(1) Under construction.

Source: Interactive Market Systems, Inc.
Prepared by: Keyser Marston Associates, Inc.
File Location: i:\Imperial Beach\Market Study Tables;9/10/2007;rks

TABLE B-3

PROFILE OF SELECTED COMPETITIVE RETAIL CENTERS
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

Name	Address	City	Land Area (Acres)	Building Size (SF)	Year Opened	Percent Leased
Coronado Square	1838-1850 Coronado Avenue	San Diego	N/A	75,000	1978	97.3%
Imperial Beach Plaza	720-750 13th Street	Imperial Beach	0.89	28,000	1970	100.0%
Imperial Beach Promenade (1)	802-894 Palm Avenue	Imperial Beach	5.00	51,900	1950	100.0%
Mervyn's	575 Saturn Boulevard	San Diego	6.89	75,000	1983	100.0%
Miracle Shopping Center	759-827 Palm Avenue	Imperial Beach	3.40	30,000	N/A	100.0%
Silver Strand Plaza	1-21 Palm Avenue	Imperial Beach	2.79	38,642	1990	100.0%
Southland Plaza	525-685 Saturn Boulevard	San Diego	34.00	292,000	1983	99.4%
Unknown	1515-1555	San Diego	4.56	34,000	1988	84.1%
Unknown	695 Saturn Boulevard	San Diego	1.30	25,500	N/A	100.0%
Unknown	765 Palm Avenue	Imperial Beach	N/A	28,160	N/A	N/A

(1) Renovated in 1980.

Source: Grubb Ellis, Miracle Center Market Study, 2007
Prepared by: Keyser Marston Associates, Inc.
File Location: i:\Imperial Beach\Market Study Tables;9/10/2007;rks

APPENDIX C

Office Market Overview

Commercial Zoning Review
City of Imperial Beach

TABLE C-1

OFFICE SPACE MARKET FACTORS, SOUTH SAN DIEGO (1), 2001-2007
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

	2001	2002	2003	2004	2005	2006	2007 (3)	Average Annual
Rentable Area (SF)	820,414	952,688	952,688	1,101,924	1,312,360	1,176,585	1,162,663	6.0%
Vacancy Rate	14.3%	16.2%	10.0%	4.3%	14.2%	12.1%	12.3%	-
Net Change in Supply	-	132,274	0	149,236	210,436	(135,775)	(13,922)	57,042
Average Asking Lease Rate (2)	$1.31	$1.43	$1.12	$1.44	$2.29	$2.24	$2.20	9.0%

(1) South of Chula Vista, west of I-805.
(2) Per SF/month full-service gross.
(3) Based on 2nd quarter data.

Source: CB Richard Ellis
Prepared by: Keyser Marston Associates, Inc.
Filename: Imperial Beach\Market Study Tables\9/10/2007;rks

APPENDIX D

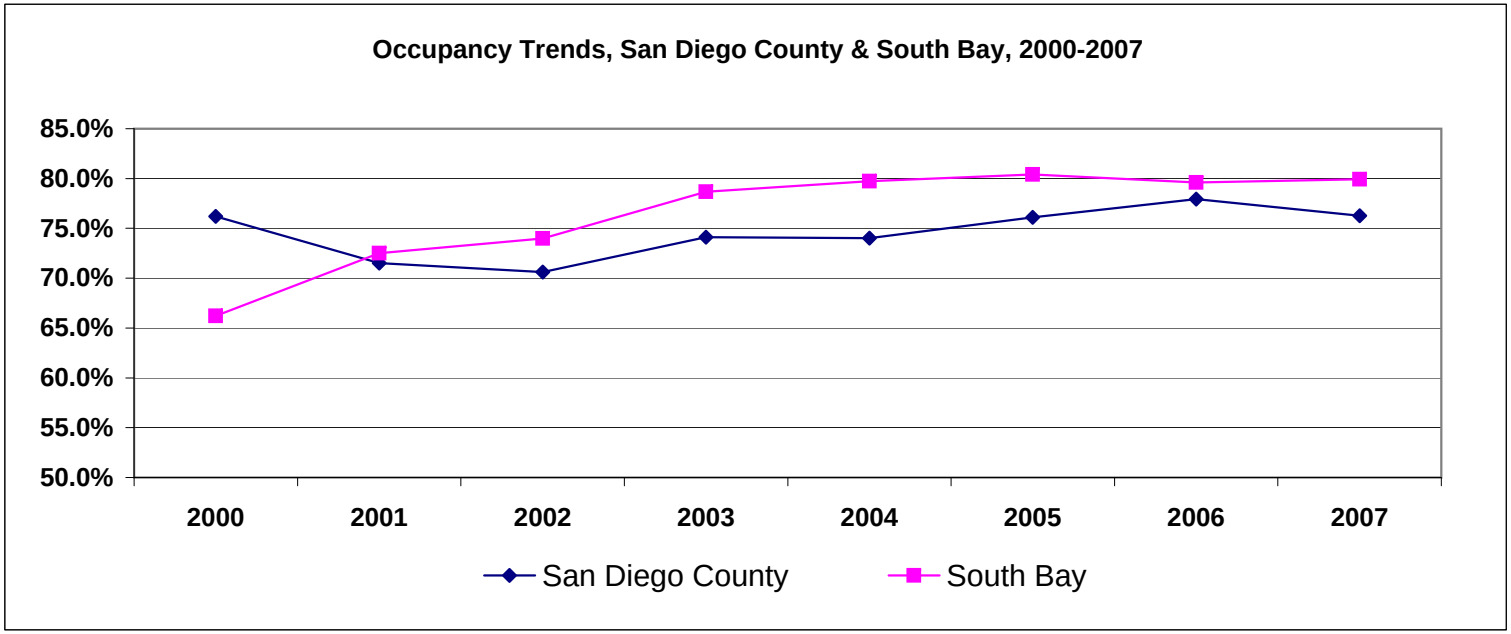
Hotel Market Overview

Commercial Zoning Review
City of Imperial Beach

TABLE D-1

HOTEL OCCUPANCY TRENDS, SAN DIEGO COUNTY AND SOUTH BAY, 2000-2007
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

	2000	2001	2002	2003	2004	2005	2006	2007	Average Annual
San Diego County	76.2%	71.5%	70.6%	74.1%	74.0%	76.1%	77.9%	76.3%	0.0%
South Bay	66.2%	72.5%	74.0%	78.7%	79.7%	80.4%	79.6%	79.9%	2.7%

