

DATE ISSUED: November 3, 2005 **REPORT NO.** PC-05-303

ATTENTION: Planning Commission, Agenda of November 10, 2005

SUBJECT: VISTA AT RANCHO BERNARDO - PROJECT NO. 4873.
PROCESS 5.

**OWNER/
APPLICANT:** NCR CORPORATION (Attachment 19).

SUMMARY

Issue(s): Should the Planning Commission recommend approval of the Vista at Rancho Bernardo project, which proposes to subdivide the existing 38.42 acre industrial park into five Lots, to maintain existing development on Lot 1 with 446,550 square feet of existing corporate research development in three buildings, and to allow 277,000 square feet of new industrial development distributed in three buildings on Lots 2 through 4.

Staff Recommendations:

1. **Recommend** to the City Council **Certification** of the Mitigated Negative Declaration LDR No. 4873 and Adopt the Mitigation Monitoring and Reporting Program; and
2. **Recommend** to the City Council **Approval** of Easement Vacation No. 260321, Tentative Map No. 8529, Planned Development Permit No. 8528, and Site Development Permit No. 260305, amending Manufacturing Industrial Park Permit No. 91-0831.

Community Planning Group Recommendation: The Rancho Bernardo Community Planning Board, on July 21, 2005, voted 16:0:1 to recommend approval of the proposed project, with conditions. A full discussion is included further in this report.

Environmental Review: A Mitigated Negative Declaration No. 4873 has been prepared for the project in accordance with State of California Environmental Quality Act (CEQA)

Guidelines. A Mitigation, Monitoring and Reporting Program has been prepared and will be implemented and reduce, to a level of insignificance, any potential impacts identified in the environmental review process.

Fiscal Impact Statement: All costs associated with the processing of this project are recovered by a deposit account maintained by the applicant.

Code Enforcement Impact: None with this action.

Housing Impact Statement: The proposed project is located within the Bernardo Industrial Park and is identified as Industrial in the Rancho Bernardo Community Plan. One of the objectives outlined in the community plan is to prohibit residential uses in industrially designated areas. The proposed project is in conformance with that objective as no residential units are proposed as part of this project.

BACKGROUND

The site and surrounding area are zoned IP-2-1 (Industrial Park), which allows a mix of light industrial and office uses, and is designated for industrial uses in the Rancho Bernardo Community Plan (Attachment 1). The 38.42 acre site is located at 17087 - 17097 Via Del Campo within the Rancho Bernardo Community Plan area between Rancho Bernardo Road and West Bernardo Drive (Attachment 2). The project site is legally described as Parcel 2 of Parcel Map No. 13441, filed August 24, 1984 as File No. 84-324480 of official records. Light industrial and office developments are located to the east, west, and south of the site. Residential development is located to the north of the site on the northern side of Rancho Bernardo Road.

The 38.42 acre site was previously graded as allowed by the approval of the Manufacturing Industrial Park Permit No. 91-0831 (MIP Permit) for the NACAR/NCR Corporation campus (Attachment 3). This existing permit (Attachment 4) allowed the development of research and development buildings within a portion of the property identified as the proposed Lot 1. The NCR Corporation campus site, approximately 28.30 acres, is currently developed with three buildings, associated parking, and landscaping. Proposed lots 2 through 5 remained vacant of buildings; however, the 10.12 acres are currently used as a gravel parking lot and recreation area. This area contains disturbed sensitive habitat, sand volleyball courts, a basketball court, a baseball/softball field and a decomposed-granite path or trail around the perimeter of the property.

The developed and graded area of the site is relatively flat with elevations ranging from 730 feet above mean sea level (MSL) at the southern end of the property to approximately 740 feet MSL in the northern area. The site contains some remnant sensitive biological resources in areas that were not developed. These remnant areas are also located adjacent to other undeveloped lands offsite which contain sensitive biological resources to the west and southwest. The project site is not located within or adjacent to the City's Multi-Habitat Planning Area.

