



City of Long Beach
Working Together to Serve

Memorandum

Date: May 4, 2017

To: Chair and Members of the Planning Commission

From: Amy J. Bodek, Director of Development Services
Linda F. Tatum, Planning Bureau Manager *AJB*

Subject: **Southeast Area Specific Plan (SEASP)**

Over twelve years ago, in 2004, the Third District Los Cerritos Wetlands Study Group first recommended changes to the oldest planned development district in the City, PD-1, also known as SEADIP. Over the years, multiple attempts to update PD-1 have involved community meetings, surveys, financial analysis, multiple City Council study actions, eight Planning Commission study sessions prior to this evening and considerable staff and consultant work effort.

The most recent effort began in June of 2013, when the City Council accepted a \$929,000 grant from the California Department of Conservation for the update of SEADIP. That effort is now complete with a draft Specific Plan, proposed zone change, including reverting some single-family parcels to standard zoning and associated Environmental Impact Report, now ready for the Commission's review and consideration. Tonight's Study Session is a final opportunity for the Commission and the public to review the resulting Specific Plan before a formal vote on the matter, which is scheduled for June 1, 2017. The City Council and the California Coastal Commission are the final decision-making bodies for these legislative actions. Staff's intent is to provide the Commission with a full overview of the Specific Plan and answer detailed questions during this study session.

The Purpose of the Update

Existing regulations for the SEADIP area (PD-1 SEADIP) were adopted in 1977. In 2006, the City Council directed staff to update these regulations because they were no longer meeting the needs of Long Beach residents and property owners in terms of mobility, activity and amenities, land use, the need for employment and housing and, most importantly, of maintaining, restoring and protecting our wetlands. The existing PD-1 is a set of restrictions and allowed uses but is not a plan in today's understanding of that term. PD-1 contains no vision for the future and did not contemplate the redevelopment of sites that are now coming to the end of their physical and economic lives.

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A new Specific Plan is required in order to bring regulations in the Southeast part of the City into conformity with today's vision for the area, to comply with State requirements for more compact mixed-use development and to provide the range of mobility options the public has expressed a desire for and are mandated under the City's Mobility Element as well as State law. Updating SEADIP is also essential to correct the major environmental shortcomings of the existing plan, including the fact that it allows for residential and commercial development on open wetlands and adjacent habitat fronting Pacific Coast Highway, as well as 2nd Street. The new Specific Plan focuses new development and redevelopment on a limited set of opportunity sites, existing developed shopping centers and hotels, with a goal of transforming these parcels over time into a dynamic mixed-use community complete with public amenities. This goal builds upon the community vision for the area.

The Community Vision

A Community Advisory Committee (CAC), appointed based on applications reviewed by Development Services and Council District 3, and the public at large developed a vision based not only on wants and needs for today but a broad look into the future. The community vision for Southeast Long Beach in 2060 is as follows:

Southeast Long Beach is a livable, thriving, ecologically diverse and sustainable coastal gateway and destination in the City and Southern California region.

Southeast Long Beach is an attractive, active, and important gateway and destination in the City of Long Beach and Southern California region. People enjoy living, working and visiting here because of the diversity of uses in close proximity to one another. Our established residential neighborhoods continue to anchor the area and are complemented by businesses, restaurants, hospitality uses and recreational amenities that are frequent destinations for locals and visitors. We have developed connections to our local medical facilities and educational institutions; both provide significant resources to our area that positively contribute to our sense of community. The energy providers operating in the area have upgraded their facilities and seek to use the most current technologies available.

Our wetlands and local coastal habitat are thriving due to the ongoing efforts of the community and City to restore, maintain and preserve our natural resources. Combined, the wetlands, San Gabriel River, marina and access to the ocean contribute considerably to the livability and character of the area. We have protected and encouraged views to these areas and the mountains in the distance; creating a landscape that cannot be found anywhere else.

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Southeast Long Beach is clearly defined by attractive streetscapes that create an immediate impression that you have arrived someplace special. Bike lanes and pedestrian walkways are carefully integrated in our safe and efficient network of roadways, and along with our transit system, provide attractive alternatives to the car in this active area of town.