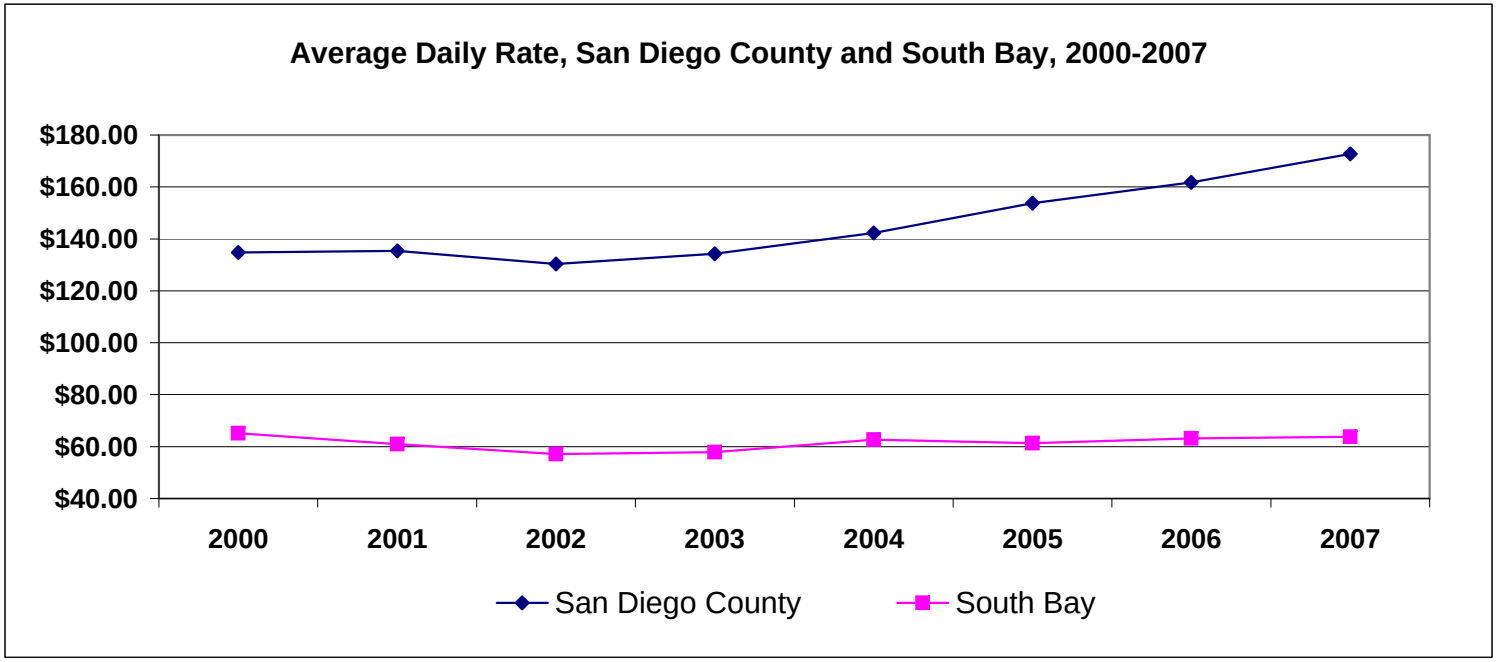


Source: PKF Consulting
Prepared by: Keyser Marston Associates, Inc.
Filename: I:\Imperial Beach\Market Study Tables; 9/10/2007;rks

TABLE D-2

HOTEL RATE TRENDS, AVERAGE DAILY RATE (ADR), SAN DIEGO COUNTY AND SOUTH BAY, 2000-2007
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

	2000	2001	2002	2003	2004	2005	2006	2007	Average Annual
San Diego County	$134.81	$135.36	$130.35	$134.23	$142.23	$153.70	$161.78	$172.75	3.6%
South Bay	$65.17	$60.90	$57.09	$57.92	$62.66	$61.30	$63.11	$63.80	-0.3%



Source: PKF Consulting
Prepared by: Keyser Marston Associates, Inc.
Filename: I:\Imperial Beach\Market Study Tables; 9/10/2007;rks

APPENDIX E

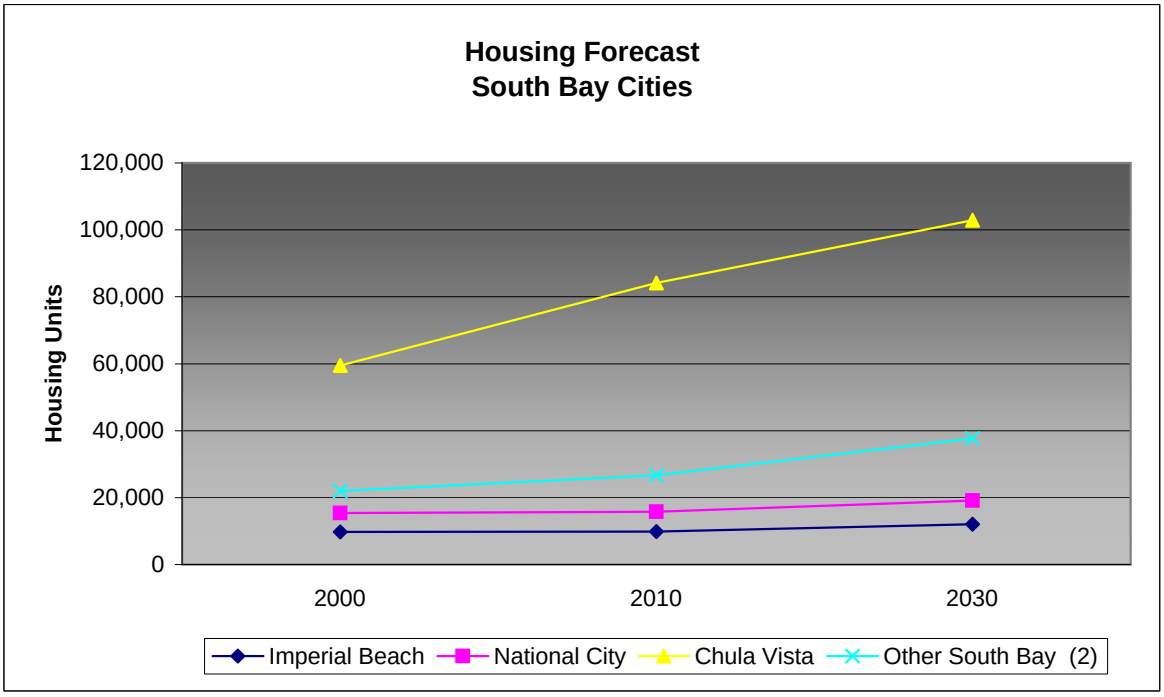
Residential Market Overview

Commercial Zoning Review
City of Imperial Beach

TABLE E-1

HOUSING FORECAST, SAN DIEGO COUNTY AND SOUTH BAY CITIES, 2000-2030
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

	Housing Units (1)			Average Annual	
	2000	**2010**	**2030**	**2000-2010**	**2000-2030**
I. South Bay					
Imperial Beach	9,739	9,830	12,063	0.1%	0.7%
National City	15,422	15,772	19,108	0.2%	0.7%
Chula Vista	59,495	84,166	102,885	3.5%	1.8%
Other South Bay (2)	21,961	26,713	37,687	2.0%	1.8%
Total South Bay	**106,617**	**136,481**	**171,743**	**2.5%**	**1.6%**
II. San Diego County	**1,040,149**	**1,174,180**	**1,383,803**	**1.2%**	**1.0%**



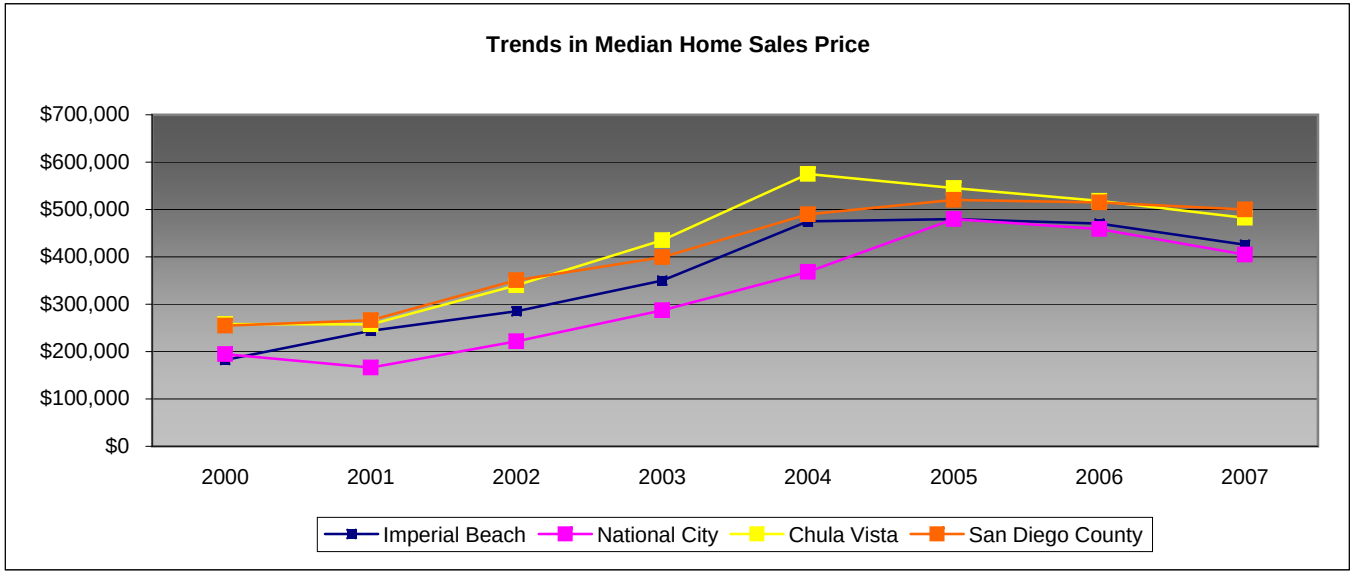
(1) Includes single-family, multi-family, and mobile home units.
(2) Includes City of San Diego Community Planning Areas (CPAs) of Otay-Nestor, Tijuana River Valley, and Otay Mesa, and County CPAs of Otay and Sweetwater.

