

7 San Diego Trolley

OVERVIEW: TRANSIT SYSTEM CHARACTERISTICS

The San Diego Trolley opened in 1981 and was the first light-rail system built in the United States in over two decades. It extends approximately 40 miles and has 41 stations. The system consists of two lines, the Blue Line and the Orange Line. The Blue Line runs north-south, while the Orange Line runs east of the city; both lines loop through downtown. The Mission Valley extension of the Blue Line, north of the city, is under construction.

The system runs entirely at grade level and mainly links residential areas east and south of the city with offices downtown. The southern segment of the Blue Line runs along the San Diego Bay through former industrial areas and connects with the Mexican border. Redevelopment efforts have focused on downtown and waterfront areas along the central light-rail loop. Downtown development has included office buildings, attractive public spaces, retail centers such as the well-known Horton Plaza, infill housing, tourist attractions, hotels, and a major convention center.

This case study will examine American Plaza, La Mesa, and Rio Vista West. American Plaza highlights a joint development project in the downtown area, and La Mesa and Rio Vista West provide two examples of transit-based housing, each developed with a unique planning framework and set of implementation tools. Select station characteristics are shown in Table 7-1.

Table 7-1.

SAN DIEGO TROLLEY STATION CHARACTERISTICS

	<i>FY98 Weekday Exits</i>	<i>Average Within Central Loop</i>			
Blue Line	52,290	16,229			
Mission Valley	8,548				
Orange Line	26,494	11,785			
	<i>FY98 Weekday Exits</i>	<i>Average</i>	<i>Type of Structure</i>	<i>Parking Lot?</i>	<i>Surrounding Urban Form</i>
American Plaza	2,893		Grade	No	Urban Core
La Mesa Blvd	1,062		Grade	No	Suburban Residential
La Mesa-Amaya	372		Grade	Yes	Suburban Residential
Rio Vista West	199		Grade	Limited	Suburban Residential

STATION AREA PLANNING FRAMEWORK

Station area planning along the San Diego Trolley system ranges from transit-based housing, to commercial joint development, to master-planned transit villages. These three types of station area planning are rooted in different types of planning frameworks.

- **Housing and Land Use Policies.** Located along the Orange Line east of San Diego, the City of La Mesa has two examples of transit-based housing, the Villages of La Mesa and La Mesa Village Plaza. These housing projects were permitted by local housing and land use policies that steered development toward infill sites near the trolley station. These are not master planned urban villages, but simply housing developments located in proximity to the light rail, in order to encourage transit use and provide alternatives to sprawl development. La Mesa Village Plaza has a direct pedestrian connection the Trolley, while the Villages of La Mesa has a more self-contained design.
- **Joint Development.** Commercial joint development in downtown San Diego is exemplified by American Plaza, one of two projects that incorporates trolley stations directly within the structure of the building. These downtown projects benefited from redevelopment efforts and city policies that channeled development to sites along the Trolley line.



- **Master Planned Transit Villages.** Rio Vista West, a transit village planned along the Mission Valley extension of the Blue Line, has gone through several iterations since the first design was completed in 1992. This master planned community is designed for a mix of uses and attractive pedestrian environments, using the station area to create a neighborhood focal point and activity center. Residential development along the trolley line was initiated after the design was finalized. The first homes to be completed were less than 700 feet from the station and had blended densities of 33 units per acre, well above densities in surrounding suburbs, which averaged 4 to 5 units per acre. However, during the recession of the early 1990s, a big-box retail center was developed within the project area in order to allow the project to survive financially. Additional residential development in accord with original design is planned.

STATION AREA DEVELOPMENT TRENDS

Overall, the San Diego Trolley has had little impact on business activities or land development, although *The La Mesa Village Plaza adjacent to a Trolley stop is an example of transit-based housing in San Diego.*

During the 1980s, the San Diego region experienced rapid job and population growth; population grew approximately 3 percent annually between 1980 and 1990. During this period, several transit station areas, particularly in the downtown area, experienced intense development

activity. However, between 1990 and 1996, the region experienced a decrease in jobs, and population growth slowed to 1.3 percent annually. Regionally, development stalled between 1992-96 and did not resume again until 1996; development around transit stations had the same experience.

