

CALIFORNIA COASTAL COMMISSION

SAN DIEGO AREA
7575 METROPOLITAN DRIVE, SUITE 103
SAN DIEGO, CA 92108-4402
(619) 767-2370



W 15b

Addendum

February 5, 2013

To: Commissioners and Interested Persons

From: California Coastal Commission
San Diego Staff

Subject: Addendum to **Item 15b**, Coastal Commission Permit Amendment
#A-6-PSD-08-04-A1 (LPP, Lane Field, LLC), for the Commission
Meeting of February 6, 2012.

Staff recommends the following changes and corrections be made to the above-referenced staff report:

1. All references in the staff report to the applicant as “LLP, Lane Field, LLC” shall be corrected to “LPP, Lane Field, LLC.”
2. Starting on Page 1 of the staff report and continuing onto Page 2, Proposed Amendment Description shall be revised as follows:

Revise location of two hotel towers and retail to be set back 150 feet from Harbor Drive to accommodate and include the construction of a 1.66 ac public park; reduce retail from 80,000 sq.ft. to 63,549 sq.ft.; reduce heights of hotel towers by 10-30 feet. Construct project in two separate phases: Phase I consisting of the park and hotel/retail on the northern portion of the site, and Phase II the hotel/retail on the southern half. Distribution of the hotel rooms will be revised to 400 rooms on north parcel and 400 rooms on south parcel. Revise requirement to develop and partially fund construction of a hostel and/or contribute an in-lieu fee, to pay mitigation fee outright; revise requirement to develop a stand-alone 3-year summer shuttle program, to contribute to the Port District’s on-going permanent summer shuttle program; update public access program, multimodal transit opportunity plan, and water quality plan to accommodate project revisions; reduce number of parking spaces to 1,100; replace subterranean parking on north parcel with a multi-level parking garage located within the podium of the hotel/retail structure.

3. On Page 3, the third complete paragraph shall be revised as follows:

However, because of the phased nature of the proposed project, the applicant has requested that it be allowed to contribute the required in-lieu fee on a phase-by-phase basis, and pay \$3,000,000 prior to ~~construction~~ occupancy of the Phase I hotels, and the remaining \$3,000,000 prior to ~~construction~~ occupancy of the Phase II hotel. ~~However, the Commission typically requires full payment of mitigation fees prior to issuance of a coastal development permit to ensure that the applicant mitigates adverse impacts to lower cost visitor accommodations associated with proposed development. The applicant has indicated that construction of Phase II is expected to occur in the near future, as early as 2014. The applicant has not submitted evidence that payment of the entire mitigation fee at one time is infeasible. Thus, requirement of the payment of the entire fee at this time is a feasible mitigation measure to address the proposed project's adverse impacts to lower cost visitor accommodations. Therefore, **Special Condition #2** requires payment of the entire mitigation fee prior to issuance of the permit.~~ However, there are several unique characteristics of this particular project, including the phased nature of the project; the major public recreational component of the project (the Setback Park); the terms of the original permit; and the Port's guarantee process, that support allowing the applicant to proceed with a different timeline. In the original approval, the applicant was allowed to proceed with construction prior to payment of the fee, as long as specific milestones were met regarding identification of a hostel site, procurement of the hostel project entitlements, design, and construction. The process allowed a total of approximately 3 ½ years after issuance of the Lane Field CDP for commencement of construction of a hostel. Thus, had construction of the hotel proceeded on the original schedule, it is likely that the hostel would not have been constructed or the fee paid before the approved hotel was completed, similar to the proposed amendment.

The additional time for payment of the mitigation fee allows the applicant the financial leeway to meet the Port District's requirements for ground lease payments. In addition, because only Phase I of the project will undertaken initially, there is no financing available for the mitigation fee for Phase II until the Phase I project has been executed. The Port District's Lease Option Agreement and Project Completion Guarantee (a draft of which has been provided) will ensure that even if Phase I of the project were undertaken but not completed by the applicant, payment of the mitigation fee for Phase I would be guaranteed. In addition, **Special Condition #10** requires that any delay of commencement of construction of Phase II beyond 3 years of Commission approval, requires an amendment to the permit. Thus, allowing the applicant to complete Phase I prior to payment of the mitigation fee for Phase II, provides the greatest assurance that the public park will be built. Therefore, **Special Condition #2** allows the mitigation fee to be paid in two phases, with specific milestones that must be met prior to commencement of construction, and prior to occupancy of the hotels in each phase. In between construction of the two phases of development, the southern parcel will continue to function as a public parking lot, providing both the public parking required for the project and additional parking.

2. On Page 7, the first paragraph of Special Condition #2 shall be deleted and replaced as follows:

~~2. **Lower Cost Overnight Accommodations Mitigation Fee. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT,** but only after the Executive Director of the Coastal Commission has indicated, in writing, that the Commission has entered into a memorandum of understanding with the San Diego Unified Port District on the conditions of expenditure of the funds from the mitigation fee, the applicant shall provide evidence, in a form and content acceptable to the Executive Director, that a fee of \$30,000 per unit for 25% (200 units) of the total number of high-cost overnight visitor accommodations (800 units) in the approved project for a total fee of \$6,000,000, has been paid in lieu of providing lower cost accommodations on-site.~~

~~The required in-lieu fee of \$6,000,000 shall be deposited into an interest-bearing account, to be established and managed by the San Diego Unified Port District pursuant to a memorandum of understanding entered into between the Port and Executive Director of the Coastal Commission, as indicated above. The purpose of this account shall be to establish lower cost overnight visitor accommodations, such as hostel beds, tent campsites, cabins or campground units, at appropriate locations on Port Tidelands within the City of San Diego. All development funded by this account will require review and approval by the Executive Director of the Coastal Commission and a coastal development permit if in the coastal zone.~~

~~If any portion of the fee remains five years after it is deposited into the interest-bearing account required by this condition, the Executive Director may require that the funds be transferred to another entity that will provide lower cost visitor amenities in a Southern California coastal zone jurisdiction.~~

2. **Lower Cost Overnight Accommodations Mitigation Fee.** The applicant shall pay a fee of \$30,000 per unit for 25% (200 units) of the total number of high-cost overnight visitor accommodations (800 units) in the approved project for a total fee of \$6,000,000, in lieu of providing lower cost accommodations on-site. This fee shall be paid in two phases, and the following milestones shall be met as described below.

A. **Prior to commencement of construction of Phase I of the project,** the applicant shall submit a signed and executed Option Agreement with the Port District that includes a Project Completion Guarantee with the specific acknowledgement that the applicant is obligated to pay the mitigation fee described above.

B. **Prior to occupancy of the hotel(s) in Phase I of the project,** but only after the Executive Director of the Coastal Commission has indicated, in writing, that the Commission has entered into a memorandum of

understanding with the San Diego Unified Port District on the conditions of expenditure of the funds from the mitigation fee, the applicant shall provide evidence, in a form and content acceptable to the Executive Director, that a fee of \$30,000 per unit for 25% (100 units) of the number of high-cost overnight visitor accommodations in the approved Phase I project (400 units), for a total fee of \$3,000,000, has been paid in lieu of providing lower cost accommodations on-site. Said MOU shall accommodate and provide for payment of the fee for both Phase I and Phase II of the approved project.

C. Prior to commencement of construction of Phase II of the project, the applicant shall submit a signed and executed Option Agreement with the Port District that includes a Project Completion Guarantee with the specific acknowledgement that the applicant is obligated to pay the mitigation fee described above.

D. Prior to occupancy of the hotel in Phase II of the project, the applicant shall provide evidence, in a form and content acceptable to the Executive Director, that a fee of \$30,000 per unit for 25% (100 units) of the number of high-cost overnight visitor accommodations in the approved Phase II project (400 units), for a total fee of \$3,000,000, has been paid in lieu of providing lower cost accommodations on-site.

E. The required in-lieu fee shall be deposited into an interest-bearing account, to be established and managed by the San Diego Unified Port District pursuant to a memorandum of understanding entered into between the Port and Executive Director of the Coastal Commission, as indicated above. The purpose of this account shall be to establish lower cost overnight visitor accommodations, such as hostel beds, tent campsites, cabins or campground units, at appropriate locations on Port Tidelands within the City of San Diego. All development funded by this account will require review and approval by the Executive Director of the Coastal Commission and a coastal development permit if in the coastal zone.

If any portion of the fee remains five years after it is deposited into the interest-bearing account required by this condition, the Executive Director may require that the funds be transferred to another entity that will provide lower cost visitor amenities in the County of San Diego coastal zone jurisdiction.

4. Starting on Page 7 and continuing to Page 8, the first paragraph of Special Condition #3 shall be corrected as follows:

3. **Final Urban Storm Water Mitigation Plan/Water Quality Technical Report. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT,** the applicant shall submit, for review and written approval of the

Executive Director, a final Urban Storm Water Mitigation Plan/Water Quality Technical Report (FWQTR), **for Phase I of the approved development**, prepared by a licensed engineer, that is in substantial compliance with the ~~2008 Water Quality Technical Report~~ October 2012 Preliminary Urban Storm Water Mitigation Plan and includes the following. [...]

5. At the bottom of Page 8, the first paragraph of Special Condition #4 shall be corrected as follows:

4. **Operation and Maintenance Plan. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT**, the applicant shall submit, for review and written approval of the Executive Director, an Operation and Maintenance (O&M) plan **for Phase I of the approved development** that includes description of the long-term operation and maintenance requirements of proposed best management practices described in the ~~Water Quality Management Plan~~ final Urban Stormwater Mitigation Plan/Water Quality Technical Report described in Condition ~~#5~~ 3 of this permit, and a description of the mechanisms that will ensure ongoing long-term maintenance. The O&M Plan shall include: [...]

6. On Page 12, under Section B. Amendment Description, the following correction shall be made to the first paragraph:

The proposed amendment would not significantly revise the hotel portion of the project. The total number of rooms would remain the same, but rather than ~~(275 on the North tower and 525 on the South)~~, there would be 400 room on each parcel. The maximum height of the north hotel tower would be reduced from 209 feet to 200 feet. The maximum height of the south hotel tower would be reduced from 269 feet to 240 feet. The heights of the retail podiums adjacent to the towers would remain the same (50 feet). The planned “luxury” hotel on the North parcel with room rates around \$400 a night, will now consist of a “duel branded” project (two hotels with shared facilities) consisting of a standard guestroom hotel (275-key) and an extended stay hotel (125-key), with rooms rates around \$200 a night. The room rates on the “upper upscale” South tower will remain around \$330 a night.

7. On Page 19, the fourth paragraph shall be revised as follows:

The applicant has proposed paying the mitigation fee prior to the occupancy of the hotels in each of the two phases. ~~However, the~~ The Commission typically requires full payment of mitigation fees prior to issuance of a coastal development permit to ensure that the applicant mitigates adverse impacts to lower cost visitor accommodations associated with the proposed development. The applicant has indicated that construction of Phase II is expected to occur in the near future, as early as 2014. ~~The applicant has not submitted evidence that indicates payment of the entire mitigation at~~

~~one time is infeasible. Thus, requiring payment of the entire fee at this time is a feasible mitigation measure to address the proposed project's adverse impacts to lower cost visitor accommodations. Furthermore, to ensure that the mitigation fee adequately mitigates the adverse impacts to lower cost visitor accommodations associated with the proposed development, Special Condition #2 further requires that the applicant transfer the funds to the Port only after the Commission and the Port have entered into a memorandum of understanding, establishing the conditions of the Port's use of those funds. Therefore, **Special Condition #2** requires payment of the entire mitigation fee prior to issuance of the permit. However, there are several unique characteristics of this particular project, including the phased nature of the project; the major public recreational component of the project (the Setback Park); the terms of the original permit; and the Port's guarantee process, that support allowing the applicant to proceed with a different timeline. In the original approval, the applicant was allowed to proceed with construction prior to payment of the fee, as long as specific milestones were met regarding identification of a hostel site, procurement of the hostel project entitlements, design, and construction. The process allowed a total of approximately 3 ½ years after issuance of the Lane Field CDP for commencement of construction of a hostel. Thus, had construction of the hotel proceeded on the original schedule, it is likely that the hostel would not have been constructed or the fee paid before the approved hotel was completed, similar to the proposed amendment.~~

The additional time for payment of the mitigation fee allows the applicant the financial leeway to meet the Port District's requirements for ground lease payments. In addition, because only Phase I of the project will undertaken initially, there is no financing available for the mitigation fee for Phase II until the Phase I project has been executed. The Port District's Lease Option Agreement and Project Completion Guarantee (a draft of which has been provided) will ensure that even if Phase I of the project were undertaken but not completed by the applicant, payment of the mitigation fee for Phase I would be guaranteed. In addition, **Special Condition #10** requires that any delay of commencement of construction of Phase II beyond 3 years of Commission approval, requires an amendment to the permit. Thus, allowing the applicant to complete Phase I prior to payment of the mitigation fee for Phase II, provides the greatest assurance that the public park will be built. Therefore, **Special Condition #2** allows the mitigation fee to be paid in two phases, with specific milestones that must be met prior to commencement of construction, and prior to occupancy of the hotels in each phase. The signed and executed agreement with the Port District must be submitted prior to the commencement of construction for each phase, and the fee must be submitted prior to occupancy of the hotels for each phase. In that manner, the Commission will be assure that the appropriate mitigation fee will be paid in a timely manner. In between construction of the two phases of development, the southern parcel will continue to function as a public parking lot, providing both the public parking required for the project and additional parking.



W15b

COUNCILMEMBER KEVIN FAULCONER

SECOND DISTRICT
CITY OF SAN DIEGO

January 31, 2013

The Honorable Mary Shallenberger
Chair
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105

Re: W15B - February 6, 2013 - Lane Field Amendment

Dear Ms. Shallenberger:

As the City Councilmember who represented Downtown San Diego for many years, and as Chair of the North Embarcadero Visionary Plan (NEVP) Joint Powers Authority, I strongly urge the California Coastal Commission to approve the proposed Coastal Development Permit Amendment for the Lane Field project.

The Lane Field project will advance the overall goals of NEVP, both of which are designed to enhance the unique downtown waterfront experience. As noted in the staff report, Lane Field, as amended, will provide new public green space, protect view corridors, and improve the visual quality of the waterfront.

This project has earned broad public support, and our community is eager to realize the many public benefits. It has taken many years of thoughtful work by Coastal Commission staff, the applicant, and stakeholders to create this opportunity.

I appreciate your consideration of the proposed Lane Field project amendment at the February meeting of the Coastal Commission. Your approval of the amendment is an important step in transforming San Diego's waterfront into a world-class destination.

Sincerely,

Signature on File

Kevin L. Faulconer
Councilmember
Second District

cc: California Coastal Commission Commissioners

KLF:tc

**LETTERS IN SUPPORT OF
APPLICANT**

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Emerald Plaza
402 West Broadway, Suite 1000
San Diego, California 92101-3585
Tel 619.544.1300
www.sdchamber.org

Item W15B – February 6, 2013

January 30, 2013

Chair Mary Shallenberger and Commissioners
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105

Re: Lane Field A-6-PSD-08-004-A1

Dear Chair Shallenberger and Commissioners:

The San Diego Regional Chamber of Commerce representing more than 2,800 member businesses and their 350,000 employees is pleased to express its support of the Lane Field project. Lane Field is a vital part of the North Embarcadero Visionary Plan (NEVP), and we are pleased to see it come to fruition.

The NEVP is transforming the San Diego bay front. The Lane Field project is a catalyst for the long-awaited improvements that will benefit visitors, tourism, and San Diegans alike. The waterfront is critical to our economy, and we are confident that this project will be a positive addition to the jobs and opportunities for our region. The Setback Park/Plaza, public spaces, and hotel accommodations are all welcome features of the Lane Field project, and contribute to the revitalization of San Diego's "Front Porch."

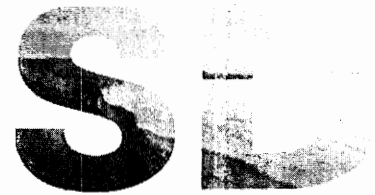
We look forward to the future of Lane Field and encourage the Coastal Commission to approve this project for the benefit of San Diegans, our visitors, and our economy. If you have any questions please contact Leah Hemze at lhemze@sdchamber.org.

Sincerely,

Signature on File

Mark Leslie
Interim President & CEO

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Re: Item 15B – February 6, 2013

January 29, 2013

Chair Mary Shallenberger and Commissioners
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105

Re: Lane Field

Dear Chair Shallenberger and Commissioners:

On behalf of the San Diego Tourism Authority, I am writing in support of the Lane Field Project. This is an essential piece of the North Embarcadero Visionary Plan (NEVP), which is helping to create access to our signature San Diego bay front for our visitors and residents alike.

The Lane Field project will be a positive addition to our visitor industry, not only enhancing our vibrant North Embarcadero area, but also creating much-needed jobs and business opportunities in a large employment sector. The proposed hotel accommodations are within walking distance of many waterfront public areas, and are especially welcome as we attract visitors from around the world.

We enthusiastically encourage the California Coastal Commission to move forward with the Lane Field Project, and appreciate your consideration of our support. Please don't hesitate to reach out to me if I can be of further assistance or provide you with any additional information.

Best regards,

Signature on File

✓ ✓
Joe Terzi
President & CEO



750 B Street, Suite 1500
San Diego / CA 92101

TEL 619.232.3101
FAX 619.696.9371

SAN DIEGO ORG

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LOCAL 30 UNITE HERE!

San Diego County Hotel and Food Service Workers' Union

Affiliated with...

AFL-CIO
San Diego and Imperial Counties Labor Council
State Federation of Labor
State Culinary Alliance
Union Label & Service Trades Council

February 1, 2013

Chair Shallenberger and Members of the California Coastal Commission

California Coastal Commission and Members of the California Coastal Commission

45 Freemont Street

San Francisco, CA 94105-2219

RE: Support of Lane Field Project

Dear Chair Shallenberger and Members of the California Coastal Commission,

On behalf of the 4000 members of UNITE HERE Local 30, I am writing to express our support of the Lane Field Project before you.

It is very meaningful to our members and our entire region when an important and high-profile project brings together a variety of community stakeholders to achieve our common goals- stimulating our economy, creating jobs, enhancing our precious waterfront, and increasing public access to our beautiful waterfront. For several years now, our communication and working relationship with the Lane Field development team has been a model of how business and labor working together can advance projects that benefit our entire community. We believe this project before you is the best project we have seen brought before you in the last ten years. The community will greatly benefit from the approval of this project.

Our organization has long supported Lane Field moving forward, and we are especially pleased that this project has momentum in this difficult economy. We are looking forward to this important project coming to fruition.

Sincerely,

Signature on File

Brigette Browning

President

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San Diego
**Downtown
Residents
Group**



Working to make San Diego a better place to live, work and visit.

Chair Mary Shallenberger and Commissioners
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105-2219

Re: Appeal No.: A-6-PSD-08-004-A Lane Field, San Diego)

Dear Chair Shallenberger and Commissioners,

The San Diego Downtown Residents Group has been involved in the Redevelopment of Downtown San Diego, including our waterfront since 1987. The Lane Field Development at the foot of Broadway has been part of the North Embarcadero Visionary Plan since its inception. The replacement of literally acres of asphalt with this development and the resulting preservation of both the C Street view corridor and restoration of public access to the waterfront via C Street are integral to our Downtown Community Plan. Access via C Street provides a pleasant and direct two block walk to the waterfront from the Trolley, Coaster, and AMTRAK which all stop at the Historic Santa Fe Depot and debark at C Street. This will replace a previously roundabout and indirect access involving either a four block or six block walk to the waterfront.

Lane Field's multi-modal transit program is forward thinking and attractive especially the operation of a low cost summer shuttle providing access to downtown bay front points of interest. This shuttle will be the first public transport of its kind in the area, providing linkages between previously unconnected destinations, including Petco Park, Gaslamp Quarter and Little Italy. Further, the initiation of a shuttle will enhance public access along the waterfront, improving circulation and providing relief to traffic congestion especially allowing convenient public use of an under utilized parking garage at Park Blvd. and Harbor Drive.

We believe our reservations concerning the lights of automobiles circulating within the garage and the garage aisle lighting have been addressed but we would still prefer underground parking.

We strongly urge you to approve the Lane Field Project.

Sincerely, *Signature on File*

Gary Smith, President

BOARD OF DIRECTORS
William Hall, Chairman
4 LIBERTY
Richard Bartell, Vice Chairman
BARTELL HOTELS

Andrew Aiello-Hauser
ANTHONY'S SEAFOOD GROUP
Craig Anderson
SOLAR TURBINES
Raymond Ashley
MARITIME MUSEUM OF SAN DIEGO
Susan Baumann
BUI HAI & TOM HAM'S LIGHTHOUSE
Gregory Boeh
GB CAPITAL HOLDINGS, LLC
Terry Buils
BAE SYSTEMS SAN DIEGO SHIP REPAIR
* Raymond Carpenter
R.E. STAITE ENGINEERING
Paul Corso
PRO BUILD
Thomas Driscoll
DRISCOLL INC.
Uri Feldman
SUNROAD ENTERPRISES
Tom Fetter
T. FETTER & CO.
Gregg Fracassa
KONA KAI RESORT
Ken Franke
SPORTFISHING ASSOCIATION OF CALIFORNIA
James Gill, Jr.
GENERAL DYNAMICS NASSCO
Scott Hermes
SHERATON SAN DIEGO HOTEL & MARINA
Barrett Jung
DOLE FRESH FRUIT CO.
Jennifer Klein
BNSF RAILWAY
Eric Leslie
HARBOR ISLAND WEST MARINA
Giovanni LoCoco
KNIGHT & CARVER
Russell McCarthy
CONTINENTAL MARITIME
Mac McLaughlin
USS MIDWAY MUSEUM
Jack Monger
INDUSTRIAL ENVIRONMENTAL ASSOCIATION
Reyna Novelo
CHESAPEAKE FISH COMPANY
Steve Pagano
SAN DIEGO MARRIOTT MARQUIS & MARINA
* George Palermo
FLAGSHIP CRUISES & EVENTS
John Pasha
PASHA AUTOMOTIVE SERVICES
* Edward Plant
HARBORSIDE REFRIGERATED SERVICES
* H.P. "Sandy" Purdon
SHELTER COVE MARINA
Bill Roberts
SHELTER ISLAND BOATYARD
Todd Roberts
MARINE GROUP BOAT WORKS
John Schafer
MANCHESTER GRAND HYATT SAN DIEGO
* James Unger
HORNBLLOWER CRUISES & EVENTS
Claudia Valenzuela
SDG&E
Bruce Walton
TERRAMAR RETAIL CENTERS
Perry Wright
CONSIDINE & CONSIDINE

DIRECTOR EMERITUS
* Arthur Engel
* Rick Ghio
Douglas Manchester
Karen McElliott
* Lee Wilson

STAFF
Sharon Bernie-Cloward
PRESIDENT
Sophie Silvestri
DIRECTOR OF OPERATIONS
* SDPTA Past Chairmen



SAN DIEGO PORT TENANTS ASSOCIATION

Item 15B – February 6, 2013

January 29, 2013

Chair Mary Shallenberger and Commissioners
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105

Re: Lane Field A-6-PSD-08-004-A1

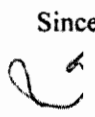

Dear Chair Shallenberger and Commissioners:

On behalf of the San Diego Port Tenants Association, I am writing to express our strong support for the Lane Field Project.

Members of our Association have been strong supporters of the North Embarcadero Visionary Plan (NEVP) for many years. We are eager for the transformation and revitalization of our waterfront into an engaging and welcoming place for visitors and residents alike. The new Setback Park/Plaza along Harbor Drive will further enhance the overall Lane Field Project, and bring additional public space for all to enjoy.

Lane Field is an essential piece of NEVP Phase I, as well as the ultimate success of the waterfront, and we encourage your support.

Sincerely,

 Signature on File 

Sharon Cloward, President
San Diego Port Tenants Association



THE VOICE OF DOWNTOWN

January 29, 2013

Chair Mary Shallenberger and Commissioners
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105

Re: Lane Field A-6-PSD-08-004-A1

Dear Chair Shallenberger and Commissioners:

The Downtown San Diego Partnership is pleased to offer our support of the Lane Field project. We have advocated for the North Embarcadero Visionary Plan (NEVP) and the Lane Field project for many years, and are pleased to see both efforts moving forward.

The development of Lane Field will enhance our vibrant and active bayfront with a project that can be enjoyed by visitors as well as residents, while benefitting our economy and creating jobs. With the proposed Amendment, the new public Setback Park/Plaza will be a welcome addition to our waterfront, and the public bayfront shuttle program remains a priority.

On behalf of more than 300 members of the Partnership, we welcome the Lane Field project to downtown and encourage the Coastal Commission's approval of the Amendment before you.

Sincerely,

Signature on File _____

Kris Michell
President and CEO



2825 FIFTH AVENUE, SAN DIEGO, CA 92103 TEL: 619-686-8700 FAX: 619-686-8733 hornblower.com

January 29, 2013

Chair Mary Shallenberger and Commissioners
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105

Re: Lane Field A-6-PSD-08-004-A1

Dear Chair Shallenberger and Commissioners:

As VP of Hornblower Cruises and Events, San Diego, I hereby express our strong support for the Lane Field Project.

This is a key component of Phase I, North Embarcadero Visionary Plan (NEVP). We are eager for the transformation and revitalization of our waterfront into an engaging and welcoming place for visitors and residents alike. The new Setback Park/Plaza along Harbor Drive will further enhance the overall Lane Field Project, and bring additional public space for all to enjoy. Hornblower is a neighbor to the Hotel site, and we provide needed access to the water for locals and visitors. This Hotel/Retail/Park project is a natural and needed compliment to the Embarcadero.

Lane Field is an essential piece of NEVP Phase 1, as well as the ultimate success of the waterfront, and we encourage your support.

Sincerely,

Signature on File

Jim Unger
Hornblower Cruises & Events

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BRIGGS LAW CORPORATION

San Diego Office:
814 Morena Boulevard, Suite 107
San Diego, CA 92110

Telephone: 619-497-0021
Facsimile: 619-515-6410

Inland Empire Office:
99 East "C" Street, Suite 111
Upland, CA 91786

Telephone: 909-949-7115
Facsimile: 909-949-7121

Please respond to: Inland Empire Office

BLC File(s): 1434.10

31 January 2013

California Coastal Commission
c/o Diana Lilly (via e-mail only)
7575 Metropolitan Drive, Suite 103
San Diego, CA 92108-4421

Re: Application No. A-6-PSD-08-004-A1 (LLP Lane Field LLC, San Diego)

Dear Commissioners:

On behalf of the San Diego Navy Broadway Complex Coalition, I am writing to express my client's support for the above-referenced application. The application will allow the developer to implement commitments that it made to my client as part of the North Embarcadero Visionary Plan Phase I compromise reached (with the Port of San Diego) in 2010 and approved by the Commission in 2011.

Thank you very much for supporting my client's and the developer's efforts to make the San Diego waterfront a better place for all.

Sincerely,

BRIGGS LAW CORPORATION

Signature on File

Cory J. Briggs



JAMES A. SHINER
1199 Pacific Highway #1801
San Diego, CA 92101

January 24, 2013

CALIFORNIA COASTAL COMMISSION

W 15B 2-8

By Fax Only: 619-767-2384

RE: Item 15(b), Application No. A-6-PSD-08-004-A1 (LLP Lane Field LLC, San Diego), Agenda of February 6-8, 2013

Dear California Coastal Commissioners:

I am an owner-resident of the Grande South, which is directly east of the proposed tower on Lane Field South. I **support** this project and encourage each of you to vote to approve the project. Attached please find my letters of July 24 and October 4, 2012 to the members of the San Diego Port Authority urging approval of this project. As you know, they did so unanimously.

The building in which I live is directly across Pacific Highway from this project. It is the closest residential community to Lane Field South.

The current use of Lane Field as a parking lot is an eyesore and a negative element in the neighborhood. While not perfect, I believe the proposed hotel will simultaneously:

1. Eliminate unattractive surface parking,
2. Yield an attractive mid-sized tower to the skyline,
3. Create "Setback Park" (envisioned and wisely required by this Commission) to complement the \$23,000,000 of public funds being spent on the Esplanade,
4. Provide a needed modern hotel to the neighborhood,
5. Provide retail shopping opportunities, and
6. Begin to make this area more of an activity center.

I support this project for the above reasons and also because:

1. Virtually every design request from the Grande South and other neighbors in the area was accommodated. These included:
 - a. 5 sided design;
 - b. Covering the service area;
 - c. Moving garbage handling inside the building;
 - d. Enhancing the exterior design of the tower;
 - e. Sensitive siting of the tower;
 - f. Mitigation of the impact of the above ground garage by, for example, utilizing interior barriers to block headlights, enhanced exterior cladding, public art and a roof top cover;
 - g. Segregation of public pedestrian access from vehicles and baggage handling;
 - h. A "human scale" design on the Harbor Dr./Bayside of the project;
 - i. Willingness of the Developer to explore with the Port a deal with the Navy to extend and build Setback Park (which was generated by this Commission**thank you**) to B Street.
 - j. Design sensitivity to the Pacific Highway side of the project.
2. Only about 30-35% of the allowed building envelope is to be used.
3. Highly qualified architects, John Portman & Associates, produced exciting preliminary drawings.
4. I, and other residents, look forward to the opportunity to house visiting family and guests at a modern nearby hotel.