Source: SANDAG
Prepared by: Keyser Marston Associates, Inc.
File Location: I:\Imperial Beach\Market Study Tables;9/10/2007;rks

TABLE E-2

TRENDS IN MEDIAN HOME SALES PRICE, SAN DIEGO COUNTY AND SOUTH BAY CITIES, 2000-2007 (1)
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

	2000	2001	2002	2003	2004	2005	2006	2007	Average Annual Increase
Imperial Beach	$182,500	$244,250	$285,000	$350,000	$475,000	$480,000	$470,000	$426,000	12.9%
National City	$194,500	$166,000	$221,500	$287,500	$368,000	$480,000	$458,750	$405,000	11.0%
Chula Vista	$258,000	$257,500	$340,000	$435,000	$575,000	$545,000	$518,500	$482,500	9.4%
San Diego County	$255,000	$266,000	$350,500	$399,000	$490,000	$520,000	$515,000	$500,000	10.1%



(1) Reflects median sales price of attached and detached homes.

Source: California Association of Realtors, DataQuick
Prepared by: Keyser Marston Associates, Inc.
Filename: Imperial Beach\Market Study Tables\9/10/2007;rks

TABLE E-3

SUMMARY OF RESIDENTIAL RESALES, IMPERIAL BEACH, JULY 2006 TO PRESENT
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

	Total Sales	Average Unit Size (SF)	Average Sales Price	Average Price/SF	Median Sales Price	Median Price/SF
Detached	55	1,511	$489,000	$358	$470,000	$336
Attached	68	954	$389,000	$418	$330,000	$380

Source: Multiple Listing Service, Inc. (MLS)
Prepared by: Keyser Marston Associates, Inc.
Filename: Imperial Beach\Market Study Tables\9/10/2007;rks

TABLE E-4

ACTIVITY AND NEW HOME SALES PRICES, ATTACHED RESIDENTIAL DEVELOPMENTS (1)
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

	Attached Residential Developments		
	West South Bay (1)	**East South Bay** (2)	**San Diego County**
Number of Developments	4	12	240
Total Inventory of New Units	341	1,985	9,199
Weighted Average Price	$334,000	$413,564	$401,035
Weighted Average Price/SF	$302	$280	$374
Weighted Average SF	896	1,495	1,073

(1) As of 2nd Quarter 2007; reflects developments west of I-805. Excludes condominium conversions.
(2) As of 2nd Quarter 2007; reflects developments east of I-805. Excludes condominium conversions.

Source: MarketPointe Realty Advisors
Prepared by: Keyser Marston Associates, Inc.
Filename i: Imperial Beach\Market Study Tables\9/10/2007;rks

TABLE E-5

ACTIVE FOR-SALE ATTACHED RESIDENTIAL DEVELOPMENTS, WEST SOUTH BAY (1)
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

West		**RANGES**			**WEIGHTED AVERAGE**				
Development Name	**City**	**Sales Price Range**	**Unit SF Range**	**Price/SF**	**Sales Price**	**Unit SF**	**$/SF**	**Units**	**Product Type**
Ada Court	Chula Vista	$500,000 - $500,000	1,400 - 1,400	$357 - $357	$500,000	1,400	$357	14	Townhomes
Harbor View Condos	National City	$229,000 - $439,000	696 - 1,285	$329 - $388	$378,333	1,050	$360	63	Mid-rise
Plaza Village	National City	$469,900 - $554,900	1,575 - 1,865	$298 - $307	$519,900	1,740	$299	17	Low-rise
Revolution R2	National City	$340,000 - $600,000	591 - 1,200	$500 - $575	-	-	-	247	High-rise
	Minimum	$229,000 - $439,000	591 - 1,200	$298 - $307	$378,333	1,050	$299	341	Total Units
	Maximum	$500,000 - $600,000	1,575 - 1,865	$500 - $575	$519,900	1,740	$360		
	Median	$404,950 - $527,450	1,048 - 1,343	$343 - $373	$500,000	1,400	$357		
	Average	$384,725 - $523,475	1,066 - 1,438	$371 - $407	$466,078	1,397	$339		

(1) As of 2nd quarter 2007, reflects attached new construction developments. Does not include condominiums conversions.

Source: MarketPointe Realty Advisors
Prepared by: Keyser Marston Associates, Inc.
Filename: i:Imperial Beach\Market Study Tables\9/10/2007;rks

TABLE E-6

ACTIVE FOR-SALE ATTACHED RESIDENTIAL DEVELOPMENTS, EAST SOUTH BAY (1)
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

East		**RANGES**			**WEIGHTED AVERAGE**				
Development Name	**City**	**Sales Price Range**	**Unit SF Range**	**Price/SF**	**Sales Price**	**Unit SF**	**$/SF**	**Units**	**Product Type**
Agave @ Windingwalk	Chula Vista	$392,990 - $426,900	1,464 - 1,581	$267 - $270	$412,666	1,537	$268	175	Townhomes
Andorra @ Eastlake Summit	Chula Vista	$440,990 - $598,990	1,445 - 2,230	$269 - $308	$598,990	2,230	$269	135	Townhomes
Capria @ Eastlake Summit	Chula Vista	$390,990 - $435,990	1,303 - 1,518	$266 - $300	$397,740	1,387	$287	134	Townhomes
Clover @ Windingwalk	Chula Vista	$389,990 - $445,900	1,579 - 1,891	$234 - $247	$403,900	1,728	$234	112	Fourplex
Cortina @ Eastlake Summit	Chula Vista	$389,990 - $483,990	1,300 - 1,715	$282 - $304	$405,323	1,345	$301	126	Triplex
Mer Soleil @ Otay Ranch	Otay Ranch	$314,900 - $369,900	963 - 1,416	$258 - $327	$357,900	1,264	$283	293	Flats/Townhomes
Monet @ Otay Ranch-Hillsborough	Otay Ranch	$324,990 - $381,900	1,000 - 1,368	$275 - $325	$355,605	1,208	$294	255	Sixplex
Mosaic @ Lomas Verdes	Chula Vista	$336,900 - $391,900	1,175 - 1,656	$237 - $287	$373,300	1,481	$252	218	Townhomes
Paradise Walk	National City	$398,490 - $427,890	1,272 - 1,452	$295 - $313	$410,250	1,344	$305	96	Townhomes
Saguaro @ Windingwalk	Chula Vista	$380,900 - $440,765	1,279 - 1,585	$278 - $298	$404,837	1,434	$282	100	Townhomes
Treviana @ Lomas Verdes	Chula Vista	$384,990 - $502,990	1,245 - 1,820	$276 - $309	$417,323	1,408	$296	212	Townhomes
Veranza @ The Summit	Chula Vista	$394,665 - $477,640	1,481 - 2,136	$224 - $266	$427,981	1,717	$249	129	Triplex
	Minimum	$314,900 - $369,900	963 - 1,368	$224 - $247	$355,605	1,208	$234	1,985	Total Units
	Maximum	$440,990 - $598,990	1,579 - 2,230	$295 - $327	$598,990	2,230	$305		
	Median	$389,990 - $438,378	1,290 - 1,621	$268 - $302	$405,080	1,421	$283		
	Average	$378,399 - $448,730	1,292 - 1,697	$263 - $296	$413,818	1,507	$277		

(1) As of 2nd quarter 2007, reflects attached new construction developments. Does not include condominiums conversions.

