DATE ISSUED: May 4, 2005 REPORT NO. PC-05-145

ATTENTION: Planning Commission

Agenda of May 12, 2005

SUBJECT: Initiation of an amendment to the Navajo Community Plan and the

Progress Guide and General Plan to change the land use designation for an

area in Grantville from industrial to mixed use. Project No. 54803.

OWNER/

APPLICANT: Coastal Development Company

### **SUMMARY**

<u>Issue</u> - Should the Planning Commission INITIATE a land use plan amendment to the Navajo Community Plan and, Progress Guide and General Plan pursuant to Municipal Code Section 122.0103? This amendment has been requested to redesignate an area in Grantville from industrial to mixed use.

Manager's Recommendation - INITIATE the plan amendment process.

Community Planning Group Recommendation - On April 18, 2005, Navajo Community Planners, Incorporated considered the proposed community plan amendment initiation. A motion was made to approve the initiation but it failed by a vote of 6-7-0. No substitute motion was made and the planning group did not revote on the item. The votes against the motion were based on traffic issues and the potential for conflicts with the existing industrial uses adjacent to the site (Attachment 1).

<u>Environmental Impact</u> - If initiated, the proposed plan amendment and future discretionary actions will be subject to environmental review.

<u>Housing Impact</u> – The current land use designation of the site is commercial and industrial. Although the zoning of the commercially designated portion of the site would

allow up to 46 dwelling units in a mixed use development. Residential is not designated in the community plan for this area. The proposed plan amendment would redesignate 10.38 acres of industrial to a mixed use designation that would allow a density range of 45-75 dwelling units per acre. This could yield a maximum of 896 dwelling units. The applicant has indicated that a development project with 600 dwelling units will be processed concurrently with the plan amendment. The project will be required to comply with the City's inclusionary housing requirements.

Approval of this initiation request does not constitute an endorsement of the project proposal. A staff recommendation will be developed once the project has been fully analyzed. This action will allow the staff analysis to proceed.

### **BACKGROUND**

The subject property is located at Mission Gorge Road between Twain Avenue and Vandever Avenue, and east of Fairmount Avenue (Attachment 2). The property is bounded on the north by Kaiser Permanente Medical Services, to the south by industrial uses, to the east with commercial uses and to the west with industrial uses (Attachment 3-4). The site is developed and the topography is relatively flat. The access from the site is from Mission Gorge Road, Twain Avenue, Fairmount Avenue and Vandever Avenue. The site has freeway access from Mission Gorge Road or Alvarado Canyon Road (approximately one-half of a mile away).

The project site is approximately 12 acres and currently contains industrial uses fronting along Twain Avenue and Fairmount Avenue, and commercial uses fronting along Mission Gorge Road. The Navajo Community Plan designates this site as commercial (approximately 1.58 acres) along Mission Gorge Road, and industrial (approximately 10.38 acres) on the westerly portion (see Attachment 4). The site is currently zoned CC-4-2 on the commercial designation and IL-3-1 on the industrial portion. The proposed amendment would redesignate the industrial portion of the site to a mixed use designation and would amend the Community Plan Implementation Overlay Zone regulations as they apply to this site (Attachment 5). The applicant will also be requesting a concurrent rezone to RM-3-8 (1 dwelling unit/800 s.f.) and a CN or CO zone. If initiated, the applicant has indicated that they will be proposing approximately 600 for-sale dwelling units and 230,000 square feet of office with 12,000 square feet of commercial uses within a series of phases following the community plan amendment and rezone.

Planning Department staff has discussed with the applicant the possibility of extending the community plan amendment to the entire block where the subject property is located. This would entail redesignating for mixed use approximately 22 acres bound by Mission Gorge Road, Twain Avenue, Vandever Avenue, and Fairmount Avenue. The applicant does not object to this and has agreed to include the larger area in the community plan amendment only. The applicant's associated development permits will apply only to their ownership.

The project is located within the Morena/Mission Valley/Grantville Subregional District, one of five Subregional Employment Districts, as specified in the opportunities areas map contained in the appendix to the Strategic Framework Element (SFE) Action Plan. Subregional Employment

Districts are "major employment and/or commercial districts within the region containing corporate or multiple-use office, industrial, and retail uses with some adjacent multifamily residential uses" (pg. 51, SFE). These major employment nodes should be connected via a high-quality transit system. The City of Villages strategy encourages further intensification of employment uses throughout these large areas. Where appropriate, the collocation of medium to high density residential uses with employment uses could also occur. Subregional Districts also include more focused high density/intensity growth areas known as Urban Village Centers.

