



THE CITY OF SAN DIEGO

REPORT TO THE PLANNING COMMISSION

DATE ISSUED: November 2, 2006 REPORT NO. PC-06-276

ATTENTION: Planning Commission
Agenda of November 9, 2006

SUBJECT: Initiation of an amendment to the Progress Guide and General Plan and the Southeastern San Diego Community Plan to redesignate four sites totaling 2.97 acres on Imperial Avenue from Multiple Use and Industrial to a new mixed-use designation. Project No. 111526.

OWNER/
APPLICANT: Imperial Market Investors, LLC
Fehlman LaBarre

SUMMARY

Issue - Should the Planning Commission INITIATE an amendment to the Progress Guide and General Plan and the Southeastern San Diego Community Plan, pursuant to Municipal Code Section 122.0103, to redesignate 2.97 acres from Multiple Use and Industrial to a new mixed-use designation?

Staff Recommendation - INITIATE the plan amendment process.

Community Planning Group Recommendation - On October 9, 2006, the Southeastern San Diego Planning Committee voted 7-2-0 in favor of initiating the plan amendment with conditions (see Attachment 1).

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

Fiscal Impact - If the amendment is initiated, processing costs would be paid by the applicant.

Housing Impact - The Southeastern San Diego Community Plan currently designates the four project sites as Multiple Use and Industrial. Based on current designations, 66 residential dwelling units could be developed on the sites. The project proposes to redesignate the sites to a mixed-use designation that would allow approximately 420 dwelling units which is 354 more than could currently be developed on site. The project would be subject to inclusionary housing requirements, however, the applicant has not

indicated whether a future project would include on-site affordable residential units or whether affordable units beyond the inclusionary requirement would be provided as a substantial public benefit.

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 project includes four adjacent sites totaling 2.97 acres located along Imperial Avenue between 20th and 24th Streets in the Sherman Heights and Logan Heights neighborhoods of the Southeastern San Diego Community Plan (see Attachment 2). Site A includes an entire 60,000 square foot block bounded by 21st Street, Imperial Avenue, 22nd Street and Commercial Street. This site contains the existing multi-story Farmer's Market building. Site B includes 15,000 square feet located immediately northeast of the intersection of 21st Street and Imperial Avenue and contains a metal warehouse building used for food storage. Site C includes 24,500 square feet located southeast of the intersection of 22nd Street and Imperial Avenue and is currently developed with a parking lot and an automobile parts store. The final site, Site D, includes 30,000 square feet located immediately southwest of the intersection of 21st Street and Imperial Avenue and is currently developed with parking lots. A mix of small scale residential, commercial and industrial uses surround the subject sites.

Sites B, C and D and the northern half of Site A are designated for Multiple Use by the Southeastern San Diego Community Plan (see Attachment 2). The Multiple Use designation allows residential (15-30 du/ac) or commercial development but not both within the same project. The southern half of Site A along Commercial Street is designated Industrial.

The applicant has requested a general/community plan amendment to redesignate the sites from Multiple Use and Industrial to a new mixed-use designation that would allow both commercial and residential uses in order to accommodate approximately 420 dwelling units. The applicant intends to develop condominium and rowhome units with some ground level retail development on the sites. The Southeastern San Diego Community Plan does not have a mixed-use designation that would allow both residential and commercial uses on a site. If initiated, the appropriate land use designation for the sites would be analyzed which could include a new mixed-use land use designation. In addition, the requested general/community plan amendment would be reviewed with a request for a rezone and other discretionary actions.

Other Community Plan Amendments in Southeastern San Diego

There are several additional projects with community plan amendments in process or being considered within Southeastern San Diego (see Attachments 3 & 4). Many of these include redesignation to a new mixed-use land use designation similar to the proposed project. If initiated, analysis of the proposed amendment would be conducted in conjunction with these other projects.

* The 22nd & Commercial Project is being considered by the project applicant to

du/ac) to
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redesignate a 4.35-acre site on the south side of Commercial Avenue between 21st Street and Cesar Chavez Parkway from Industrial and Residential (10-15 a mixed-use designation that would allow both commercial and residential a density of 55-74 du/ac. The amendment was initiated by the Planning Commission on November 17, 2005. Further City review of the proposal is pending submittal of a full application by the applicant.

* The Housing Corridors project is envisioned for the 2600 block of Imperial Avenue and is under review by the City. The applicant is requesting a community plan amendment from Multiple Use to a new mixed-use designation to accommodate 42 affordable housing units with 3,600 square feet of retail or office use.

* AMCAL Multi-Housing, Inc. is considering a 160-180 unit project at 29th Street and Commercial Avenue. All units would be affordable. Nothing has been formally submitted to date.