Buildings are designed at a scale and with a form that allows for variety in the appearance of the streetscape, encourages the pedestrian environment and creates central gathering areas to generate lively spaces. Great care has also been taken to implement thoughtful and carefully designed transitions between urbanized areas and natural areas and waterways so they are complementary of one another.

Plan Development

The plan development process involved four years of public engagement, financial and environmental analysis, and collaboration with other agencies including the California Coastal Commission, Caltrans, Los Cerritos Wetlands Authority, as well as non-governmental organizations such as the Los Cerritos Wetlands Land Trust and others.



The plan development process focused on achieving the community vision as well as reflecting broad public input while also being sculpted by the economic realities and financial feasibility of development for the area and the regulatory framework of both the Coastal Act and State legislation focusing on compact development, vehicle miles traveled reduction and complete streets.

The Specific Plan's development started with and focused on the community, including workshops and a Community Advisory Committee (CAC)

An effective plan is built upon three factors: physical benefits in terms of amenities, infrastructure, design and beneficial placemaking; environmental benefits such as reducing vehicle miles traveled, increasing use of active transportation and transit, conservation and restoration of wetlands; and economic benefits which are the driving force behind private development.

In early 2014, the City completed its background research, requested applications for the CAC and began holding planning meetings. The vision statement, the result of multiple CAC and public meetings, was released in August of 2014. That summer an opportunities and constraints workbook was released exploring all the issues and opportunities within

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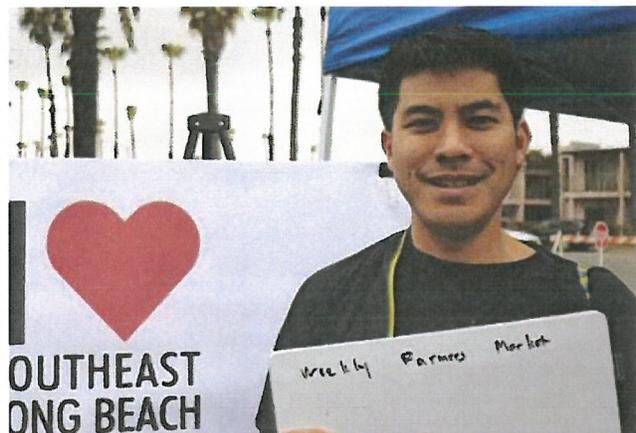
the project area. During 2015, the City and its consultants began developing concept sketches for potential development types, conducted a detailed development financial feasibility analysis and detailed look at funding infrastructure and wetland improvements. Community meetings continued during this period and details of the plan development were shared with the public and Planning Commission during a May 21, 2015 study session.

A conceptual land-use plan was prepared in late 2015, focusing on limited areas of change based on the community feedback that most of SEADIP should remain as-is but the large retail centers and current Best Western site should be reimaged. The areas of change within this land-use plan consist of already-developed commercial and hotel properties totaling 86 acres out of a total of 1,486 acres in the SEASP boundaries. Properties not within the areas of change will maintain their existing regulations, mostly staying within the Specific Plan and with a limited number of single-family homes returning to traditional zoning. Based on these facts, an initial study was prepared and on November 4, 2015, the City began the required environmental review process with an Environmental Impact Report (EIR) scoping meeting.

In March of 2016, a draft of the Specific Plan was released and at the request of the community an additional public workshop was held on March 26, 2016. During 2016, work continued on the environmental impact report. While the formal outreach process wound down,

staff continued to meet with stakeholders and attend small group meetings throughout 2016. During July of 2016, an updated draft of the Specific Plan and the EIR were released and in August the Planning Commission received extensive public input during a study session on the Specific Plan. During the EIR circulation period, members of the public, as well as the City of Seal Beach, requested additional traffic analysis. This analysis was conducted and released in a re-circulated traffic chapter of the EIR during February of 2017. The original EIR comment period lasted 60 days and the recirculation period allowed for another 45 days for additional traffic comments. Over 100 comments were received during the combined comment periods. The final EIR, including responses to comments, is now being forwarded to the Planning Commission.