Source: MarketPointe Realty Advisors
Prepared by: Keyser Marston Associates, Inc.
Filename: i:Imperial Beach\Market Study Tables\9/10/2007;rks

TABLE E-7

APARTMENT VACANCY AND AVERAGE RENT
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

			Average Monthly Rent							
	Vacancy	Average Annual	Studio	Average Annual	One Bedroom	Average Annual	Two Bedroom	Average Annual	Three + Bedroom	Average Annual
	2007	2004-2007	2007	2004-2007	2007	2004-2007	2007	2004-2007	2007	2004-2007
Imperial Beach	5.4%	10.5%	N/A	N/A	$785	2.9%	$937	2.3%	$1,313	-0.9%
Chula Vista	4.8%	10.3%	$764	6.5%	$988	10.5%	$1,313	13.5%	$1,514	7.9%
National City	0.0%	-100.0%	$575	5.6%	$743	6.7%	$844	2.4%	$1,346	7.2%
San Diego County	5.1%	9.4%	$1,009	16.6%	$1,124	12.2%	$1,394	10.9%	$1,687	-3.4%

Source: San Diego County Apartment Association, Spring 2004 and Spring 2007 Vacancy Rental Rate Survey
Prepared by: Keyser Marston Associates, Inc.
Filename: I:\Imperial Beach\Market Study Tables; 9/10/2007;rks

APPENDIX F

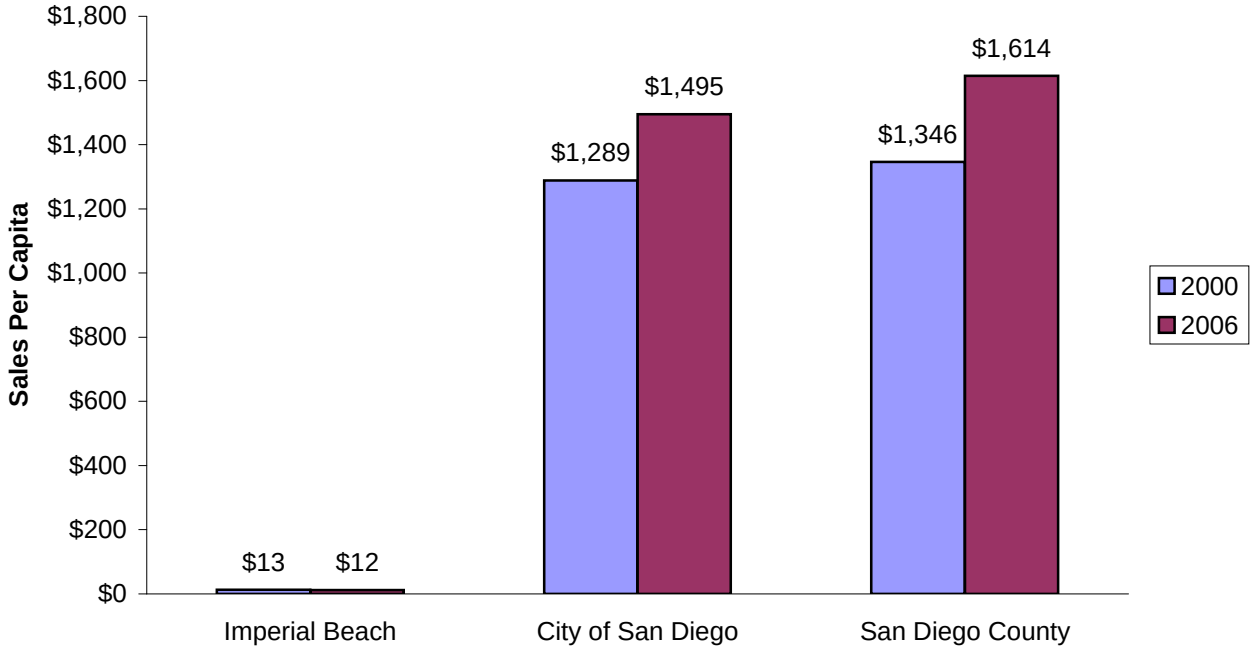
Retail Space Needs Assessment

Commercial Zoning Review
City of Imperial Beach

TABLE F-1

GENERAL MERCHANDISE SALES
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

	2000	2006	Average Annual
Sales Per Capita			
Imperial Beach	$13	$12	-2.3%
City of San Diego	$1,289	$1,495	2.5%
San Diego County	$1,346	$1,614	3.1%
Per Capita Sales as a % of Per Capita Income			
Imperial Beach	0.1%	0.1%	
City of San Diego	5.5%	5.4%	
San Diego County	5.9%	6.0%	

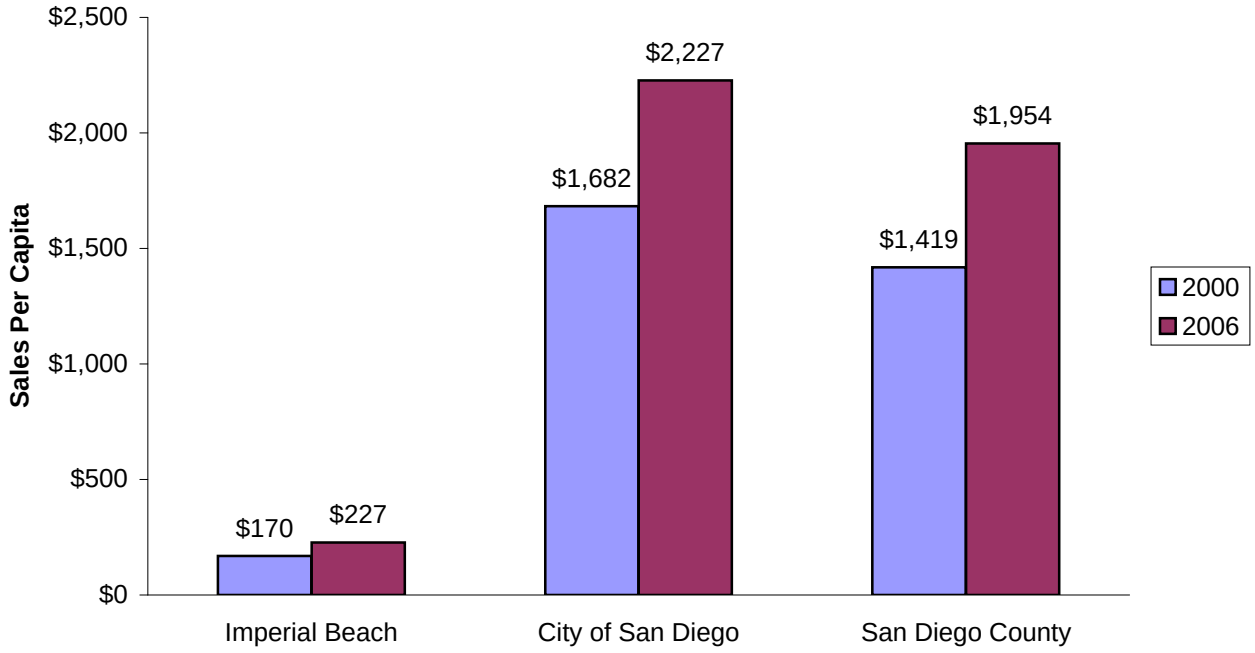


Source: Hinderliter de Llamas and Associates; Claritas, Inc.; U.S. Census 2000
Prepared by: Keyser Marston Associates, Inc.
Filename i:\Imperial Beach\Imperial Beach Import Export Model;9/10/2007;hrm

TABLE F-2

OTHER COMPARISON GOODS SALES (1)
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

	2000	2006	Average Annual
Sales Per Capita			
Imperial Beach	$170	$227	4.9%
City of San Diego	$1,682	$2,227	4.8%
San Diego County	$1,419	$1,954	5.5%
Per Capita Sales as a % of Per Capita Income			
Imperial Beach	1.1%	1.3%	
City of San Diego	7.1%	8.1%	
San Diego County	6.2%	7.3%	



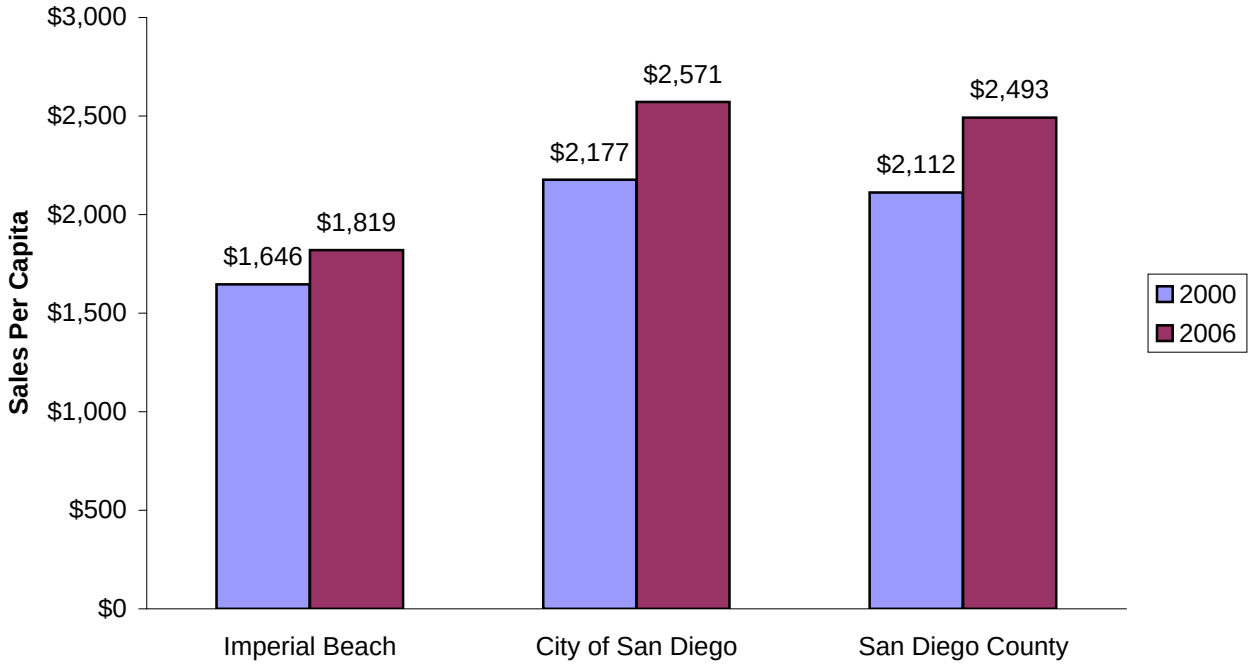
(1) Includes apparel, home furnishings and appliances, and specialty stores.