* The Bayview Residences project includes a general/community plan amendment to redesignate the former Bayview Hospital site at 26th Street and Island Avenue to a high density designation that would accommodate 313 units on a 2.85-acre site. The plan amendment was initiated by the Planning Commission on December 11, 2003. Project plans are under review.

approval
project is

* Grant Hill Townhomes is requesting a general/community plan amendment to redesignate one parcel of a four parcel site from commercial to residential (10-15 du/ac) to accommodate 6 single family units at 30th Street and Island Avenue. On September 7, 2006, the Planning Commission voted 6-0 to recommend of the project to City Council. City Council consideration of the project is pending.

others

* The Southeastern Economic Development Corporation (SEDC) is proposing to amend the Southeastern San Diego Community Plan for the Central Imperial Master Plan to redesignate key locations to a new mixed-use designation. Some of the areas proposed for redesignation have been initiated by the City Council; are pending. A formal application is anticipated in early 2008.

* The Central Commercial District Revitalization Corporation (CCDRC) manages a maintenance assessment district that includes the three commercial arteries of Imperial Avenue, Commercial Street and National Avenue from I-5 to 32nd Street. CCDRC is conducting a study of development potential in the area with the objective of encouraging higher floor area ratios and densities in proximity to public transit.

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 City Planning and Community Investment 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;**
- (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 City Planning and Community Investment 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 Southeastern San Diego Community Plan.**

The proposed general/community plan amendment would be consistent with many of the goals and objectives of the Progress Guide and General Plan. The amendment would accommodate mixed use development which would meet a general plan goal of redeveloping and rehabilitating underutilized areas of the City. Objectives of the Housing and Strategic Framework Elements would be fulfilled by increasing housing opportunities for existing and future residents of all income groups and by continuing to identify areas for residential development including already developed areas where existing development patterns should either be maintained or altered. In addition, the proposed plan amendment would meet the Strategic Framework Element objective of encouraging the revitalization of older transit corridors through plan designations and zoning that would permit a higher intensity of mixed-use development.

The proposed plan amendment would also meet several objectives of the Southeastern San Diego Community Plan. The Neighborhood Element calls for the revitalization of properties along Imperial Avenue and Commercial Street which the proposed redesignations could help accomplish. In addition, the Social and Economic Element recommends providing housing for all family types and the Transportation Element recommends the development of land uses that will maximize use of public transit, especially the trolley.

The proposed amendment could adversely affect general and community plan goals related to the protection of industrial lands. The Southeastern San Diego Community Plan contains goals related to protecting industrial areas from encroachment by commercial or residential uses. If initiated, the area's viability and attractiveness in terms of industrial uses would be evaluated, as well as the appropriateness of Site A for mixed-use development.

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

The proposed amendment would benefit the community by accommodating increased residential development at a time when the City of San Diego has declared a housing state of emergency. In addition, the amendment would accommodate the development of affordable housing as inclusionary housing requirements would apply the project. The amendment would also accommodate a mixed-use commercial and residential development which could help revitalize the Imperial Avenue and Commercial Street corridors.

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

Southeastern San Diego is an urbanized area and all needed public services are available in the community. If the plan amendment is initiated, the adequacy of public services and facilities will be analyzed during review of the plan amendment.

(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 this amendment request without delaying general fund programs or ongoing plan updates, as the City Planning and Community Investment 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. Costs associated with processing this amendment, should the initiation be approved, would be borne by the applicant.

As outlined above, the proposed plan amendment meets all of the supplemental initiation criteria as described; therefore, staff recommends that the amendment to the Progress Guide and General Plan and the Southeastern San Diego Community 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 general/community plan amendment review process:

- Compatibility between the proposed general/community plan amendment and the City's Progress Guide and General Plan, the Strategic Framework Element and the Transit-Oriented Development Design Guidelines.
- The appropriate land use designation and density range for the sites.
- Coordination with other proposed mixed-use projects and planning efforts within

the community.

- Impacts related to the loss of industrially-designated land in the Southeastern San Diego Community.
- Compatibility of new development with existing and planned uses in the project vicinity.
- The adequacy and availability of public transit to serve the sites.
- Incorporation of an affordable housing component on-site.
- Provision of pedestrian amenities and streetscape improvements.
- Provision of recreational amenities to serve future residents.
- Availability of public services and facilities to support increases in residential intensity. This would include an analysis of adequate school, park and library facilities, as well as police and fire services to serve future development on-site.

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

Respectfully submitted,

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Investment
Department

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MW/MP

- Attachments:
1. Southeastern San Diego Planning Committee Recommendation
 2. Southeastern San Diego Community Plan Land Use Map
 3. Potential or Proposed Projects on the Imperial Avenue/Commercial Street Corridor
 4. Other Pending Community Plan Amendments
 5. Aerial Photograph of the Subject Site and Surrounding Area
 6. Ownership Disclosure Statement