During this extended EIR review period, staff had the opportunity to meet with many stakeholders. These meetings resulted in feedback that strengthens the Specific Plan, including revisions to enhance bird-safe design standards, clarify height and use



Outreach focused on the entire community's vision for the SEASP area's future all the way out to 2060!

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restrictions, add a recommended native plant palette, and enhanced transportation demand management requirements.

Alternatives Analysis and Staff Recommendations

Adoption of the Specific Plan should be viewed in comparison to existing conditions and to potential alternatives. Both the financial analysis prepared for the Specific Plan and the EIR contain alternatives. These alternatives included a no project alternative where the existing SEADIP regulations guide future development. Under this scenario development would still occur but it would not include mixed-use projects and it would not include the public space, amenity, mobility, design, sustainability, and traffic demand management benefits of the Specific Plan. All of the alternatives studied in the EIR are found below:

Table 1, EIR Alternatives

	Proposed Project	No Project / Adopted PD-1 (SEADIP)	No Project / No Development	Reduced Intensity Alternative	Reduced Building Height Alternative
Dwelling Units	9,518	5,499	4,079	6,663	9,518
Population	15,134	8,743	6,486	10,594	15,134
Commercial/Employment Square Feet	2,665,052	3,106,610	2,091,476	2,398,547	2,665,052
Hotel Rooms	425	375	375	375	425
Total Employees	4,115	5,280	3,555	3,704	4,115

Source: Draft EIR

The EIR included a no new development alternative. CEQA requires the consideration of such an alternative for purposes of comparison but it is also important to remember the utility of this comparison is limited. In order to permit no additional development, ever, SEADIP would still need to be amended in order to downzone the remaining capacity on parcels away. The City’s ability to take this development capacity away from the private property owners is limited but, additionally, this alternative would not include any of the benefits of the Specific Plan. Limiting development within the SEADIP area would not limit regional traffic growth and may, in fact, increase regional traffic growth as area residents would continue to travel to Orange County for jobs, shopping and entertainment.

Public input stressed the importance of height to many stakeholders and a reduced height alternative was included in both the financial analysis and the EIR. Reduction in height does not reduce impacts and actually works against the community vision and goals of the Specific Plan (see Height discussion on Page 9). As this alternative does not reduce impacts but reduces the likelihood of development and the ability of that development to include public benefits, it is not recommended for selection.

Staff is recommending selection of the reduced intensity alternative. This alternative includes the same height, design, mobility, public benefit and other provisions as the

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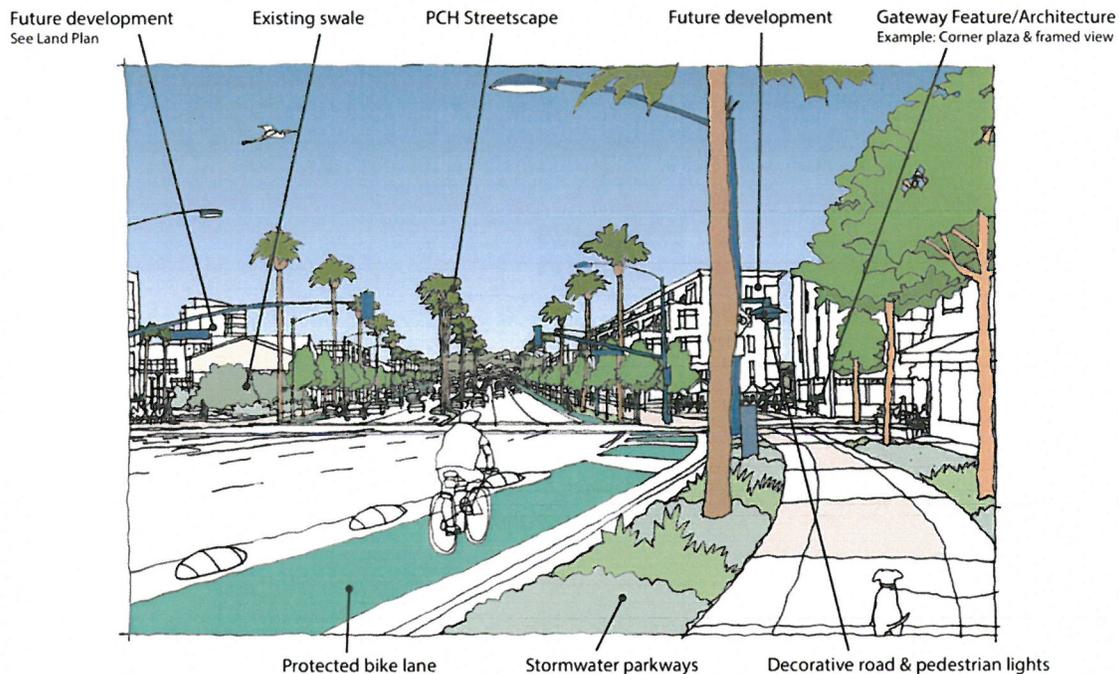
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proposed project (the circulated Specific Plan) but reduces the total amount of development by around 30 percent. This type of overall development cap is similar to PD-30 and would be fulfilled on a first-come first-serve basis thus incentivizing property owners to invest, upgrade and redevelop their properties with the public benefits and improvements outlined in the Specific Plan. Adoption of this alternative reduces traffic impacts to a level consistent with the full buildout of existing SEADIP regulations (see Traffic discussion on Page 11).