A list of transit-oriented development projects in the San Diego region is shown in Table 7-2. This list does not account for all development that has occurred in the vicinity of stations, but it offers a glimpse of overall development patterns along the system. Trolley stations have experienced both office and residential development, as follows:

- *Office Development.* Virtually all office development around the Trolley system has occurred in the downtown area. Outside of downtown, the Trolley rights of way are not located near expanding office centers. Most suburban office development in the San Diego region has occurred well north of downtown, beyond the Trolley’s reach.
- *Residential Development.* Various residential projects have been sited in proximity to the Trolley lines, particularly on the Orange Line, running east of downtown.

FACTORS INFLUENCING STATION AREA DEVELOPMENT

ZONING PROVISIONS

A rezoning of Mission Valley in 1990 created the Mission Valley Planned District Ordinance, which encourages mixed uses at transit stations and prescribes transit-supportive guidelines, including higher density requirements. The Mission Valley ordinance requires the dedication of all necessary rights of way for the light rail alignment and stations, as well as grade-level light rail improvements, including pedestrian connections. In practice, individual projects have dedicated differing amounts to the system, based on density and other economic circumstances, but nonetheless the provisions’ effects have been substantial. This is a unique use of zoning to fund transit needs.¹

In addition, the City of San Diego adopted TOD design guidelines in 1992, which have been incorporated into official policies and regulations. These policies were implemented at Rio Vista West, where they have been applied successfully to the residential and big-box retail projects there.

Table 7-2.
TRANSIT-ORIENTED DEVELOPMENT AT SAN DIEGO TROLLEY STATIONS

	Station	Description	Location	Year Completed
American Plaza	American Plaza	34-story office bldg; 272-room hotel; museum; retail; 1,350 parking spaces	Downtown	1991

¹ Metropolitan Transit Development Board. *Agenda No. 8: Existing Transit/Land Use Agreements*. October 1996.

Case Studies of Transit-Oriented Development

MTDB Headquarters	Imperial & 12th	Joint development 180,000 sq.ft. office	Downtown	1988
Grossmont Trolley Center	Grossmont	Retail center; surface parking	Suburban Retail Strip	1991
Mercado	Barrio Logan	144 apartments; 100,000 sq.ft. commercial center	Urban Neighborhood	1992, 1996-97
Villages of La Mesa	La Mesa-Amaya	384 apartments	Suburban Residential	1989
La Mesa Village Plaza	La Mesa Boulevard	99 condos; 29,000 sq.ft. retail; 65,000 sq.ft. commercial	Suburban Residential	1991
Creekside Villas	47th Street	144 apartments	Suburban Residential	1989
Rio Vista West	Rio Vista	240 apartments; 240 condos; 1,000 total units planned; neighborhood retail & office	Suburban Residential	1996-97

Source: Robert Cervero and Michael Bernick, Transit Villages in the 21st Century (San Francisco: McGraw-Hill, 1997), 254; City of La Mesa; Robert Cervero, Peter Hall, and John Landis, Transit Joint Development in the United States (Berkeley: University of California at Berkeley, 1992), 39-54. 75-8.

Moreover, the City's Urban Village Overlay Zone is expected to take effect in the summer of 1998. The overlay zone may be applied as part of a land use plan implementation program or at the request of an applicant, to sites adjacent to existing and planned transit stations. The regulations are intended to be used in conjunction with the TOD design guidelines and the applicable land use plan. The effectiveness of the overlay zone remains to be tested.