Source: Hinderliter de Llamas and Associates; Claritas, Inc.; U.S. Census 2000
Prepared by: Keyser Marston Associates, Inc.
Filename i:\Imperial Beach\Imperial Beach Import Export Model;9/10/2007;hrm

TABLE F-3

CONVENIENCE GOODS SALES (1)(2)
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

	2000	2006	Average Annual
Sales Per Capita			
Imperial Beach	$1,646	$1,819	1.7%
City of San Diego	$2,177	$2,571	2.8%
San Diego County	$2,112	$2,493	2.8%
Per Capita Sales as a % of Per Capita Income			
Imperial Beach	10.3%	10.3%	
City of San Diego	9.2%	9.3%	
San Diego County	9.2%	9.3%	



(1) Includes food and drug stores.

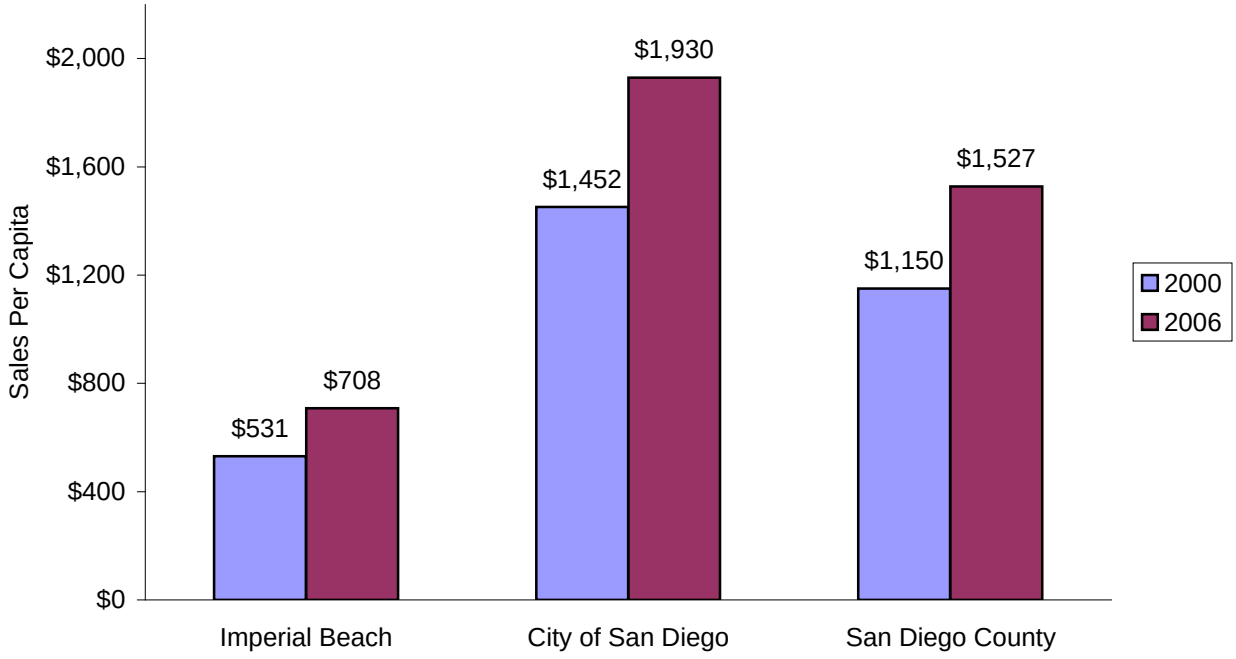
(2) Figures reflect estimated total gross sales adjusted for non-taxable goods.

Source: Hinderliter de Llamas and Associates; Claritas, Inc.; U.S. Census 2000
Prepared by: Keyser Marston Associates, Inc.
Filename i:\Imperial Beach\Imperial Beach Import Export Model;9/10/2007;hrm

TABLE F-4

EATING AND DRINKING SALES
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

	2000	2006	Average Annual
Sales Per Capita			
Imperial Beach	$531	$708	4.9%
City of San Diego	$1,452	$1,930	4.9%
San Diego County	$1,150	$1,527	4.8%
Per Capita Sales as a % of Per Capita Income			
Imperial Beach	3.3%	4.0%	
City of San Diego	6.1%	7.0%	
San Diego County	5.0%	5.7%	

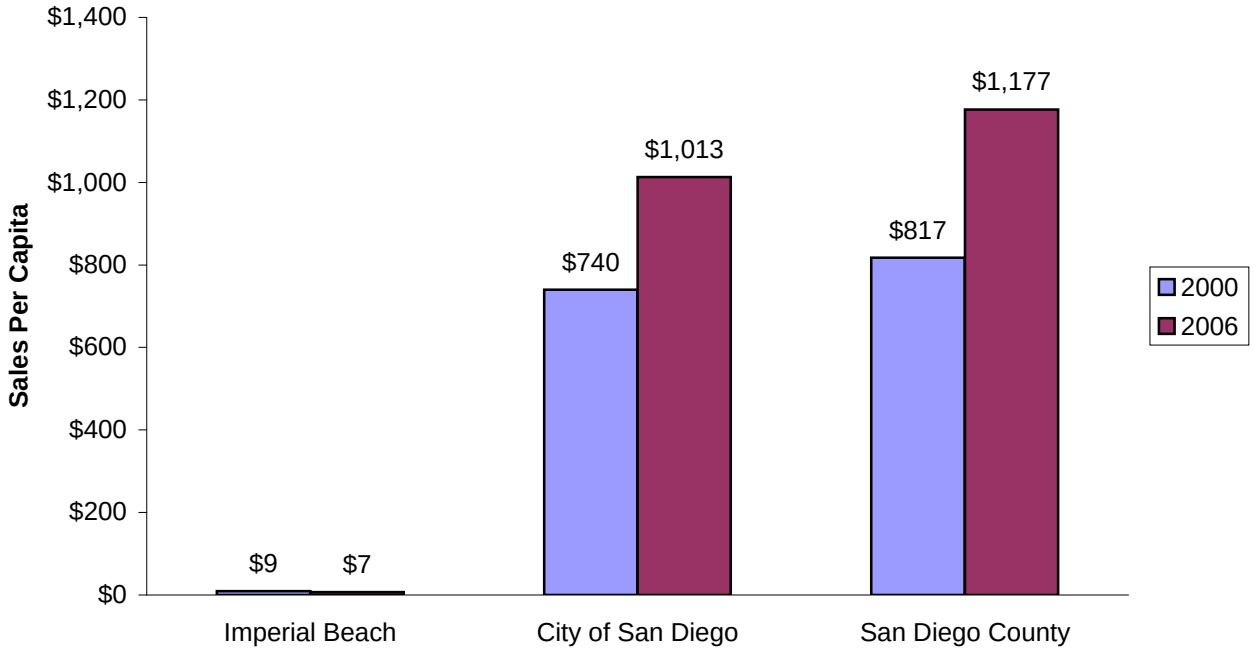


Source: Hinderliter de Llamas and Associates; Claritas, Inc.; U.S. Census 2000
Prepared by: Keyser Marston Associates, Inc.
Filename i:\Imperial Beach\Imperial Beach Import Export Model;9/10/2007;hrm