DISCUSSION

Project Description

The Vista at Rancho Bernardo project requires an Easement Vacation, Tentative Map, Planned Development Permit to amend the MIP Permit and allow deviations to the IP-2-1 regulations, and Site Development Permit. The project site is located at 17087-97 Via Del Campo in the IP-2-1 zone within the Rancho Bernardo community planning area (Attachment 2).

The tentative map would allow the subdivision of approximately 38.42 acres into five separate lots. Lot 1, approximately 29.30 acres, would remain as developed with the NCR Campus site and no additional development is proposed. The remaining 10.12 acres would be subdivided into Lots 2 through 5 (Attachment 6). The proposed development on Lots 2, 3 and 4 would include three, three-story 92,333 square-foot building on each of the lots (Attachment 7). Lot 5 would contain all the required parking spaces on a surface lot and within a parking structure, as well as landscaping and planted slope areas.

The Planned Development Permit (PDP) is required to amend the existing MIP Permit to allow for the development of the remaining undeveloped portion of the site and to maintain the rights and privileges granted under the original MIP Permit. The PDP would control the entire site and govern the development of Lots 2, 3, 4, and 5 (Attachment 8). The three buildings and parking structure proposed would be architecturally similar in design, color, and material. The grading and development of lots 2 through 5 would impact sensitive biological resources located on-site, therefore a Site Development Permit would be required in accordance with the Environmentally Sensitive Lands regulations. Two existing public sewer easements located within private driveways would be vacated and become private. One easement would serve Lot 1 while the second would serve Lots 2 through 5.

In conjunction with the PDP, the applicant has requested specific deviations to the development regulations of the IP-2-1 zone. These deviations are: 1) The project proposes 98 feet of street frontage where 100 feet is required; 2) Lots 2, 3 and 4 do not meet the minimum dimensions for lot depth where 200 feet is required and 169, 169 and 154 feet, respectively, is provided; 3) Lots 2, 3 and 4 do not meet the minimum front yard setback where 25 feet is required and 20 feet on each lot is provided; 4) Lots 2, 3 and 4 do not meet the minimum rear yard setback where 25 feet is required and 20, 20 and 5 feet, respectively, is provided; and 5) Lots 3 and 4 do not meet the minimum side yard setback where 15 feet is required and 5 and 13 feet, respectively, is provided.

If approved the proposed project would be constructed in two phases. Phase 1 would include the construction of two three-story office buildings on Lots 2 and 3 and the development of Lot 5 with landscaping and the surface parking lot (Attachment 9). Phase 2 would include the construction of the third three-story building on Lot 4 and the construction of the four-level parking garage on Lot 5 (Attachment 10). The Phase 2 construction would be anticipated to begin approximately one year after the completion of Phase 1.

In order to conform with the Rancho Bernardo Community Plan and to achieve consistency with the Industrial Park zone, the proposed project is designed to accommodate research and development users, corporate headquarter users and a limited amount of multi-tenant users. As conditions of the draft permit, at least seventy-five percent of the entire development's gross floor area would be limited to industrial uses and a maximum of twenty-five percent to multi-tenant commercial office space. The project is required to provide 688 parking spaces on-site for Phase 1 development and an additional 344 parking spaces during Phase 2, with a total of 1,032 parking spaces provided at build-out. Parking ratios were determined at the rate of 3.3 parking spaces per 1,000 square feet of industrial use and 5.0 spaces per 1,000 square feet of commercial use. Direct access to Lots 2, 3, 4, and 5 would be from a proposed commercial driveway from Via Del Campo and from the existing driveway at Via Del Campo Court.

During Phase 1, the project grading would include approximately 13,000 cubic yards of excavation at a maximum depth of five feet and approximately 14,700 cubic yards of embankment at a maximum depth of ten feet. Phase 1 grading would occur over 9.32 acres while during Phase 2 approximately 2.64 acres would be graded (Attachment 11). In Phase 2 approximately 7,700 cubic yards of excavation would occur and 2,600 cubic yards of embankment is proposed. The maximum depth of excavation during Phase 2 would be approximately 6.5 feet. No retaining walls are proposed.