It is for these reasons and others, I believe, the leadership of the Grande South has not opposed this project. I have spoken with members of the Board of Directors who are pleased with this proposed project. These are individuals who take seriously their fiduciary duty to the residents of the Grande South and would actively oppose the project if they felt legitimate fundamental concerns of the Grande South were ignored.

I urge you to approve this project

Respectfully Submitted,

Signature on File _____

James A. Shiner

Coastal commission GS

JAMES A. SHINER
1199 Pacific Highway #1801
San Diego, CA 92101

January 26, 2013

CALIFORNIA COASTAL COMMISSION

W 15B 2-8

By Fax Only: 619-767-2384

**RE: SUPPLEMENT TO MY CORRESPONDENCE OF JANUARY 24, 2013,
Item 15(b), Application No. A-6-PSD-08-004-A1 (LLP Lane Field LLC, San
Diego), Agenda of February 6-8, 2013**

Dear California Coastal Commissioners:

I recently reviewed a letter of opposition from Walter Pennington, a non-resident owner of a condo at the Grande South, directly east of Lane Field to the proposal for the development of Lane Field South. Please consider this a supplement to my letter of support dated January 24, 2013.

Mr. Pennington and I served on a 3-person committee that was tasked by the Grande South HOA Board of Directors to review, monitor and report to the Board on this project. Mr. Pennington was eager to encourage the Board to oppose the present proposal, even after adoption of requests by him and others for changes in the plans. In fact, the Board chose, as the record reflects, not to oppose the project. Mr. Pennington and I continue to serve together on an enlarged committee now designated the Neighborhood Committee. While I respect Mr. Pennington's ability and integrity, I disagree with him on this issue. I appreciate, however, the recommendations he made that were accepted by the Developer that make this a better proposal.

Mr. Pennington's objections to the present proposal for Lane Field South center on two elements:

1. The proposed above ground-parking structure.
2. Parking, in general, on Port Authority land.

PARKING ON PORT AUTHORITY PROPERTY

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With regard to point 2, it should be noted neither of us is a traffic engineer or planner. Therefore, I will respond as a resident of the area and as a consumer.

As a consumer, I would not suggest to my friends and family that had a car with them, as almost all do, that they stay at a Lane Field South hotel if it did not have on-site parking. I believe I am representative of the vast majority of consumers on this point. Mr. Pennington's suggestion would not, in my opinion, be acceptable to the market.

As a resident, I would object to the Port dumping its parking in my neighborhood. Many others would also find that solution objectionable. Mr. Pennington doesn't want the parking lot across from him, but finds it is ok to put it near or next to others. I do not believe that would be acceptable to them.

ABOVE GROUND PARKING

As to point 1, the objection raised is to an above ground parking structure. The reasons for objection to the above ground structure are that it is unattractive, inconsistent with the Bay front location, inconsistent with the residential buildings to the east, is not economically viable and will block the Bay view.

While well drafted, Mr. Pennington's positions make sense only if viewed in a vacuum that seals out and isolates his arguments from very real salient facts that have been ignored. Let me list some of those facts.

SALIENT FACTS NOT CONSIDERED IN THE PENNINGTON CORRESPONDENCE

1. The entitled development envelope includes and requires a "pedestal." Therefore the loss of view or the mass created by the pedestal would exist regardless of what activity transpired inside. The pedestal was probably required to give a more human scale to the tower behind it.
2. The proposed pedestal is smaller---lower, less wide, less tall & less deep---than authorized. It would not be an improvement to views to reject this proposal and then have another developer propose a much bigger pedestal and tower. That result would be vastly more inimical to the values Mr. Pennington articulates.
3. A view into the garage portion of the pedestal will not be visible from the Bay (west) and therefore does not detract from the esplanade or the Bay.
4. The entire south side of the pedestal is blocked from view by the hotel lobby and tower.
5. The remaining sides, the east and the north, will receive extensive design attention that will make a view into the garage portion of the pedestal virtually impossible. This means the aesthetic issues have been in large part, although not perfectly, addressed.

6. The authorized building envelope is approximately 2+ times larger (wider, deeper and taller) than that actually utilized under the current proposal. The implications have been stated in paragraph 2 above.
7. Although the Commission generally does not consider views from private property, even the roof view has been addressed by the developer's commitment to "5 sided design." This Developer has gone one step beyond the norm to accommodate the community concerns regarding above ground parking.

ECONOMICS

Mr. Pennington challenges the economic viability of the parking facility. The economic viability of a project is not determined by any given component, but by the totality of the multiple revenue streams such as lodging, food, beverage, retail leases, special event revenue **and parking**. Mr. Pennington considers in isolation only the economics of the parking garage component. That is irrational. The claim that there is already adequate parking is untrue and not supported by a parking study or other analysis. I do not need an expert to tell me there is in very little street parking.

ALTERNATIVE MOBILITY

Mr. Pennington discusses and encourages "alternative mobility." That is a reasonable objective. However, today and for the foreseeable future, the automobile is the preferred mode of transportation for the vast majority of the public. Heavily restricting parking will limit public access to the Bay and the esplanade and adversely impact the adjacent neighborhood and our guests.

EXTENDED STAY HOTEL VS. 5 STAR HOTEL

From the outset of the public process Mr. Pennington has been clear that he wants the site to house a 5 star hotel, not an extended stay hotel. There is no evidence a 5 star hotel would or could become economically viable. In fact, all evidence is to the contrary.

EFFECT OF A DENIAL OF APPROVAL

1. The property would remain an eyesore as an **unscreened above ground parking lot** for an indeterminate period.
2. A future developer could legitimately seek to utilize more of the **approved building envelope**. This would:
 - a. Reduce views to the Bay from the City;
 - b. Reduce views from the City to the Bay;
 - c. Cause a less desirable street scape due to the vastly greater mass;

- d. Cause even more traffic issues due to the much larger square footage of building and the number of people utilizing the project.

CONCLUSION

I urge you to vote to approve this project.

Respectfully Submitted,

Signature on File

James A. Shiner

Coastal commission support

Debbie Lindner
620 State Street, #315
San Diego, CA 92101

Item W15B – February 6, 2013

January 31, 2013

Chair Mary Shallenberger and Commissioners
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105

Re: Lane Field A-6-PSD-08-004-A1

Dear Chair Shallenberger and Commissioners:

As a homeowner in Downtown San Diego, I am very pleased that the Lane Field project, North Embarcadero Visionary Plan (NEVP), and other positive improvements are moving forward along San Diego's beautiful bayfront.

I support the Lane Field project, and have long supported the NEVP and its goal of creating a more enjoyable waterfront destination for all. The Lane Field Setback Park/Plaza, along with the shuttle program, will make this area so much more accessible and welcoming for the public. This is one of my favorite areas to enjoy a walk and the active outdoor recreation that draws both visitors and locals to San Diego Bay.

Thank you for your consideration.

Sincerely,

Debbie Lindner

36

W15b

W115 B
In Opposition

Diana Lilly,
Coastal Program Analyst
San Diego Coast District
7575 Metropolitan Drive, Suite 103
San Diego, CA 92108-4421

RECEIVED

FEB 01 2013

CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

Permit Number: A-6-PSD-08-004- A1

Project: Lane Field

Dear Ms. Lilly,

Thank you for the opportunity to comment on this important project.

With more than 13,000 residential units in downtown San Diego, the need for parks is a huge priority in our core urban density.

Lane field, owned by the San Diego Unified Port District, (the Port) is premier waterfront property and was the site of a baseball stadium, home of the San Diego Padres teams that played in the Pacific Coast League from 1936 to 1957.

This 5.7 acre parcel offers dramatic views of San Diego Bay and is considered a western gateway to downtown San Diego.

It is also an essential part of the North Embarcadero Visionary Plan which supports public access and open views of the Bay.

That the Port District ignores its Mission Statement, which states that they will protect the Tidelands Trust through a balanced approach and defies its Vision Statement, which proposes to foster a world class port through excellence in the public service is troubling.

Instead, the Port, a quasi-governmental agency with no oversight or elected leadership has given over Lane Field to high rise development denying the residents and citizen's of San Diego to fulfill its need of landscaped open spaces to offset urban density.

A grand park, a large civic space, a place for public gatherings, with such features as a children's playground, water features, walking paths and a small museum to honor the history of the Padres would have been an excellent use of the Public Tidelands on the Lane Field site.

For these reasons we must oppose the Permit Amendment, although we commend the Coastal Commission for reducing the planned development's footprint as we continue to opposed the Lane Field development in the past.

LETTERS OF OPPOSITION

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Thank you for your attention to our comments.

Cathy O'Leary Carey and John Carey
17696 Cumana Terrace
San Diego, CA 92128
February 1, 2013
858-385-0419

Copies to: Mayor Filner
The San Diego City Council
The San Diego Unified Port District
Civic San Diego

League of Woman Voters of San Diego
7710 Balboa Avenue, Suite 224A
San Diego, CA 92111

W 115 B
In Opposition

Diane Lilly
Coastal Program Analyst
San Diego Coast District
7575 Metropolitan Drive, Suite 103
San Diego, CA 92108-4421

RECEIVED

FEB 01 2013

CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

Permit Number: A-6-PSD-08-004-A1
Lane Field

The League of Women Voters of San Diego (LWVSD) appreciates the opportunity to comment on this important issue.

As an underlying principal, the LWVSD believes that democratic government depends upon the informed and active participation of its citizens and requires that government bodies protect the citizen's right to know by giving adequate notice of proposed actions, holding open meetings and making public records accessible. The LWVSD also believes that the San Diego Unified Port District should include protection of the natural environment as a primary responsibility, emphasize recreation for the general public, maintain a balance of maritime commerce and other business and be accountable and responsive to the member cities and to the public.

The LWVSD commends the California Coastal Commission for issuing a Permit Amendment for hotel/retail development revisions at the Lane Field site to decrease the project's footprint.

The LWVSD objects to the Lane field development beyond the Permit Amendment, the subject of this hearing because it is a high rise complex of hotels, retail, office buildings and shops for hotel guests and it walls off the bay on prime waterfront tidelands.

It was commendable that the Lane Field project was redesigned to create new public space at the foot at Broadway, however the public space is dwarfed by the massive proposed development on these public tidelands.

The Public Trust provides that the state tidelands must be held in trust for the benefit of all people of California, which includes protecting local residents public access to the San Diego Bay.

Lane Field occupies a prominent western gateway to downtown, San Diego's central business district and is a keystone in the North Embarcadero Visionary Plan .

Instead of high rise hotels and other buildings that impeded views and access to the bay, the Lane Field site has the potential for a world class park, a civic space for public gatherings with

amenities such as water features, walking/bike paths, a children's playground to be enjoyed by residents, citizens and visitors.

A small ball park museum to commemorate the San Diego Padre teams that played the Pacific Coast League from 1930 through the 1950's would be a unique and appropriate attraction on the Lane Field site.

A pedestrian friendly, visually unimpeded waterfront at the North Embarcadero would implement the city's promise to the citizens of San Diego to become a favorite destination for residents, visitors and tourists.

In your own words, "access to coastal resources and views will be forever lost", if the Lane Field project goes forward.

The public has a right to these "precious coastal resources".

Thank you for your consideration.

Jeanne Brown Co-President

League of Women Voters of San Diego



W15b

February 2, 2013

ITEM W 15b
Lane Field Development

RECEIVED

FEB 04 2013

CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

Dear California Coastal Commissioners,

The developer-dominated Port board used the secret Lane Field negotiations to eliminate the parcel's huge public coastal access parking lots and cancel San Diego's Local Coastal Program's Port Master Plan-designated "major", "waterside" Broadway Landing Park.

The port refused to split the parcel for dual purpose.

Now, multiple project changes are sought after the issuance of a project Coastal Development Permit by the Coastal Commission.

The Lane Field developer now proposes major project changes *post-permit* impacting coastal access, views, parking, recreation, low cost access, and area property values. These changes will have the significant impacts listed below.

Recommendation #1: Reopen public hearing review to address multiple proposed permit changes.

We also propose these feasible mitigation ideas for Commissioners' consideration:

PROPOSED REDUCTION PUBLIC COASTAL ACCESS PARKING

Recommendation #2 - Require the hotelier to comply with the total permitted underground parking.

The developer proposes to both a. reduce project parking and b. eliminate permitted underground parking.

The Port is trying to commercialize every North and South Embarcadero major tideland bayfront parcel in violation of Coastal Act and Port Act calls for balanced development. The Port would serve one special interest - international hotel speculators.

This near-total loss of open public downtown coastal access is in stark contrast to the vast tracks of open downtown tidelands in Santa Barbara and San Francisco. Hilton Hotels is rumored co-developer. Announcement of project "phasing" implies a major co-developer is at hand. These two more Hilton prime tideland parcel leases would represent a suspect exclusive Hilton tideland position, as their Bay tideland holdings already include their Convention Center hotel, its now-pending major expansion, and the Embassy Suites.

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[The port board has also voted Lane Field developers a secret additional bayfront tideland option on 1220 Pacific Highway, now under Navy lease.] The Lane Field developer now would save money by installing a view-blocking above-ground parking structure to replace promised undergrounded. This bait and switch effectively voids prior public review. The loss of the current public parking lots at Lane Field is major. The port has refused to mitigate with any underground parking under vast Harbor Drive's reconstruction, now under way. Now the port's developer is trying to follow suit.

- The developer proposes reducing project parking by 154 net spaces.
- There is no reduction of project hotel rooms in two towers. This therefore does not justify a net reduction in project parking that must be shared by: hotel guests, project retail, public coastal, and setback park visitors.
- An additional above ground parking garage would further degrade bay viewshed in the view-critical bayfront zone.
- The County is now excavating underground parking lots a few parcels north of Lane Field on Harbor Drive.

PROPOSED SETBACK PARK REDUCTION IN SIZE, USE, & CHARACTER

Recommendation #3 - Require the hotelier provide the full permitted 2 acres of coastal mitigation park.

Recommendation #4 - Install the playful in-ground spouts of the children's fountain the port board cancelled across the street at Broadway Pier. The fountain would provide real "active" park recreational use - a fun participatory and viewing activity confined to a safe area not subject to Harbor or Broadway traffic. The fountain will fulfill CCC requirement for a "focal point" "art installation or water element." (pg 12)

The developer proposes to reduce the park size without mitigation.

Allowing a developer, already awarded a prime bayside parcel, to reduce a park to squeeze in a parking structure to save money is cynical.

The port board ceded park design to the developer, an unadvised concession.

The developer has designed a commercialized, passive use hotel strip park amenity:

Park Size: "The NEVP permit includes conditions requiring the setback park be approximately 2 acres in size and form a significant destination and gathering point." (pg 12)

Where is mitigation for the setback park's *reduction* in size from "approximately 2 acres" to 1.66 acres?

Park Use: re "... the park available for *passive* recreation such as sitting and picnicking." (pg 12)

The Port Master Plan calls for active recreational waterside park on the N. Embarcadero, at cancelled Broadway Landing Park. As designed, the setback park discourages recreational use by the term "**passive**". This is a major restriction to families.

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Extensive park hardscaping discourages even "passive recreation such as sitting or picnicking": **"paved plaza", "pedestrian paths", "trees", "an interactive sculpture/plan area" and a "small food pavilion"**.

Further, **"The park's eastern edge, adjacent to the hotel, will be "activated" by the retail and restaurant uses"** - more park space taken up by outdoor tables for hotel restaurants or retail kiosks.

Park Character: Dominating hard commercial features compromise the park as a *public* "significant destination and gathering point."

What setback park design changes now render it beyond passive for **"active public recreation spaces"**? (pg 16)

We see none, especially as children and adults are subject to the dangers of two adjacent roadways to recreational games.

COASTAL ACCESS

Recommendation #5 - Require the Port designate north and south end terminus lots for a real bayfront/downtown shuttle.

Recommendation #6 - Require the Port designate parking under the vast Harbor Dr. redo and proposed hardscape esplanade.

The massed bayfront wall of about ten new hotel and office towers the port proposes would gridlock Harbor Drive even more.

The original project description here is **"development of a downtown shuttle system"**. (pg 1)

We then read of a **"public summer shuttle service"** (pg 3) and then **"bayside shuttle service"** (pg 3)

The dual Lane Field high rise hotel development, and others proposed, will greatly impact Harbor Drive traffic LOS levels.

Loss of the current public Lane Field lots is significant, and must be mitigated by a permanent, downtown-wide shuttle - serving both embarcaderos and completing a natural loop up through the Gaslamp/Horton Plaza/Little Italy areas to reconnect with the North Embarcadero on Harbor Drive. This is the only workable mitigation for the port's wall of new bayfront structures' traffic.

- Harbor Drive is virtually shut down southbound when Harbor Drive cruise ships load and off-load trucks, vans, cabs, and buses.

This denies coastal access, timely emergency vehicle access, and Homeland port security measures for clustered "high value targets".

- No destination parking lots for North Embarcadero, or downtown-wide, or year-round shuttle service have been located by the Port.

Huge tracts along the airport runway on North Harbor Drive have just been cleared that can readily provide north end shuttle parking.

VIEWSHED & THE MID-PARCEL C STREET CORRIDOR

The dual tower Lane Field development represents loss of acres of open coastal view shed leased to high cost hotel guests.

This view shed loss is in no way "mitigated" by Lane Field hotels' "viewing decks".

C STREET CORRIDOR continued

Further, the fan-out views from both Broadway and C Street corridors to San Diego Bay are being virtually blocked by new structure construction and trees.

Assuming C Street is a public street being vacated for commercial use, there are numerous problems with this issue.

- Both Port and hotel designing eliminate most bay views from any C Street or Broadway "view corridors".
- *Redondo Beach vs. Lane* clearly prohibits cities from closing public coastal access roads.

Final plans show the street devoted solely for commercial parking garage and hotel access. (Exhibit 3)

Has this public street acreage and potential public access road been ceded to the hotel developer by the Port?

If C Street be vacated, congested by fully two hotel towers' guest registration access and parking structures above or below ground, denying any public coastal access, what is the proposed mitigation?

If the developer is allowed a structure that moves the south tower south, what mitigates the newly-proposed loss of the promised fan-out 25' taken along front-porch Broadway Street?

Recommendation #6 - Pacific Highway's six project-adjacent lanes are downtown San Diego's widest road, appropriate for use as front-hotel access for both of Lane Field's towers. The developer has been willing to shift towers' exact footprints. Might towers be resited to allow for Pacific Highway entry ramping?

Recommendation #7 - The loss of C Street, and other permit changes herein, require at minimum major mitigation.

One such is a large park childrens fountain with sufficient benches for parental supervision. Cede the west end of C St. to developer use. The fountain could also be time-guaranteed also on the 1220 parcel frontage.

Signature on File


Scott Andrews
President, Save Everyone's Access (SEA)
619 221-5947

CALIFORNIA COASTAL COMMISSION

SAN DIEGO AREA
7575 METROPOLITAN DRIVE, SUITE 103
SAN DIEGO, CA 92108-4421
(619) 767-2370



W 15b

Filed: 1/15/2013
180th Day: 7/14/13
Staff: D. Lilly-SD
Staff Report: 1/24/13
Hearing Date: 2/6/13

STAFF REPORT: AMENDMENT

Application No.: **A-6-PSD-08-04-A1**

Applicant: **LLP Lane Field, LLC**

Agent: Anne Blemker

Location: North side of Broadway between Pacific Highway and Harbor Drive, Port District, San Diego, San Diego County

Original Description: Redevelopment of the former Lane Field: Lane Field North will have a 205-foot high hotel with 275 guest rooms, a health club/spa, pools, ballrooms, and meeting rooms; and a 3-story building surrounding the hotel with 30,000 sq.ft. of visitor-serving retail and restaurants. Lane Field South will have a 275-foot high hotel with 525 guest rooms, a health club/spa, pools, ballrooms, and meeting rooms, and a 3-story building surrounding the hotel with 50,000 sq.ft. of visitor-serving retail and restaurants. Also included are 1,330 underground parking spaces and public plazas, development of a public downtown shuttle system, and a hostel development program.

Proposed Amendment: Revise location of two hotel towers and retail to be set back 150 feet from Harbor Drive to accommodate and include the construction of a 1.66 ac public park;

reduce retail from 80,000 sq.ft. to 63,549 sq.ft.; reduce heights of hotel towers by 10-30 feet.

Staff Recommendation: Approval with Conditions

SUMMARY OF STAFF RECOMMENDATION

Major Coastal Act issues associated with this amendment include public access, parking, lower-cost overnight accommodations, water quality, and visual quality. The original Lane Field project consisted of redevelopment of an approximately 5.7 acre, 880-space existing public surface parking lot with two hotels with a total of 800 rooms, approximately 80,000 sq.ft. of retail uses, restaurants, and public plazas, and 1,330 underground parking spaces. The site is located at the northeast corner of Harbor Drive and Broadway, west of Pacific Highway, directly east of and across the street from San Diego Bay.

The proposed amendment redesigns the approved hotel project to accommodate a new 1.66 acre park, in a 150-foot wide setback from Harbor Drive, implementation of which is also included in the proposed amendment. Creation of the Setback Park was a condition of approval for the North Embarcadero Visionary Plan (NEVP) Phase I project. The NEVP Phase I project consisted of the realignment of a portion of North Harbor Drive and the creation of new public accessways and public recreational amenities. Because the NEVP project proposed to remove area designated for public park land at the foot of Broadway, the Commission determined that the creation of alternative public park land was required to offset the loss of the planned park, including creation of the subject Setback Park. The NEVP permit was approved by the Commission on appeal in 2011, with the understanding that a future amendment to the Lane Field permit would be required to redesign the hotel development to accommodate the park.

The proposed Setback Park will consist of a combination of paved plaza and large areas of open lawn, with pedestrian paths, lighting, trees, an interactive sculpture/plan area, a small food pavilion, and both passive and active public recreation spaces. The area has been designed with multiple event spaces to accommodate both small groups and larger civic gatherings and festivals of up to 3,000 people. The park's eastern edge, adjacent to the hotel, will be activated by the retail and restaurant uses on the hotel portion of the site. **Special Condition #7** requires implementation of a Public Access Program that has been updated to reflect the proposed amendment and park construction.

To accommodate the park, the hotel/retail development will be somewhat smaller and shorter, and repositioned on the site. As amended, the project will be constructed in two phases; Phase I will consist of the Setback Park and the hotel/retail development on the north half of the site. Phase II will be the hotel/retail on the southern half of the site. The

total number of hotel rooms will remain at 800. Both Phases of the project are being reviewed and approved through the subject amendment.

The original project included a requirement that the applicant work with the Port District to develop funding and implement construction of a non-profit hostel in the downtown area providing a minimum of 400 beds, or if an appropriate site could not be found within specific time limits outlined in the permit, a mitigation fee of \$30,000/higher-cost unit for 25% of the approximately 800 higher cost units constructed (approximately \$6,000,000) was required to be paid.

The Port District has indicated that the upcoming North Embarcadero Port Master Plan Amendment (NE-PMPA) is proposing a site for the development of a hostel on Port tidelands, but that development of the site is several years off. Therefore, as amended, the applicant is proposing to simply pay the mitigation fee at the outset. The in-lieu fee will be held for the benefit of the Port to be used for the construction of the hostel following the certification of the NE-PMPA and selection of a developer. If construction of a hostel does not commence within 5 years of construction of the Lane Field North Tower, then the funds will be transferred to the California Coastal Commission to appropriately disburse the funds for lower-cost visitor serving accommodations in the Southern California coastal zone.

However, because of the phased nature of the proposed project, the applicant has requested that it be allowed to contribute the required in-lieu fee on a phase-by-phase basis, and pay \$3,000,000 prior to construction of Phase I, and the remaining \$3,000,000 prior to construction of Phase II. However, the Commission typically requires full payment of mitigation fees prior to issuance of a coastal development permit to ensure that the applicant mitigates adverse impacts to lower cost visitor accommodations associated with proposed development. The applicant has indicated that construction of Phase II is expected to occur in the near future, as early as 2014. The applicant has not submitted evidence that payment of the entire mitigation fee at one time is infeasible. Thus, requirement of the payment of the entire fee at this time is a feasible mitigation measure to address the proposed project's adverse impacts to lower cost visitor accommodations.. Therefore, **Special Condition #2** requires payment of the entire mitigation fee prior to issuance of the permit.

The original permit also included a requirement to implement a public shuttle service in the summer for a period of three years. However, since the project was originally approved, the Port has begun, and committed to continuing, a summer shuttle service that may be expanded in scope and scale in the future. Implementation of a permanent circulator shuttle is both a requirement of the NEVP permit, and recent Port Master Plan Amendments such as the Marriott Hotel Expansion (PMPA #43). Therefore, rather than implementing a stand-alone shuttle as a private applicant, the proposed project would instead comply with the Port District's mandatory participation in the bayside shuttle system. If, however, the Port's shuttle service is not in service by the time the Lane Field project is ready for occupancy, the applicant has proposed to implement the stand-alone shuttle service required in the original approval. **Special Condition #8** requires

implementation of a Multimodal Transit Opportunity Promotion Plan that has been updated to reflect the proposed amendment.

To address potential adverse water quality impacts associated with the development, Commission staff is recommending **Special Conditions 3, 4, and 5**, that require submittal of a Final Urban Storm Water Mitigation Plan/Water Quality Technical Report, an Operation and Maintenance Plan, and sign-off from the Regional Water Quality Control Board. **Special Condition #1** requires the submittal of final plans. **Special Condition #6** requires that the applicant comply with all of the conditions in the coastal development permit originally approved by the Port District. **Special Condition #9** prohibits the use of invasive plant species. **Special Condition #10** requires construction of Phase II to commence within 3 years of approval of the permit amendment, or approval of amendment to extend the time period, so that potential changed circumstances could be reviewed at that time.

Therefore, Commission staff recommends **approval** of coastal development permit amendment A-6-PSD-08-04-A1 as conditioned.

The standard of review is the certified San Diego Unified Port District Port Master Plan.

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APPENDICES

Appendix A – Substantive File Documents

I. MOTION AND RESOLUTION

Motion:

*I move that the Commission **approve** the proposed amendment to Coastal Development Permit Application No. A-6-PSD-08-04 subject to the conditions set forth in the staff recommendation.*

Staff recommends a **YES** vote on the foregoing motion. Passage of this motion will result in conditional approval of the amendment and adoption of the following resolution and findings. The motion passes only by affirmative vote of a majority of the Commissioners present.

Resolution:

The Commission hereby approves coastal development permit amendment A-6-PSD-08-04-A1 and adopts the findings set forth below on grounds that the development as amended and conditioned will be in conformity with the policies of the certified Port Master Plan. Approval of the permit complies with the California Environmental Quality Act because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the development on the environment, or 2) there are no further feasible mitigation measures or alternatives that would substantially lessen any significant adverse impacts of the development on the environment.

II. SPECIAL CONDITIONS

This permit is granted subject to the following special conditions, which shall replace the conditions on the original permit in their entirety:

1. **Final Plans. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT**, the applicant shall submit final plans for Phase I of the proposed development. Said plans shall first be reviewed and approved in writing by the Port of San Diego. Said plans shall also be in substantial conformance with the preliminary plans by John Portman & Associates dated 10/25/12, revised 12/19/12, and shall be subject to the review and written approval of the Executive Director.

PRIOR TO COMMENCEMENT OF CONSTRUCTION OF PHASE II of the approved development, the applicant shall submit for review and written approval of the Executive Director, final plans for Phase II of the approved development, consistent with the preliminary plans by John Portman & Associates dated 10/25/12, revised 12/19/12.

The permittee shall undertake the development in accordance with the approved plans. Any proposed changes to the approved plans shall be reported to the Executive Director. No changes to the plans shall occur without a Coastal Commission approved amendment to this coastal development permit unless the Executive Director determines that no amendment is legally required.

2. **Lower Cost Overnight Accommodations Mitigation Fee. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT**, but only after the Executive Director of the Coastal Commission has indicated, in writing, that the Commission has entered into a memorandum of understanding with the San Diego Unified Port District on the conditions of expenditure of the funds from the mitigation fee, the applicant shall provide evidence, in a form and content acceptable to the Executive Director, that a fee of \$30,000 per unit for 25% (200 units) of the total number of high-cost overnight visitor accommodations (800 units) in the approved project for a total fee of \$6,000,000, has been paid in lieu of providing lower cost accommodations on-site.

