

### KILROY EAST VILLAGE

**POSITION:** The Chamber's Transportation & Land Development Committee voted to SUPPORT the proposed development on June 23, 2020. The Chamber's Public Policy Committee voted to SUPPORT the proposed development on July 14, 2020. The Chamber's Board of Directors voted to SUPPORT the proposed development on July 23, 2020.

**RATIONALE:** The East Village neighborhood has experienced dramatic investment over the last decade, however, the majority of the new developments in the neighborhood have been residential. This mixed-use commercial building will bring needed diversity into the neighborhood and attract additional technology firms downtown.

**STATUS:** The proposal expected to go before the San Diego City Council's Economic Development and Intergovernmental Relations Committee on July 15, 2020 and the full council later this summer.

#### SUMMARY

In 2019, Kilroy acquired a 1 and 2/3 block site in the East Village, previously owned by the Salvation Army. The proposed redevelopment of the site includes a 600,000 square foot mixed-use (office and retail) property on 2.3 acres. The City of San Diego owns the remaining 1/3 block, commonly known as the Popular Market site. Kilroy is seeking approvals to purchase the remainder of the block from the City, which is currently identified in the Affordable Housing Master Plan, to create a larger and more complete development. Kilroy understands the need for affordable housing in San Diego and, through Civic San Diego, has retained KMA Architecture to study the Popular Market Site's potential as a housing project and determine highest and best use. Additionally, Kilroy is requesting the City approve a deviation from the Downtown Design Guidelines to allow larger horizontal floor plans, which will accommodate the new COVID-19 workplace needs, such as additional space for social distancing.

#### INDUSTRY/IES IMPACTED

The proposal will impact the broader East Village/Downtown community. Local businesses will benefit from the increased foot traffic associated with several hundred new workers in the area.

#### SUPPORTERS

- Downtown San Diego Partnership
- East Village Association
- Circulate San Diego

#### OPONENTS

- None known

#### ARGUMENTS IN FAVOR

The majority of new development in the East Village has been housing projects. While San Diego is in desperate need additional affordable housing units, this mixed-use commercial building will bring needed diversity into the neighborhood and attract new technology firms downtown.

#### ARGUMENTS IN OPPOSITION

The City's Popular Market Site is currently identified in the Affordable Housing Master Plan. San Diego is in a housing deficit and housing must be built in all designated locations.