Proposed landscaping, in conformance with the City's Landscape Standards, is required for the project. A variety of native and ornamental trees, shrubs, groundcover and hydro-seeding would be included in the design (Attachment 12). Brush management zones 1 and 2 (Attachment 13) would include plantings and a hydro-seed mix of native species.

Community Plan Analysis

The Rancho Bernardo Community Plan identifies the project area for Industrial uses (Attachment 1). The Plan contains a number of objectives to discourage erosion of industrial lands by non-industrial uses with the goal that when fully developed the industrial parks in Rancho Bernardo would contain one of the largest concentrations of high technology industrial employment in San Diego County. The project, as proposed with restrictions on the mix of specific uses, implements the objectives of the Rancho Bernardo Community Plan to contribute to the industrial market and protect industrially-designated areas for industrial development.

Environmental Analysis

The environmental review process for the proposed project included an evaluation of several areas of interest; Transportation/Circulation, Paleontological Resources, Biological Resources, Water Quality, Hydrology and Geology. These areas of interest were evaluated by City staff and have been documented in the Mitigated Negative Declaration No. 4873.

Of the aforementioned environmental issues, Transportation/Circulation, Paleontological

Resources and Biological Resources were determined to be significant, but could be mitigated to a level below significance. Mitigation will be required as described below and within Section V (Mitigation, Monitoring, and Reporting Program) of the Mitigated Negative Declaration No. 4873.

Transportation/Circulation

With approximately 75% of the proposed floor area designated for research & development /corporate office and a maximum of 25% designated to commercial multi-tenant office uses, the project is estimated to generate approximately 3,577 average daily trips. Approximately 506 average daily trips, or ADT's, would peak in the morning traffic hour and 521 during the evening traffic hour for both Phases 1 and 2 at the build-out of each phase. The project would provide 688 parking spaces on-site for Phase 1 development and an additional 344 parking spaces for Phase 2. The total parking provided on-site at build out of the project would be 1,032 spaces.

To evaluate the potential traffic impacts accruing from build out of the project, a *Traffic Impact Study* was prepared by Katz, Okitsu & Associates (March 10, 2005). The traffic study analyzed daily and peak period traffic volumes, roadway segment capacity, intersection capacity, freeway ramp meter, and freeway mainline level of service for the existing conditions, near-term conditions and long-term build-out conditions.

The study area included eleven intersections within the surrounding streets and two freeway interchanges, Interstate 15 at Rancho Bernardo Road and I-15 at Camino Del Norte. Based on the *Traffic Impact Study* analysis, potentially significant transportation impacts could result due to the proposed development.

To mitigate the identified impacts to a level below significance, the applicant would be required to implement specific improvements; pay a fairshare contribution to the Interstate 15 Corridor Improvements; be restricted to the limitations of uses within each building at 75% and 25%, respectively; and develop a privately funded shuttle bus as part of a Transportation Development Management plan. These recommended conditions, as described in the traffic impact study, would mitigate potentially significant impacts to a level below significance and improve circulation and traffic in the area.

Paleontological Resources

According to the Geology of San Diego Metropolitan Area, California (1975), published by the California Division of Mines and Geology, the project is underlain by engineered fill; Stadium Conglomerate Formation; and Friars Formation. Stadium Conglomerate and Friars geologic formations are assigned a high paleontological resource sensitivity rating and impacts to these formations would be considered significant where a project proposes more than 1,000 cubic yards of excavation at a maximum depth of ten feet or more. In addition, the site had been previously graded and formational soils may be more apparent.

Thus, the proposed grading could result in significant impacts to fossil resources. The applicant would be required to implement the paleontological Mitigation, Monitoring, and Reporting Program during the site grading.

Biological Resources

During the project's initial study review, staff identified sensitive biological resources on and adjacent to the property. According to the City's Multiple Species Conservation Program maps, the Multi-Habitat Planning Area is not located within or adjacent to the property even though sensitive biological resources exist on-site.