TABLE F-5

HOME IMPROVEMENT SALES
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

	2000	2006	Average Annual
Sales Per Capita			
Imperial Beach	$9	$7	-4.9%
City of San Diego	$740	$1,013	5.4%
San Diego County	$817	$1,177	6.3%
Per Capita Sales as a % of Per Capita Income			
Imperial Beach	0.1%	0.0%	
City of San Diego	3.1%	3.7%	
San Diego County	3.6%	4.4%	

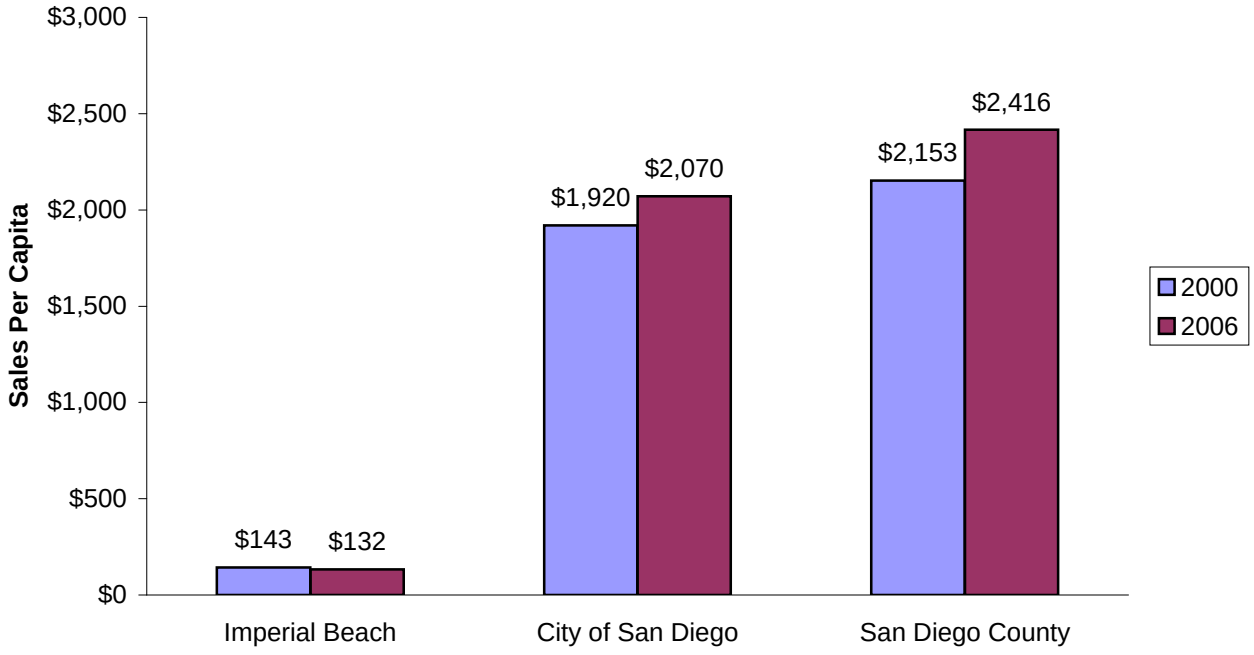


Source: Hinderliter de Llamas and Associates; Claritas, Inc.; U.S. Census 2000
Prepared by: Keyser Marston Associates, Inc.
Filename i:\Imperial Beach\Imperial Beach Import Export Model;9/10/2007;hrm

TABLE F-6

AUTO DEALERS AND SUPPLIES SALES
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

	2000	2006	Average Annual
Sales Per Capita			
Imperial Beach	$143	$132	-1.3%
City of San Diego	$1,920	$2,070	1.3%
San Diego County	$2,153	$2,416	1.9%
Per Capita Sales as a % of Per Capita Income			
Imperial Beach	0.9%	0.7%	
City of San Diego	8.1%	7.5%	
San Diego County	9.4%	9.0%	

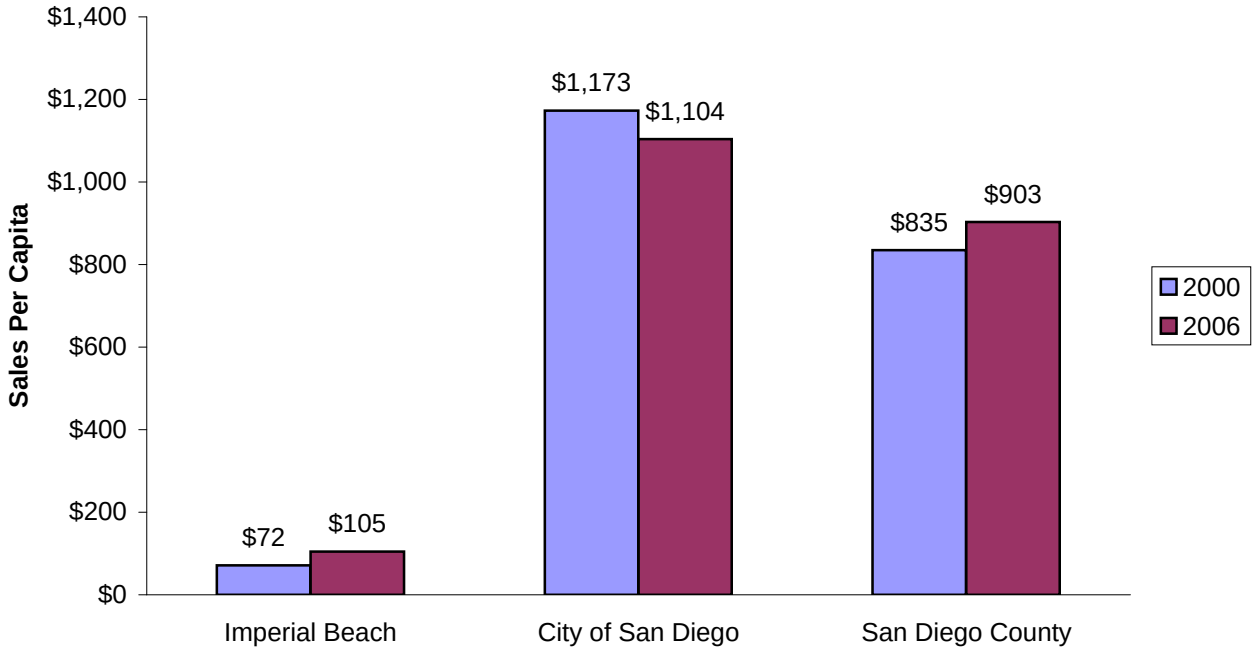


Source: Hinderliter de Llamas and Associates; Claritas, Inc.; U.S. Census 2000
Prepared by: Keyser Marston Associates, Inc.
Filename i:\Imperial Beach\Imperial Beach Import Export Model;9/10/2007;hrm

TABLE F-7

OTHER RETAIL STORES (1)
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

	2000	2006	Average Annual
Sales Per Capita			
Imperial Beach	$72	$105	6.6%
City of San Diego	$1,173	$1,104	-1.0%
San Diego County	$835	$903	1.3%
Per Capita Sales as a % of Per Capita Income			
Imperial Beach	0.4%	0.6%	
City of San Diego	5.0%	4.0%	
San Diego County	3.6%	3.4%	



(1) Includes: second-hand merchandise; farm implement dealers; farm and garden supply stores; fuel and ice dealers; mobile homes; trailers and campers; and boat, motorcycle, and plane dealers.