Key Plan Provisions

The proposed Specific Plan focuses on specific areas of change along Pacific Coast Highway for both mobility and land use changes. These changes can best be summarized as providing greater flexibility and choice in terms of housing and mobility. The existing PD-1 regulations are typical of 1970s vintage planning: it focuses exclusively on vehicle travel, contains long super blocks, large surface parking lots and segregated land-uses such as exclusively retail blocks and exclusively residential blocks. This land-use development type will still be available to current and future residents but the Specific Plan seeks to introduce additional choices on the areas of change parcels.



City Gateway Specific Plan Concepts at PCH/Studebaker

Cityworks Design 12/10/14

The Specific Plan includes truly complete streets where everyone can choose between walking, cycling, using transit, rideshare or private vehicles.

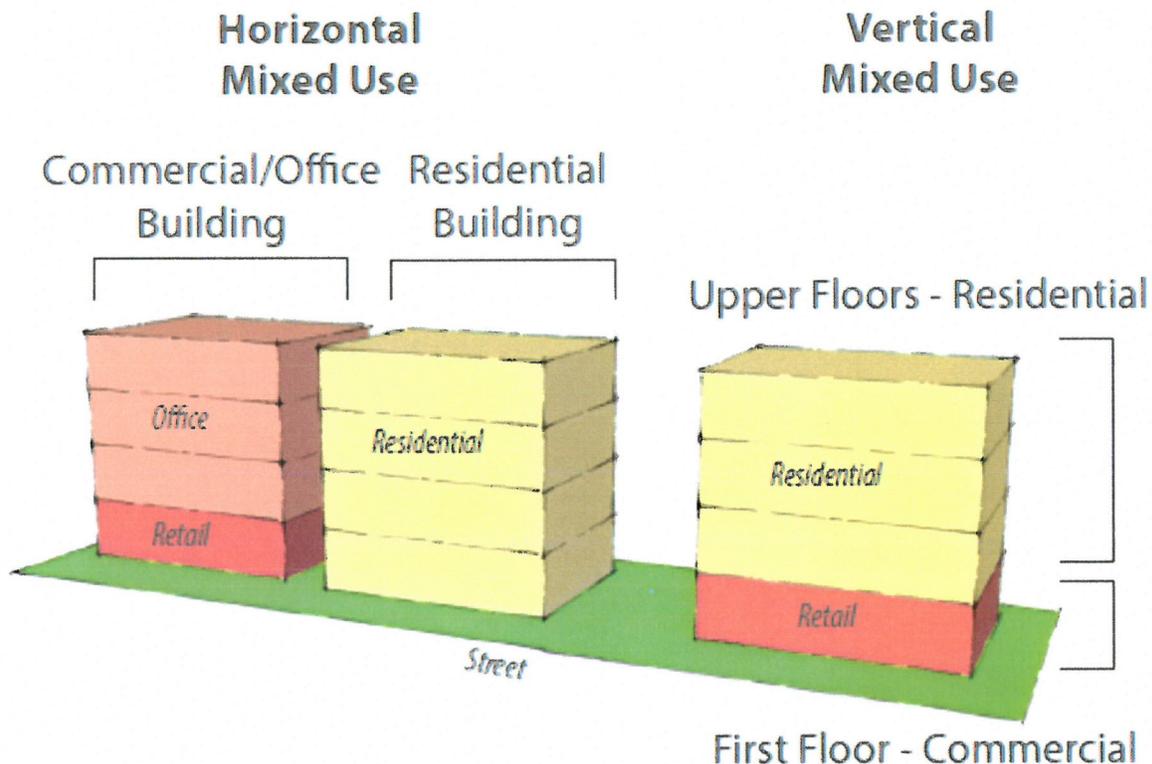
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The Specific Plan begins with changes to mobility and the public right-of-way. These changes were a recurring theme in public engagement meetings and have a prominent role in the community vision. The Specific Plan includes a 79 percent increase in bicycle lane miles, a 29 percent increase in pedestrian facilities, the introduction of interior streets to break up long super blocks, as well as a 9 percent increase in automobile lane miles to facilitate improved local circulation. These mobility improvements including typical street cross-sections are included in Chapter 6 of the Specific Plan. All new projects will construct improvements adjacent to their property and pay transportation fees to pay for areawide mobility improvements. The mobility improvements are an important benefit connected to the redevelopment allowed under the Specific Plan.