A Biological Technical Report (Helix Environmental, November 3, 2004) was submitted to and reviewed by staff to disclose the direct, indirect, and/or cumulative biological impacts which would result from the proposed project. The project site currently has a total of 13.26 acres of sensitive biology and 7.92 acres of disturbed and less sensitive habitat. The remaining 27.84 acres of the site is currently developed with the existing NCR campus. Impacts to sensitive upland habitat totaling greater than 0.10 acre is considered significant and must be mitigated to a level below significant at the appropriate mitigation ratios.

In accordance with the City's Biological Resources Guidelines, impacts to coastal sage scrub habitat can be mitigated at a 1:1 ratio and southern mixed chaparral at a 0.5:1 mitigation ratio. The applicant is proposing to deposit funds into the City's Habitat Acquisition Fund in the amount of approximately \$16,000 to purchase 0.64 acre of land and fully mitigate for the resultant direct impacts to significant biological resources.

Rancho Bernardo Community Planning Board Recommendation

On July 21, 2005, the Rancho Bernardo Community Planning Board voted 16-0-1 to recommend approval with conditions (Attachment 14). A detailed response to each condition is provided below. The planning group's recommended conditions have been italicized and staff's response follow.

a) The City add language that if the 75% industrial/25% multi tenant mix for the site cannot be controlled, the 75/25 breakdown reverts to a per building requirement.

Staff response: The draft permit provides several conditions that requires development to comply with the 75/25 mix of uses. Refer to draft permit conditions numbered 43, 44, 45 and 57.

b) Due to the high visibility of the site from Rancho Bernardo Road, any monument signs on the property should not be visible from the road.

Staff response: Staff has not included this recommendation as a condition in the draft permit. Monument signs are usually illuminated ground mounted signs of a low profile located at the

property line facing the adjacent public right-of-way. There is no basis in the Land Development Code to prohibit monument signs at this location.

c) Building mounted signs visible off site are to be white back-lit and timer set to turn off at 8:00PM

Staff response: Staff has not included this recommendation as a condition in the draft permit. Monument signs are usually illuminated for the purpose of identification during the evening and night time hours. There is no basis in the Land Development Code to prohibit illuminated monument signs after eight o'clock at night at this location.

*d) Site lighting will be directed downward to minimize any off site disturbance, and
e) Site lighting will conform to the Palomar lighting requirements.*

Staff response: The draft permit requires all lighting on the site to comply with strict and measurable lighting standards to prohibit adjacent properties from being affected by the project's site lighting. Further the standards of the Municipal Code §142.0740; Outdoor Lighting Regulations apply by reference. Refer to draft permit conditions numbered 6 and 37.

f) Construction will conform to the City of San Diego construction ordinances, particularly with regards to night construction.

Staff response: The project is subject to the regulations of this (City of San Diego) and any other applicable governmental agency. This requirement includes by reference all applicable and relevant regulations of the City's Municipal and Land Development Codes. Refer to draft permit condition number 6.

g) Landscaping at the site slope perimeter will be installed in the first phase of build out.

Staff Response: The applicant has agreed to install all perimeter landscaping during the Phase I construction. Refer to draft permit condition number 24.

h) Landscaping at the slope perimeter will be enhanced with additional tall trees to help reduce the visual impact of the buildings.

Staff Response: Staff has not included this recommendation as a condition in the draft permit. Landscaping at the slope perimeter includes several large tree and shrub species capable of providing massing and interest to improve the visual appearance of the project. Additional landscaping to achieve this objective is not required.

i) If there are deviations of any substantive nature in the proposed building(s) footprint(s), size, elevation style, materials or colors, the project will be brought before the Rancho Bernardo Planning Board for further review.