The overlay zone prescribes uses and use patterns intended to create an urban village environment. At least 10 percent of the project area must be a Mixed Use Core of mixed commercial, residential, and public uses; at least 20 percent must be residential; and at least 10 percent must be reserved as public space. The overlay zone contains density bonuses for projects within 2,000 feet of the transit station, reduced parking provisions, and additional streetscape and pedestrian provisions. A development phasing plan is also required.²

Finally, in the Downtown area, the Centre City East Planned Development District sets use controls around Trolley stops, including limitations on auto-oriented uses and pedestrian streetscape development standard.

² City of San Diego. *Zoning Ordinance*, Chapter 13, Article 2. (Adopted December 2, 1997).

ENVIRONMENTAL REVIEW

A Master EIR was prepared for San Diego's downtown redevelopment area, which facilitated project implementation by requiring only secondary studies at the project level. This was the case for American Plaza. This serves as an example of how the City's Redevelopment Agency facilitated development by preparing a framework environmental review document for opportunity sites that would facilitate subsequent project review.

PHASING FOR LARGE-SCALE DEVELOPMENT

A master plan created the layout for development at Rio Vista West. The plan intended to create a traditional neighborhood village surrounded by moderate and low density housing, but the project had difficulty getting started in the recessionary real estate market of the early 1990s. In response to market restructuring, project developers decided that small-scale village-style shops would not survive in a suburban area. A big box retail center took their place, as a viable retail alternative.

Thus, the community's original transit-oriented design was replaced by one that was more conventional and auto-oriented. However, the project maintained certain transit village components, such as higher densities and a mix of uses around the station. Even the big box retail buildings have a strong pedestrian and transit orientation, with strong entrances, hidden parking, and landscaped paths and plazas.

The experience of Rio Vista West raises the issue of phasing. Master planned communities typically plan for extensive development over many years, transcending various market fluctuations. How can large development projects incorporate phasing and flexibility, so as to account for changes in market trends? At Rio Vista West, traditional retail areas may have become more feasible after residential build-out. The fault of the Rio Vista West plan was partly that it did not phase residential and retail development appropriately, given the surrounding market conditions.

JOINT DEVELOPMENT

The San Diego Metropolitan Transit Development Board (MTDB) has encouraged private real estate development at or near trolley stations, but it has not pursued complex joint development agreements, such as leasing arrangements or benefit assessment zones. Rather, the MTDB has sited new stations so as to capitalize on private-sector investment already planned or underway. Two joint development projects have occurred along the San Diego Trolley lines, both commercial projects and both downtown. Each project has been based upon a slightly different arrangement:

- *Cost Sharing Agreement.* At American Plaza, the trolley station is integrated into the structure of the mixed-use building. The structure was built in conjunction with the new station in 1991, when the MTDB was building the bayshore trolley line extension, which transformed the American Plaza station as a new transfer point for the Blue and Orange lines. The Plaza developer, Starboard Development Corporation,

provided \$4 million of the \$5.2 million station construction costs.

- *Joint Venture.* Rather than using a leasing arrangement, the MTDB actually worked as a development partner with Starboard Development to build the MTDB Headquarters. The building has ground-floor retail, structured parking, and a direct link to the transit center. However, there was no direct financial transfer to the MTDB from the private developer for a ground lease or station interface; the project is a true joint venture. MTDB benefits from the ridership generated, and the developer benefits from good access and pedestrian provided by the Trolley.

Overall, while these two example of joint development have been successful, San Diego has experienced little joint development overall. The joint development strategy has mainly focused on station location and orientation, and has not played a role in channeling residential or office development in a large scale. The joint development agreements are rather simple and do not fully charge the developer for benefits accrued from station proximity.

However, the MTDB passed a new Joint Use and Development Policy in June 1997 which establishes a process for initiating joint development projects on MTDB property. This policy may allow joint development to be done more extensively throughout the system, but there have been no new joint development projects initiated thus far.