The required in-lieu fee of \$6,000,000 shall be deposited into an interest-bearing account, to be established and managed by the San Diego Unified Port District pursuant to a memorandum of understanding entered into between the Port and Executive Director of the Coastal Commission, as indicated above. The purpose of this account shall be to establish lower cost overnight visitor accommodations, such as hostel beds, tent campsites, cabins or campground units, at appropriate locations on Port Tidelands within the City of San Diego. All development funded by this account will require review and approval by the Executive Director of the Coastal Commission and a coastal development permit if in the coastal zone.

If any portion of the fee remains five years after it is deposited into the interest-bearing account required by this condition, the Executive Director may require that the funds be transferred to another entity that will provide lower cost visitor amenities in a Southern California coastal zone jurisdiction.

3. **Final Urban Storm Water Mitigation Plan/Water Quality Technical Report. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT**, the applicant shall submit, for review and written approval of the Executive Director, a final Urban Storm Water Mitigation Plan/Water Quality Technical Report (FWQTR), for Phase I of the approved development, prepared by a licensed engineer, that is in substantial compliance with the 2008 Water Quality Technical Report and includes the following.
 - a. Minimum standards to be used for BMP design that include:
 - i. The project water quality treatment system will treat all storm runoff from storms smaller than or equal to the 85th percentile design storm (0.55 inches/24 hours for volume based Best Management Practices (BMPs) and 0.2 inches/hour for flow based BMPs), with a suite of BMPs that meet the design criteria below;

- ii. The design criteria for BMPs shall comply with the recommendations in the latest edition of the California Association of Stormwater Quality Agencies (CASQA) BMP Handbook at a minimum.
- b. A detailed description of the design and location of the final selected suite of BMPs for this project.
- c. Site-specific documentation showing how the final selected suite of BMPs meets the standards in section a. above, including:
 - i. That the selected Treatment Control (TC) BMPs are either Preferred TC BMPs as listed in the Port USMP submitted to the Coastal Commission on November 16, 2012 or if any of the Conditionally Adequate TC BMPs are selected that the document justifies that selection and documents that the Conditionally Adequate TC BMPs will protect water quality for the site-specific conditions at this location.
 - ii. Avoids use of drain inlet insert BMPs where more effective BMPs are feasible.
 - iii. A technical analysis by a licensed engineer of infiltration-based BMPs that shows how the design of the BMPs will be modified to protect coastal water quality since the seasonal groundwater high at the site is about 3 feet below ground surface instead of the typically recommended 10 feet of separation from the bottom of the BMP to groundwater.
 - vi. If any existing TC BMPs (e.g., drain inlet inserts on Broadway Plaza) will be maintained for use in the completed project, describe the design, operation and maintenance of those BMPs.
- d. The project will eliminate all sources of dry weather flow to the municipal storm drain system.

PRIOR TO COMMENCEMENT OF CONSTRUCTION OF PHASE II of the approved development, the applicant shall submit, for review and written approval of the Executive Director, an FWQTR plan for Phase II of the approved development, that includes all of the above-listed required items for Phase I.

4. **Operation and Maintenance Plan. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT**, the applicant shall submit, for review and written approval of the Executive Director, an Operation and Maintenance (O&M) plan for Phase I of the approved development that includes description of the long-term operation and maintenance requirements of proposed best management practices described in the Water Quality Management Plan described in Condition #5 of this permit, and a description of the mechanisms that will ensure ongoing long-term maintenance. The O&M Plan shall include:
- a. A description of the proper operation of the project BMPs and required maintenance and documentation for that information.

- b. A plan for annual reporting on the operation, maintenance and effectiveness of the project BMPs submitted to the Executive Director over a period of at least five years, where, at a minimum, the reports include:
 - i. Any modifications of operations or maintenance procedures that are found to be necessary for effective BMP operation,
 - ii. Documentation of stormwater runoff events that bypass the BMP system, including estimates of the size and duration of the bypass and conditions that led to the bypass.
 - iii. Documentation of any adverse impacts of the BMPs to other site features (e.g., unexpected impacts of infiltration, bypass of runoff through landscaping, flooding of landscaping).
- c. A contingency plan identifying possible modifications to the final selected BMPs if they do not effectively treat runoff from the design storm (e.g., bypass runoff for storm events smaller than the design storm).

PRIOR TO COMMENCEMENT OF CONSTRUCTION OF PHASE II of the approved development, the applicant shall submit, for review and written approval of the Executive Director, an O&M plan for Phase II of the approved development, that includes all of the above-listed required items for Phase I.

The applicant shall undertake development in accordance with the approved program. Any proposed changes to the approved program shall be reported to the Executive Director. No changes to the approved program shall occur without an amendment to this coastal development permit unless the Executive Director determines that no amendment is legally required.

- 5. **Regional Water Quality Control Board Oversight. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT**, the applicant shall provide evidence of an agreement with the RWQCB for regulatory oversight of the project during the site cleanup and construction.

The applicant shall undertake development in accordance with the approved program. Any proposed changes to the approved program shall be reported to the Executive Director. No changes to the approved program shall occur without an amendment to this coastal development permit unless the Executive Director determines that no amendment is legally required.

- 6. **Compliance with the San Diego Unified Port District Conditions of Approval.** All conditions of approval of San Diego Unified Port District January 8, 2008 and October 7, 2008 decisions (CDP-2008-01 & CDP-2008-01a) for the proposed project as shown in Exhibit #10 have been incorporated as part of the subject permit except those specifically modified by any special conditions set forth herein. For purposes of condition compliance, the Port District shall be responsible for reviewing and determining compliance with the special conditions referenced above, except for those specifically modified by any special condition

set forth herein. **PRIOR TO COMMENCEMENT OF CONSTRUCTION**, the Port District shall notify the Executive Director when all of the conditions have been met. Any proposed changes shall be limited to immaterial or minor changes which do not have the potential for adverse impacts, either individually or cumulatively, on coastal resources or public access to and along the shoreline. All proposed changes shall be reported to the Executive Director for review and written approval. Changes that are not immaterial or that alter the physical aspect of the project (e.g. building height, building footprint, number of rooms, setbacks, parking or public access) shall require, unless the Executive Director determines that no amendment is legally required.

7. **Public Access Program.** The applicant shall comply with all requirements contained in the “Lane Field Public Access Program” by LLP Lane Field, LLC, dated December 19, 2012, attached to this staff report as Exhibit #9.

Any proposed changes to the approved program shall be reported to the Executive Director. No changes to the approved program shall occur without an amendment to this coastal development permit unless the Executive Director determines that no amendment is legally required.

8. **Multimodal Transit Opportunity Promotion Plan.** The applicant shall comply with all requirements contained in the “Lane Field Multimodal Transit Opportunity Promotion Plan” by LLP Lane Field, LLC, dated November 9, 2012, attached to this staff report as Exhibit #8.

Any proposed changes to the approved plan shall be reported to the Executive Director. No changes to the approved plan shall occur without an amendment to this coastal development permit unless the Executive Director determines that no amendment is legally required.

9. **Landscaping.** By acceptance of this permit, the applicant agrees that all landscaping on the site shall be drought-tolerant (or irrigated via reclaimed water) and (1) native or (2) non-invasive plant species. No plant species listed as problematic and/or invasive by the California Native Plant Society, the California Exotic Pest Plant Council, or as may be identified from time to time by the State of California shall be employed or allowed to naturalize or persist on the site. No plant species listed as ‘noxious weed’ by the State of California or the U.S. Federal Government shall be utilized within the property.

10. **Commencement of Phase II.** Within 3 years of Commission approval of the permit, the applicant shall submit, for review and written approval of the Executive Director, evidence that construction of Phase II of the approved project has commenced. Delay of commencement of construction beyond 3 years shall require an amendment to this coastal development permit.

IV. FINDINGS AND DECLARATIONS

A. PROJECT HISTORY AND ORIGINAL PROJECT DESCRIPTION

The original Lane Field project consisted of redevelopment of an approximately 5.7 acre, 880-space existing public surface parking lot with two hotels providing a total of 800 rooms, approximately 80,000 sq.ft. of retail uses, restaurants, and public plazas, and 1,330 underground parking spaces. The site is located at the northeast corner of Harbor Drive and Broadway, west of Pacific Highway, directly east of and across the street from San Diego Bay.

The project as approved involves two components: Lane Field North, which is the parcel north of the prolongation of “C” Street between Pacific Highway and Harbor Drive, was to be developed with a 205-foot high luxury hotel, including approximately 275 guest rooms, a health club/spa, pools, ballrooms, and meeting rooms. A 3-story building surrounding the hotel was to include approximately 30,000 sq.ft. of visitor-serving retail. The rooftop of that building was to include a publicly-accessible terrace activated by outdoor dining and special events areas. The rooftop would have been accessible to the public and hotel guests via an elevator located at the street level on Harbor Drive.

Lane Field South, the parcel immediately south of Lane Field North, was to include the prolongation of “C” Street and the area between Pacific Highway and Harbor Drive south to Broadway. That site included a 275-foot high, high-end hotel with approximately 525 guest rooms, a health club/spa, pools, ballrooms, and meeting rooms, a 3-story building surrounding the hotel with approximately 50,000 sq.ft. of visitor-serving retail, and a publicly-accessible terrace accessible by an elevator at Harbor Drive. As approved by the Commission, if found suitable, the material excavated for the underground parking garage was required to be used to replenish beaches.

As approved by the Commission, the project includes adoption of a Multimodal Transit Opportunity Promotion Plan and a Public Access Program. In addition to describing proposed employee and guest mass transit incentives and opportunities, the Multimodal Transit Opportunity Plan includes implementation of a public Bayfront shuttle service during the summer for a period of three years, after which time the shuttle could be extended or discontinued through an amendment to the coastal development permit.

The approved Public Access Program includes a pedestrian access and circulation plan that laid out the various public plazas provided in the development, and required signage identifying the public areas, and a program that would have funded, in partnership with the Port District, construction of a non-profit hostel in the downtown area providing a minimum of 400 beds. If an appropriate site cannot be found within specific time limits outlined in the permit, a mitigation fee of \$30,000 per unit for 25% of the approximately 800 higher cost units constructed (approximately \$6,000,000) is required to be paid.

The site is within the permit jurisdiction of the Port of San Diego, and the project was originally approved by the Port District on January 8, 2008 (Port CDP 2008-1), and subsequently appealed to the Commission in January 2008. On October 7, 2008, the

Board of Port Commissioners approved an amendment to the original coastal development permit incorporating the Multimodal Transit Opportunity Promotion Plan and Public Access Program into the permit (these plans were not part of the original Port permit). As the project was already before the Commission on appeal, the subsequent amendment made by the Port District was considered part of and incorporated into the Commission's appeal (A-6-PSD-08-101—permit number retired).

The project as described above was approved by the Commission on appeal on January 8, 2009. Shortly before the permit was due to expire in January 2011, the applicants submitted an extension request. The extension request was held in abeyance because the applicant and the Port District were in discussions to revise the Lane Field project to incorporate new public park space on the site.

The impetus for the creation of new park space on Lane Field was the Port's proposal for the North Embarcadero Visionary Plan (NEVP) Phase I project. The NEVP project, which was initially a port permit that was appealed to the Commission, consists of the realignment of a portion of North Harbor Drive and the creation of new public accessways and public recreational amenities. Because the NEVP project proposed to remove area designated for public park land at the foot of Broadway, the Commission determined that the creation of alternative public park land was required to offset the loss of the planned park, and the permit was denied on April 14, 2010 (CDP A-6-PSD-09-43). Therefore, the Port District and Lane Field, in consultation with Commission staff, revised the NEVP project to include a plan to provide a portion of the required public park land on the Lane Field site, in a 150-foot setback from Harbor Drive (CDP A-6-PSD-11-06).

The revised NEVP permit was approved by the Commission on appeal on April 13, 2011, with the understanding that a future amendment to the Lane Field permit would be required to redesign the hotel development to accommodate the park. The NEVP permit includes conditions requiring that the setback park be approximately 2 acres in size and form a significant destination and gathering point. The park can have a mix of hardscape and landscaping, but must contain some lawn or turf space appropriate and available for passive recreation such as sitting and picnicking. It must contain a significant focal point at its southernmost boundary adjacent to the West Broadway and North Harbor Drive intersection, such as a public art installation or water element. The specific setback requirements contained in the NEVP permit are attached as Exhibit #11. The subject amendment redesigns the approved hotel project to accommodate the setback park, implementation of which is also included in the proposed amendment.

The standard of review is the certified San Diego Unified Port District Port Master Plan.

B. AMENDMENT DESCRIPTION

Building and Siting Revisions

The proposed amendment would not significantly revise the hotel portion of the project. The total number of rooms would remain the same (275 on the North tower and 525 on

the South). The maximum height of the north hotel tower would be reduced from 209 feet to 200 feet. The maximum height of the south hotel tower would be reduced from 269 feet to 240 feet. The heights of the retail podiums adjacent to the towers would remain the same (50 feet). The planned “luxury” hotel on the North parcel with room rates around \$400 a night, will now consist of a “duel branded” project (two hotels with shared facilities) consisting of a standard guestroom hotel and an extended stay hotel, with rooms rates around \$200 a night. The room rates on the “upper upscale” South tower will remain around \$330 a night.

The location of the proposed hotel and retail structures on the site will be set back from Harbor Drive approximately 150 feet to accommodate the proposed park; building setbacks will not change on Pacific Highway or Broadway. The proposed retail podium on the North parcel will be shifted closer to the existing Navy Buildings on the northern border of the property. On the Broadway side of the site, the proposed stepback for the South tower will be reduce from approximately 50 feet to 25 feet. Exhibit #4 shows an elevational view of the building envelope permitted by the Port Master Plan, the building envelope of the proposed project, and the proposed building envelope. The 80 foot wide view corridor down the newly created C Street extension will remain open, and a minor encroachment in the view corridor by the approved development on the South parcel will be removed.

To accommodate the smaller development footprint on the size, the square footage allocated to the hotel facilities has been substantially reduced. Total meeting room space has been reduced from 51,000 sq.ft. to 31,256 sq.ft., and the two spa areas totaling 40,100 sq.ft. have been reduced to one 6,500 sq.ft. spa. The North hotel tower is proposed to be the same square footage (56,540 sq.ft.), but the South tower will be reduced from 89,595 sq.ft. to 69,278 sq.ft. The amount of visitor-serving retail and restaurant uses has also been reduced, from a total of 80,000 sq.ft. to 63,549 sq.ft.

The publically accessible amenities associated with the hotel portion of the project are essentially identical to what was being provided in the original project. The North parcel ground level amenities include retail, restaurants, and public art; the second story will have additional retail and restaurants, and a roof terrace on the podium with a public viewing deck. The South parcel will have retail and restaurant on the ground level, and a public view deck on the podium. The detailed public access program for the parcel is attached as Exhibit #9.

As a result of the reduced amount of development on the site, the amount of parking has also been reduced. Previously, the development would have provided 954 spaces to serve the hotel and retail uses, and 300 spaces for public parking. As proposed, approximately 800 spaces will be provided to serve hotel and retail users, with 300 spaces reserved for public (transient, non-hotel) parking. As proposed, approximately 40 of the public spaces will be located in the North hotel tower, and the remainder on the South parcel (as surface parking prior to development of the South parcel, and underground after the South hotel is constructed).

The parking was previously proposed to be entirely subterranean. As amended, parking on the South parcel will consist of a 686 space subterranean parking garage, but on the North parcel, parking will be in a 414 space multi-level parking garage located within the podium of the North hotel/retail structure. The parking will be located on the lower levels of the hotel structure, excepting the portions of the first and second floors adjacent to C Street and the Setback Park, which will consist of pedestrian oriented retail and hotel uses.

The original project was approved as one whole project, but as amended, the project would proceed in two phases. The first phase would be construction of the Setback Park and the hotel and retail on the North parcel, and the second phase would be the hotel and retail on the South parcel. Construction on Phase I of the project is expected to begin in 2013, and Phase II in 2014. However, because a coastal development permit or permit amendment becomes vested once construction begins, as proposed, were Phase II delayed for an extended period of time for whatever reason, the permit amendment would not be subject to the normal 2-year expiration date and/or permit extension process, and the site could remain subject to construction of a second tower indefinitely, regardless of what changed circumstances might occur in the meantime.

Therefore, **Special Condition #10** requires construction of Phase II to commence within 3 years of approval of the permit amendment. If construction does not commence within that timeframe, an amendment to the permit is required, so that potential changed circumstances can be reviewed at that time.

Special Condition #6 duplicates the condition that was included for the original permits, and requires that the applicant comply with all of the conditions in the coastal development permit originally approved by the Port District. Because the majority of these conditions are related to detailed construction requirements typically enforced by the Port District, the condition requires the Port District to confirm that all of conditions of the previous Port permit not otherwise revised through this coastal development permit have been complied with. Any revisions must be reported to the Executive Director for review and written approval. Revisions that alter the physical aspect of the project (e.g. building height, building footprint, number of rooms, setbacks, parking or public access) will require a new coastal development permit or amendment to this permit, unless the Executive Director determines that the revision is immaterial and is consistent with the intent of this permit, and that no amendment is legally required.

Preliminary plans for the project have been submitted for the project as described herein. **Special Condition #1** requires the submittal of final plans for both phases of the project; plans for Phase I must be submitted prior to issuance of the permit, while final plans for Phase II may be submitted prior to issuance of the permit.

Hostel Revisions

As described above, the project was originally required to develop and implement a funding construction of a non-profit hostel in the downtown area providing a minimum of 400 beds, or if an appropriate site could not be found within specific time limits outlined

in the permit, a mitigation fee of \$30,000 for 25% of the approximately 800 higher cost units constructed (approximately \$6,000,000) was required to be paid.

The Port District has indicated that the upcoming North Embarcadero Port Master Plan Amendment (NE-PMPA) is proposing a site for the development of a hostel on Port tidelands, but that development of the site is several years off. Therefore, as amended, the applicant is proposing to simply pay the mitigation fee at the outset. The in-lieu fee will be held for the benefit of the Port to be used for the construction of the hostel following the certification of the NE-PMPA and selection of a developer. If construction of a hostel does not commence within 5 years of construction of the Lane Field North Tower, then the funds will be transmitted to the California Coastal Commission. However, because of the phased nature of the proposed project, the applicant has requested that it be allowed to contribute the required in-lieu fee on a phase-by-phase basis. The formula for establishing the in-lieu fee is $\$30,000 \times 25\%$ of the units, so the total fee that the applicant will be contributing for the Lane Field North Tower is \$3 million ($\$30,000 \times .25 \times 400$ units). The applicant is proposing to contribute an additional \$3 million in-lieu fee prior to opening the Lane Field South Tower for business.

Shuttle Revisions

The approved project includes implementation of a public Bayfront shuttle service during the summer for a period of three years. Since the project was originally approved, the Port District began operation of the North Embarcadero Circulator Shuttle during the summer of 2012. The summer shuttle service operated by the Port District was modeled on the shuttle requirement for both Lane Field, and the shuttle required to be implemented after the completion of construction of the NEVP project (which is currently under construction). While very similar to the Lane Field shuttle requirements, because the NEVP affects a larger area and the shuttle will be implemented by the Port District, its shuttle program is not limited to a 3-year period. The Port is expected to implement a permanent summertime shuttle system in 2013. Because the Port has committed to continuing shuttle service, both as a requirement of the NEVP permit, and through recent Port Master Plan amendments such as the Marriott Hotel Expansion (PMPA #43), the Lane Field applicant has proposed amending the requirement to implement a stand-alone shuttle as a private applicant, to instead comply with the Port District's mandatory participation in the bayside shuttle system, that is, to make the financial contributions the Port District determines is necessary to maintain successful operation of the Port's shuttle service.

If, however, the Port's shuttle service is not in service by the time the Lane Field project is ready for occupancy, the applicant has proposed to implement the stand-alone shuttle service required in the original approval. The updated and revised Lane Field Multimodal Transportation Opportunities Plan incorporates these revisions into the amendment (see Exhibit #8).

Setback Park

As noted above, the amended project includes construction of a “Setback” park, also referred to as the Lane Field Destination Park, as required by the approved NEVP permit. The park will be approximately 1.66 acres in size and consists of a combination of paved plaza and large areas of open lawn, with pedestrian paths, lighting, trees, an interactive sculpture/plan area, a small (500 sq.ft.) food pavilion, and both passive and active public recreation spaces. The area has been designed with multiple event spaces to accommodate both small groups and larger civic gatherings and festivals of up to 3,000 people. The park’s eastern edge, adjacent to the hotel, will be activated by the retail and restaurant uses on the hotel portion of the site. The updated and revised Lane Field Public Access Plan incorporates the park into the amendment (see Exhibit #9).

C. PUBLIC ACCESS/RECREATION/VISITOR-SERVING

The following PMP policies are relevant:

IV. THE PORT DISTRICT, IN RECOGNITION OF THE POSSIBILITY THAT ITS ACTION MAY INADVERTENTLY TEND TO SUBSIDIZE OR ENHANCE CERTAIN OTHER ACTIVITIES, WILL EMPHASIZE THE GENERAL WELFARE OF STATEWIDE CONSIDERATIONS OVER MORE LOCAL ONES AND PUBLIC BENEFITS OVER PRIVATE ONES.

- Develop the multiple purpose use of the tidelands for the benefits of all the people while giving due consideration to the unique problems presented by the area, including several separate cities and unincorporated populated areas, and the facts and circumstances related to the development of tideland and port facilities.
- Foster and encourage the development of commerce, navigation, fisheries and recreation by the expenditure of public moneys for the preservation of lands in their natural state, the reclamation of tidelands, the construction of facilities, and the promotion of its use.
- Encourage non-exclusory uses on tidelands.

VI. THE PORT DISTRICT WILL INTEGRATE THE TIDELANDS INTO A FUNCTIONAL REGIONAL TRANSPORTATION NETWORK

- Encouraging development of improved major rail, water and air systems linking the San Diego region with the rest of the nation.
- Improved automobile linkages, parking programs and facilities, so as to minimize the use of waterfront for parking purposes
- Providing pedestrian linkages

- Encouraging development of non-automobile linkage systems to bridge the gap between pedestrian and major mass systems.

VII. THE PORT DISTRICT WILL REMAIN SENSITIVE TO THE NEEDS, AND COOPERATE WITH ADJACENT COMMUNITIES AND OTHER APPROPRIATE GOVERNMENTAL AGENCIES IN BAY AND TIDELAND DEVELOPMENT.

- The Port District will at all times attempt to relate tidelands to the uplands.
- The Port District will cooperate, when appropriate, with other local governmental agencies in comprehensive studies of existing financing methods and sources which relate to the physical development of the tidelands and adjacent uplands.

Page 17 of the PMP states:

Maximum access to the shoreline is encouraged except where security or public safety factors would negate.

Page 38 of the PMP states:

Circulation and Navigation System

...The provision of adequate access to and circulation within the San Diego Bay area is a key element in the success of economic activities, of the viability of public services and amenities, and the preservation of the area's environmental setting. The various modes of transport must be coordinated not only to the various land and water uses they support, but to each other to avoid incompatibilities, congestion, hazardous movements and unnecessary expenditures.

The original project included a detailed Public Access Program that describes how parking on the site will be provided and allocated, pedestrian circulation requirements for public access to and around the site, including the proposed shops and restaurants on the ground level and the upper level terraces, public access signage, and hours of operation. The amended project includes a new and updated public access program which includes all of the elements in the previous plan, updated to include the revised number and location of parking spaces, and the physical revisions to the structures. Valet and hotel guest card key parking will be controlled to ensure that a minimum of 300 public, transient parking spaces are available on the site. During Phase I of the project, approximately 40 public spaces will be located in the North hotel tower, and the remainder will on the South parcel as surface parking prior to development of the South parcel, and underground after the South hotel is constructed. As with the original project, the amended project includes a construction parking plan that identifies an off-site lot for

construction crew parking spaces and construction trailer space, to minimize impacts to street parking during the construction phases of the project.

As described in detail above, while the amended project no longer includes development of a public summer shuttle service for a 3-year period, the applicant will be contributing to the Port District's permanent summer circulator shuttle, which began service in the summer of 2012. Therefore, a public shuttle service with a larger circulation route than what was required with the original project is to be operating at the time of occupancy of the subject hotel and park. If, however, for whatever reason, the Port's shuttle service is not in service by the time the Lane Field project is ready for occupancy, the applicant has proposed to implement the stand-alone shuttle service required in the original approval. The updated and revised Lane Field Multimodal Transportation Opportunities Plan incorporates these revisions into the amendment (see Exhibit #8). Therefore, as amended, adequate public access and circulation will be provided and ensured.

The revised Public Access Program also incorporates the Setback Park. The amendment will reduce the total amount of commercial visitor-serving retail and restaurant uses on the site, but this reduction is necessary to provide the new public park. This park will be a major public access and recreational improvement on the waterfront, and will fulfill a portion of the requirement of the NEVP permit to provide additional public park space. Exhibit #11 is a matrix comparing the proposed Setback Park to the requirements in the approved NEVP permit. The park will be the size required by the permit, will have a mix of landscape and hardscape, event space, public art, and activating uses required by the permit.

Special Condition #7 requires implementation of the revised Public Access Program. The proposed amendment does not remove or lessen any of the required public access elements in the original approval. As amended, the permit will significantly increase the amount of public access and public recreational opportunities on the site.

D. PUBLIC ACCESS/LOWER-COST VISITOR-SERVING COMMERCIAL

In addition to the above listed Port policies encouraging non-exclusory uses on Port tidelands and increased public access, the Port Master Plan also includes the following policy:

Development and Conservation Strategy

The basic direction of development and conservation efforts in the coastal zone is, where feasible, to protect, maintain, enhance, and restore the overall quality of the man-made and natural coastal zone environment. Port development seeks to minimize substantial adverse environmental impacts; minimize potential traffic conflicts between vessels in the port; give highest priority to the use of existing land space within harbors for port purposes; and provide for a full array of beneficial activities including recreation and wildlife habitat uses. A balanced approach also takes into account the social and economic needs of the people of the State.

The approved Lane Field Public Access Program includes a requirement to work with the Port District to identify a suitable site for construction of an approximately 133 room new hostel, and directly fund half of the construction costs. The Program includes specific milestones which must be met to ensure construction of the hostel occurred in a timely manner. The plan also required that in the event the milestones were not met, that the applicant pay a fee in lieu of construction of affordable accommodations, consisting of \$30,000 per unit for 25% of the units being constructed on Lane Field.

The Port is currently developing a Port Master Plan Amendment that includes identification of a site to construct the hostel that was contemplated in the original approval. Because this process is underway through the PMPA process, but is probably still several years away from an actual construction date, the applicant is proposing to revise the project to pay the required \$6 million mitigation fee outright. Because there are different timelines for the construction of the two phases of the project, the applicant is proposing to pay the in-lieu fee prior to occupancy of the North parcel, and the fee for the construction on the South parcel prior to occupancy of that structure.

Because the Port is undergoing a review process similar to what was required by Lane Field in the original approval, and the existing permit condition allows for payment of a mitigation fee if the hostel construction project timeline could not be met, allowing the applicant to exercise the mitigation fee option upfront is consistent with the intent of the original permit approval. As amended, the project will still make a contribution to the future construction of a hostel on Port Tidelands, which is expected to come before the Commission in a Port Master Plan Amendment within the year.

However, the Commission typically requires full payment of mitigation fees prior to issuance of a coastal development permit to ensure that the applicant mitigates adverse impacts to lower cost visitor accommodations associated with the proposed development. The applicant has indicated that construction of Phase II is expected to occur in the near future, as early as 2014. The applicant has not submitted evidence that indicates payment of the entire mitigation at one time is infeasible. Thus, requiring payment of the entire fee at this time is a feasible mitigation measure to address the proposed project's adverse impacts to lower cost visitor accommodations. Furthermore, to ensure that the mitigation fee adequately mitigates the adverse impacts to lower cost visitor accommodations associated with the proposed development, Special Condition #2 further requires that the applicant transfer the funds to the Port only after the Commission and the Port have entered into a memorandum of understanding, establishing the conditions of the Port's use of those funds. Therefore, **Special Condition #2** requires payment of the entire mitigation fee prior to issuance of the permit.

Special Condition #7 requires implementation of the revised Public Access Plan, which will ensure that as amended and conditioned, the project will be consistent with the public access and lower-cost visitor-serving provisions of the Coastal Act.

E. SENSITIVE BIOLOGICAL RESOURCES/WATER QUALITY

Relevant PMP policies include the following:

VIII. THE PORT DISTRICT WILL ENHANCE AND MAINTAIN THE BAY AND TIDELANDS AS AN ATTRACTIVE PHYSICAL AND BIOLOGICAL ENTITY.

- Establish guidelines and standards facilitating the retention and development of an aesthetically pleasing tideland environment free of noxious odors, excessive noise, and hazards to the health and welfare of the people of California.

X. THE QUALITY OF WATER IN SAN DIEGO BAY WILL BE MAINTAINED AT SUCH A LEVEL AS WILL PERMIT HUMAN WATER CONTACT ACTIVITIES.