With the backdrop of these improvements, the community vision becomes possible. The Specific Plan proposes a mix of retail, office, residential and hotel uses on these opportunity sites. This mixed-use development may occur within a single building (vertical mixed use) or within a grouping on buildings on the same site (horizontal mixed use). The result is a more urban mix of uses that allows residents to walk or bike to many destinations such as shopping, dining and recreation.



Mixed use comes in many forms but always allows for walkable connections between uses and compact efficient use of land.

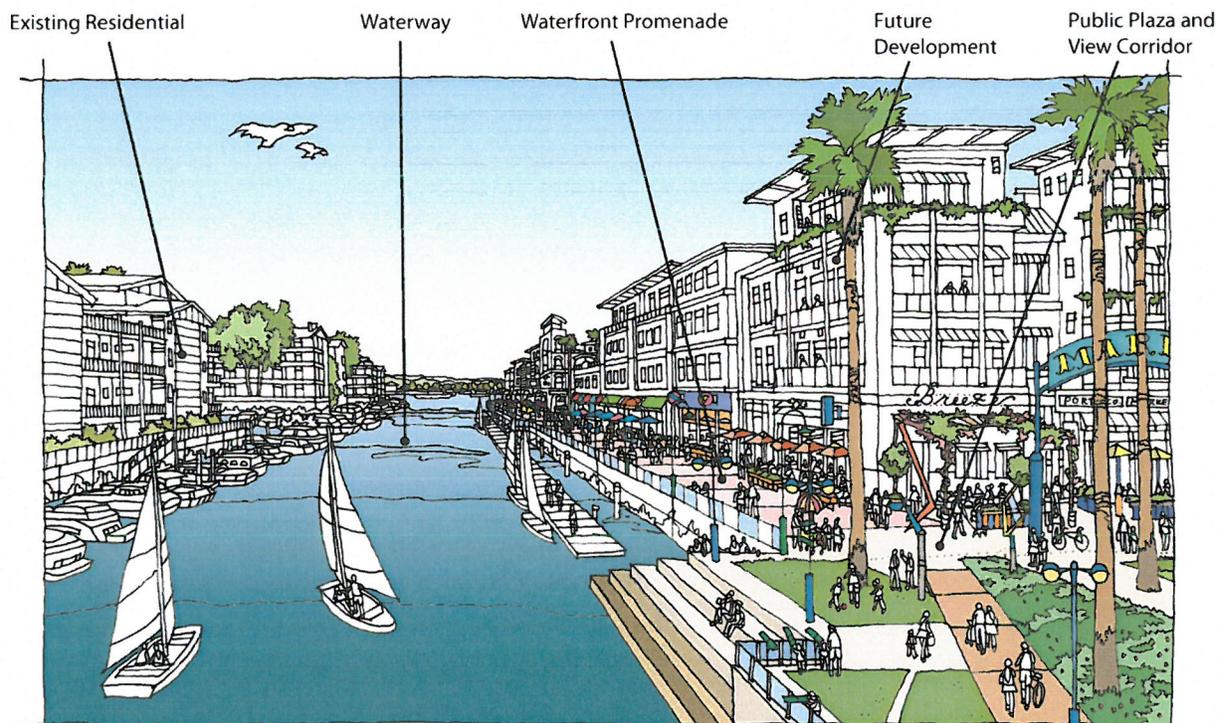
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The expanded choice in living style proposed in the Specific Plan allows the City to expand its housing supply and for those looking to live in a dynamic mixed-use waterfront environment it provides a great opportunity to call Long Beach home. For those who prefer a more traditional segregated land-use style of living, many such opportunities will remain both within the larger SEASP area and the City at large. All residents, however, will be able to enjoy the upgraded retail opportunities, the public plazas, gathering spaces, and waterfront activation required on all new development in these areas of change.