The existing Progress Guide and General Plan recommends against the loss of industrial lands. The General Plan Update currently in process, however, contains draft language addressing the conversion of industrial land to other uses when it is proposed outside of a comprehensive community plan update. The proposed collocation and conversion policy in the draft General Plan Update represents general policy direction which is based on substantial input from stakeholder groups, other agencies, and workshops with the Planning Commission and the City Council Land Use and Housing Committee. Although the General Plan Update will not be adopted until the end of 2005, the policies are valid and warrant consideration when analyzing the potential loss of industrial land. It should also be noted that land designated for industrial use further to the northeast of this site, along Mission Gorge Road, is anticipated to redevelop in the coming years; and it will focus on the development of a technology park.

The site is also within the recently adopted Grantville Redevelopment Project Area. The purpose of the Grantville Redevelopment Plan is to ensure the continued viability of the areas' commercial, industrial and retail uses. City Council took action regarding adoption of the project area on April 19 and May 3, 2005. The Redevelopment Plan would take effect in August 2005. The Redevelopment Plan is consistent with the Navajo Community Plan.

The site is well located with respect to transit service (Attachment 6). The Grantville trolley station is under construction approximately 2,000 feet south and east of the site as part of the Mission Valley East (MVE) extension of the Blue Line light rail corridor. The station is one of four new stations located along the line. The 5.9-mile MVE extension will connect the Blue and Orange lines, completing a loop that will give San Diegans new mobility and easier access to some of the region's most popular destinations and, commercial and employment centers, including San Ysidro, downtown, Old Town, Mission Valley, La Mesa, El Cajon and SDSU. Connecting bus service will be offered at the Grantville Station. The MTS is scheduled to complete construction on the extension in 2005 with operation beginning in June 2005.

There are currently four other community plan amendments in process within the Navajo community. The Mission Valley Church of the Nazarene project was initiated on November 18, 2004 by the Planning Commission, located on Mission Gorge Place and proposes to redesignate 3.4 acres from single-family residential to multifamily residential. The Boulevard project was initiated on August 19, 2004 by the Planning Commission, located east of Waring Road on Adobe Falls Road and proposes to redesignate 5.61 acres from commercial-visitor to multifamily residential. The River View Village project was initiated on May 2, 2002 by the Planning Commission, located north of Wembley Street, and proposes to redesignate 6.3 acres from Light Industrial to Single-Family Residential. The fourth amendment proposes to develop new design

guidelines which address future development adjacent to the San Diego River within the Navajo community. This amendment was initiated on January 30, 2003 by the Planning Commission and would apply to the area located north of Zion Avenue between Mission Gorge Road and the San Diego River (see Attachment 7).

### DISCUSSION

Before a community plan amendment can be initiated, Section 122.0104 of the Municipal Code requires that any one of three initial criteria or all four supplemental criteria specified in the code must be met. The Planning Department does not believe that any of the following three initial criteria can be met:

- (1) The amendment is appropriate due to a mapping or textual error or omission made when the original land use plan or local coastal program was adopted or during subsequent amendments;
- (2) Denial of initiation would jeopardize the public health, safety or general welfare; or
- (3) The amendment is appropriate due to a material change in circumstances since the adoption of a land use plan or local coastal program whereby denial of initiation would result in a hardship to the applicant by denying any reasonable use of the subject real property.

The Planning Department does, however; believe that all of the following supplemental criteria can be met:

(1) The proposed land use plan amendment is consistent with the goals and objectives of the Progress Guide and General Plan and the Navajo Community Plan.

The project site is located within the Morena/Mission Valley/Grantville Subregional District, one of five Subregional Employment Districts as specified in the opportunities areas map contained in the appendix to the Strategic Framework Element (SFE) Action Plan. The City of Villages strategy encourages further intensification of employment uses throughout these large areas. Where appropriate, the collocation of medium to high density residential uses with employment uses could also occur.

Further analysis will be necessary to fully determine if the subject property (and the proposed associated development) is consistent with the draft collocation policy. In general, however, it appears that the site is located in an area in transition where significant encroachment of non-industrial uses has already occurred. The Grantville area is predominantly made up of small commercial and office developments. Very limited amounts of industrial use remain. Therefore, the property may be considered for conversion subject to the remainder of the criteria related to the proximity of the site to transit, land use incompatibilities, public health, the need for commercial uses, design, the provision of affordable housing, and the presence and funding of public facilities.

This site is within 2,000 feet from the future trolley station and is accessible from Mission Gorge Road, which is a transit corridor. This site is within walking distance of the trolley station and could implement General Plan policies related to the location of mixed use development near transit stations.