Source: Hinderliter de Llamas and Associates; Claritas, Inc.; U.S. Census 2000
Prepared by: Keyser Marston Associates, Inc.
Filename i:\Imperial Beach\Imperial Beach Import Export Model;9/10/2007;hrm

TABLE F-8

RETAIL SALES IMPORT/EXPORT ANALYSIS, CITY OF IMPERIAL BEACH, 2006
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

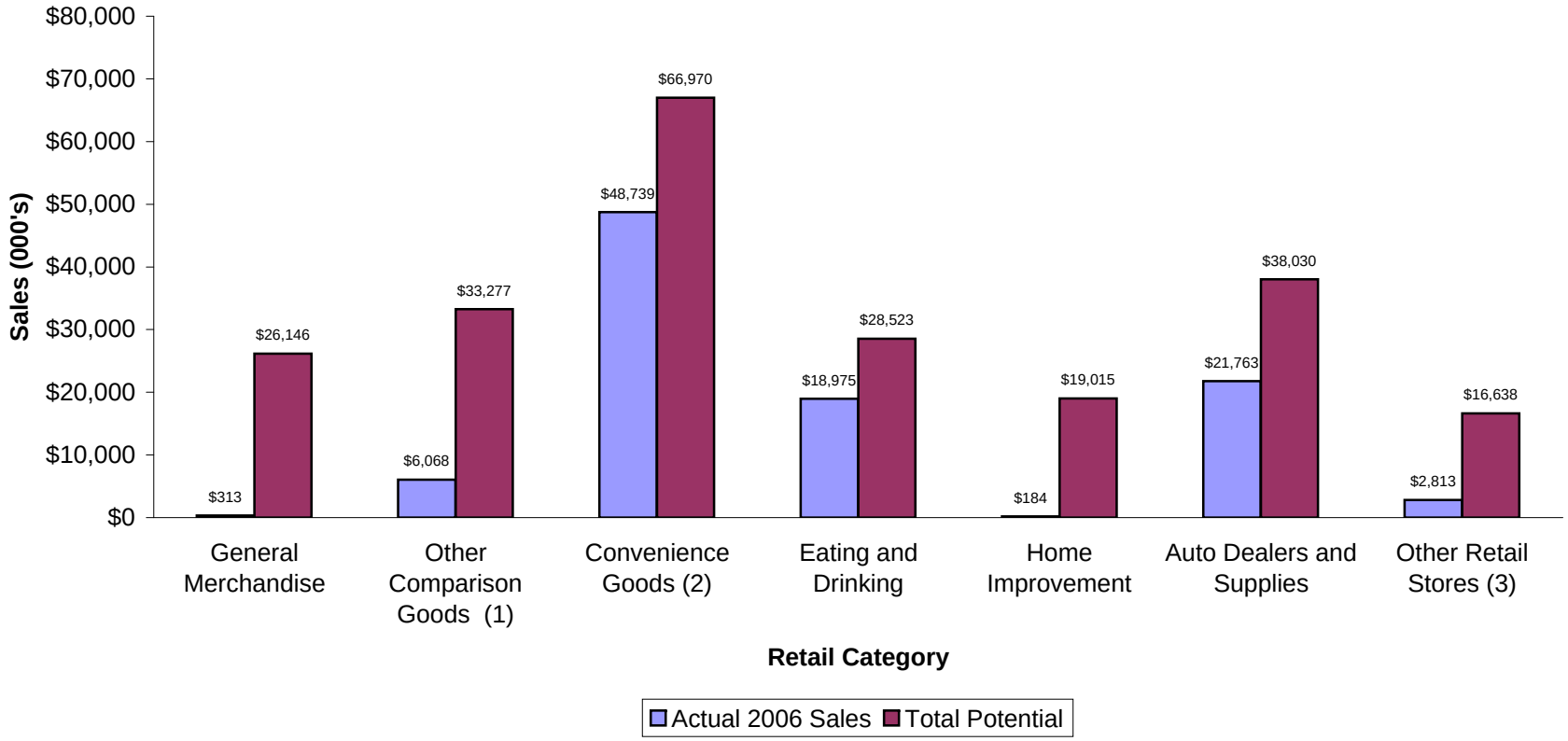
Retail Category	Expenditure Potential Per Capita	Expenditure Potential As % of PCI	Total Potential (000's)	Actual 2006 (000's)	% of Actual to Total Potential	Import/ (Export) (000's)
General Merchandise	-	5.5%	$26,146	$313	1%	($25,833)
Other Comparison Goods (1)	-	7.0%	$33,277	$6,068	18%	($27,209)
Convenience Goods (2)	$2,500	-	$66,970	$48,739	73%	($18,231)
Eating and Drinking	-	6.0%	$28,523	$18,975	67%	($9,548)
Home Improvement	-	4.0%	$19,015	$184	1%	($18,831)
Auto Dealers and Supplies	-	8.0%	$38,030	$21,763	57%	($16,267)
Other Retail Stores (3)	-	3.5%	$16,638	$2,813	17%	($13,825)
Total			$228,599	$98,856	43%	($129,743)

(1) Includes apparel, home furnishings and appliances, and specialty stores.
(2) Includes food and drug stores.
(3) Includes second-hand merchandise; farm implement dealers; farm and garden supply stores; fuel and ice dealers; mobile homes; trailers and campers; and boat, motorcycle, and plane dealers.

Source: Hinderliter de Llamas and Associates; Claritas, Inc.; U.S. Census 2000
Prepared by: Keyser Marston Associates, Inc.
Filename i:\Imperial Beach\Imperial Beach Import Export Model;9/10/2007;hrm

EXHIBIT F-1

ACTUAL RETAIL SALES VS. TOTAL POTENTIAL EXPENDITURES, CITY OF IMPERIAL BEACH, 2006
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

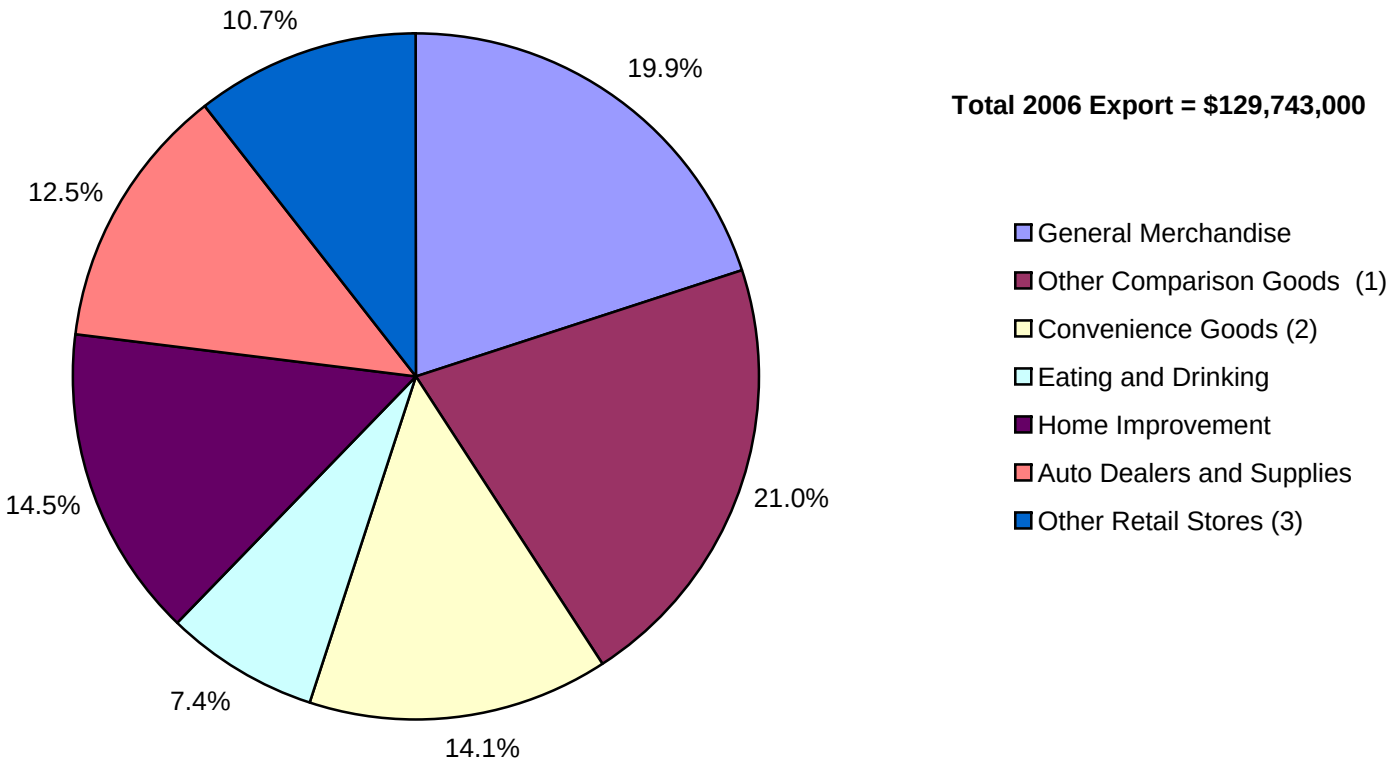


(1) Includes apparel, home furnishings and appliances, and specialty stores.
(2) Includes food and drug stores.
(3) Includes second-hand merchandise; farm implement dealers; farm and garden supply stores; fuel and ice dealers; mobile homes; trailers and campers; and boat, motorcycle, and plane dealers.