The proposed mix of uses, the mobility enhancements and a design sensitivity to the wetland and waterfront context allows future development to create a unique and genuine



A mix of uses allow for an activation of waterfront space and enhanced experience for residents and visitors alike

sense of space and to provide the user, whether a resident, employee or visitor, with a fulfilling experience. This is essential not just to quality of life and sustainability but also to creating an environment where retail can flourish as consumers focus on the experiences of place as shown in the image below.

These outcomes, creating a sense of space, public and private amenities and improved mobility are possible not just through changes in use and mobility but because of careful design standards. For example part of a sense of place is an experience of arrival, the Urban Design chapter of the Specific Plan identifies the five major gateways to the SEASP

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region and mandates consistent signage, gateway building placement, landscape signaling and bird-safe lighting to demarcate those entrances. View of open water and of wetlands are mandated under the Specific Plan's urban design provisions, as are the way grouping of smaller buildings or facades of buildings can help break up blocks and make them feel more pedestrian scale. The Specific Plan even reaches into benches, seating and other street furniture that enhance the pedestrian experience and change our perception of buildings.

It is important to remember that existing regulations, PD-1, do not contain design guidelines however the proposed Specific Plan is centered around high-quality design that meets functional, aesthetic and sustainability goals. These design standards are found within Chapter 7 of the Specific Plan.

Height Regulation in the Specific Plan

Three topics were recurring concerns in every outreach and public meeting: height, traffic, and wetlands. A discussion of each of these topics is presented herein. The Specific Plan proposes a range of heights from three to seven stories within the areas of change. This is an increase from the current two-story or thirty-five-foot height limit. An increase in height is absolutely necessary to achieve the community vision, to deliver a mix of uses, buildings and public areas to enhance the area and to improve mobility within and through the area.

New multifamily residential buildings require a minimum of three stories and often four stories to be economically viable. Mixed-use buildings start at four stories and oftentimes require five to spur development. Hotels are less lucrative than other land uses therefore the height of up to seven stories is appropriate and necessary. These facts are supported by the financial analysis prepared by Strategic Economics and by the pattern of recent development found within built-out cities in Southern California.

The community vision is for change to the area, new choices in mobility, and new opportunities not just to shop but to gather and even to live. Achieving this community vision is not possible without the redevelopment of the existing one and two-story commercial buildings within the areas of change. In order to facilitate this change, the City must enact regulations that allow for an economic benefit that exceeds the rents on the current improvements plus all of the amortized costs of new development. In a nutshell, a rational property owner would not construct improvements that do not warrant their cost.

Height is necessary not only to recoup development costs but also to enhance site planning. The taller a building is the more ground area that is available for public plazas, paseos, landscaped areas and other amenity space. In lower height development, such as single and two-story retail centers, the entire site is typically consumed by building footprint and surface parking with no space remaining for plazas, open spaces or other

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areas for the enjoyment of patrons and visitors. These “amenity areas” significantly enhance site design, functionality and appeal.