- Insure through lease agreements that Port District tenants do not contribute to water pollution.
- Cooperate with the Regional Water Quality Control Board, the County Health Department, and other public agencies in a continual program of monitoring water quality and identifying source of any pollutant.
- Adopt ordinances, and take other legal and remedial action to eliminate sources of pollution.

XI. THE PORT DISTRICT WILL PROTECT, PRESERVE, AND ENHANCE NATURAL RESOURCES, INCLUDING NATURAL PLANT AND ANIMAL LIFE IN THE BAY AS A DESIRABLE AMENITY, AN ECOLOGICAL NECESSITY, AND A VALUABLE AND USABLE RESOURCE.

The Lane Field project, as proposed, includes a Stormwater Pollution Prevention Plan (SWPPP, dated October 14, 2010) describing stormwater mitigation practices during construction and a Port of San Diego Preliminary Urban Storm Water Mitigation Plan (Port USMP, received November 16, 2012) that describes the types of Best Management Practices that could be included in the permanent, post-construction runoff control system. The runoff control system is proposed to be designed and built to minimize storm water runoff, treat runoff from the design storm and minimize runoff pollutants generated on site using source control best management practices.

One of the changes from the 2010 project is that there will no longer be significant excavation of contaminated soils included in Phase I of this project and the current project proposes to avoid disturbing the most contaminated soils. Any contaminated soils that are encountered during the work will be handled in accordance with the Soils Management Plan that has been approved by both the Coastal Commission and the Regional Water Quality Control Board.

For the 2010 project proposal, the Coastal Commission's water quality staff reviewed the Lane Field draft Water Quality Technical Report (March and October 2008), the draft Storm Water Pollution Prevention Plan (March 7, 2008), a Preliminary Drainage Report (March 2008), a letter report on Additional Phase II Environmental Site Assessment Services (February 15, 2007), the Supplemental Phase II Environmental Site Assessment – Groundwater Assessment Addendum (November 2, 2007), letters from Adams Broadwell Joseph & Cardozo (January 7, January 23, and October 22, 2008), a letter from SWAPE consultants (December 28, 2007), a letter from Lane Field Developers to the Port of San Diego dated October 17, 2008, the draft Coastal Development Permit dated October 24, 2008, Sediment Quality Assessment Study at the B Street/Broadway Piers, Downtown Anchorage and Switzer Creek, San Diego Bay – Phase I Final Report (March 2004) and TMDL Sediment Quality Assessment Study at the B Street/Broadway Piers, Downtown Anchorage and Switzer Creek, San Diego Bay – Phase II Final Report (June 2005). Since the project has been revised, water quality staff reviewed the new Port USMP delivered to the Coastal Commission on November 16, 2012.

The new project description highlights infiltration-based BMPs as likely to be selected as final BMPs for the site. This is consistent with evolving regulations and practices for addressing stormwater and polluted runoff, but on this site infiltration-based BMPs may be constrained by site conditions, including shallow groundwater and presence of contaminated soils in some areas of the site. The fact that the RWQCB has determined that the shallow groundwater at this site is already degraded may allow for use of infiltration BMPs at this site in spite of the known contamination in portions of the site. Nevertheless the shallow groundwater will mean that infiltrated runoff will have less contact time with soils before it encounters groundwater and begins to flow down gradient towards the bay. In addition, shallow groundwater means that infiltrated water may also be constrained by site utilities and other infrastructure (e.g., sidewalks). **Special Condition #5.c.iii** requires that site specific analysis be conducted to show how any infiltration based BMPs will be designed to compensate for the shallow depth to groundwater.

Proposed Best Management Practices

The 2008 WQTR, submitted with the approved project described how the project would eliminate dry weather runoff from landscape irrigation and treat and reuse up to 100% of storm water runoff from the project site using site design, source control and treatment control BMPs. The report also described the installation of a Roof Top Garden as a way to make use of and treat rainwater falling on the roof. The Roof Top Garden and reuse of stormwater on site are no longer part of the project description.

The 2008 WQTR submitted with the approved project listed BMPs that would be appropriate for the likely runoff pollutants at this site, but did not specify the final sizing, location and design of those BMPs. The applicant indicated that they needed to finalize the design before the final BMPs could be selected. With the current permit amendment, the applicant still indicates that the final BMPs have not been selected or designed. In

recognition of the fact that the WQTR does not provide a final selection of BMPs and the details of the overall post construction water quality protection system, Special Condition #3 requires a Final Urban Storm Water Mitigation Plan/Water Quality Technical Report be submitted. This final report shall be in substantial compliance with the 2008 Water Quality Technical Report and modified to address the currently proposed project design be submitted for review and written approval of the Executive Director prior to issuance of the permit.

The 2008 WQTR specified that the project would include the following Site Design BMPs: increased building density (multi-story building), minimized width of streets and sidewalks (while still addressing public safety and maintaining a “walkable environment”), minimized directly connected impermeable surfaces and use of native and drought-tolerant species in landscaping.

Source Control BMPs in the 2008 WQTR specified that the project would include an efficient irrigation system, use of pest-resistant native plants, use of only professional pest controllers, provision of Integrated Pest Management (IPM) educational materials to maintenance personnel and employees, storm drain stenciling, and covered parking that will be cleaned using dry methods (i.e., no runoff generated). In addition, all kitchen discharge pipes will be equipped with grease interceptors and pool maintenance will be conducted by certified pool maintenance crews.

Priority Development Project (PMP) Individual BMPs listed in the 2008 WQTR included: cleaning the drive way with dry methods (sweeping and vacuuming), loading docks designed to preclude run-on and runoff, any vehicle or equipment cleaning to be completed on-site will be done within the building or in an area that discharges to a biofiltration treatment control BMP and all mop water will be discharged to the sanitary sewer.

The 2008 WQTR also made recommendations for Treatment Control (TC) BMPs that would be appropriate and feasible for this project, and only recommended BMPs that have medium to high efficiency for removing the target pollutants. The 2008 WQTR indicated the pollutants that may be generated by the completed project include: bacteria and viruses, heavy metals, sediment, organic compounds, pesticides and trash and debris. The 2008 WQTR indicated that since pesticides and bacteria are not effectively removed by most TC BMPs that the project will depend on extensive source control BMPs as the primary method to address those pollutants. The project description states that, at a minimum, the post-construction TC BMPs will be designed to treat storm water runoff up to, and including, the 85th percentile storm event.

The 2008 WQTR indicated that the following TC BMPs were feasible for this project: bioretention BMPs, flow-through planter boxes, (e.g., in a roof garden), modular wetlands, a proprietary filtration system, downspout filters, catch basin inserts and trench drain inserts. For the buildings, the WQTR recommends that pollutants from roofing materials and air deposition be addressed by flow-through planter boxes. Pollutants from the courtyard will include air deposition and litter and the 2008 WQTR recommends regular sweeping and vacuuming to address those pollutants. Runoff from the courtyard

will be directed to inlet catch basins or a constructed wetland. The 2008 WQTR specifies that all spills and leaks will be addressed in a timely manner and any non-storm water that collects in the parking garage will be sent to the sanitary sewer.

The 2008 WQTR described the site design, source control, and priority development project BMPs that would be included in the project, but it did not specify the treatment control BMPs to be used. The analysis did provide a selection of treatment control BMPs that are appropriate to address the water quality issues of site runoff, but the applicant planned to identify the selected TC BMPs when the final development plans are completed. Most of the BMPs described in the 2008 WQTR are still appropriate for the modified project. Therefore **Special Condition #3** requires a Final Urban Storm Water Mitigation Plan/Water Quality Technical Report that is in substantial compliance with the 2008 Water Quality Technical Report but that has been modified to address the currently proposed project design be submitted for review and written approval of the Executive Director prior to issuance of the permit. The condition includes additional requirements to address the uncertainty in the final selection and design of BMPs. Condition #4 requires an Operation and Maintenance plan that includes description of the long-term operation and maintenance requirements of complete post-construction stormwater and non-stormwater runoff pollution control system described in the Final Urban Storm Water Mitigation Plan/Water Quality Technical Report described in **Special Condition #3** and a description of the mechanisms that will ensure ongoing long-term maintenance. In addition, **Special Condition #4** includes annual reporting on BMP effectiveness and a contingency plan to address uncertainty in the final selection and design of BMPs.

Summary

As described above, the Coastal Commission's water quality staff has reviewed the site investigation reports and water quality plans for the revised Lane Field site project. The project plans include a system of construction BMPs, site design BMPs, source control BMPs, and treatment control BMPs that will adequately protect the aquatic organisms and bay resources from site cleanup activities, construction activities, as well as post-construction storm water and dry weather runoff.

Therefore, the Commission finds that the project, as conditioned, will be consistent with the water quality provisions of the certified Port Master Plan cited above.

F. VISUAL QUALITY

Relevant PMP policies include the following:

- Views should be enhanced through view corridors, the preservation of panoramas, accentuation of vistas, and shielding of the incongruous and inconsistent.

Civic Zone

[...]

The most important element in this zone is the conversion of the old Lane Field site and Navy Engineering building into a new complex of buildings and open spaces. Primary consideration is a 600-to-800-room hotel. The intent of the plan is to retain flexibility for considering a wide array of development options. The concept includes possible multiple utilization of activities that could provide for commercial recreation; international trade, travel and cultural complexes; commercial and office space for maritime business; support facilities related to the Port; and subject to negotiation with the U.S. Navy, the provision of equal or better building space for the relocation of the Naval Facilities Engineering Command. The FAR for Lane Field parcel is 7.0 and 6.5, while building height limits range from 400 feet to 200 feet sloping toward the Bay. Special setback requirements along the Broadway side of this parcel range from 55 feet to 65 feet, widening toward the Bay (See Figure 4.7 of the Visionary Plan, which also illustrates the special radius setback on North Harbor Drive/ Broadway SW corner). Stepbacks for upper stories are 25-feet minimum at 50-feet building height except for the B Street side of the parcel and on other east-west streets where they are 15 feet. There are no stepback requirements along Pacific Highway. (See Visionary Plan Figures 4.5, 4.6, 4.7 and 4.8.)

As described above, the most significant visual component of the proposed amendment is the addition of the Setback Park. This 150-foot wide park will create an expansive open space area on the inland side of Harbor Drive, directly across from the waterfront. In conjunction with the public street and sidewalk improvements associated with the NEVP, the Setback Park will provide an attractive, open visual expanse.

The park itself will have a variety of features and elements designed to create an attractive, pedestrian-oriented space, including open lawn, a series of large native shade trees, and public art. A significant design feature of the park will be the expression of the historic Lane Field Baseball field within the park. Inserted on the site near its original location at the intersection of West Broadway and North Harbor Drive, the proposed design includes the pitcher's mound, animated in-ground LED light fixtures along the base paths and foul poles, ground plant treatments to first, second and third base and the batter's box, and a vertical expression of home plate as a sculptural element with information about the historic use. The proposed park will have a very positive impact on the visual quality of the bayfront.

As described above, as amended, hotel/retail structures will be smaller than those originally approved. The maximum height of the north hotel tower would be reduced from 209 feet to 200 feet. The maximum height of the south hotel tower would be reduced from 269 feet to 240 feet. Total meeting room space has been reduced from 51,000 sq.ft. to 31,256 sq.ft., and the two spa areas totaling 40,100 sq.ft. have been reduced to one 6,500 sq.ft. spa. The North hotel tower is proposed to be the same square footage (56,540 sq.ft.), but the South tower will be reduced from 89,595 sq.ft. to 69,278 sq.ft. The amount of visitor-serving retail and restaurant uses has also been reduced, from a total of 80,000 sq.ft. to 63,549 sq.ft. Thus, the bulk and scale of the project has been reduced, which will reduce potential visual impacts (see Exhibit #4).

In addition to the new 150-foot setback from Harbor Drive, several other setbacks and stepbacks of the proposed hotel and retail development has been revised somewhat. As a result, the proposed tower on the South parcel will be approximately 25 feet closer to Broadway, which is a view corridor and major coastal access route. However, the setback is consistent with the minimum requirement in the Port Master Plan, and will not encroach into the Broadway view corridor. The hotel structure itself is relatively slender and is not expected to be out of scale with surrounding downtown development. The redesign will accommodate the Setback Park, and the project includes removal of a small encroachment into the C Street view corridor that was permitted in the original approval (see Exhibit #4).

As amended, the proposed project incorporates an above ground parking garage on the lower levels of the hotel on the North parcel, rather than all underground parking as previously proposed. Some objections to the inclusion of an above-ground parking garage on the site have been raised by members of the public, citing visual clutter associated with parking garage. While the Commission agrees that parking is not necessarily the highest and best use of waterfront parcels, the parking associated with the subject site has been incorporated into the commercial recreational use on the site, and occupies the same air space that was previously approved to be developed as part of the (larger) hotel/retail structure. As proposed, the parking garage levels will be screened and/or adorned with public art, and are not expected to be significantly more visually obtrusive than the other portions of the hotel tower. Retail and hotel uses will be located on the park, or west side of the hotel, and along the C Street view corridor between the hotels, which will ensure that pedestrian-scale amenities will be the dominant visual features from these vantage points. Even with the proposed parking garage, the structures on the site will be smaller than those in the original approval, and significantly smaller than the build-out of the site allowed under the certified PMP.

As amended, the project will provide a new public green space, protect view corridors, and will improve the visual quality of the waterfront. Therefore, the proposed amendment can be found consistent with the visual protection policies of the Port Master Plan.

G. GEOTECHNICAL HAZARDS/PUBLIC SAFETY

Relevant PMP policies include the following:

VIII. THE PORT DISTRICT WILL ENHANCE AND MAINTAIN THE BAY AND TIDELANDS AS AN ATTRACTIVE PHYSICAL AND BIOLOGICAL ENTITY.

- Establish guidelines and standards facilitating the retention and development of an aesthetically pleasing tideland environment free of noxious odors, excessive noise, and hazards to the health and welfare of the people of California.

The applicant has provided geotechnical information on the stability of the site including an updated geologic and geotechnical fault investigation. The Commission's geologist has reviewed the submitted information, and determined that the information submitted is adequate to determine that the proposed resiting of the buildings will not result in hazards to the health and welfare of the public as a result of geologic instability. Therefore, the amendment can be found consistent with the certified Port Master Plan.

H. LOCAL COASTAL PLANNING

As described above, the proposed amended project has been designed and conditioned to avoid impacts on visitor-serving accommodations, public access, water quality, and views and will be consistent with the certified PMP. Therefore, the Commission finds that approval of the project, as conditioned, will not prejudice the ability of the San Diego Unified Port District to continue to implement its certified Port Master Plan.

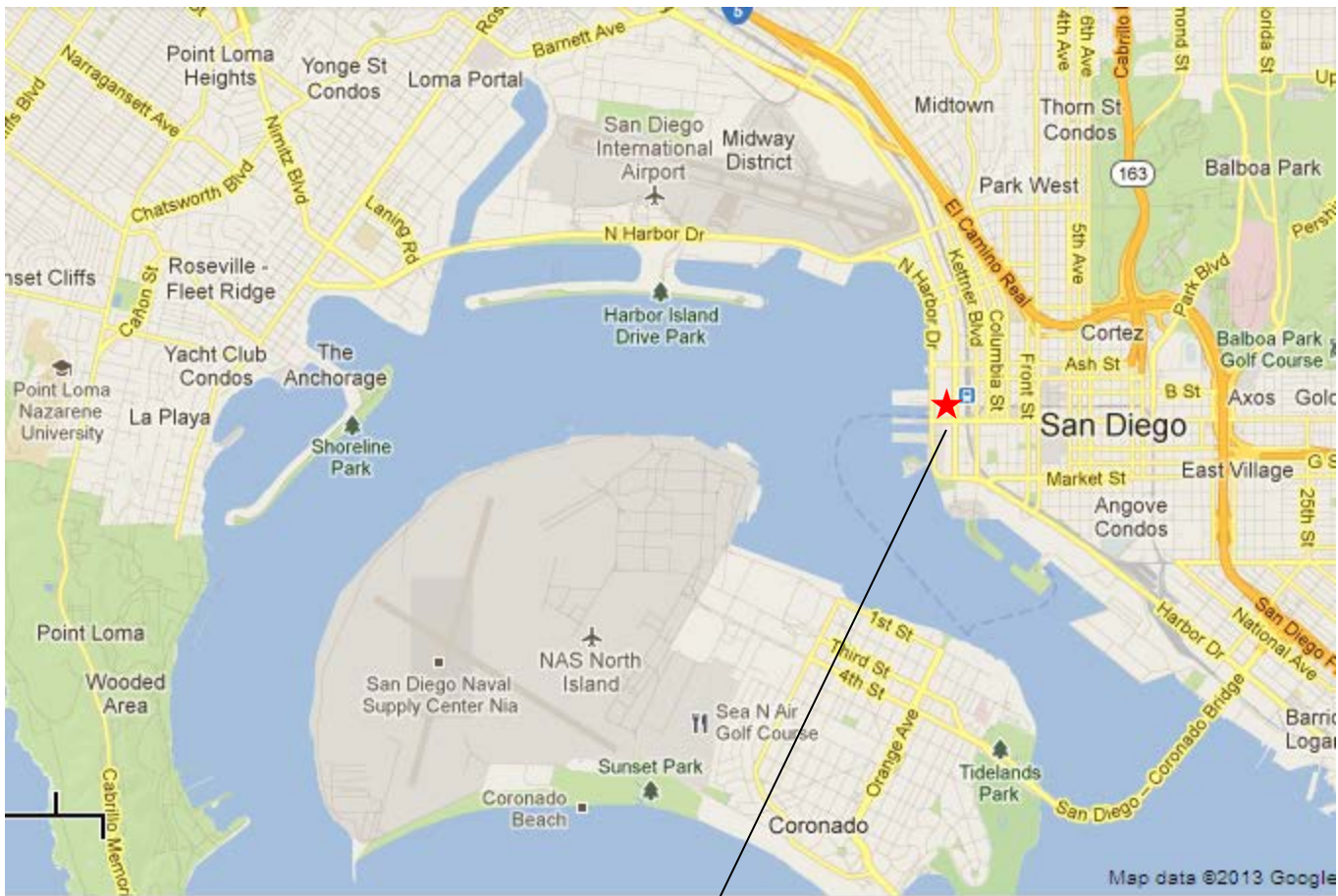
I. CALIFORNIA ENVIRONMENTAL QUALITY ACT

Section 13096 of the Commission's Code of Regulations requires Commission approval of Coastal Development Permits to be supported by a finding showing the permit, as conditioned, to be consistent with any applicable requirements of the California Environmental Quality Act (CEQA). Section 21080.5(d)(2)(A) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse effect which the activity may have on the environment.

As described above, the proposed amendment has been conditioned to avoid adverse environmental impacts. Mitigation measures include in the original project approval and the amendment include implementation of a transit opportunity plan that includes a public shuttle, and a public access plan that includes construction of a hostel or lower-cost mitigation fee, and these conditions will minimize all adverse environmental impacts. As conditioned, there are no feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact which the activity may have on the environment. Therefore, the Commission finds that the proposed amended project is the least environmentally-damaging feasible alternative and is consistent with the requirements of the Coastal Act to conform to CEQA.

APPENDIX A – SUBSTANTIVE FILE DOCUMENTS

Port Draft Coastal Development Permit 2008-1;
CDP A-6-PSD-11-006;
Certified San Diego Unified Port District Port Master Plan



Site



EXHIBIT NO. 1

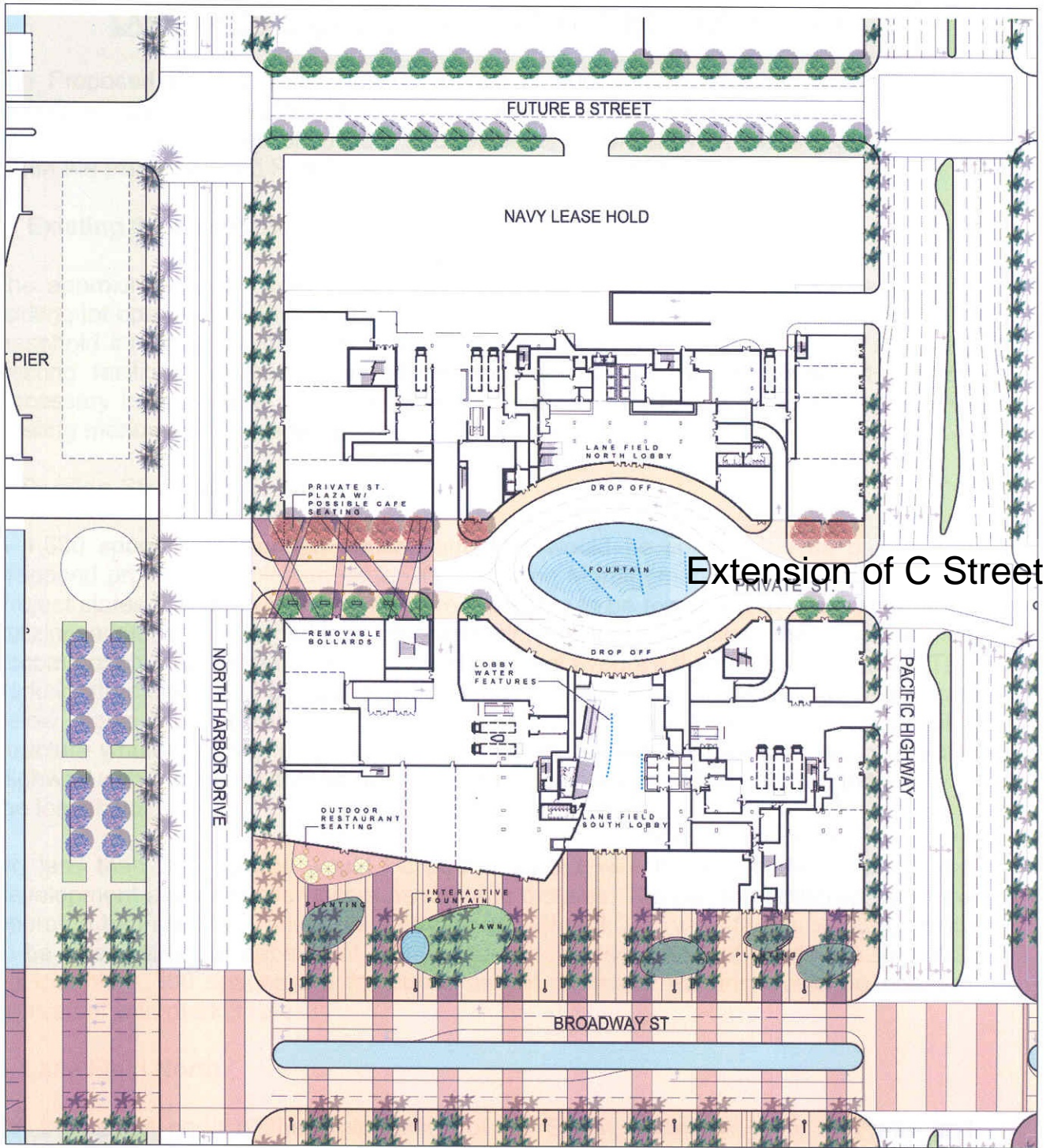
APPLICATION NO.

A-6-PSD-08-4

Location Map



California Coastal Commission



Extension of C Street



EXHIBIT NO. 2

APPLICATION NO.

A-6-PSD-08-4

Original Site Plan



California Coastal Commission

Future B Street

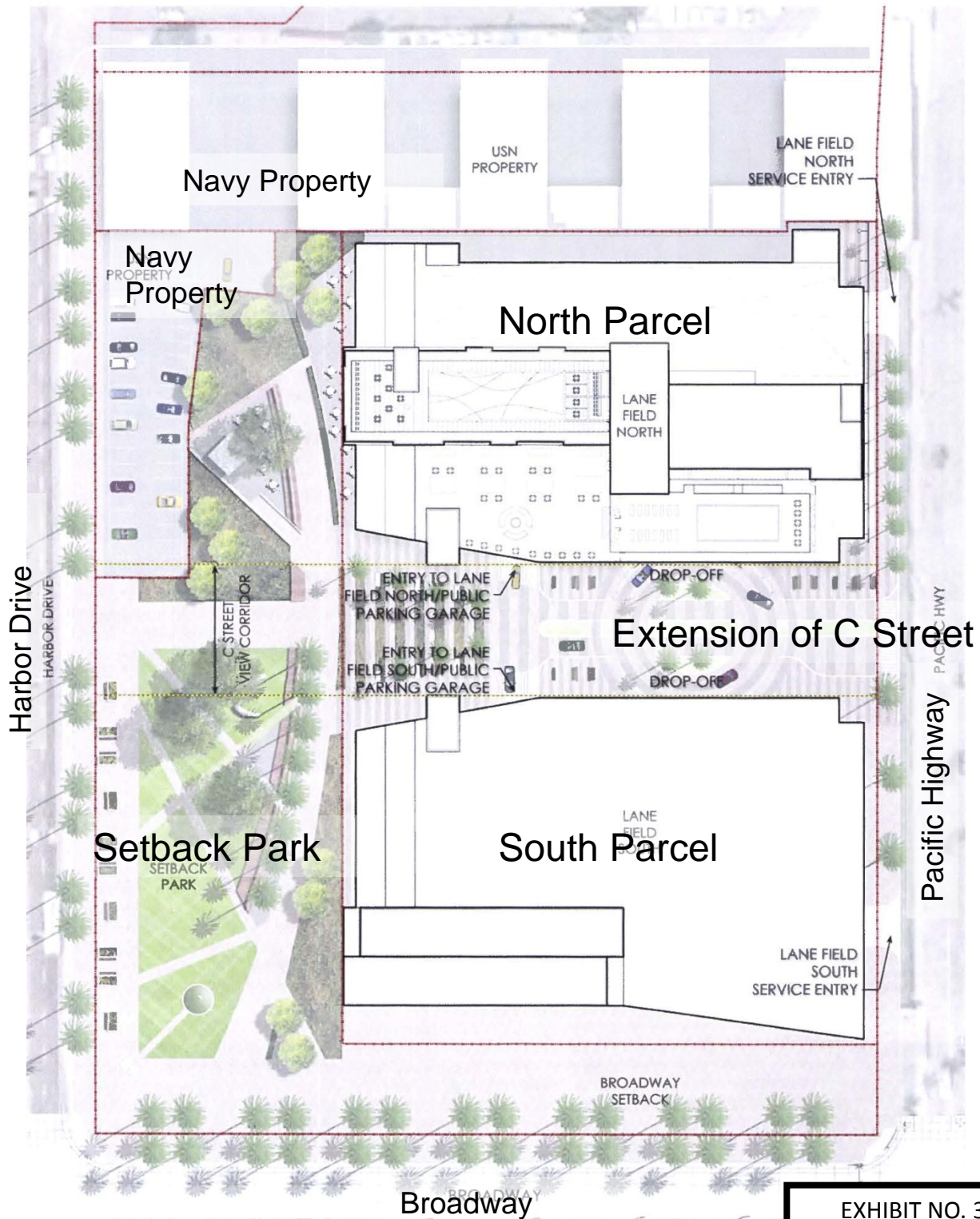


EXHIBIT NO. 3

APPLICATION NO.