Source: Hinderliter de Llamas and Associates; Claritas, Inc.
Prepared by: Keyser Marston Associates, Inc.
Filename i:\Imperial Beach\Imperial Beach Import Export Model;9/10/2007;hrm

EXHIBIT F-2

EXPORT BY RETAIL CATEGORY, IMPERIAL BEACH, 2006
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH



(1) Includes apparel, home furnishings and appliances, and specialty stores.
(2) Includes food and drug stores.
(3) Includes second-hand merchandise; farm implement dealers; farm and garden supply stores; fuel and ice dealers; mobile homes; trailers and campers; and boat, motorcycle, and plane dealers.

Source: Hinderliter de Llamas and Associates; Claritas, Inc.
Prepared by: Keyser Marston Associates, Inc.
Filename i:\Imperial Beach\Imperial Beach Import Export Model;9/10/2007;hrm

TABLE F-9

SALES EXPORT RECAPTURE POTENTIAL, CITY OF IMPERIAL BEACH
COMMERCIAL ZONING REVIEW
CITY OF IMPERIAL BEACH

Retail Category	Export (000's)	Estimated Recapture Rate Low		High	Assumed Sales Productivity Per SF Per Year	Estimated Recapture of Retail Space (SF) Low	High
General Merchandise	($25,833)	10%	-	15%	$350	7,000	11,000
Other Comparison Goods (1)	($27,209)	15%	-	25%	$300	14,000	23,000
Convenience Goods (2)	($18,231)	30%	-	40%	$325	17,000	22,000
Eating and Drinking	($9,548)	20%	-	30%	$400	5,000	7,000
Home Improvement	($18,831)	5%	-	10%	$250	4,000	8,000
Auto Dealers and Supplies	($16,267)	0%	-	5%	$250	0	3,000
Other Retail Stores (3)	($13,825)	15%	-	25%	$250	8,000	14,000
Totals	($129,743)	14%	-	22%	$325	55,000	88,000

(1) Includes apparel, home furnishings and appliances, and specialty stores.
(2) Includes food and drug stores.
(3) Includes second-hand merchandise; farm implement dealers; farm and garden supply stores; fuel and ice dealers; mobile homes; trailers and campers; and boat, motorcycle, and plane dealers.

Source: Hinderliter de Llamas and Associates; Claritas, Inc.
Prepared by: Keyser Marston Associates, Inc.
Filename i:\Imperial Beach\Imperial Beach Import Export Model;9/10/2007;hrm

APPENDIX G

Mixed-Use Development Comparables

Commercial Zoning Review
City of Imperial Beach

Baily's Restaurant

Project Location	NWC of 2nd and Old Town Front Streets Old Town Temecula, CA
Project Description	2-story building containing 9,900 SF of restaurant space: ▪ Front Street Bar & Grill with casual dining and outdoor seating on 1st floor ▪ Baily's Fine Dining on 2nd floor
Parking	Shared parking in two public lots
Developer	Old Town Dining, LLC (Baily's Restaurant)
Redevelopment Agency Involvement	Yes
Date Opened	2004

Brea Downtown
(formerly Birch Street Promenade)

Project Location	260 W. Birch Street Brea, CA
Project Description	Mixed-use development consisting of retail, entertainment (2 Edwards Cinemas), office space, and 62 loft units (32 affordable housing units)
Parking	2 shared/public structures (1,750 spaces)
Developer	CIM Group
Redevelopment Agency Involvement	Yes
Date Opened	2001

CityMark Paseo

Project Location	NWC Nebo Drive and Lemon Avenue La Mesa Village La Mesa, CA
Project Description	Mixed-use development with 18 townhomes and live/work residences
Parking	Private garage parking
Developer	CityMark Development
Redevelopment Agency Involvement	No
Date Opened	2003

Dalton Buildings

Dalton I

Dalton II

Dalton III

Project Location	Temecula, CA: ▪ Dalton I – 41911 Fifth Street ▪ Dalton II – 41925 Fifth Street ▪ Dalton III – 41955 Fifth Street
Project Description	Dalton I – A 3-story building with 16,300 SF of retail/office space Dalton II – A 4-story, 27,000-SF building with 1st floor retail below 3 levels of residential (24 affordable units) Dalton III – A 3-story, 26,000-SF building with 1st floor retail below 2 levels of residential (22 affordable units)
Parking	Limited surface parking
Developer	Bill Dalton
Redevelopment Agency Involvement	Yes
Date Opened	Dalton I – 2005 Dalton II - April 2007 Dalton III - scheduled to open Fall 2007

Heritage Towne Center

Project Location	East Palomar and Santa Rita Otay Ranch Chula Vista, CA
Project Description	10-acre mixed-use development including: 91 affordable senior apartments; 180 affordable multi-family units; street-level retail space; and Sharp Rees-Stealy Medical Clinic
Parking	497 spaces
Developer	The Otay Ranch Co.
Redevelopment Agency Involvement	No
Date Opened	2003

Kensington Plaza

Project Location	Adams Avenue at Marlborough Drive San Diego, CA
Project Description	Mixed-use development with 11 live/work lofts over restaurant and retail space
Parking	Surface parking in rear for retail uses, private garage parking for lofts (0.73 spaces per unit)
Developer	The Kensington Partnership (Allard Jansen and Associates)
Redevelopment Agency Involvement	No
Date Opened	January 2000

Little Italy Neighborhood Development

Project Location	Block bounded by Beech, Cedar, India, and Kettner Boulevard Little Italy San Diego, CA
Project Description	Mixed-income residential development consisting of 16 rowhomes, 12 mixed-income rental lofts, and 37 low- and moderate-income units over retail and restaurant space
Parking	Mix of subterranean garage, attached private garages, and surface lot
Developer	Barone Galasso, Jonathan Segal, Ted Smith and Others (joint venture of architects and developers)
Redevelopment Agency Involvement	Yes
Date Opened	1997

Mission Hills Commons

Project Location	North side of Washington Avenue between Eagle and Falcon Streets Mission Hills San Diego, CA
Project Description	The development includes 65 residential units (50 apartments, 8 rowhomes, and a retail structure with 7 residential lofts above) and 15,000 SF of retail space
Parking	Subterranean garage for apartments, private garages for rowhomes, and shared surface lot for retail uses and lofts (1.6 spaces per residential loft unit)
Developer	Carter Reese Associates
Redevelopment Agency Involvement	No
Date Opened	2004

Paseo de Mission Hills

(Renderings from CLB Partners)

Project Location	Washington & Goldfinch Mission Hills San Diego, CA
Project Description	Mixed-use development with 48 condominiums, 13 townhomes, and 8 affordable housing units with over 20,000 SF of retail and office space
Parking	Subterranean parking
Developer	Co-developed by R.S. Lawrence Development and CLB Partners
Redevelopment Agency Involvement	No
Date Opened	Under construction

Spotlight on Broadway

Project Location	760 Broadway Chula Vista, CA
Project Description	Mixed-use project containing 9,300 SF of street front retail; 9 residential lofts; and 40 row homes
Parking	Private garage parking for detached rowhomes, shared surface lot for retail uses and lofts
Developer	Concordia Homes and Bitterlin Development Corporation
Redevelopment Agency Involvement	Yes
Date Opened	2005

Plaza Almeria

Project Location	301 Main Street Huntington Beach, CA
Project Description	Mixed-use development consisting of 36,000 SF of office and retail space, and 42 for-sale townhomes
Parking	Structured parking in internal wrap configuration (300 spaces)
Developer	Pelican Properties
Redevelopment Agency Involvement	Yes
Date Opened	1999

Uptown District

Project Location	Cleveland Avenue and Vermont Street Hillcrest San Diego, CA
Project Description	Mixed-use development consisting: 318 townhomes, flats, and lofts (3 levels over parking); 145,000 SF of retail and commercial space; and 3,000 SF community center
Parking	2 levels of subterranean parking for residential, and 1 level of subterranean parking and surface lots for commercial center featuring Ralphs and Trader Joe's grocery stores (1,200 spaces)
Developer	Co-developed by Odmark & Thelan and Oliver McMillan
Redevelopment Agency Involvement	No
Date Opened	1991

Via Roble

Project Location	1565 S. Escondido Boulevard Escondido, CA
Project Description	Mixed-use development consisting of 72 affordable apartments, 10 single-family detached homes, 9 three-story shopkeeper units, an 1,800-SF community center, and a 25,000-SF central park
Parking	Surface lots and private garages
Developer	Trinity Housing Development
Redevelopment Agency Involvement	Yes
Date Opened	2005

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