That additional height is needed and reflected in the Specific Plan does not mean public input and concern regarding height was ignored. The Specific Plan includes key provisions to address community concerns regarding building height. These include view corridors, assuring that water views and wetland views will be designed for, enhanced, and will be the focus of site planning. Buildings and streets will be required to be arranged in a way that allows for scenic vistas to the water as well as to the wetlands. The current PD-1 requirements do not contain such provisions, the result of which can be seen at the Marina Pacifica shopping center where the uninterrupted mass of buildings obscures the center’s waterfront location.

2.0 Floor-Area Ratio (FAR)

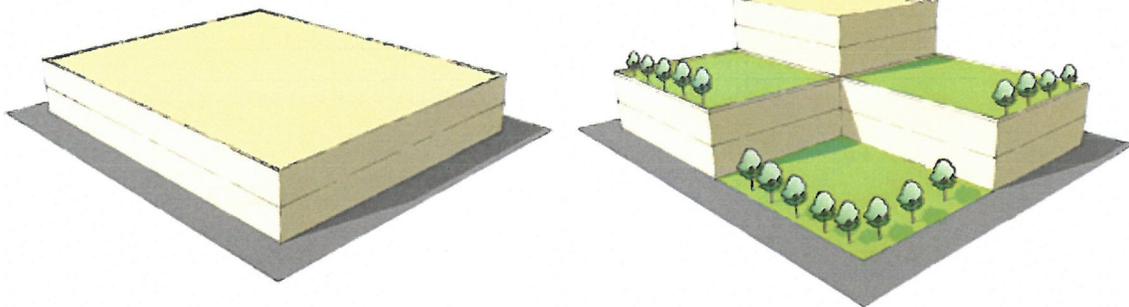
2-Story Height Limit

- Lot Size: 50,000 Square Feet
- Building Size: 100,000 Square Feet
- Lot Coverage: 100%

2.0 Floor-Area Ratio (FAR)

4-Story Height Limit

- Lot Size: 50,000 Square Feet
- Building Size: 100,000 Square Feet
- Lot Coverage: 75%
- More Open Space Opportunities



Greater height allows for more flexible massing and greater open space opportunities

Under the proposed Specific Plan height is required to taper or step down from its top floor and multiple buildings on a site cannot maintain a single height but rather must be built to a variety of heights to promote visual interest. The maximum height (7 stories) is most likely to be used by hotel use, which according to the financial analysis and market study is limited in demand. Additionally, the Specific Plan includes an absolute cap on only 20 percent of buildings can be built to seven stories, all others are limited in height to five or fewer stories.

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In a broader planning context, the proposed areas of change are optimal locations for height in our City. They are large sites, the Mixed Use Community Core locations, where the maximum height is allowed, are not immediately adjacent to single-family homes or other sensitive low-rise development. The Mixed Use Marina is adjacent to Belmont Shore Mobile Estates but has over 600 feet of lot depth in which to transition to the height to the adjacent pattern of development. The Mixed Use Marina site also has four stories of height built today so the proposed increase is a single story.

Height was studied not just in the financial analysis and the drafting of the Specific Plan but also through the environmental process. There is no decrease in environmental impacts by restricting height to three stories in lieu of the five to seven in the Specific Plan. The environmental impacts of the Specific Plan are driven by the total amount of development and associated vehicle trips. The height is a controlling factor for design, amenities and feasibility but it is not an environmental determinant.

Within the context of achieving the community vision, creating public spaces and view corridors and fitting within the larger community context, staff remains committed in recommending the heights found within the Specific Plan.



Potential redevelopment of the Marina Pacifica Center with varied height (right) is generally consistent with the height of the Marina Pacifica Condo complex across the waterway (left)

The Issue of Traffic

No issue was more debated or controversial during the development of this Specific Plan than the issue of traffic. Traffic through the 2nd Street at PCH intersection operates at peak periods with a failed level of service today and will operate during peak periods at a failed Level of Service in the future, regardless of whether this Specific Plan is approved. Traffic locally within the SEASP area and more broadly coastal Long Beach, has increased over time and will continue to increase due to growth in population, improvements in the local economy and primarily due to regional traffic growth.

