



THE CITY OF SAN DIEGO

REPORT TO THE PLANNING COMMISSION

DATE ISSUED: June 22, 2006 REPORT NO. PC-06-200

ATTENTION: Planning Commission
Agenda of June 29, 2006

SUBJECT: Initiation of an Amendment to the Progress Guide and General Plan and the Peninsula Community Plan and Local Coastal Program Land Use Plan to redesignate a 1.63-acre site from Industrial (Commercial Fishing Marine-Related) to Commercial. Point Loma Townhomes – Project No. 83435.

OWNER/
APPLICANT Dean Wilson Living Trust and Axiom Shelter Island, LLC

SUMMARY

Issues - Should the Planning Commission INITIATE an amendment to the Progress Guide and General Plan and Peninsula Community Plan and Local Coastal Program Land Use Plan pursuant to Municipal Code Section 122.0103? An amendment has been requested to revise the land use designation on a 1.63-acre site from Industrial, (Commercial Fishing Marine-Related Industry) to Commercial (see Attachment 1).

Staff Recommendation - INITIATE the plan amendment process.

Community Planning Group Recommendation - The Peninsula Community Planning Board voted 11-0-0 on May 18, 2006 to recommend approval of this initiation (see Attachment 2).

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

Fiscal Impact – Processing costs would be paid by the applicant.

Housing Impact - The requested General/Community Plan amendment would redesignate the 1.63-acre site from Industrial (Commercial Fishing Marine-Related) to Commercial and would allow a mixed-use project with 47 dwelling units on this site where none are currently permitted. Impacts to housing supply and demand, as well as affordability, will be evaluated in more detail if the proposed General/Community Plan amendment is initiated.

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 1.63-acre site, located at 1275 Scott Street in the Roseville/Shelter Island area of the Peninsula Community Plan (see Attachment 3), is bounded by Carleton and Dickens Streets (see Attachment 4), and is designated as Industrial (Commercial Fishing Marine-Related) (see Attachment 5). The site is currently occupied by six commercial fishing marine-related businesses, parking and a large marine boat storage area. It is surrounded primarily by commercial, multifamily residential, and marine-related industrial land uses (see Attachment 6). The community plan describes this area as transitional, with gradual commercial development and redevelopment underway (see Attachment 7). The project site is also located within the North Bay Redevelopment Project area.

The applicant has requested a plan amendment to redesignate the 1.63-acre site from Industrial, (Commercial Fishing Marine-Related Industry) to Commercial in order to allow a mixed-use development with 47 market rate townhomes with commercial storefronts on-site. It is anticipated that this general/community plan amendment, if initiated, would be processed concurrently with any required development permits. The project would also require approval from the California Coastal Commission following approval by the City.

When the Peninsula Community Plan was adopted in 1987, a variety of commercial fishing and marine-related industrial uses existed in the project vicinity including boat berthing (private and commercial), boat repair and sales, fuel docks, fishing supply shops, public parking, restaurants and lodging accommodations. Since the plan's adoption, berthing for commercial fishing has been mainly located at the end of G Street. Shelter Island provides berthing for sports fishing. The subject property no longer functions in the manner envisioned by the plan because the previous tenant, Kettenburg Marine, has consolidated its boat repair facility entirely within Port Tidelands property, and out of the plan area. Presently, the site provides boat storage and limited marine-related commercial uses and all six tenants are on month-to-month lease agreements.

There are no other community plan amendments being considered in the immediate vicinity. However, on April 27, 2004, the City Council approved a plan amendment redesignating a .39-acre site (Anchorage Lane) from Industrial (Commercial Fishing Marine-Related) to Multifamily Residential, Medium Density (15-29 du/ac) (see Attachment 8). The amendment facilitated the construction of seven luxury townhomes at 1055 Shafter Street. As a condition of approval, the California Coastal Commission required the applicant to relocate the Industrial (Commercial Fishing Marine-Related) use within the community boundaries to prevent loss of this use.

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 Peninsula Community Plan.**

The Industrial Element of the Progress Guide and General Plan includes the goals of insuring industrial land needs as required for a balanced economy and balanced land use are met; protecting a reserve of manufacturing lands from encroachment; revitalizing industrial areas; encouraging industrial development in the southerly half of the city; and developing and maintaining procedures to allow employment growth in the manufacturing sector. In addition, the draft Economic Prosperity Element identifies the need to, “retain land uses to support waterfront commerce and industry that provide for ship repair, and movement of waterborne goods.”