Staff Response: Staff has not included this recommendation as a condition in the draft permit. The applicant has two processes available by which changes to the project may be requested: 1) Substantial Conformance Review; and, 2) An amendment to the permit. Substantial conformance review is a Process 1 ministerial decision made by staff. The Development Services Department is responsible for making decisions regarding ministerial processes. An amendment to the permit would be a discretionary action and require a public hearing. Discretionary actions also require environmental review, noticed public hearings. Project plans and information is sent to the local planning group for a recommendation on discretionary actions, yet not for ministerial responsibilities. Draft permit condition number 10 states: No changes, modifications or alterations shall be made unless appropriate application(s) or amendment(s) to this Permit have been granted.

Critical Project Features to Consider During Substantial Conformance Review

The project and conditions of approval have several requirements to address the mix of uses for the project within each building which should not be altered through any substantial conformance review process. These are important and necessary to conclude the proposed project would: not adversely impact the Rancho Bernardo Community Plan; not create unmitigated transportation/circulation impacts; and be consistent with the requirements of the Land Development Code.

Draft conditions in the permit of specific importance to this concern include conditions 43, 44, 45 and 57 (Attachment 15). These conditions are intended to assure the mix of uses would be consistent with the environmental analysis and CEQA document prepared for the project, the policies of the Rancho Bernardo Community Plan and the regulations of the Land Development Code. Prior to issuance of any tenant improvement building permit, the Owner/Permittee would be required to disclose the proposed and existing uses within the building for which the permit is sought on a data sheet. A table shall be created to include up-to-date uses as a percentage of entire Gross Floor Area (GFA). Uses are limited to a minimum seventy-five percent (75%) GFA for industrial uses (minimum 207,900 square feet), to include Research and Development, and Regional and Corporate office of at least 40,000 gross square feet. A twenty-five percent (25%) maximum GFA (maximum 69,300 square feet) shall be used to determine the approved multi-tenant office space proposed.

CONCLUSION

The proposed Vista at Rancho Bernardo project conforms to the land use density, land use designation and design guidelines specified of the Rancho Bernardo Community Plan. The project will provide the required pedestrian scale improvements and design features established in the community plan for industrial development. The project as proposed is compatible with the existing surrounding developments. Findings required to approve the project are included in draft resolutions (Attachments 16 and 17). Draft conditions of approval have been prepared for the project (Attachments 15 and 16). The Rancho Bernardo Community Planning Board, on July 21, 2005, voted 16:0:1 to recommend approval of the proposed project.

ALTERNATIVES

1. Approve Easement Vacation No. 260321, Tentative Map No. 8529, Planned Development Permit No. 8528, and Site Development Permit No. 260305 amending Manufacturing Industrial Park Permit No. 91-0831, with modifications.
2. Deny Easement Vacation No. 260321, Tentative Map No. 8529, Planned Development Permit No. 8528, and Site Development Permit No. 260305 amending Manufacturing Industrial Park Permit No. 91-0831, if the findings required to approve the project cannot be affirmed.

Respectfully submitted,

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HALBERT/TD

Attachments:

1. Community Plan Land Use Map
2. Project Vicinity Map
3. Aerial Photograph
4. Copy of Manufacturing Industrial Park Permit No. 91-0831
5. Existing Conditions, Shts. 2 & 3 of 18
6. Tentative Map, Shts. 4 & 5 of 18
7. Architectural Elevations, Sht. 12 of 18
8. Architectural Site Plan, Sht. 7 of 18
9. Phase I, Sht. 8 & 9 of 18
10. Phase II, Sht. 10 of 18
11. Grading; Phase I, Sht. 6 of 18
12. Landscape Concept Plan, Shts. 16 & 17 of 18
13. Brush Management Plan, Shts. 14 & 15 of 18
14. Rancho Bernardo Community Planning Group recommendation

15. Draft Permit with conditions
16. Draft Tentative Map conditions and subdivision resolution
17. Draft Permit Resolution with Findings
18. Project Data Sheet
19. Ownership Disclosure Statement
20. Project Chronology
21. Title Sheet, Sht. 1 of 18
22. Project Cross Sections, Sht. 11 of 18

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