IMPLEMENTATION TOOLS USED

Implementation tools used for TOD in the San Diego region have not been strong enough to attract wide-spread transit-supportive development. Downtown office development and suburban residential development have been channeled toward Trolley stations in only a few cases. This is not to say the TOD has been insignificant in San Diego, but San Diego does demonstrate that stronger economic and land use development strategies are necessary in order to create TOD.

Zoning initiatives may help provide good design and some appropriate uses, such as a Rio Vista West, but by themselves, zoning provisions cannot adequately create attract the most

Table 7-3.

IMPLEMENTATION TOOLS FOR TOD AT SAN DIEGO TROLLEY STATIONS

	<i>American Plaza</i>	<i>Rio Vista West</i>	<i>La Mesa</i>
Station Area Market Development Strategies	Key location near water-front; distinctive design	Large scale was not phased to account for market changes	No.
Non-rail Infrastructure	none; all borne by developer	Roadway improvements	Villages of La Mesa: infrastructure costs through tax increment financing; La Mesa Village Plaza: storm drain improvements

Investments	oper	N/a	N/a
Shared Parking/ Parking Management	none	In accordance with Mission Valley Planned District Ordinance n/a	none n/a
Expedited Permits and Reviews	Reviews: Secondary Study; Master EIR done for redevelopment area.	Reviews: environmental review was not a major roadblock	Reviews: negative declaration, La Mesa Village Plaza
Rezoning	none		none
Land Assembly	n/a	n/a: land owned by single developer	Done by La Mesa Redevelopment Agency
Direct Public Investments in Projects	none	Public investment in San Diego River to return it to natural state	La Mesa Village Plaza: Redevelopment Agency wrote down cost of land
Local Transit Service Design	Trolley stop integrated within commercial tower	Trolley node contains retail center and open-air plaza	Villages of La Mesa: Relocation of La Mesa-Amaya station to improve access La Mesa Village Plaza: Incorporated kiss and ride at station

transit-supportive development. Moreover, as evidenced by the experiences of the City of San Diego, land use policies are generally not effective if they are not directly implemented through the zoning ordinance.

Stronger strategies for attracting TOD are any that make development sites more affordable or more convenient for developers, compared to other sites throughout the region. Several instances of such strategies are apparent in the San Diego region.

- *Public Funding and Land Assembly.* Although public funding has not been leveraged on a large scale for station area development, it has been used at some sites. For the Villages of La Mesa, the La Mesa Redevelopment Agency was responsible for land assembly and \$2.75 million in local infrastructure costs, accomplished via tax increment financing. MTDB relocated the station site and traded land with the developer to ensure better pedestrian access to the station. Within the City of San Diego, the Redevelopment Agency helped provide public funding for low-income housing at the Barrio Logan station south of downtown.
- *Anticipatory Environmental Review.* Preparation of a Master EIR in downtown San Diego helped alleviate some preparatory development costs at the downtown joint development project of American Plaza.

SUMMARY ASSESSMENT: IMPLICATIONS FOR SEATTLE

San Diego's experience shows the importance of taking a comprehensive approach to planning for transit-oriented development.

- Need for Comprehensive Land Use Planning. Many of the jurisdictions within the San Diego region have not planned for TOD in a comprehensive way, and they are only beginning to approach TOD more comprehensively at the current time. The City of San Diego adopted a TOD policy, but five years passed before any ordinance changes were made to reflect the new policy. The Cities of Oceanside and Lemon Grove have only recently initiated planning processes for their Trolley station areas.
- Need for Financial Incentives. Neither the MTDB nor local jurisdictions have offered the types of financial packages that would have made TOD more attractive on a wide scale. A few instances of Redevelopment Agency funding have helped spur development in a few cases.
- Need for Strong Joint Development Initiatives. MTDB has generally approached joint development only when developing new stations. A more comprehensive approach that utilizes a range of financial agreements, coupled with conducive land use policies, can make joint development more feasible.

REFERENCES; ADDITIONAL SOURCES OF INFORMATION

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