A-6-PSD-08-4

Proposed Site Plan



California Coastal Commission

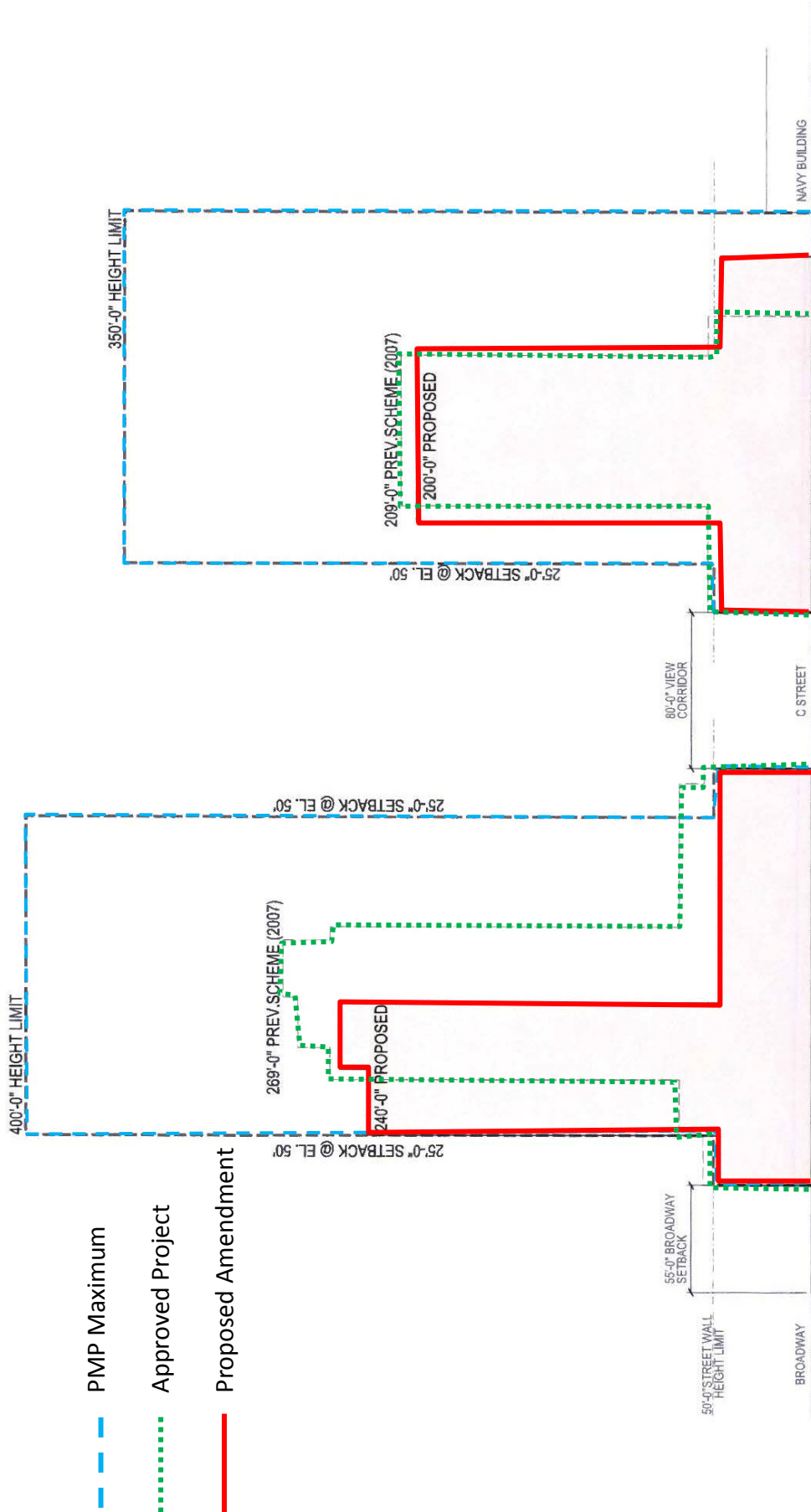


EXHIBIT NO. 4

APPLICATION NO.

A-6-PSD-08-4

Elevations



California Coastal Commission

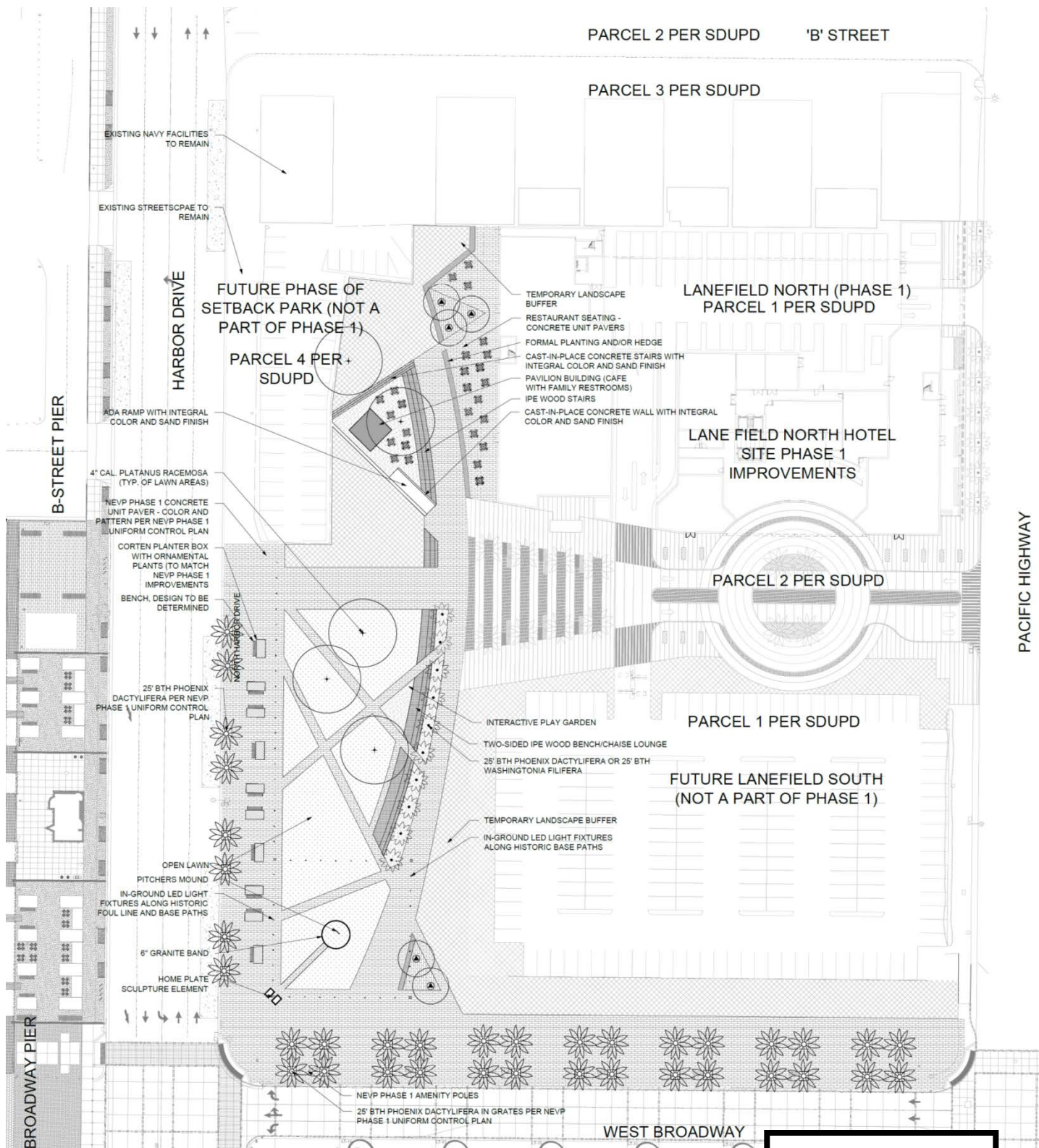


EXHIBIT NO. 5

APPLICATION NO.

A-6-PSD-08-4

Setback Park Plan



California Coastal Commission



Rendering of view from Esplanade on Harbor Drive

EXHIBIT NO. 6

APPLICATION NO.

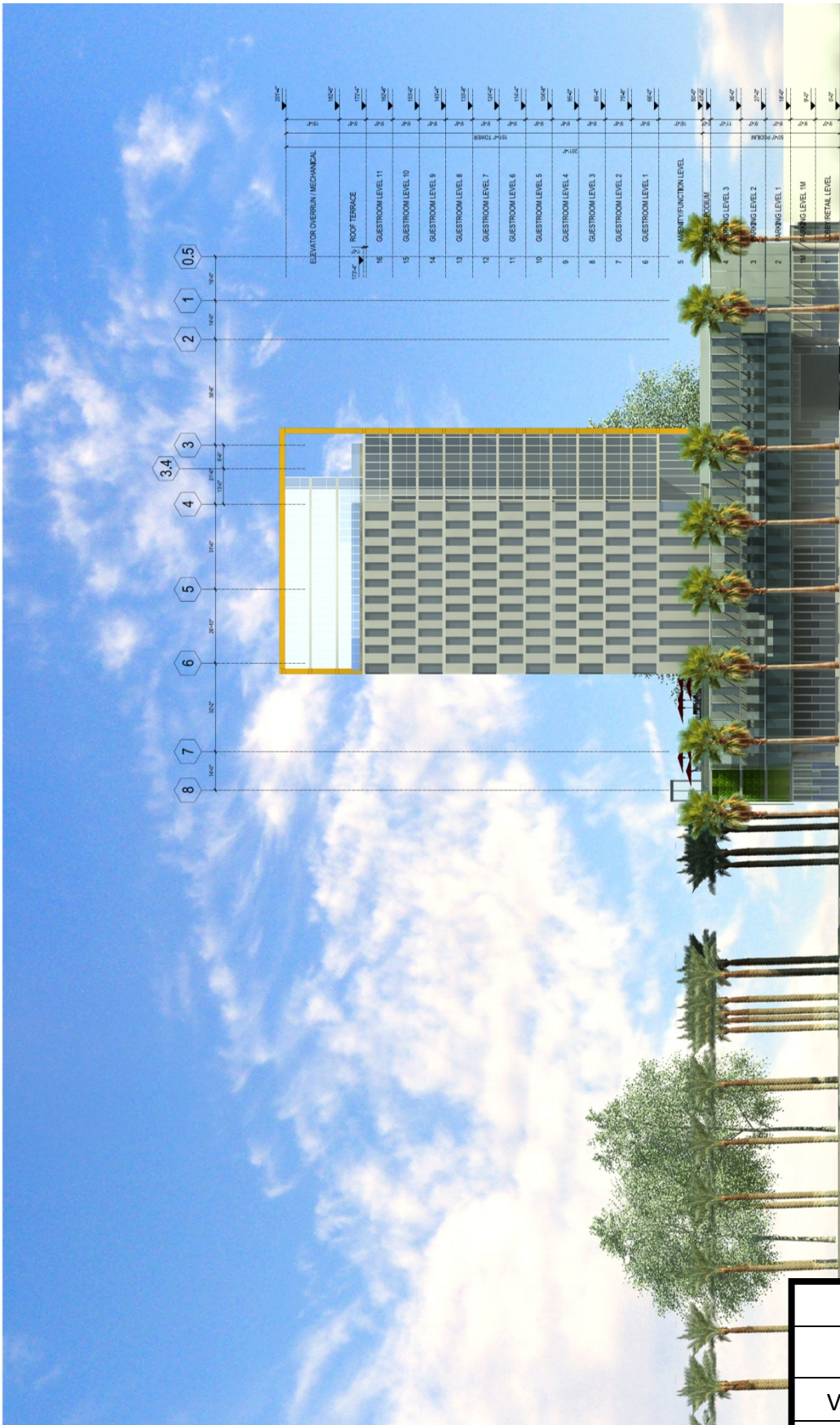
A-6-PSD-08-4

View from Harbor

Drive



California Coastal Commission



Rendering of view from Pacific Highway showing screened parking

EXHIBIT NO. 7

APPLICATION NO.

A-6-PSD-08-4

View from Pacific

Highway



California Coastal Commission

MULTIMODAL TRANSPORTATION OPPORTUNITIES PLAN
November 9, 2012

Purpose

Overview

Mass Transit Incentives for Employees & Visitors

Guest and Visitor Transit Opportunities

Employee Transit Opportunities

Bayfront Shuttle System

Discussion

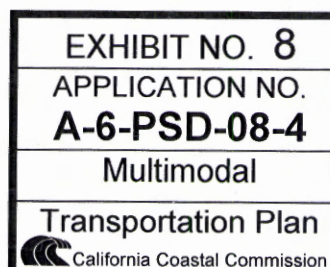
LPP Bayfront Shuttle System Approach

Agency Outreach and Advocacy

Transportation Opportunities Plan Attachments

1. LPP Sponsored Bayfront Shuttle Route
2. LPP Sponsored Bayfront Shuttle Alternate Route
3. Port Sponsored Bayfront Shuttle Route

**LANE FIELD MULTIMODAL
TRANSPORTATION
OPPORTUNITIES PLAN**



Purpose

The transportation plan outlined herein describes the measures LPP Lane Field, LLC (LPP) will implement as stated in the draft Coastal Development Permit Special Provision/Condition # 19 approved by the Board of Port Commissioners on January 8, 2008, to promote alternative mass transit opportunities for visitors, guests, and employees.

Overview

LPP Lane Field, LLC will encourage the use of public transportation for employees and provide alternative transit opportunities for visitors and guests.

The Lane Field project encompasses 5.7 acres of land in downtown San Diego, located on the north side of Broadway, between North Harbor Drive and Pacific Highway. Lane Field is in Subarea 33 of Planning District 3 in the certified Port Master Plan (PMP) and encompassed within the Master Environmental Impact Report (MEIR) for the North Embarcadero Visionary Plan (NEVP). The project site is adjacent to the core of San Diego's downtown with the Broadway Pier and B Street Pier immediately to the west; the Irvine Company proposed office building to the east and the Navy Broadway Complex development to the south.

Lane Field is located immediately adjacent to multiple transit connections and services, including:

Transportation	Proximity to Hotels/walking distance	Areas Served
Amtrak	.15 miles a 2 minute walk	Pacific Surfliner Route, service between Downtown San Diego, San Luis Obispo, and Los Angeles with connections to national rail routes
Coaster	.15 miles, a 2 minute walk	Rail service between Downtown San Diego and Oceanside.
Trolley	.21 miles, a 3 minute walk	Red, Blue and Orange lines with direct services from Downtown San Diego through Old Town and Mission Valley to Santee, through downtown, and La Mesa to El Cajon and through Barrio Logan, National City, and Chula Vista to San Ysidro. Direct service to Qualcomm Stadium, Petco Park, and the International Border.
5 region wide bus stops	Within .25 miles, a 3 minute walk	City and region wide bus routes to most Visitor serving destinations such as the Zoo, Balboa Park, Sea World etc.
Bus to San Diego International Airport/ Commuter Terminal	.15 miles, a 2 minute walk; airport is 2.3 miles away	Bus access to all terminals of the San Diego International Airport, Lindbergh Field.
Water Taxi	.15 miles, a 2 minute walk	On-call transportation along San Diego Bay, serving Shelter Island, Harbor Island, Coronado and Downtown.
Ferry	.15 miles, a 2 minute walk	Daily service between Broadway Pier (Downtown San Diego) and The Ferry Landing Marketplace (Coronado).
Unified Port of San Diego Bayfront Shuttle	300' from hotel entrances	Port operated Shuttle service with 15 minute headways. The current route runs from the Bayfront Hilton Hotel south of the Convention Center to the Sheraton Harbor Island Hotel.
Conv. Ctr. Shuttle	On-site service	Routes connect conference attendees to conv. center facilities.

Pedi-Cab	On-site service	Managed service extending throughout the boundaries of Downtown San Diego.
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The Downtown San Diego Community Plan Update¹ includes the following proposed transit systems, which would further enhance access to the site:

- Downtown shuttle
- "Bay-to-Park" shuttle
- Potential Bus Rapid Transit (BRT) route/shuttle

This plan identifies separate and shared transit strategies for employees and visitors to Downtown.

Mass Transit Incentives for Employees & Visitors

The table below identifies incentive and collaborative programs offered by transit providers within the San Diego region and specifies the intended user as either employees and/or guest/visitors.

Program	Target Transit User
MTS – ECO Pass ²	Employee & Guest/Visitor
SANDAG – Ridelink ³	
Carpool Matching Services	Employee
Bike to Work	Employee
Guaranteed Ride Home Program	Employee
Regional Vanpool Program	Employee & Guest/Visitor
Car sharing Program	Employee
Public Shuttles	Employee & Guest/Visitor
NCTD – Employer Transportation Services and Monthly/Regional passes	Employee

Guest and Visitor Transit Opportunities

Lane Field benefits from the close proximity to multiple forms of transit, ranging in scale from existing bus lines connecting Lane Field to the larger metropolitan area and San Diego International Airport, to water taxis that service the waterways of San Diego Bay both locally and over to Coronado. A Summer Bayfront Shuttle system has been implemented on a trial basis to connect major destinations along the North Embarcadero. This shuttle is expected to become permanent (i.e. operate 365-days a year) in the future. Together, the variety and extent of mass transit opportunities creates a network which will not only serve hotel employees, but also the guests/visitors to Lane Field as well as San Diego's Bayfront, with a myriad of transit options.

In an effort to maximize use of transit and minimize vehicular reliance, Lane Field commits to the following:

- Provide or Participate in the Summer Bayfront Shuttle Service as appropriate: the service will provide guests, visitors and members of the public with service along the North Embarcadero, including stops at Lane Field, Bayfront destinations, the Convention Center, and other Bayfront hotels.

¹ Centre City Development Corporation Community Plan Update approved February 26, 2006. Actual implementation date unknown.

² <http://www.sdmts.com/Marketing/EcoPass.asp>

³ <http://www.ridelink.org/>

- Designated guests and visitor parking spaces will be reserved for advanced systems low emission vehicles.
- Discounted Trolley and Bus passes: through the Metropolitan Transit System's ECO Pass and Group Day Pass programs, guests and visitors will have access to discounted trolley and bus passes.
- Downtown San Diego Pedi-cab network: Pedi-cabs offer an alternative for intra-downtown connectivity with a unique exposure of guests and visitors to Downtown's amenities and destination points. Pedi-cab staging facilities will be provided within the project site and managed service will be provided.
- San Diego Water Transportation: The water taxi and ferry dock is less than a two minute walk away, located immediately west of the project site across Harbor Drive. Arrangements will be made with both operators for guests/visitors to obtain ticketing at the concierge stations within each hotel.
- Concierge Transit Service and Coordination: Hotel concierge employees will be thoroughly trained to understand and promote the various public transportation opportunities available to the guests/visitors and offer discounted tickets when applicable.
- Convention Center Shuttles: Shuttle services to and from the Convention Center will include routes to the project and be coordinated to suit the needs of guests and visitors.

Employee Transit Opportunities

Employees will be encouraged to utilize transit through incentives and amenities. LPP will offer employees the following options:

- Use of any transit incentives identified in table above, offering up to a 20% savings in cost of transportation, as compared to standard fares.
- Access the Bayfront Shuttle during hours and seasons of operation to utilize peripheral parking structures.
- Access to on-site parking at reduced monthly Employee Rate for:
 - Advanced system low emission vehicles
 - Carpooling
 - Car sharing
- The project's parking operator will encourage "park and ride" scenarios, identifying where employees may drive to the perimeter of the city to reasonably priced parking and connect to Downtown via trolley, bus, Pedi-cab or other public transportation opportunities.
- Human Resources personnel will offer all employees assistance in maximizing use of public transportation.

Bayfront Shuttle System

Discussion: The Coastal Commission and the Port of San Diego have indicated their support for the concept of a Bayfront shuttle system and in fact, the Port has successfully implemented a "test case" shuttle service that carried over 20,000 passengers during the summer months of 2012. The Port is considering viable alternatives that would implement the Bayfront Shuttle on a permanent basis with the possibility of providing expanded service beyond the current route which serves the North Embarcadero from the Bayfront Hilton to the Sheraton Harbor Island Hotel.

The Port of San Diego plans to eventually expand its Bayfront Shuttle service to include the Cabrillo National Monument. The Port has secured a National Parks Service grant to accomplish this expansion which is on hold pending grant coordination. The test case shuttle route operated on 15 minute headways. The first shuttle departed at 10 am, the last departed at 8 pm from Monday through Thursday, and 10 pm from Friday through Sunday. The Shuttle serviced the following locations and included stops along Harbor Drive between Hawthorn and Park Boulevard

- The Sheraton Harbor Island Hotel
- Grape Street Pier & Maritime Museum
- County Administration Building
- Anthony's
- Holiday Inn
- B Street Pier
- Hornblower Cruises
- Midway Museum
- The Fish Market
- Seaport Village
- The Hyatt
- The Marriott
- Convention Center
- Hilton Convention Center Hotel

Shuttle stops were designated within reasonable pedestrian walking distance of each destination. Accordingly, two or more destinations may be grouped together to create a stop. The final configurations of the shuttle stops when permanent service is implemented will be informed by the selected operator and vehicle specific requirements for drop-off and pick-up areas.

LPP Bayfront Shuttle Approach

Ideally, San Diego would have a shuttle service linking Downtown, the Gaslamp District, and Balboa Park to the Bayfront. Full sponsorship of such an expansive system is beyond the ability of LPP or the Port acting either alone or in concert with each other. Significant inter-agency cooperation will be required to implement such a system, including financial and logistical support from SANDAG, the City of San Diego, Civic San Diego, MTS, and the Port.

The Port will commence operations of a year-to-year summertime shuttle system in 2013, which is prior to the anticipated completion of the Lane Field North project. If for some reason the Port's service has not commenced at the time of completion of Lane Field North, then LPP will, as required by Special Provision 19 of the Lane Field Coastal Development Permit (CDP) A-6-PSD-08-04/A-6-PSD-08-101, sponsor a Bayfront-only shuttle program to provide linkages to and from existing visitor-serving and transportation facilities. To that end, LPP has identified privately-operated transit systems such as the Old Town Trolley's Seal Program which may provide the pedestrian linkages sought by the Coastal Commission. Should it be feasible to expand or support these existing systems, LPP will do so to achieve the concept of a Bayfront shuttle as described below. Regardless of whether expansion or support of these existing systems proves feasible, LPP will form a partnership with the Port, the terms of which will be negotiated, to implement a scalable system linking major mass transit and parking reservoirs to Bayfront attractions.

If the Port has implemented a permanent Bayfront Shuttle service at the time the Lane Field North project is complete, then as provided by Special Provision 20 of the above-cited CDP ("Permittee shall comply with all applicable public access requirements including mandatory participation in a bayside shuttle system upon District implementation of that system..."), LPP will participate in the Port operated system and will not implement the stand-alone shuttle described above. If the Port has not placed a permanent shuttle system into service by the time the Lane Field North project is complete, LPP will move forward and sponsor the shuttle system described in the paragraph above. Together with this system, LPP will

participate in ongoing planning efforts (if any) for a downtown shuttle service as described in the Downtown San Diego Community Plan.

As described below, this two-pronged approach addresses the immediate interests of both the Coastal Commission and the Port while furthering the long-term transit planning goals of the San Diego region.

Shuttle System Overview

The following applies if the Port has not implemented a permanent Bayfront Shuttle service and the service is to be provided by LPP as a stand-alone system.

Operation

As recommended by the Coastal Commission, LPP will operate a summer shuttle in partnership with the Port daily from June 1 through August 31 of each year or until such time as a regional system is put into place. The shuttle will consist of one or more vehicles available to Lane Field hotel guests and retail visitors and members of the general public. It is intended that the shuttle will operate with 15 minute headways. The first shuttle will depart Lane Field at 9 am, and the final shuttle of the day will depart at 10 pm.

Routes

The proposed route for the daily summer shuttle would include stops along Harbor Drive between West Hawthorn Street and Park Boulevard. The route would begin and end at Lane Field, picking up and dropping passengers off in front of Lane Field South along Harbor Drive on the north bound lane. The proposed stops will be flexible and responsive to passenger's requests to the extent feasible.

North along North Harbor Drive

- Stop 1: Lane Field
- Stop 2: Holiday Inn
- Stop 3: County Administration Building

(right on Grape, left on Pacific Highway, left on Hawthorn, left on North Harbor Drive)

South along North Harbor Drive

- Stop 4: Grape Street Pier & Maritime Museum
- Stop 5: Anthony's
- Stop 6: B Street Pier
- Stop 7: Midway Museum

(right on Tuna Lane)

- Stop 8: The Fish Market
- Stop 9: Seaport Village
- Stop 10: The Hyatt
- Stop 11: The Marriott
- Stop 12: Convention Center
- Stop 13: Hilton Convention Center Hotel

Funding

LPP will acquire, through purchase or lease, at least one vehicle for the shuttle system. Additional funding, if available, may allow for the acquisition of more than one vehicle. LPP will seek additional funding from the Port, other Port tenants, and local, regional, state, and federal agencies. Consistent with any green programs available through these agencies, LPP will inquire about and apply for grants and/or low-interest loans where feasible.

Initiation and Duration

The shuttle system will commence operations with the month of June concurrent with occupancy of the hotel on Lane Field North. The shuttle will continue in operation for three consecutive summer seasons, from June 1 through August 31 unless replaced by another comparable or more comprehensive transit system.

At the end of three years of operations, LPP will fund, and the Port will contract and administer, a market-feasibility and demand study:

- to determine whether operation of the shuttle system achieves on its face the goals set forth by the Coastal Commission and the Port, namely reducing traffic congestion during summer months;
- to identify transit systems in place or to be implemented at or near the time the study is completed which may render the Bayfront shuttle duplicative or into which the shuttle may be incorporated;
- to assess existing and projected usage and demand for a Bayfront shuttle as currently programmed; and to recommend whether the Bayfront shuttle should continue operations considering both external and internal factors affecting transit ridership.

Upon completion of the study, the Port will share the results with local Coastal Commission staff to allow them an opportunity to comment. Port staff will then present the results of the study, and any comments received from the Coastal Commission staff, to the Board of Port Commissioners for its consideration. Should the Board determine that continued operation is not feasible in light of the considerations above, LPP may elect to terminate the Bayfront shuttle and apply for the requisite Coastal Permit amendment.

Agency Outreach and Advocacy

Joint Transit Planning

As described by the Coastal Commission in the staff report for Lane Field several years ago, Port staff and the City of San Diego explored the possibility of a downtown shuttle that served the Bayfront. Several years ago, the concept was revived at a meeting of the Joint Powers Authority for implementation of Phase One of the North Embarcadero Visionary Plan. Following that meeting, representatives from SANDAG, MTS, the City of San Diego, Civic San Diego, LPP, Coastal Commission staff, and the Port met and formed a shuttle committee to share preliminary concepts, identify key issues, and plan next steps.

Given the complexity of joint transit planning, Civic San Diego (now Civic San Diego) recommended a committee approach. The committee was to prepare a Request for Qualifications (RFQ) seeking a consultant with specific experience in planning, designing, and operating downtown shuttle services. The findings and recommendations made by the consultant will form the basis of public and private agreements for one or more shuttle systems. Unfortunately, the committee foundered and eventually disbanded with no action having been taken. Also, the Port has succeeded in obtaining a National Park Service Grant to sponsor a Bayfront Shuttle that would service the embarcadero and extend to Cabrillo National Cemetery. The Port and SANDAG are currently exploring mechanisms to accept the grant and to begin the implementation of that shuttle service.

Scaling the Bayfront Shuttle

As the shuttle system(s) to be implemented are better defined, there may be an opportunity to integrate the Bayfront into a larger transit plan. The shuttle committee had discussed phases of implementation which may either connect with or supplant the Bayfront shuttle. Should such a comparable or more comprehensive transit system arise, LPP would no longer be required to operate the Bayfront shuttle as described above.

One possible route for a subsequent phase would begin at Lane Field and proceed along the Bayfront, but loop through Downtown, connecting the Gaslamp District, Horton Plaza and Little Italy, and then return to Lane Field. Additional phases may expand that route, with departures from Lane Field along the Bayfront through Downtown, expanding the stops above to include Balboa Park and additional stops at San Diego International Airport and the Convention Center, again ultimately returning to Lane Field. The Port may also wish to include stops at Harbor and Shelter Islands in future phases, or link the Bayfront shuttle to other transit systems to reach those destinations.

In this manner, the LPP Bayfront shuttle could be either scaled up to meet the needs of the greater Downtown area or replaced over time with other, more comprehensive transit systems. Under either approach, the goals of the Coastal Commission and the Port of San Diego to preserve and enhance public access to the Bayfront would be achieved.