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Certainly traffic congestion is a quality of life issue and was an important planning factor in developing the SEASP draft before the Commission. It is important to remember that traffic is not the only factor under consideration. SEASP is a land use plan and it is built around a community vision. That vision cannot be achieved without new construction, increased development, new land uses and mobility improvements. These changes cannot occur without traffic implications. The Specific Plan’s approach to traffic is built upon physical and signal timing mitigations, transportation demand management and promotion of active transportation through physical infrastructure.

The proposed traffic mitigation program begins with physical improvements to six intersections within Long Beach and two in Seal Beach where physical change is possible. Built atop these improvements are Transportation Demand Management (TDM) strategies that compel employers to move employees into rideshare, transit, active transportation and off-peak work hours to reduce traffic on the production side. Most significantly the project transforms the built environment in order to greatly improve the ability of individuals to travel by foot, bicycle or transit. This focus on active transportation is consistent with the City’s Mobility Element as well as State law requiring a complete streets approach to traffic congestion. The mixed-use nature of the future development will also help to reduce Vehicle Miles Traveled (the per capita total driving of area residents and employees) by allowing short trips to be done by foot and promoting compact urban living.

The EIR evaluated a range of alternatives and includes responses to comments received by the public and other governmental agencies. The vast majority of the comments related to traffic. In light of that input, staff recommends adoption of the reduced intensity alternative. This alternative would allow the same form of development presented in the draft Specific Plan but would place a development cap. This cap relates to limiting trips to same level as full buildout of the existing PD-1 provisions as shown below.

Scenario	Trips (External – MXD)	Change from Existing
Existing	65,731	-
Proposed	96,299	30,568
No Project (Adopted PD-1)	86,564	20,833
Reduced Intensity Alternative	85,964	20,233

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While the proposed Specific Plan with the Reduced Intensity Alternative applied does represent an increase in trips over today's levels it should be compared in context to maximizing development (primarily retail/commercial) under the existing PD-1 limits. Trip generation factors for hotel and residential uses are considerably less than for purely retail uses.

There is no magic solution to traffic congestion and there is no scenario by which all the public benefits found within the Specific Plan and all the features of the public vision can be achieved without the corresponding traffic. The recommended action however does correctly balance traffic with other considerations and achieves the vision and all the positive benefits of the Specific Plan all within a traffic budget equal to the full buildout of existing PD-1. Buildout under the existing SEADIP would bring none of these benefits captured in the community vision.

The Issue of Sustainability

Another topic of great public interest was the fate of the wetlands and overall sustainability features of the Specific Plan. The existing regulations found in PD-1 allow for development flanking the wetlands on both PCH and 2nd Street and contains no design, landscaping or other features related to sustainability and the urban-wildlife habitat interface. The proposed Specific Plan seeks to address these issues directly.

The areas of change within the Specific Plan are all existing paved and developed sites, the Specific Plan proposes the preservation and restoration of existing wetlands and habitat areas. If approved, the Specific Plan will be coupled with a new impact fee that will assist with the restoration and monitoring of these wetland areas for the benefit of new and current residents alike. The Specific Plan is designed to be consistent with the Los Cerritos Wetlands Authority conceptual restoration plan and the Beach Oil Mineral Partners proposed restoration and consolidation project. Together these three projects will enhance and preserve the wetlands for many generations to come.

Buildings will be required to maintain setbacks and buffers from wetlands and natural areas, to adhere to strict bird-safe treatments so glass and other surfaces are never mistaken for sky. New residents will all receive educational materials on living in harmony with adjacent wildlands and buildings will be encouraged to keep lights out at night for the benefit of wildlife. Native plants will be used in new landscaping and stormwater will be naturally treated through percolation into the ground. Solar power, edible gardens and advanced energy efficiency will be integrated into each new building. If adopted, these provisions will be among the most progressive in the United States.

Conclusion

Staff has prepared a Specific Plan that is consistent with the community vision and advances many of the goals expressed during the public outreach process. While

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absolute community consensus is not possible on a project of this scale, the process has been responsive to public input and the reduced intensity alternative best achieves the community goal of rebirth for the area within a feasible and achievable framework. Staff recommends the Planning Commission conduct the final study session on May 4th and carefully consider the Specific Plan materials for adoption on June 1st.

If you have any questions regarding this matter, please call Christopher Koontz, Advance Planning Officer, at (562) 570-6288.

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