Objectives for the residential land use designation in the Navajo community include encouraging the development of a variety of new housing types. The plan also provides additional development recommendations, which state: "Housing types and densities should be varied in residential development to create interest and provide a mix of people with various economic and social characteristics." The proposed designation for mixed use would provide the opportunity for a greater variety of housing types in an area where no housing exists yet could be appropriate, based on adopted policies.

## (2) The proposed land use plan amendment appears to offer a public benefit to the community or City.

The proposed land use designation from industrial to mixed use would help fulfill the SFE's goal of providing a mix of uses in this area, to include office, commercial and multifamily residential use within an Urban Village Center.

The proposed redesignation of the site to allow for a mix of uses would provide needed housing in a developed, underutilized urban area that is in the Grantville employment area, is within 2,000 feet of the Grantville Trolley Station and has close freeway access. Providing housing within walking distance to the trolley would contribute to reducing traffic congestion and improving air quality. In addition, the location of multifamily in this location would provide needed housing in the area to support additional employment uses. With the proposed land use designation, there is a better possibility of achieving the goals for housing diversity set forth in the Progress Guide and General Plan by providing a range of housing for different economic levels.

Including the entire block in the community plan amendment will allow for a comprehensive analysis of the mixed use designation at this location. This will allow for site-specific policies and regulations to be included in the community plan that will result in a more cohesive design and implementation.

### (3) Public services appear to be available to serve the proposed increase in density or intensity of use.

All needed public services (water, sewer) are available as the Navajo community is an urbanized community. Full analysis of public services and facilities (schools, fire stations, police stations, libraries, etc.) will be conducted with the review of the community plan amendment, if initiated. An amendment to the Public Facilities Financing Plan for the Navajo community will be processed concurrently with the community plan amendment to address facilities needs generated by the proposed land use change.

# (4) City staff is available to process the proposed land use plan amendment without any work being deferred on General Fund supported programs or ongoing plan updates.

Staff is available to process the plan amendment request without delaying general fund programs or ongoing plan updates, as the Planning Department's work program includes staff time for non-general fund development projects. However, delays in processing the plan amendment could occur based on staff levels and workload. The costs associated with processing this amendment will be paid for by the applicant.

As outlined above, the proposed plan amendment meets all of the supplemental initiation criteria as described; therefore, the staff recommends that the amendment to the Navajo Community Plan and the Progress Guide and General Plan be initiated.

The following land use issues have been identified with the initiation request. If initiated, these issues, as well as others that may be identified, will be analyzed and evaluated through the community plan amendment review process:

- Analysis of surrounding areas that could also be redesignated from industrial and/or commercial to mixed use.
- Evaluate the entire block for redesignation to allow mixed use.
- Determination of the appropriate land use designation and zone to allow mixed use.
- Development of appropriate and detailed design guidelines to be included in the CPIOZ section of the community plan that will ensure the implementation of a high quality and well designed village proposal.
- Analysis of access to the site and evaluation of internal circulation as it relates to the surrounding area.
- Analysis of potential for retention of existing industrial uses on the site.
- Analysis of potential impacts of multifamily residential development in close proximity to existing industrial uses.
- Analysis of traffic impacts, including connections to Mission Gorge Road, Twain Avenue and Fairmount Avenue.
- Analysis of pedestrian connections between uses within the project site and from the site to the adjacent public streets.
- Evaluation of appropriate siting and design of public open space.

- Evaluation of the potential to provide affordable housing on site.
- Evaluation of adequacy of public facilities, including park area to accommodate the addition of residential development.

Although staff believes that the proposed amendment does meet the necessary criteria for initiation, staff has not fully reviewed the applicant's proposal. Therefore, by initiating this community plan amendment, neither the staff nor the Planning Commission is committed to recommend in favor or denial of the proposed amendment.

### **ALTERNATIVES**

Do not initiate the amendment to the Navajo Community Plan. Maintain the Navajo Community Plan with the current industrial land use designation which allows for industrial land use development.

Respectfully submitted,	
Robert Manis	Lesley Henegar
Program Manager	Senior Planner

RM/LH/ah

Planning Department

Attachments:

1. Navajo Community Planners Inc. letter from April 18, 2005 NCPI meeting

Planning Department

- 2. Location Map
- 3. Surrounding Uses
- 4. Existing Conditions
- 5. Existing Circulation and Vicinity Map
- 6. Navajo Land Use Map
- 7. Navajo Community Plan Amendment initiations in progress
- 8. Ownership Disclosure Statement