LANE FIELD: PROPOSED SUMMER EMBARCADERO SHUTTLE ROUTES & DESTINATIONS



KEY

- SUMMER BAYFRONT SHUTTLE
- SUMMER BAYFRONT SHUTTLE STOPS & DESTINATIONS

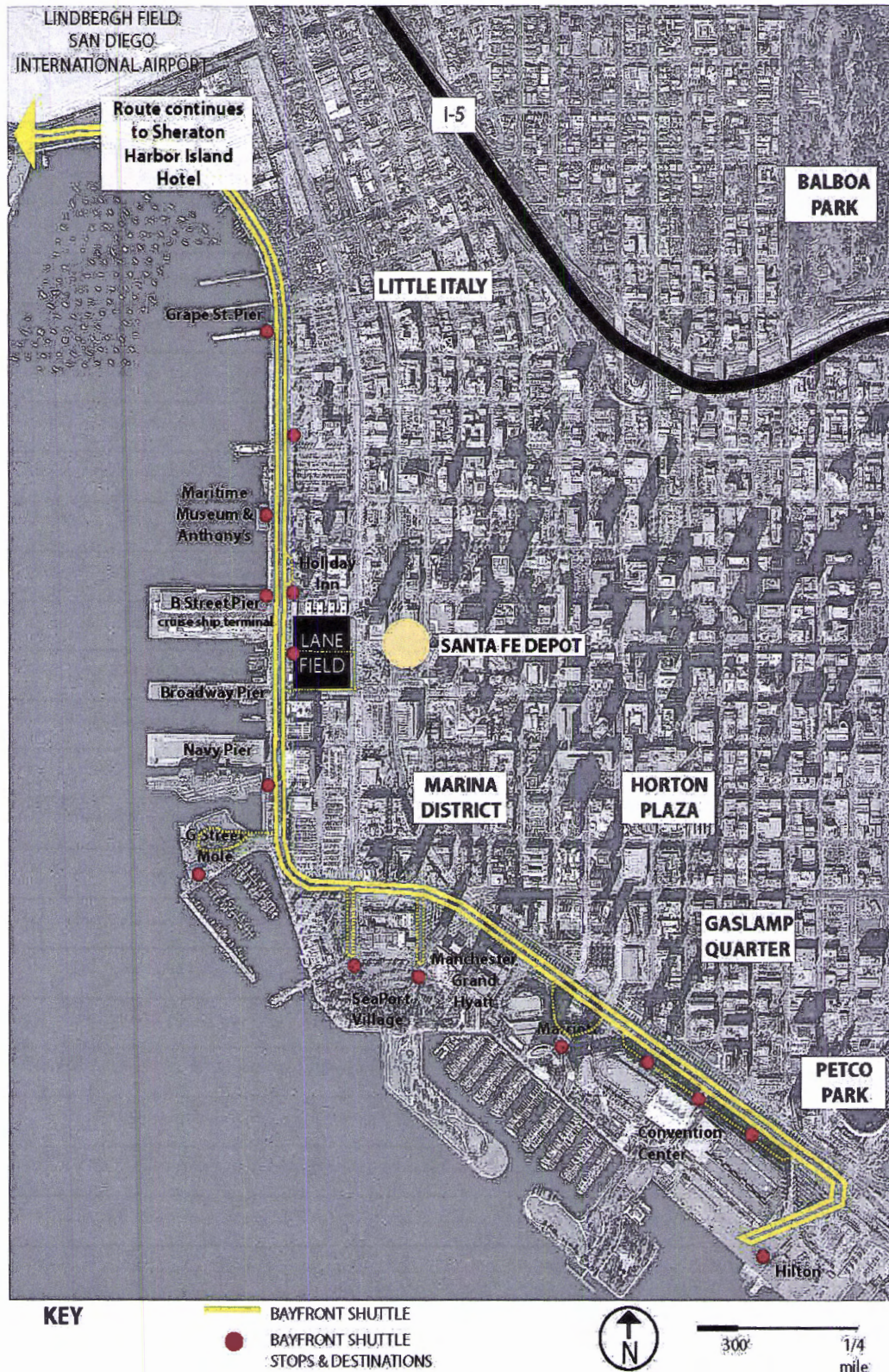


300' 1/4 mile

LANE FIELD: ALTERNATE SUMMER EMBARCADERO SHUTTLE ROUTES & DESTNATIONS



PORT OF SAN DIEGO BAYFRONT SHUTTLE ROUTE



PORT OF SAN DIEGO BAYFRONT SHUTTLE ROUTE



KEY

- BAYFRONT SHUTTLE
- BAYFRONT SHUTTLE STOPS & DESTINATIONS



300' 1/4 mile

LANE FIELD

**LANE FIELD
PUBLIC ACCESS PLAN
December 19, 2012**

**LPP Lane Field, LLC
1050 Park Boulevard
San Diego, California 92101**

EXHIBIT NO. 9
APPLICATION NO.
A-6-PSD-08-4
Public Access Plan

Lane Field Public Access Plan

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The 12/19/12 Public Access Plan revision has been published to more fully describe both phases of the project.

Project Location

The Lane Field project consists of three discrete project areas, 1.52 acres of building site, 0.60 acres of view corridor (Lane Field Entry Plaza), and 1.98 acres designated as the Lane Field Setback Park/Plaza. A future building site, Lane Field South, contains an additional 1.59 acres of land. The entire Lane Field Site comprises 5.7 acres of tidelands in downtown San Diego, located on the north side of West Broadway, between North Harbor Drive and the Pacific Highway. Lane Field is in Subarea 33 of Planning District 3 of the San Diego Unified Port District's (District) certified Port Master Plan. Lane Field is adjacent to the core of San Diego's downtown with the Broadway Pier and B Street Pier immediately to the west, the Irvine Company's proposed office building to the east and the proposed Navy Broadway Complex development to the south.

Public Access Program Components

The purpose of the Lane Field Public Access Plan is to define how public access is integrated into the project site, and identify how such public access will be managed. The program includes Site Access and Parking, Ground Level Access and Circulation, Elevated Public Realm and Vertical Circulation to Level 2 Balcony and Level 5 - Terrace, a Way Finding Signage Program, and Management.

Site Access and Parking

Two critical features of the Public Access Plan are the proximity of the site to multiple modes of public transit, and the inclusion of on-site public parking. Lane Field is located one block away from the Santa Fe Depot (Amtrak and the Coaster), two blocks from One America Plaza (San Diego Trolley Orange Line and Blue Line), and within three blocks of seven bus lines.

The District requires that the project include sufficient parking for its own use, and that a total of 300 additional public parking spaces be provided on the entire Lane Field site. The public parking requirement is embodied in the District's previous approvals for the project and in the Lane Field Coastal Development Permit issued by the California Coastal Commission on January 8, 2009. Based upon the development of two 400-key hotels as is required by the developer's Option with the Port, the Lane Field North project includes a parking garage with 414 parking stalls; of those, 29 stalls will be dedicated for public use. The future Lane Field South project will provide an additional 686 parking stalls, 271 of which will be dedicated public parking stalls, thereby fulfilling the requirement for 300 dedicated public parking spaces as imposed by the NEVP MEIR. Prior to construction of the project, a shared parking study will be performed by a professional parking consultant. If the study indicates a differing need for project parking than that which is indicated above, the parking garage design will be adjusted to comport with the study's conclusion.

Vehicular access into Lane Field North and the future Lane Field South will be through the Lane Field Entry Plaza (Entry Plaza). The Entry Plaza serves as the entry drive into the site for hotel guest drop-off and access to the parking garage. It also serves as the pedestrian circulation corridor into the site. The Entry Plaza will be accessed from Pacific Highway within the C Street View Corridor.

Access to the elevated public realm comprised of shops and restaurants on the Level 2 Balcony and the Level 5 Terrace on both the north and south projects will be achieved through public access elevators. The elevators will be accessible from the Entry Plaza, the Setback Park/Plaza, and on the north site, the parking garage. The elevators are located just off the Entry Plaza adjacent to each hotel podium for ease of access. On the north site, the elevators will connect the Entry Plaza to all parking garage levels, the shops, restaurants and terraces; on the south site, because the parking garage will be subterranean, the public access elevators will provide access only to the shops and restaurants on the Level 2 Balcony and the level 5 Terrace.

Ground Level Access and Circulation

The Lane Field project is a fundamental part of the North Embarcadero Visionary Plan resulting from the integration of the Lane Field Setback Park/Plaza (Park) into the project. The Park will eventually extend the NEVP from the "B" Street R.O.W. south to Broadway and along Broadway from North Harbor Drive to Pacific Highway, and the Lane Field Entry Plaza creates the View Corridor. Ground level access and circulation includes the Park, the Entry Plaza and connections to the first floor and elevated shops and restaurants, and terraces.

- **Lane Field Setback Park/Plaza:** the Park is a 1.98 acre public space created as a destination and passive recreation gathering area. It originates at the eastern edge of the sidewalk at North Harbor Drive and extends 150' eastward to the face of the Lane Field North and the future Lane Field South building sites. Both the easternmost and southernmost 25' portions of the Park are programmed for the creation of café type venues with outside dining and other public use functional areas. Immediately west of the 25' area, one encounters the main north-south pedestrian connection within the overall Lane Field Site. A second north-south pedestrian connection is provided by the sidewalk fronting North Harbor Drive. The Park is designed for public recreation and also public gatherings. Taken as a whole, the Park can accommodate civic events attended by 3,000 persons.

The design of the Park emanates from the former baseball stadium and diamond that are a part of Lane Field's history. In-ground lighting will illuminate the base paths, the bases will be marked with in-ground plaques, and both the pitcher's mound and home plate will be presented as significant features. A children's play area will be provided as will a seating bench with provisions for wheel chair access. A casual dining pavilion will be located on a raised seating area which will be accessible via stairs and an access ramp. The pavilion will be privately operated and will serve casual fare to the public. Two public restrooms will be attached to the pavilion building and will be available to the public. Although the Port will be responsible to provide all necessary operating supplies, accomplish general maintenance, and both open and secure the restrooms at the beginning and end of each day, during operating hours, the pavilion operator will be responsible to maintain the restrooms in a clean and sanitary condition as a requirement of its lease.

- **Broadway:** The east-west sidewalk along the north side of West Broadway will be paved and planted in accordance with the NEVP Uniform Control Plan (UCP) as provided for in the NEVP Phase 1A CDP. The 55' setback behind the sidewalk along West Broadway is part of the Park. When developed, this setback creates the "Broadway Plaza" (Plaza) portion of the Park. The Plaza will be constructed in accordance with the UCP, as will the entire Setback Park. Both the Park and the Plaza will include permeable surfaces, decorative paving, and seating. The design intent along Broadway is to create diverse opportunities for the scale and nature of enjoyment, ranging from civic gatherings and celebrations to intimate spaces for relaxation and conversation.
- **Harbor Drive:** The western interface of the Park and the Lane Field Site provides a continuous pedestrian link from North Harbor Drive through and around the project site to Broadway. In addition, the north-south sidewalk along the east side of North Harbor Drive will be paved and planted as specified by the UCP.

- **Pacific Highway:** The at-grade sidewalk along Pacific Highway will be 12' wide. The development of Lane Field North will provide for the construction and planting of the sidewalk from the northern property line of Lane Field North through the Entry Drive. That portion of the sidewalk south of the Entry Plaza will be completed concurrent with the construction of the Lane Field South hotel(s). Although construction of the sidewalk will conform to the requirements of the UCP, the plantings will be specified in the Landscape Plans for the project, which will specify native or non-invasive tree species in lieu of the plantings required by the UCP.
- **Lane Field Entry Plaza:** The Entry Plaza provides a pedestrian link for the public between Pacific Highway and the Park and serves as the entry point for vehicular traffic to the Lane Field North hotel, shops and restaurants and the future Lane Field South development. The western edge of the Entry Plaza conjoins the Entry Plaza to the Park. The Park then provides for contiguous pedestrian movement and links to North Harbor Drive. On an urban scale, the Entry Plaza and the Park create the C Street View Corridor which continues through the Park. Pedestrian crosswalks will be provided on the north and south sides of the Entry Plaza to facilitate east-west pedestrian access across Pacific Highway.

As a part of the development of Lane Field South, the intersection of C Street with Pacific Highway will be signalized to enhance the safety of the pedestrian crosswalks at that location and to allow 4-way vehicular access and egress to both the Lane Field site and the planned Irvine Company office building at the corner of Pacific Highway and West Broadway. The future development of the Irvine Company project will continue the pedestrian link from Pacific Highway to the Santa Fe Station, connecting the Santa Fe Depot (Amtrak, Coaster and Trolley services) to the Bay.

Public Realm Vertical Circulation to Level 2 - Balcony and Level 5 -Terrace

The Lane Field project integrates the concept of a 'layered public realm,' which begins on the Park and Entry Plaza and continues to the Level 2 Balcony shops and restaurants and the Level 5 Terrace. Vertical access within the layered realm consists of exterior elevators located just outside the footprint of the podium portion of both the north and south structures. The elevators are accessible to the public without requiring travel through the hotel lobby. On the north site, the circulation elements will connect the Entry Plaza to all parking garage levels, the shops and restaurants, and public accessible terraces; on the south site, because the parking garage will be subterranean, the public access elevator will provide access only to the shops and restaurants on the Level 2 Balcony and the level 5 Terrace.

Rooftop Terrace

Public access to the Rooftop Terrace at Lane Field North will be available using one of the internal hotel elevators which, during Terrace operating hours, will provide non-keycard access to the rooftop. Noise producing activities will be limited to comply with the requirements of §59.5.0401 of the San Diego Municipal Code (Noise Ordinance).

Way finding Signage

The fact that the Park and the Entry Plaza integrate both the Lane Field North and future Lane Field South projects allows for the planning and execution of a coordinated and integrated Way Finding signage system. Because the Park and the hotel project represent a mix of public and private spaces, the signage system will provide for both directional and hours of operation information needed for ease of pedestrian movement. Signage specific to "Areas of Interest" is contemplated. All exterior signage will conform to the requirements of the NEVP Uniform Control Plan.

Affordable Accommodations - Hostel

The Port is currently developing a Port Master Plan Amendment that will potentially provide a site to construct the hostel that was contemplated by the Lane Field Developer in its original Lane Field project.

Because of the phased nature of the Lane Field project (i. e. different timelines for the development of the north and south portions of Lane Field) both the Lane Field North and South projects will pay an in-lieu fee to the Port as trustee for the California Coastal Commission. This fee, which will be paid in lieu of construction of affordable lodging facilities by the Lane Field developer, will be calculated on the basis of \$30,000 for 25% of the units being, having been or to be constructed on Lane Field North and Lane Field South on a phase-by-phase basis. The Port has indicated that it intends to seek an agreement with the Coastal Commission that will allow use of the In-Lieu Fee described above as a partial offset to the cost to develop the Hostel. Should construction of the Hostel fail to begin within a stipulated time frame subsequent to the date of issuance of the Lane Field CDP, the Port will remit the monies held in trust to the Coastal Commission.

Management

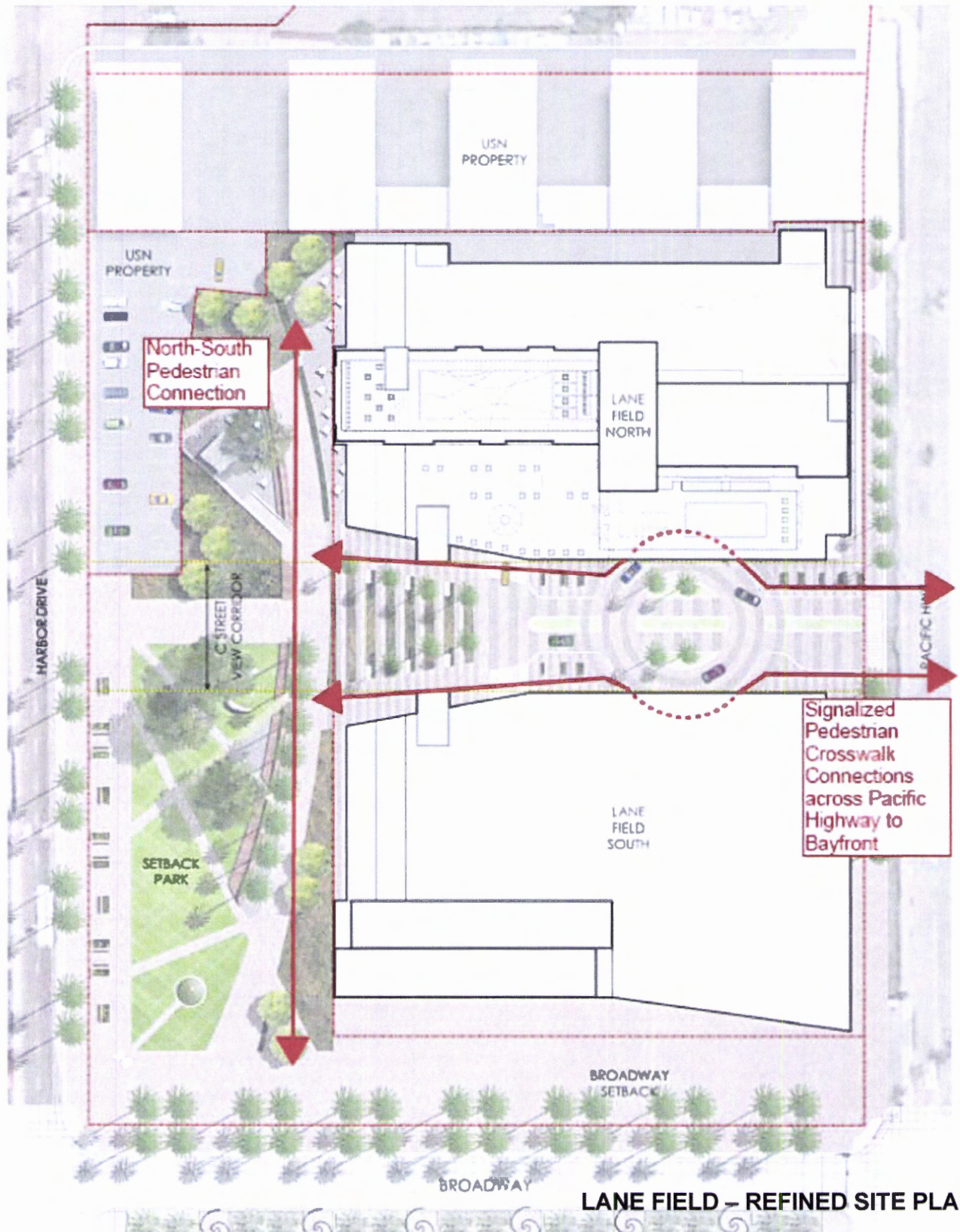
The Entry Plaza, Parking Garage and Elevated Public Realm will be operated and managed by the hotel. Both the Public and Private areas within the project will be managed by their individual hours of operation and respective codes of conduct.

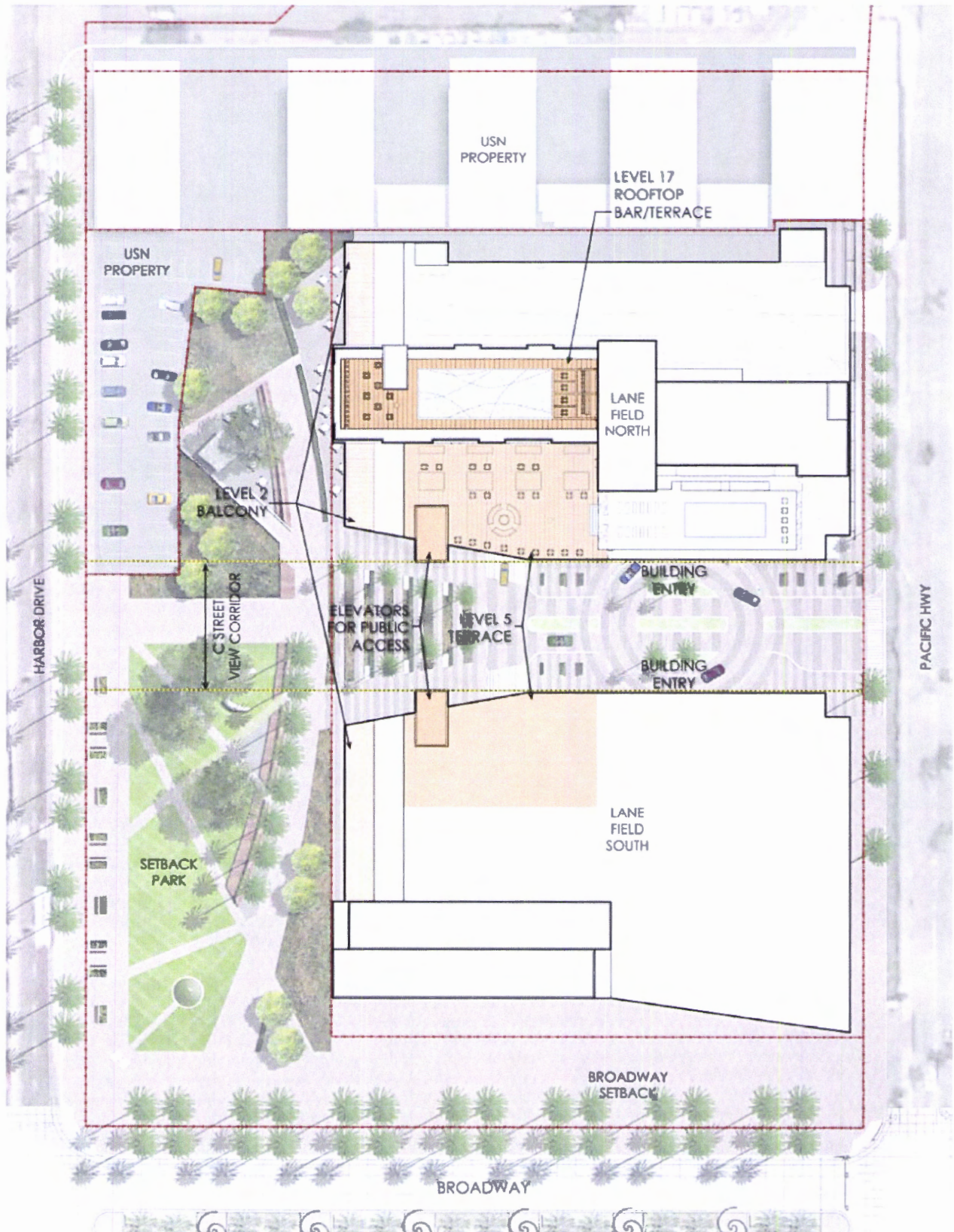
- **Lane Field**
 - Parking Garages – hours of operation based on 3rd party Operator; 6am to 2 am are contemplated.
 - Plaza Level Retail and Dining Areas – hours of operation based on the Operator hours of operation.
 - Level 2 Balcony Shops & Restaurants - hours of operation based on the Operator hours of operation and based on Hotel operating hours.
 - Level 5 Terraces - hours of operation based on the Hotel operations all days except when closed for Private Party use and events.
 - Rooftop Terrace (Lane Field North Only) – Hours of operation based on Hotel operations and State law (if alcohol is served to the public).
 - Vertical Circulation – as required based on times of operation or as dictated by Life Safety Considerations.
 - The Entry Plaza will be accessible to the public 24 hours a day.
- **Setback Park/ Plaza** - The Park and its related elements are not part of the Lane Field North Ground Lease and will be maintained and managed by the Port.
 - Major pedestrian pathways within the Park will be publicly accessible 24 hours a day for all days except for those dedicated to civic events or when leased or rented to private parties pursuant to Port policy. In general, except for security and major pathway lighting, all Park illumination will be extinguished at 10:30PM daily.
 - Restrooms within the Park will be available for use from 6:00AM to 10:30PM daily.
 - Operating hours for the Food Pavilion will be as established by the Lessee within the hours of 6:00AM to 10:30PM daily.

LANE FIELD PUBLIC ACCESS DIAGRAM ATTACHMENTS

LANE FIELD – PUBLIC TRANSIT OPPORTUNITY MAP







SETBACK PARK / PLAZA – CONCEPTUAL SITE PLAN

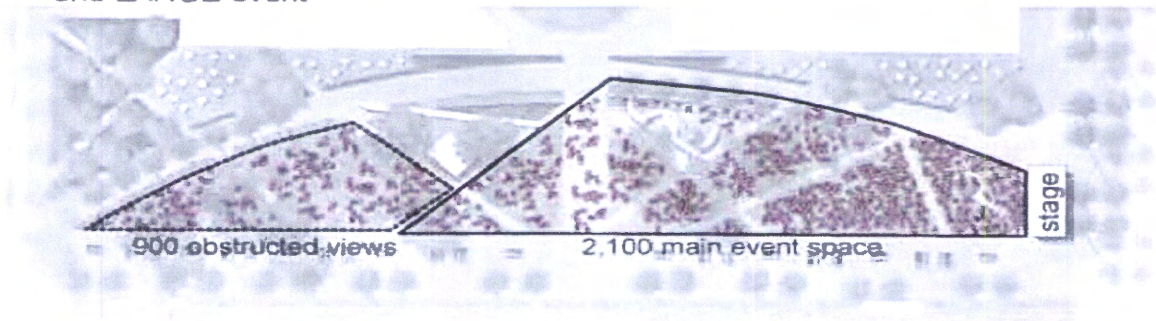


Lane Field Setback Park | Plaza Programming

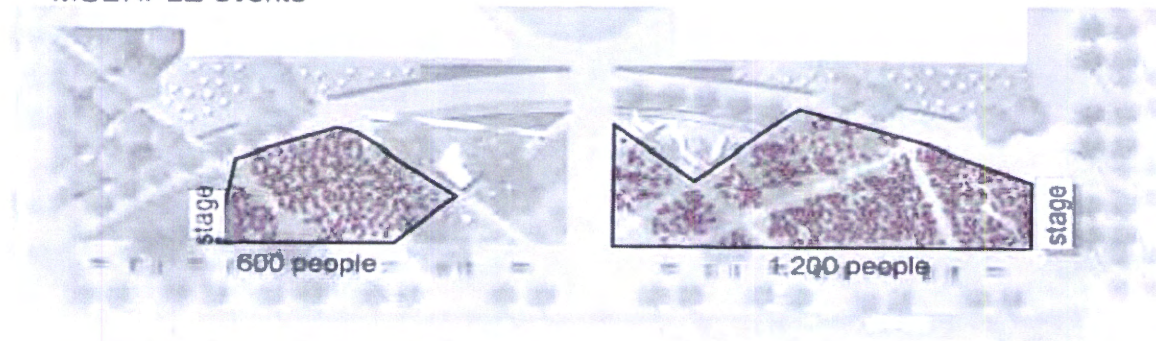
The Lane Field Setback Park has been designed to accommodate events of all sizes. The diagrams below depict how the space can be configured to accommodate events of different sizes, and how 10' x 10' tents for markets and other festivals can be configured



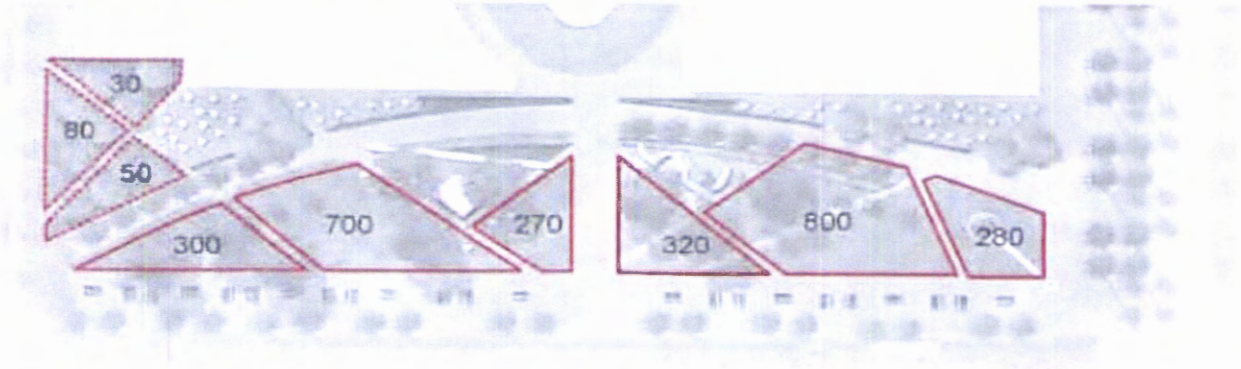
PERFORMANCE spaces one LARGE event



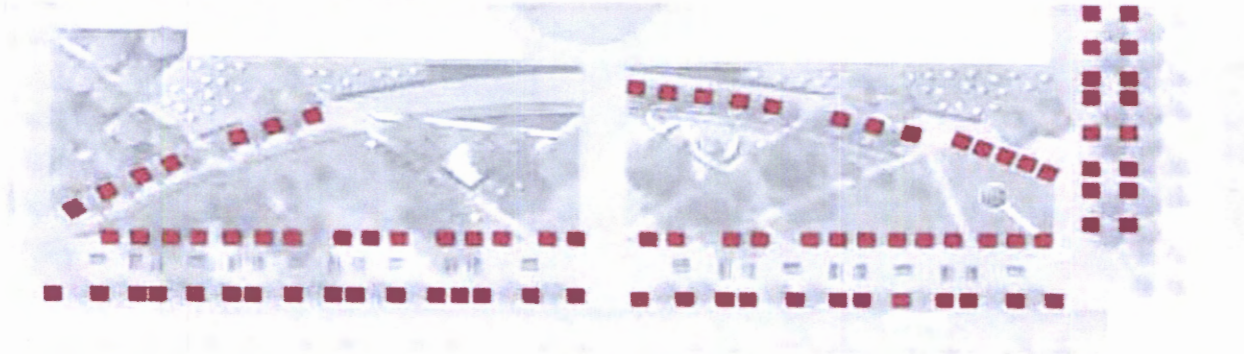
MULTIPLE events



MULTIPLE EVENT spaces



MARKET activities



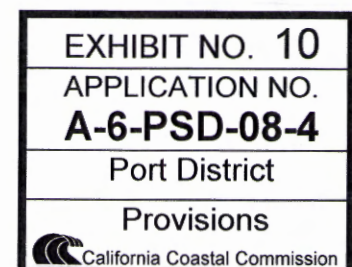
ATTACHMENT A
COASTAL DEVELOPMENT PERMIT 6-12-073
PROPOSED PORT DISTRICT PROVISIONS

STANDARD PROVISIONS

1. Developer shall adhere strictly to the current plans for the project as approved by the District.
2. Developer shall notify the District of any changes in the project.
3. Developer shall meet all the local code requirements and ordinances and obtain all necessary permits from local, state, and federal agencies.
4. Developer shall conform to the permit rules and regulations of the District.
5. Developer shall be responsible for compliance with ADA and Title 24 specifications.
6. All best management practices must be performed during construction and maintenance operations. This includes no pollutants in the discharges to storm drains or to San Diego Bay, to the maximum extent practicable.
7. All Port of San Diego tidelands are regulated under Regional Water Quality Control Board Order No. R9-2007-0001, National Pollutant Discharge Elimination System (NPDES) Permit No. CAS0108758, Waste Discharge Requirements for Discharges of Urban Runoff from the Municipal Separate Storm Sewer Systems (MS4s) Draining the Watersheds of the County of San Diego, the Incorporated Cities of San Diego County, and the San Diego Unified Port District (Municipal Permit). This permit was recently adopted in January of 2007, and replaces the previous permit Order No 2001-01. All jurisdictions are required to be in full compliance with Order R9-2007-0001 by January 24, 2008. The Municipal Permit prohibits any activities that could degrade stormwater quality.

Post-construction/operational use of this project site must comply with the Municipal Permit and District direction related to permitted activities including the requirements found in the District Jurisdictional Urban Runoff Management Document (JURMP). The JURMP is available on the District website: http://www.portofsandiego.org/sandiego_environment/susmp.asp or by contacting the Environmental Services Department, (619) 686-6254.

8. This project is subject to the Port Standard Urban Stormwater Mitigation Plan (SUSMP) process. As such, approval of the project by the District is



necessarily conditioned upon submission by the project proponent of a project specific urban Stormwater Mitigation Plan (USMP) that meets District requirements. Project approval requires full implementation of all USMP structural and non-structural BMPs throughout the life of the project.

The implementation and maintenance of the USMP BMPs constitute regulatory obligations for the lessee, and failure to comply with the Municipal Permit, the JURMP, or the Port approved USMP, including the specific BMPs contained therein, may be considered a default under the lease.

SHORT TERM CONSTRUCTION MEASURES

1. To minimize noise during construction, the Developer will require the construction contractor to (a) restrict normal construction activities from 7:00 am to 7:00 pm; (b) keep construction equipment as far as possible from sensitive receptors; and (c) provide acoustical shielding around equipment operating at night, from 10:00 pm to 7:00 am.
2. To minimize fugitive air emissions during construction, the Developer will require the construction contractor to keep fugitive dust down by regular watering.
3. To minimize nuisance effects from lights or glare during construction, the contractor will shield and direct night lighting away from adjacent areas.
4. All trucks hauling loose material during project construction, either on-site or off-site, shall be adequately protected.
5. Suspend all ground-disturbing activities when wind speeds (as instantaneous gusts) exceed 25 mph at a portable weather station on the project site.
6. Access points onto local paved roads shall be kept clean and swept as necessary using a water sweeper if visible soil material is carried onto adjacent public paved roads.
7. Traffic speeds on all unpaved surfaces shall be limited to 15 mph.
8. Developer shall prevent inactive trucks from idling more than 5 minutes during construction once they arrive on the construction site.
9. All construction equipment shall be maintained in peak condition to reduce operational emissions.
10. Equipment shall use low-sulfur diesel fuel.

11. Electric equipment shall be used to the maximum extent feasible during construction.
12. Construction employees shall be provided with transit and ride share information.
13. Developer shall ensure that any site contamination is identified and a site restoration plan, acceptable to the appropriate regulatory agencies, is prepared and implemented to reduce any existing contamination to a level that has no potential to threaten employee or human health as defined under existing regulations. If any potential exists for impacts to employee health from exposure to acidic or caustic soils, workers shall be provided with adequate protective gear.
14. Developer shall require all employees that are exposed to noise levels in excess of Occupational Safety and Health Administration hearing protection thresholds, during construction or operation, to wear noise protection devices (ear plugs and covers) that are protective of individual hearing.
15. Developer and/or contractor shall comply with State Water Resources Control Board Order No. 99-08-DWQ, National Pollutant Discharge Elimination System (NPDES), General Permit No. CAS000002, and Waste Discharge Requirements for Discharges of Storm Water Runoff Associated with Construction Activity (commonly known as the "General Construction Storm Water Permit"), as adopted, amended, and/or modified. The District is responsible for submitting the Notice of Intent to comply with the General Construction Storm Water Permit. The Developer and/or contractor must comply with the General Construction Storm Water Permit and District direction related to permitted activities. Construction activity subject to the General Construction Storm Water Permit requires development and implementation of a Storm Water Pollution Prevention Plan (SWPPP). The Developer and/or contractor must prepare and submit the SWPPP for review and approval by the District prior to site work.

SPECIAL PROVISIONS

1. Following construction, the applicant shall implement the "Lane Field Public Access Program" throughout operation of the project to the satisfaction of the District.
2. The applicant shall maintain no less than 300 parking spaces available to the public within its managed parking facility(ies) throughout project operation, consistent with the North Embarcadero Visionary Plan Parking Management requirements.

3. The applicant shall implement the "Lane Field Construction Parking Management Plan" throughout project construction to the satisfaction of the District.
4. A subsurface mitigation plan shall be implemented during site excavation by a qualified archaeologist/paleontologist who meets the City's standards for an archaeological principal investigator. The plan shall include a detailed review of Sanborn fire insurance maps, directory search, and if warranted, limited testing of where the project archaeologist deems necessary for cultural materials recovery within the area impacted. The archaeologist/paleontologist shall conduct on-site observation during the site excavation process. All cultural material recovered and associated records shall be delivered to the curator of an appropriate San Diego County institution that meets the standards of the State Historical Resource Commission's *"Guidelines for the Curation of Archaeological Collections"* dated May 7, 1993.
5. A complete site contamination report in conformance with federal, State, and local regulations shall be completed for the project. The report shall include an existing conditions survey, detailed project description, and specific measures proposed to preclude upset conditions (accidents) from occurring. If hazardous materials are identified, a risk assessment and remediation efforts shall be conducted in conformance with federal, State, and local regulations.
6. A site-specific soil/groundwater assessment shall be performed by a qualified geologist/hydrologist in conformance with federal, State, and local regulations prior to soil disturbance in all areas where soil or water contamination sources are suspected of containing hazardous materials storage systems. Such an assessment shall include collecting and analyzing soil and/or groundwater samples. The presence of soils or groundwater contamination shall be remediated, if necessary, according to applicable federal, State, and local regulations prior to development of the site.
7. The proposed project will be designed and constructed so that permanent dewatering is not required. Dewatering activity will be limited to the construction period as may be necessary. The North Embarcadero Visionary Plan Master Environmental Impact Report (certified in March 2000) (Master EIR) recommends that dewatering shall occur to lower the groundwater table to a minimum of 2 feet below the bottom of all removals and excavations.
8. Dewatering discharge shall meet the effluent limits specified by the RWQCB (order No. 90-31) and Federal National Pollution Discharge

Elimination System (NPDES) requirement. Order No. 90-31 includes a prohibition of the discharge of dewatering effluent to San Diego Bay for new permanent dewatering operations. If the effluent is discharged to the City of San Diego sewer system, then the discharge shall meet the discharge requirements of the City.

9. In the event that dewatering effluent is discharged to surface waters, groundwater quality data will be required in advance, and possibly, a treatment system will be needed to meet federal, State, and local regulations.
10. If necessary, to identify locations of Underground Storage Tanks (USTs), a site-specific informational review and geophysical survey shall be conducted.
11. A contingency plan for UST removal and remediation shall be prepared. Such plan shall address contractor procedures in the event that an unknown UST is encountered during site redevelopment.
12. Permits to operate or close tanks must be obtained by the tank owner or operator in conformance with federal, State, and local regulations.
13. All earthwork activities shall be governed by the provisions of the NPDES general permit, which includes the preparation and implementation of a SWPPP and BMPs to control runoff and sedimentation during construction and post construction.
14. Remediation shall be conducted according to applicable federal, State and local regulations prior to development of the site.
15. Transportation Demand Management (TDM) measurements, including Regional Air Quality Strategy (RAQS) mandated trip/Vehicle Miles Traveled (VMT) reduction and land use measures, shall be implemented for high-occupancy events at the hotels. Project related traffic is less than previously incorporated into the RAQS, which concludes that as long as forecast levels of growth and associated traffic are not exceeded, the RAQS contains sufficient mitigation of such growth to allow regional air quality standards to be met.
16. Alternative transit opportunities shall be provided by the Developer for guests and employees, which may include but are not limited to a shuttle service to San Diego International Airport and the provision of bike racks.

17. Developer shall comply with all applicable public access requirements including participation in a bayside shuttle system upon District implementation of that system.
18. Energy conservation measures will be implemented throughout project operation such that a 20 percent reduction compared to satisfying current Title 24 requirements is achieved. Measures from the applicants "Lane Field Sustainability Initiatives Assessment" may be used and include but are not limited to: use of recycled water for landscaping; heat reclamation from central air conditioning; use of fuel cell technology for power cogeneration; and noticing of laundry reuse to guests.
19. Developer shall investigate the suitability of excavated material for use as sand replenishment on a beach subject to approval by the US Army Corps of Engineers. Beaches within the District shall have first priority for selection. If material is deemed suitable for depositing on a District beach then such an action shall occur. If the material is deemed unsuitable for any District beach but suitable for another beach within San Diego County then that action shall occur. If the material is deemed unsuitable for use as beach replenishment for any beach within San Diego County then the material shall be disposed of or recycled in accordance with applicable local, state, and federal regulations.
20. The project design shall comply with Title 24 of the California Code of Regulations, which includes establishing permissible horizontal sound transmission through shared walls, as well as vertical transmission of impulsive noise through floor/ceiling assemblies. In addition, the use of upgraded interior finishing and heavy window glass are standards required by Title 24. Compliance with these regulations meets the required 45 dBA CNEL interior levels even if the 65 dBA exterior levels are not met. Documentation of compliance shall be provided when building plans are filed.
21. If windows face the tracks along Pacific Highway, use of heavily upgraded glazing and/or heavy drapes is recommended to reduce hotel sleep interference from peak train noise levels.
22. An interior noise study shall be conducted for hotels at the time building plans are developed and measures required to ensure a 45 dB interior level for transient occupancy rooms shall be implemented. Documentation of compliance shall be when building plans are filed.

23. All construction activities shall comply with the City of San Diego's Noise Ordinance, which limits the allowable hours and establishes performance standards for construction activities.
24. Use pre-drilled piles or vibratory drivers if subsurface conditions can accommodate such methods.
25. Perform all pile driving activities on weekdays between 9:00 am and 5:00 pm.
26. Pile driving shall extend past the loose and unconsolidated bay deposits to a depth within the Bay Point Formation that is suitable for the support of proposed piles.
27. All structures shall be designed in accordance with the recommendation of the geotechnical evaluation, and with all applicable requirements of the International Building Code (IBC) for Seismic Zone 4. Project specific design recommendations to limit or structural damage or maintain function during an earthquake shall include foundation design parameters and specifications for deep foundations.
28. It is expected that large structures will be founded on some type of deep foundation system, which may consist of driven or cast-in place piles embedded into the underlying Bay Point Formation.
29. All structures shall be reinforced and supported using ground modification (e.g., dynamic compaction) or deep foundation piles.
30. Remedial grading or surcharging and monitoring by means of settlement monuments shall be incorporated into construction within the project area.
31. To assess and offset impacts associated with hydrostatic uplift, an evaluation of potential hydrostatic uplift activities during the time of geotechnical plan review regarding the design and construction of below-grade basement levels shall occur.
32. The project applicant shall prepare a waste management plan in consultation with the City of San Diego Environmental Services Department (ESD) which shall also approve the plan. The waste management plan shall include the following elements:
 - The type and quantity of solid waste expected to enter the waste stream.

- Source separation techniques to be used and the location of on site storage for separated materials as required by Municipal Code Section 101 2001.
- The method of transport and destination of separated waste and/or construction debris not re-used on site.
- A "buy-recycled" program for the project.
- An impact analysis spreadsheet completed by an ESD analyst. A copy of the waste management plan shall be submitted to ESD and the Port District. With respect to construction/demolition debris, the amount of this material being deposited in the landfill should be reduced by implementing any or all of the following mitigation techniques.
 - Onsite re-use of demolition material in the construction of the development activities
 - Separating construction debris for recycling-reuse by others

Compliance with Requirements for Lane Field Destination Park Plan

Attachment "A" to CDP #A-6-PSD-11-006

December 12, 2012

No.	Requirement in NEVP Phase 1 Permit Attachment "A"	Compliance
1.	Establish a 150-foot setback from North Harbor Drive for the entire distance between the prolongation of "B Street to the north and west Broadway to the south	Per Special Condition #1 of CDP #A-6-PSD-11-006, a 150' setback has been established for the area described. The proposed design has been developed to accommodate the short-term exclusion of the 1220 Pacific highway property currently leased by the Navy without sacrificing the overall design. The setback from back of curb at North Harbor Drive is 165'.
2.	Prior to the earlier of the substantial completion of the NEVP Phase 1 project or the opening of the first hotel to be constructed as part of the Lane Field project, the Setback Park/Plaza must be constructed and the Port must allocate funding sufficient to complete the remainder of the Setback Park/Plaza on 1220 Pacific Highway.	Completion of the construction of the Setback Park/Plaza will occur in accordance with the requirement described in this condition. The remainder of the 150' Setback Park/Plaza on 1220 Pacific Highway has been identified as a line item in the Port's Capital Improvements Program (CIP). The Port will require the developer of 1220 Pacific Highway to complete the 150' Setback Park/Plaza.
3.	The Setback Park/Plaza shall consist of a public park/plaza approximately 1.66 acres in size.	The proposed setback park design will be a combination of unit paved plaza and large areas of open lawn. The total park size will be a minimum of 1.66 acres (excluding the proposed park area that exists within the 1220 Pacific Highway property line).
4.	The Setback Park/Plaza shall be expandable by approximately 0.5 acres in size with the addition of land from the 1220 Pacific Highway site.	The proposed setback park design was developed to create a beneficial short-term park experience that excluded the area within the 1220 Pacific Highway property. The proposed design was developed in such a way that the future expansion can be seamlessly added to create a larger more complete park experience expanding the park by a minimum of 0.50 acres.
5.	The Setback Park/Plaza will form a significant destination and gathering point that partially replaces the approximate quality and quantity of the park/plaza at the foot of Broadway depicted on Figure 11 of the certified Port Master Plan.	The Lane Field Setback Park will be an urban park that has a strong relationship to the Bay and nearby public spaces yet is inspired by the history and characteristics of the land rather than the water. It will be an environment that is engaging and inviting, and activated at all times of day for residents and visitors alike. The space will orient around a central organizing element that will be inviting to individuals, small groups and larger gatherings with the flexibility to occupy the park together or independently. The park's eastern edge will be activated by retail and restaurants that will be part of the Lane Field development, while remaining porous and open to the surrounding streets and the adjacent Harbor.

6.	Setback Park/Plaza can have a mix of hardscape and landscape, but it must contain some lawn or turf space appropriate and available for passive recreation such as sitting and picnicking.	A large portion of the setback park has been dedicated to a large, flexible open lawn. Extending along the entire north/south axis of the park, the lawn is dotted with a series of large native shade trees to create a comfortable mix of shady and sunny areas. With expansive views to the bay and active elements such as the pavilion, and an interactive sculpture/play area lining its eastern edge, the Open Lawn will become a key gathering space that can accommodate a variety of events and activities along the entire waterfront.
7.	The Setback Park/Plaza must include a significant focal point at its southernmost boundary adjacent to the West Broadway and North Harbor Drive intersection. This focal point may be a public art installation, a water feature, or some other element, subject to the approval of the Executive Director of the Coastal Commission.	A significant design feature of the park will be the expression of the historic Lane Field Baseball field within the park. Inserted on the site near its original location at the intersection of West Broadway and North Harbor Drive, the proposed design includes the pitchers mound, animated in-ground LED light fixtures along the base paths and foul poles, ground plane treatments to first, second and third base and the batters box, and a vertical expression of home plate as a sculptural element with information about the historic use. Conceived of as a place for people to stand and contemplate the exploits of the great Ted Williams, the gesture is intended as a trace of what once existed, rather than an actual place to play a game.
8.	Should the Port and/or LFSDD acquire the 1220 Pacific Highway site, then the 150-foot setback will continue onto that site up to the prolongation of "B" Street, and the Setback Park will be extended onto that site up to the prolongation of "B" Street, and the Setback Park will be extended onto that additional space up to an additional approximately 0.5 acres, thus creating a contiguous approximately 2.16-acre Setback Park.	The proposed setback park design was developed to create a beneficial short-term park experience that excluded the area within the 1220 Pacific Highway property. The proposed design was developed in such a way that the future expansion can be seamlessly integrated to create a larger more complete contiguous park space totaling a minimum of 2.16 acres.
9.	Through the NEVP Port Master Plan Amendment now in process, the Port must adopt an appropriate public recreational land use designation for the Setback Park/Plaza and, to the extent feasible, incorporate the Setback Park/Plaza into the Coastal Walk.	Environmental review for the North Embarcadero Port Master Plan Amendment (NE-PMPA) is currently underway. The NE-PMPA Environmental Impact Report (EIR) designates appropriate land uses within the North Embarcadero study area. The EIR includes a 150' setback from North Harbor Drive that is designated Park/Plaza for the entire distance between the prolongation of "B" Street to the north and west of Broadway to the south. The EIR is also analyzing areas within the North Embarcadero that should be incorporated into the Coastal Walk. The 150' Setback Park/Plaza will be identified as one of the Coastal Walk areas.

10.	The eastern boundary of the Setback Park/Plaza may be curvilinear or otherwise articulated so long as the gross land area within the setback is the same as if the eastern boundary were drawn as a straight line.	The design of the park includes an arcing form expressed as a landscaped edge that will create a visual delineation between the public park space and the semi-private patio space. The proposed arc for this area creates a dynamic edge while providing the equivalent area of a rectilinear 25' setback space at the edge of the proposed building faces.
11	The Lane Field developer has the right to develop an area extending approximately 25 feet west from the eastern boundary of the setback for uses ancillary to the Lane Field Project. This area shall balance public vs. semi-private uses (i.e. no permanent barriers, etc.). The planning and design of this area must occur through a public process and public access to this area must not be limited in the area any more than is necessary to comply with laws governing the activities proposed for the area by the Lane Field developer. Because this area may be developed with private uses, it has not been added to the approximate 1.66 acres of the public Setback Park/Plaza. However, the private uses in this area must support, enhance and activate the adjacent public space. Commercial uses such as retail kiosks, café seating, and public parking would be appropriate uses.	The park's eastern edge will be activated by proposed retail and restaurants that will be part of the Lane Field development, while remaining porous and open to the surrounding streets and the adjacent Harbor. The proposed design includes a landscaped edge to create a non-physical visual barrier between the public/semi-private areas just outside the proposed retail/ restaurant uses. The proposed retail/restaurant uses will create an active and dynamic edge to the public park that will introduce additional users to the edge of the park.
12.	The Lane Field developer has the right to develop underground structured parking beneath its project site which may extend under the Setback Park/Plaza to the extent required, if necessary, to accommodate all project parking requirements plus the 300 public parking spaces required by the North Embarcadero Visionary Plan Master EIR.	The current development plan includes the installation of subterranean parking in support of the Lane Field Phase 2 (South) project to accommodate all project parking requirements plus the 300 public parking spaces required by the North Embarcadero Visionary Plan Master EIR.
13.	The Port District shall require the various design studies for the Setback Park/Plaza to emphasize the creation of a viable program that will activate both the public and private spaces within and continuous to it, and seek public input in the form of public outreach forums for the proposed designs.	<p>The Lane Field Setback Park will be an urban park that has a strong relationship to the Bay and nearby public spaces yet is inspired by the history and characteristics of the land rather than the water. It will be an environment that is engaging and inviting, and activated at all times of day for residents and visitors alike. The space will orient around a central organizing element that will be inviting to individuals, small groups and larger gatherings with the flexibility to occupy the park together or independently. The proposed design will balance "private" uses along it eastern edge with public park spaces throughout the remainder of the park.</p> <p>Please see requirement #14 below for public outreach efforts.</p>

14.	The Port must provide the public with an opportunity to comment on any selected designs for the Setback Park/Plaza before they are finalized.	<p>The public process for the Lane Field Setback Park included five opportunities for the public to participate in the programming and design of the Park. Each of the sessions involved a presentation by Port Staff and the design team, of the current design thinking followed by either an interactive work session and/or open public comment. Following each public session the design team refined the design based on the public's input. The five public sessions included:</p> <ol style="list-style-type: none"> 1. November 2011 - Park Programming 2. January 2012 – Conceptual Design 3. February 2012 – Refined Design 4. March 2012 – Board of Port Commissioners Approval - Public Session 5. March 2012 – North Embarcadero Joint Powers Authority Approval - Public Session
15.	The Lane Field developer has the right to occupy and use the setback Park/Plaza for staging during construction of its Lane Field project. The Lane Field developer's staging will be permitted through the Port's standard right of entry agreement or such other agreement as the Port and the Lane Field developer determine.	Developer's plan is to construct the park concurrent with its Phase 1 and Phase 2 improvements. Areas within the completed park may, depending on the completion date of the Phase 2 project, be employed for staging if such use is found to be necessary. If such use is required, a standard right of entry agreement will be obtained from the Port.
17.	Completion of the Setback Park/Plaza occurs within three years following commencement of construction of either the NEVP Phase 1A or 1B sub-phase, whichever occurs first.	The Setback Park/Plaza will be completed as required by this condition.
18.	Public outreach, design, and permitting of the setback park/plaza must be complete within one year following Commission action on the subject CDP.	At the current time, it appears as though the Lane Field Coastal Development Permit Application, which includes the Setback Park/Plaza, will be presented to the Coastal Commission for approval at its February 2013 meeting, some two months earlier than the time limit imposed by this condition.
19.	Within four months following Commission action of the subject CDP, the Applicant must develop a conceptual plan for the Setback Park/Plaza. The conceptual plan must include, at a minimum, site renderings and a layout sufficient to convey an understanding of the design theme and quality of the Setback Park/Plaza.	The proposed design, which was timely submitted to the Coastal Commission by the Port, includes a conceptual design plan, various drawings, conceptual use/event space designs, and perspective renderings.
20.	Public Outreach and Project Design. Within one year following Commission action on the subject CDP, the Applicant must complete public outreach, design, and any entitlements required for development of the Setback Park/Plaza.	Please see the response to requirement #14 above. In addition, on October 9, 2012 a public hearing regarding the integrated Lane Field Project/Setback Park concept design was held by the Board of Port Commissioners. The proposed project received unanimous approval.

21.	Setback Park Construction. Within three years following commencement of the construction of the either the NEVP Phase 1A or 1B sub-phase, whichever occurs first, the Applicant must complete construction of the Setback Park/Plaza	Please see response to requirement #17.
No.	Design Principles specified in NEVP Phase 1 Permit Attachment "A"	Compliance
1.	Create a unified waterfront design in accordance with the NEVP Phases 1A and 1B sub-phases, including landscaping, lighting, site furnishings and hardscape.	The proposed design for the Lane Field Setback Park was developed to extend the NEVP Phase 1 Improvements across Harbor Drive. Along Harbor Drive, a pedestrian promenade will incorporate medjool date palms and streetlights as required by the North Embarcadero Vision Plan (NEVP) Unified Control Plan. NEVP Phase One design features, such as landscaping, lighting, site furnishing, and hardscape will be carried onto the Lane Field Setback Park/Plaza site to provide a visually cohesive link and encourage interaction between the public spaces on both sides of North Harbor Drive. Low core -ten steel planters and bench seating that match the improvements in NEVP Phase One plan will line Harbor Drive uniting each side of the street into a cohesive design. These planters will also become a key collection point for storm water contributing to the projects stated goal of a zero net run-off in a fifteen year storm event. Along West Broadway, per the NEVP Unified Control medjool date palms will be clustered in groups of four with NEVP Amenity poles located between each cluster. The West Broadway right-of-way will be finished with large module unit pavers as dictated by the control plan.
2.	Establish a world-class design for San Diego and the waterfront	The proposed design is an extension of the NEVP Phase 1 improvements. The design creates a unified park with materials, finishes, design details and lighting to produce a world class waterfront experience for San Diego.
3.	Enhance the livability of the San Diego residents and downtown workers through both active and passive recreation opportunities; which may include lawn space for passive recreation and plazas, water features, kiosks, activating uses, and public art.	The Setback Park design creates a variety of spaces and environments that can accommodate a wide range of active and passive uses. These spaces include a large open lawn, intimate garden rooms, interactive lighting, a small play area, open plazas, site elements that are referential to the sites historic uses, and area for both small and large groups to lounge and interact.
4.	Create an environmentally responsible design.	The overall design of the setback park examined all surfaces as an opportunity for environmentally responsible design; from locally sourced pavers, to LED low energy lighting, to the use of low water non-invasive species.
5.	Promote a sense of ownership by including the community in the planning and design process through public workshops	See requirement #14 above. As outlined, the public process for this project was robust and included multiple points for the public to interact and take ownership of the design and future implementation of the park.

6.	Ensure that the parks are usable for large gatherings such as public events, community festivals, outdoor art exhibits, and concerts.	As stated in requirement #6 above, a large portion of the setback park has been dedicated to a large, flexible open lawn. The lawn space was designed to enable the space to be configured in a variety of ways from a single 3,000 person event space, to a series of smaller garden rooms that are comfortable for small groups and individuals. The design also took into account the potential layout of market/tent spaces along its perimeter while maintaining open and flexible space at its core to ensure multiple uses/user groups.
7.	Include universal design public restrooms at the Lane Field Setback Park/plaza and where appropriate in other segments	The proposed pavilion building includes two fully accessible family style restrooms that enable family members to assist their loved ones in a private and secure facility.
8.	Include site improvements to, and including, the curbs and gutters for North Harbor Drive and West Broadway.	The improvements will include NEVP Phase 1 directed curb and gutters, street trees and street lights along Harbor Drive and West Broadway.
9.	Comply with the District's Public Art Program, BPC Policy No. 609	An appropriate Public Art application has been filed with the Public Art Curator for the Unified Port District of San Diego. It is possible that LPP will make an in-lieu contribution to the Port's Public Art program as provided for in BPC 609 rather than embark on a full-fledged public art project. If, however, the eventual direction is to proceed with a Public Art project, all activities will be governed by the requirements of the BPC policy.
10.	Comply with other design principles developed through public outreach.	<p>The following design principles were created and vetted with the public to guide the design of the Lane Field Setback Park.</p> <p>Embrace the Bay – the design of the setback park should orient itself towards the bay, capturing the distant views.</p> <p>Make it Porous and Alive – the design of the park should encourage users to move through it in a variety of ways and provide access to, and view into and out of the park.</p> <p>Create Activating Features – strategically locate design features that entice users into the park to explore, engage, and inhabit the park.</p> <p>Establish an Organizing Space – the setback park should offer a variety of different experiences to its users, however it should be understood as a single park.</p> <p>Include Moveable and Fixed Furnishings – Offering a variety of furnishings enables users to occupy the space in a variety of ways, as an individual, or as a large group.</p> <p>Celebrate History – the Lane Field site has a history that is unique to San Diego, the park design should explore ways to celebrate its history.</p> <p>These principles were used to vet each and every design element throughout the design process to ensure that the proposed design met the intent and desires of the public.</p>

JAMES A. SHINER
1199 Pacific Highway #1801
San Diego, CA 92101

January 24, 2013

RECEIVED

JAN 24 2013

CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

CALIFORNIA COASTAL COMMISSION

W 15B 2-8

By Fax Only: 619-767-2384

RE: Item 15(b), Application No. A-6-PSD-08-004-A1 (LLP Lane Field LLC, San Diego), Agenda of February 6-8, 2013

Dear California Coastal Commissioners:

I am an owner-resident of the Grande South, which is directly east of the proposed tower on Lane Field South. I **support** this project and encourage each of you to vote to approve the project. Attached please find my letters of July 24 and October 4, 2012 to the members of the San Diego Port Authority urging approval of this project. As you know, they did so unanimously.

The building in which I live is directly across Pacific Highway from this project. It is the closest residential community to Lane Field South.

The current use of Lane Field as a parking lot is an eyesore and a negative element in the neighborhood. While not perfect, I believe the proposed hotel will simultaneously:

1. Eliminate unattractive surface parking,
2. Yield an attractive mid-sized tower to the skyline,
3. Create "Setback Park" (envisioned and wisely required by this Commission) to complement the \$23,000,000 of public funds being spent on the Esplanade,
4. Provide a needed modern hotel to the neighborhood,
5. Provide retail shopping opportunities, and
6. Begin to make this area more of an activity center.

I support this project for the above reasons and also because:

EXHIBIT NO. 12

APPLICATION NO.

A-6-PSD-08-4

Letters of Support



California Coastal Commission

1. Virtually every design request from the Grande South and other neighbors in the area was accommodated. These included:
 - a. 5 sided design;
 - b. Covering the service area;
 - c. Moving garbage handling inside the building;
 - d. Enhancing the exterior design of the tower;
 - e. Sensitive siting of the tower;
 - f. Mitigation of the impact of the above ground garage by, for example, utilizing interior barriers to block headlights, enhanced exterior cladding, public art and a roof top cover;
 - g. Segregation of public pedestrian access from vehicles and baggage handling;
 - h. A "human scale" design on the Harbor Dr./Bayside of the project;
 - i. Willingness of the Developer to explore with the Port a deal with the Navy to extend and build Setback Park (which was generated by this Commission**thank you**) to B Street.
 - j. Design sensitivity to the Pacific Highway side of the project.
2. Only about 30-35% of the allowed building envelope is to be used.
3. Highly qualified architects, John Portman & Associates, produced exciting preliminary drawings.
4. I, and other residents, look forward to the opportunity to house visiting family and guests at a modern nearby hotel.

It is for these reasons and others, I believe, the leadership of the Grande South has not opposed this project. I have spoken with members of the Board of Directors who are pleased with this proposed project. These are individuals who take seriously their fiduciary duty to the residents of the Grande South and would actively oppose the project if they felt legitimate fundamental concerns of the Grande South were ignored.

I urge you to approve this project

Respectfully Submitted,



James A. Shiner

Coastal commission GS

WALT PENNINGTON

2980 THORN STREET
SAN DIEGO, CA 92104
619 940 6157

RECEIVED

January 4, 2013

JAN 09 2013

CALIFORNIA
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EXHIBIT NO. 13

APPLICATION NO.

A-6-PSD-08-4

Letters of Opposition

 California Coastal Commission

Re: San Diego Waterfront Vision – Lane Field

Dear California Coastal Commissioners:

At the October 9, 2012 public meeting, the Unified Port of San Diego (SDPort) approved the Lane Field Phase I plan, which will now come before the California Coastal Commission for review. I urge the Commission to reject the proposed Lane Field Phase I plan, and require that all parking at Lane Field be underground. Further, the Commission should require all new parking structures along San Diego's waterfront to be underground, those parking structures

should be independently financially self-funding and the SDPort should provide greater support for mobility initiatives. SDPort should focus less on parking, which encourages traffic congestion and threatens pedestrian safety, and more on what could be San Diego's scenic waterfront.

Background

The SDPort's mission is "to develop and manage the Tideland Trust properties to their highest and best use for the maximum public benefit."¹ The SDPort's jurisdiction includes downtown San Diego. On the west side of downtown is the North Embarcadero with museums, restaurants, rotating art exhibits and paths for walking and biking. East of the North Embarcadero are the SDPort's commercial properties such as the Navy Broadway Complex, surface parking at Lane Field, Holiday Inn Bayfront Hotel and 1220 Pacific Highway. To the east of these SDPort properties are six existing and one planned condominium towers. All the condominium towers have been constructed since 2003 and all have underground parking.

The SDPort proposes development of Lane Field in two phases. Phase I with a hotel and four-story above-ground garage is submitted to you for approval. Lane Field is centrally located along the waterfront north of the Navy Broadway Complex, and south of 1220 Pacific Highway and the Holiday Inn San Diego Bayside. East of Lane Field is 1199 Pacific Highway, The Grande South at Santa Fe Place, where I own unit 1606, which has underground parking. In 2011, the SDPort held several Lane Field community outreach meetings and at each meeting the community opposed above-ground parking for three principal reasons: All neighboring commercial and residential buildings built since 2000 have underground parking, above-ground parking structures will unnecessarily clutter the waterfront, and the SDPort will set a precedent for above-ground garages for all upcoming waterfront development.

The SDPort Commissioners acknowledged the community opposition to above-ground parking and asked the SDPort staff to study the issue and hold more community meetings in 2012. I invited the SDPort to speak to our HOA at 1199 Pacific Highway, and the SDPort accepted and presented on April 19, 2012. Throughout 2012, community opposition persisted to above-ground parking, yet no changes were made to illustrate all underground alternatives for Lane Field Phase I. Further the SDPort took no steps to require underground parking for future projects such as Lane Field Phase II or the Navy Broadway Complex.

Lane Field's development is to include 1,313² parking spaces which will be accommodated either on-site, or at other nearby parking areas. Lane Field Phase I proposes 365 parking spaces³ above-ground. Lane Field Phase II proposes 537 parking spaces.⁴ At the October 9, 2012 SDPort Commissioner meeting, several Commissioners discussed the expense of underground parking, but not the revenue of parking generally, whether above or below ground.

Summary

I urge the California Coastal Commission either to reject the Lane Field Phase I plan submitted by the SDPort, or to return the plan and direct the SDPort to require that Lane Field and all new waterfront parking be underground. California's waterfronts are too valuable to clutter with above-ground parking. I further urge you to require the SDPort build only those commercial projects that will make money, enhance the visual experience of San Diegans and visitors to San Diego's waterfront and be the "highest and best use for the maximum public benefit."⁵ San Diego's downtown waterfront property could be a rare jewel. Once it is converted instead to a parking garage and extended stay hotel, the

¹ Port of San Diego Real Estate Mission Statement, <http://www.portofsandiego.org/real-estate.html>

² October 9, 2012 Board of Port Commissioners Meeting Recording, Commissioner Moore at 2:15:00, http://traffic.libsyn.com/sdupdbpcaudio/100912_BPC_Regular_Meeting_mp3.mp

³ Presentation by John Portman & Associates, October 9, 2012, p. 2
http://www.portofsandiego.org/environment/committee/doc_download/4586-lane-field-concept-approval-board-presentation-oct92012.html

⁴ *Ibid.*

⁵ Port of San Diego Real Estate Mission Statement, <http://www.portofsandiego.org/real-estate.html>

damage cannot be reversed. A property as critical to downtown San Diego as Lane Field deserves better than being the starting place for a series of waterfront parking garages. The California Coastal Commission should reject the use of San Diego's waterfront to provide unoccupied cars with an elevated unobstructed view of the San Diego Bay. All parking should be underground.

When the government decides to build a parking lot, which can easily be done by private enterprises on private property, that venture should be profitable. When the SDPort decides to use the few taxpayer-owned waterfront properties to build parking garages, those ventures should be very profitable. San Diego County has lots of land and a tiny fraction of that land is on the waterfront. Every Commissioner entrusted with valuable public land should be held to a very high public interest standard when it diverts rare waterfront land from parks or public uses to money-losing, above-ground parking garages. The proposed Lane Field design consists of a hotel, parking for hotel guests and parking for non-hotel guests. The SDPort proposes to subsidize the above-ground parking for non-hotel guests from the hotel revenue. This developer-granted subsidy is unjustified and unwarranted and the California Coastal Commission should demand that the SDPort demonstrate an expectation of profitability for each of these separate business units. If the SDPort cannot guarantee profitability, then the SDPort should let private enterprise fill the parking need. Only those commercial enterprises that will earn a profit should be built on the people's land. If someone has to lose money on parking, it should not be the California taxpayer through the decision of the SDPort.

The Lane Field parking decks will lose money because the parking is excessive and unnecessary given the many alternative transportation and parking options available at San Diego's waterfront. The California Coastal Commission should require the SDPort to exploit the other available options during this singular opportunity to change San Diego's waterfront for generations to come. One very simple solution would be to locate parking in nearby lots that do not border the waterfront. In addition, the SDPort should implement technology tools to predict, manage and alleviate the waterfront mobility issues, and create an infrastructure that prefers the pedestrian over the bike, the bike over rail transit, rail transit over shared vehicles, and shared vehicles over privately owned vehicles.

Waterfront Vision

Within the portfolio of SDPort managed commercial properties, is a section of downtown stretching from Seaport Village north to Ash Street. Many of these properties are in the process of development, such as the Old Police Headquarters, Seaport Village, Navy Broadway Complex, the North Embarcadero and Lane Field. Surrounding the SDPort property on the south and west is water. East of the SDPort are six 30-40 story condominium buildings and one planned 40 story condominium building. North of Ash Street is the San Diego County Administration building. All seven of the high-rise condominiums have underground parking, and the County Administration building is creating 250 underground parking spaces at the waterfront and 700 parking spaces two blocks away from the waterfront at Kettner and Cedar.⁶ Further, the County of San Diego is turning its surface parking lots into park space.

In contrast to the visionary developments to the north and east, the SDPort is pursuing a regressive policy of using the waterfront to build above-ground parking garages on some of the most valuable real estate in San Diego County. At the SDPort's Lane Field public meetings and SDPort Commissioner monthly meetings, the community expressed opposition to above-ground parking as being out of place with the neighboring properties and setting a precedent that will be difficult to reverse for other SDPort properties.

Throughout 2011 and 2012 at community outreach meetings, the only displayed designs were those with above-ground parking. The developer and SDPort staff never presented a design proposal with underground parking. The SDPort and developer were successful in using the multiple public forums to create the appearance of addressing the public's concerns related to underground parking, without actually acting to address those concerns. At the October 9, 2012 SDPort Commissioner meeting, the public continued to ask the SDPort to align the Lane Field parking with the neighborhood standard of underground parking. At the meeting, Commissioner Burdick asked SDPort Staff for the per stall costs for parking. SDPort Staff member Nick Markos said that the costs, per stall, were \$25,000⁷ for four

⁶ Ron Roberts, San Diego County Commissioner,
http://www.youtube.com/watch?v=DWRu68_7nNU&feature=youtu.be

⁷ October 9, 2012 Board of Port Commissioners Meeting Recording at 2:23:10,
http://traffic.libsyn.com/sdupdbpcaudio/100912_BPC_Regular_Meeting_mp3.mp3

levels above-ground, \$35,000⁸ for three levels above-ground and one underground and \$45,000⁹ for four levels of underground parking. Even though the SDPort inquired concerning the cost, it is clear that underground parking was never seriously considered because the developer and SDPort never created a plan with underground parking to show at any of the public meetings.

As described by Commissioner Burdick, constructing above-ground parking towers will “be one more brick in the wall that blocks off bay view and bay access.”¹⁰ I agree. Commissioner Burdick was addressing the waterfront parking needs and specifically whether some parking could be relocated away from the waterfront. This location would be near the waterfront for access, but preserve the waterfront views and access. Commissioner Burdick went on to discuss how she would oppose efforts to bring the parking on Lane Field Phase II above-ground.¹¹ However she then qualified her support for underground parking by saying “my concern [is] that we make this so gosh darn expensive that the thing can't be built.”¹² Commissioner Burdick left the SDPort in December 2012 to be Director, Special Projects & Legal Affairs for San Diego Mayor, Bob Filner and her advocacy for underground parking is now lost.

During the October 9, 2012 SDPort Commissioner meeting, Commissioner Nelson made a quick cost analysis and asked the SDPort Staff to confirm that the cost difference between underground and above-ground parking is \$20,000 per stall for 365 stalls. He then calculated that “it results in an additional cost of about \$200,000 per month for 66 years.”¹³ In the section titled “Incorrect Cost Calculation” I review why this calculation is incorrect. Commissioner Nelson then went on to say “I am concerned as a financial reality, it may not be feasible... to the extent we make something so expensive that it increases the cost of a person staying in the hotel, and therefore drives them away from the hotel, we lose revenue.”¹⁴ These comments by Commissioner Nelson are troubling because as a businessman spending the taxpayer's money to build a hotel on the people's property, he should be segregating the costs of a person staying in the hotel from the costs of parking. The cost of the hotel stay should be tied to the cost and operation of the hotel, not the parking. Similarly, the cost of parking should be tied to the operating cost of the parking garage, not the hotel and garage.

Costs should be shared when our government acts for the collective benefit of all the people such as building parks, libraries, and public transit, but when the government builds a parking garage, it should act like any commercial parking operator and make money. The SDPort should not divert the earnings from the people's money generated from hotels to money-losing parking garages. If our government believes that parking is such an important government function, that cannot be met by private enterprise, it should publicly account for that loss or diversion of taxpayer funds. I don't mind our government spending our money to improve the Bay's water quality or to build a park on the Embarcadero, but when the government builds a parking garage, instead of supporting rail, buses or shared vehicles, I want that parking garage to be a cash cow, not a money pit, for its entire life.

If waterfront land administrators for Encinitas, Newport Beach, Santa Monica, Malibu, Santa Barbara or San Francisco said they were going to build a four story parking garage with an extended stay hotel on prime waterfront property, when all the adjacent property owners had underground parking, I believe that some would question the wisdom of the decision. For San Diego's waterfront, this San Diegan believes an above-ground parking garage on Lane Field, when all adjacent property owners have underground parking, is wrong. Once these parking garages are built, the 21st century of San Diego's waterfront will be unnecessarily burdened by parking decks that could easily have been placed one or two blocks inland, managed on private land or placed underground.

The SDPort's decision was made to save a few dollars at the cost of sacrificing irreplaceable quality and beauty. Experience tells me that in a few short years, after the current SDPort Commissioners have moved on, San Diegans and San Diego visitors will lament the exchange of a wall of waterfront parking garages for a few dollars. Mid-21st century San Diegans will compare the planning of San Diego's founders who set aside a large tract of land,

⁸ *Ibid.*

⁹ *Ibid.*

¹⁰ *Id.* at 2:28:20

¹¹ Commissioner Burdick, *Id.* at 2:38:00

¹² Commissioner Burdick, *Id.* at 2:38:20

¹³ Commissioner Burdick, *Id.* at 2:40:00

¹⁴ Commissioner Nelson, *Id.* at 2:42:05

Balboa Park, for public enjoyment with the short-sighted vision of this generation that had an opportunity to similarly build a grand, world class waterfront and instead squandered that opportunity by giving waterfront views to parked cars instead of people.

If the SDPort is allowed to build waterfront parking garages, the legacy will be that the early 21st century California Coastal Commission valued gasoline powered cars more than people, and parking more than the geographic wonder that defines San Diego, its place on the bay and ocean. The decision you make on Lane Field will affect the San Diego waterfront through the rest of this century. Please don't make a design mistake that your grandchildren will regret when they visit San Diego's waterfront. Please reject this design and put the parking underground or off-site.

Flaws in the SDPort's Analysis

There are at least six mistakes by the SDPort commissioners related to the Lane Field project, which include:

1. Failure to correctly calculate the costs;
2. Failure to segregate the profitability of the hotel from the profitability of the parking;
3. Failure to require parking to be financially self-sufficient;
4. Failure to address competing free on-street parking;
5. Failure to anticipate the objections to above-ground parking for Lane Field Phase II and the Navy Broadway Complex projects; and
6. Failure to provide mobility alternatives.

Incorrect Cost Calculation

It is possible that I misunderstood Commissioner Nelson, related to his statement that the excess cost for above-ground parking over underground parking is \$200,000 per month. You can listen to the audio and decide for yourself. Maybe he says the financing is over 36 years of financing instead of 66. In either case, the actual financing cost is significantly less than \$200,000 per month. My calculations for financing \$20,000 (\$45,000 underground less \$25,000 above-ground) per stall for 365 stalls at 3%, 6% and 9% over thirty years is a monthly cost of \$ 30,777, \$43,767, \$58,737 respectively, and at 66 years those numbers are \$21,393, \$37,178, and \$55,686 respectively. Clearly, these are big numbers, but none are near the \$200,000 a month quoted by Commissioner Nelson.

Whether the number is \$200,000 or \$21,393 per month, I believe that Commissioner Nelson's overall point is that additional parking costs diminish the financial return to the taxpayers. This is only true if we do not consider the impact to the value of the property and the impact on neighboring SDPort properties by having above-ground parking. It may cost \$21,393 per month extra to have underground parking, but the above-ground parking garage may diminish the values for SDPort neighboring office properties by \$2 per square foot per month, which would far outweigh the cost of underground parking.

Measuring the Profitability of the Hotel - Subsidizing Hotel Parking with Hotel Room Costs

The Lane Field property has three revenue generating components: the hotel, the hotel related parking, and non-hotel related parking. If we are to properly calculate the taxpayer return on investment, the overall project should be profitable, as well as its three individual components. It is possible that one component may be so valuable to the SDPort's mission that the SDPort would be willing to subsidize an unprofitable component. If this is the case, the taxpayer deserves an appropriate accounting to know the anticipated profit or loss of each component, and how much of the profitability from one component would be diverted to subsidize the others.

Building a hotel or parking garage is not a governmental function, like fire protection; it is a money-making business. Every for-profit business needs to be able to accurately measure the profitability of each of its business units. Without the ability to measure the revenue and expense for each component, it is possible that the SDPort could build excess, money-losing parking at each of the waterfront sites causing unnecessary losses to the taxpayer. The California Coastal Commission should require greater financial transparency of the SDPort related to the profitability of the three Lane Field revenue components. I cannot show, nor examine, the profitability of the parking because this was not presented at public meetings, nor discussed at the October 9, 2012 open session. But this is not my obligation. I have not been appointed to protect the public interest, and to make my actions and motivations transparent as the SDPort Commissioners have.

If I examine the SDPort's evidence on whether the parking will be profitable, or money-losing, I can point to the lopsided discussion where the SDPort Commissioners only discuss expense, and not revenue. If the parking would only make money with above-ground parking, the SDPort Commissioners would have given their parking revenue projection, and the cost associated with above and below ground parking to justify their choosing above-ground parking. Since none of the SDPort Commissioners discussed revenue, a reasonable inference is that hotel guest revenue will be diverted to support the parking. I can also point to comments, such as those by SDPort Commissioner Burdick, where she says "my concern [is] that we make this so gosh darn expensive that the thing can't be built"¹⁵ again leaving a reasonable listener with the impression that parking is a money-loser for Lane Field, and that adding underground parking would only increase the subsidy needed from hotel guest revenue, and ultimately the taxpayer.

I could be wrong about whether Lane Field parking will lose money, and if I am, it points to a lack of financial transparency related to disclosure of financial projections at public meetings and open sessions. Either the parking will or will not be financially self-sufficient, but not sharing the information at public meetings leaves the SDPort's actions clouded with uncertainty when it could easily have dispelled these financial concerns.

If the SDPort is mixing the revenue and expenses from each separate business unit into one overall business unit, and if the parking loses money, the failure to separately account for the amount of taxpayer money diverted to parking will lead to the SDPort and Coastal Commission to overestimate the parking need, and further divert taxpayer funds to money-losing parking projects that could easily be handled by private enterprise. The only appropriate measure of parking need is whether the parking revenue will cover the parking costs.

This mixed revenue model artificially lowers the cost for car drivers, and raises prices for visitors arriving by alternative travel. With California's Sustainable Communities Strategy "to reduce greenhouse gas emissions from automobiles and light trucks through integrated transportation, land use, housing and environmental planning"¹⁶ the SDPort should support the numerous transportation and mobility options near Lane Field and avoid subsidizing those options that increase greenhouse gas emissions and increase the reliance on automobiles.

Financially Self-Sufficient Parking

Regardless of whether the parking is above or below ground, all Lane Field parking stalls should independently generate enough revenue to cover the expense of building those stalls. I have not heard, and do not know, what the average parking revenue per stall is from hotels such as the neighboring San Diego Bayside Holiday Inn. Without knowing the average monthly revenue per stall it is impossible to determine how many parking spaces, if any, will be financially self-supporting.

¹⁵ October 9, 2012 Board of Port Commissioners Meeting Recording at 2:38:20, http://traffic.libsyn.com/sdupdbpcaudio/100912_BPC_Regular_Meeting_mp3.mp3

¹⁶ SB 375, Sustainable Communities and Climate Protection Act of 2008 (Sustainable Communities, SB 375, Steinberg, Statutes of 2008), <http://www.arb.ca.gov/cc/sb375/sb375.htm> The bill "requires [Air Resources Board] to develop regional greenhouse gas emission reduction targets for passenger vehicles. ARB is to establish targets for 2020 and 2035 for each region covered by one of the State's 18 metropolitan planning organizations. Each of California's MPOs then prepare a "sustainable communities strategy (SCS)" that demonstrates how the region will meet its greenhouse gas reduction target through integrated land use, housing and transportation planning. Once adopted by the MPO, the SCS will be incorporated into that region's federally enforceable regional transportation plan (RTP)."

For new developments, such as Lane Field and the Navy Broadway Complex, the SDPort should only build parking that is financially self-sustaining, which may mean building fewer parking spaces. There is no SDPort project where the developer has voluntarily built parking spaces in excess of those mandated by the SDPort. This is strong evidence that on every project, the SDPort is requiring the developer to build some spaces that the visiting public will use infrequently, if at all.

There are some who call for government to act more like a business. When the government builds a parking garage and hotel, it is a business and should act like one. Any business would take efforts to lower its overall costs by making other transport options available. San Diego's third largest employer, Qualcomm,¹⁷ provides shuttles from the Sorrento Valley Coaster to its buildings. In the case of the downtown waterfront, any land developer who owned as much downtown property as the SDPort, would take steps, as Qualcomm did, to make it easy for visitors and employees to walk to Amtrak and the Trolley. In addition to providing access by train, the SDPort should work to connect the Airport to the Trolley, to make it easier for waterfront visitors to arrive by public transit. Examples of airports with access to downtown by train include San Francisco International Airport, Ronald Reagan Washington National Airport and both Chicago airports. By building excess parking, paid for by hotel revenue, the SDPort skews the transport options in favor of the car. Garages can be built by private landowners. We expect our public agencies to build mobility options that are not available to private landowners such as supporting a trolley connection between Lane Field and the airport.

As the SDPort plans to develop many acres along San Diego's waterfront, we need our government to lead by showing how urban travel can be quick, inexpensive and safe. The SDPort should: support car sharing programs with reserved parking spaces; time traffic lights based on the needs of pedestrians; and connect its waterfront hotels to the airport by Trolley service. Each of these mobility options serves more people, helps move many people quickly and aligns San Diego's property development with SB 375, the Sustainable Communities and Climate Protection Act of 2008.

Failing to Address the Competing Free On-Street Parking on Pacific Highway

One of the reasons that Lane Field garage parking will lose money is that its competitor is free on-street parking. Any reasonable driver coming to the waterfront will cruise Pacific Highway looking for free on-street parking before agreeing to pay \$20-\$25 per day at Lane Field. I know I do.

At the October 9, 2012 SDPort Commissioners meeting, Commissioner Burdick said that she wants to have a comprehensive parking solution. I agree. The SDPort should not build an expensive parking garage when free street parking is available. A complete solution is to price on-street parking so that it is more expensive than garage parking, to encourage stays of one hour or more to be in a garage, while stops of 30 minutes or less are on the street.

Contrast San Diego's free, unlimited time downtown waterfront parking with parking at UCSD or cities such as Washington, D.C. At UCSD, meter parking is from 7 a.m. to 11 p.m. and in Washington meters are active from 7 a.m. to 10:00 p.m. from Monday through Saturday at a cost of \$2.00 per hour, with no more than two hours in one location. In Washington, if you need to stay more than two hours, it is less expensive and more convenient to park in a garage. Washington's policy encourages garage parking, and when someone chooses to park on the street, the City takes property that is not generating real estate tax revenue, and converts it to parking revenue. Compared to San Diego, Washington also makes much broader use of ParkMobile,¹⁸ a mobile parking application, that makes it easier for the government to collect street parking payments.

In addition to on-street parking policies that promote garage parking for more than one or two hours, technology tools are needed to assist visitors with determining the location and price of parking. An example is San Francisco's SFPark,¹⁹ which varies its street parking rate to keep street parking spaces open and help drivers locate open parking spaces. Any pricing strategy that fails to address competing parking options is destined to unnecessarily cost the taxpayer money.

¹⁷ http://www.voiceofsandiego.org/image_c2e8f54c-55da-11e0-8e55-001cc4c03286.html

¹⁸ <http://www.parkmobile.com>

¹⁹ <http://sfpark.org>

Financial Impact of Above-ground Parking Garage on Future Projects

If the California Coastal Commission approves Lane Field Phase I, every project along the SDPort project near Lane Field will ask for above-ground parking, and San Diego's waterfront will be cluttered with parking garages. Lane Field Phase I is the closest project to completion and the sole reason cited by the developer and SDPort for above-ground parking is cost. Both Lane Field Phase I and II are for hotels with 400 rooms.²⁰ Phase I has 365 parking spaces, and Phase II is projected to have 537 parking spaces.²¹ The additional cost is \$20,000 (\$45,000 underground less \$25,000 above-ground) per stall to build the garage underground.

Lankford and Associates is the developer for both Lane Field Phase I and II. If both phases have the same number of hotels and Phase II requires 1.5 parking spaces for every one parking space in Phase I, and the sole reason for above-ground parking in Phase I is cost, it is reasonable to expect that the developer will ask for above-ground parking on Phase II because of cost.

If Lane Field Phases I and II have above-ground parking, all of the development on the Navy Broadway Complex will ask for above-ground parking. Then San Diego will welcome its incoming visitors with a wall of parking garages. It would be akin to Walt Disney surrounding the castle in the Magic Kingdom with a series of parking garages instead of putting the parking away from the "Magic" and using shuttles to bring people in from the lot. People still visit Disneyland even though they are forced to pay for parking outside the gate of the Kingdom. The same would be true for the San Diego Bay.

Parking and parking garages should be part of a mobility strategy for San Diego, but there is no compelling reason why we should give our cars a bay view instead of putting those garages a few blocks inland. This is especially true when the SDPort has not pursued projects to increase mobility such as connecting the airport to San Diego's trolley and support for shared vehicles. Also, there is no compelling reason for the government to insert itself into building parking garages when private developers, on privately owned land, are extremely capable of building and managing parking facilities. If the SDPort does need parking, it should create incentives for private landowners to build the money-losing parking garages, and the SDPort should spend the taxpayers' money to make it quicker and easier to get to the waterfront from public transit or from privately owned parking lots a couple of blocks away.

Focus on Alternative Mobility

The SDPort's focus at Lane Field is the promotion and support of the automobile, and the parking that it requires, and fails to take advantage of the multiple opportunities to provide mobility without solely supporting individually owned cars. We may agree, or disagree, about whether building more roads and parking spaces will induce more drivers to come to downtown San Diego. Regardless, SANDAG²² forecasts that by 2030 the downtown resident population will increase by over 250% from 30,000 to 77,000 residents.²³ In addition to this huge increase will be the projected 100,407 downtown workers,²⁴ which is 10% of the San Diego County workforce. As the downtown population density increases, the streets will be more congested resulting in more time spent waiting in traffic – if you are in a car. Creating an infrastructure that is tied to cars and parking lots on waterfront SDPort property deprives visitors of choices for convenient transport and increases everyone's travel time.

Some ideas to improve mobility around downtown San Diego near SDPort Properties are:

²⁰ Presentation by John Portman & Associates, October 9, 2012, p. 2

http://www.portofsandiego.org/environment/committee/doc_download/4586-lane-field-concept-approval-board-presentation-oct92012.html

²¹ *Ibid.*

²² San Diego Association of Governments, <http://www.sandag.org>.

²³ Barrio Logan Community Plan Economics: Market Support - Jobs Impacts – Development Feasibility Table II - 4, <http://www.sandiego.gov/planning/barriologanupdate/pdf/plancommitteecompleteireport1209.pdf>.

²⁴ *Ibid.*, Table II - 12

1. Provide on-site reserved access for car sharing services, such as Car2Go, ZipCar or Hertz on Demand®, including charging stations. By supporting car sharing services you supply access to cars, without every driver needing their own car;
2. Smartphone technology to identify available parking to minimize the congestion and danger caused by inattentive drivers cruising for parking spots;
3. Bicycle Sharing with GPS tracking to find the nearest bicycles similar to Social Bicycles (<http://socialbicycles.com/>) to provide travel to the Convention Center or Petco Park;
4. Convenient and secure indoor or sheltered bicycle parking;
5. Airport to Trolley connection; and
6. Pedestrian safety enhancements, such as embedded crosswalk lights²⁵ at traffic signals, to alert drivers that pedestrians are crossing the street.

I urge you to address the above issues to save the SDPort money, lower the cost of development, adjust the amount of parking to meet the actual demand, make it easier for both San Diegans and visitors to move throughout downtown and provide the data and technology for the Port to make future decisions for urban mobility. As a side benefit, you leave a legacy of a beautiful downtown waterfront to be enjoyed for decades by your grandchildren and their children.

Sincerely,



Walt Pennington

cc: David Alvarez, Councilmember
Marti Emerald, Councilmember
Kevin Faulconer, Councilmember
Bob Filner, Mayor
Todd Gloria, Council President
Mark Kersey, Councilmember
Scott Lewis
Sherri Lightner, Council President Pro Tem
Ann Moore, Commissioner
Dan Malcolm, Commissioner
Bob Nelson, Commissioner
Scott Sherman, Councilmember
Lou Smith, Chairman
Robert Valderrama, Commissioner
Lorie Zapf, Councilmember

²⁵ Embedded crosswalk lights are found on 1st Avenue at Martin Luther King Promenade, San Diego,