In order to address the need for marine-related industry, the applicant has prepared an economic study addressing the demand for Marine-Related Industrial land in the Peninsula community. The study indicates there is more than enough land designated marine-related industrial to serve the anticipated demand. If initiated, the issue of adequacy of marine-related industrial land would be analyzed.

The Housing Element of the Progress Guide and General Plan includes the goal of ensuring the availability of adequate sites for the development of a variety of types of housing for all income levels. In addition, the Strategic Framework Element of the Draft General Plan includes the goal of locating mixed-use villages throughout the city connected by high quality transit. The proposal to redesignate the project site to commercial would allow for mixed-use development located adjacent to public transit along Rosecrans Street. Thus, the proposed amendment could help provide mixed-use commercial and residential development as called for in the General Plan.

The Peninsula Community Plan and Local Coastal Program Land Use Plan

currently designates the subject site Industrial (Commercial Fishing Marine-Related). The plan identifies the need to maintain and encourage continued development of commercial fishing and marine-related commercial land uses within the Peninsula community. The plan also specifically states that: “Industrial development that is retained and developed in the Roseville/Shelter Island area should be marine oriented.” As previously identified, the applicant has provided a technical analysis indicating that the subject site is not needed for marine-related industrial uses and that other uses may be considered. If initiated, the demand for marine related industry would be fully analyzed.

The Peninsula Community Plan also includes housing goals for the Peninsula community. The plan calls for housing opportunities to be provided for persons of all income levels, encourages the development of mixed-use commercial/residential uses and specifically encourages multifamily housing development in close proximity to transit lines. The proposed amendment could help to implement these goals by allowing for a mixed-use development project along a transit route.

The recommendations of the Transportation and Shoreline Access Element of the Peninsula Community Plan state that public access to all areas of the shoreline should be enhanced except where safety concerns or the need to protect sensitive resources would prohibit such access. The applicant for the proposed General/Community Plan amendment would collaborate with the applicant of another proposal on Port Tidelands to enhance shoreline access through product/site design and pedestrian amenities.

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

The potential benefit of the proposed land use amendment to the Peninsula Community Plan is that it would allow for the development of a mixed-use commercial/residential infill development on a site where residential and commercial development had previously been precluded. Infill development, such as this, could provide housing of an affordable nature within the San Diego region, at a time when the City of San Diego is searching for areas that can accommodate additional residential units. The proposed plan amendment could also provide an efficient use for the site by locating commercial and residential uses in close proximity to transit.

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

Peninsula is an urbanized community and all needed public services are available in the community. If the plan amendment is initiated, analysis of public services and facilities would be conducted with the 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. 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, staff recommends that the amendment to the Progress Guide and General Plan and the Peninsula 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 community plan amendment review process:

- The appropriate land use designation and zoning for site.
- Traffic circulation issues and the availability of transit.
- Compatibility with adjacent existing and planned development.
- The adequacy and availability of marine-related industrial lands.
- Consistency between the proposed community plan amendment and the City's Strategic Framework Element, Transit-Oriented Development Guidelines, and Housing Element goals for future development.
- Consistency with the California Coastal Act.
- Issues associated with the collocation of residential and industrial uses, including public health effects.
- The amount, type and location of commercial uses onsite.
- Provision of amenities, application of urban design guidelines, including pedestrian circulation and pedestrian-scale elements according to the adopted community plan.
- Impact on protected public coastal views.
- Relationship to the Draft Airport Land Use Compatibility Plan for the San Diego International Airport.

- Housing affordability issues with the Peninsula community.
- Walkability and integration with the community.

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 the staff nor the Planning Commission is committed to recommend in favor or denial of the proposed amendment.

Respectfully submitted,

Mary P. Wright, AICP
Program Manager
City Planning and Community
Investment Department

Tony Kempton
Associate Planner
City Planning and Community
Investment Department

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Attachments:

1. Land Use-Peninsula Community Plan
2. Peninsula Community Planning Board, minutes, May 18, 2006
3. Planning area location
4. Project location-aerial
5. Surrounding Planned Land Use
6. Existing Conditions Land Use
7. Transitional Areas
8. Location Map – Point Loma Townhomes and Anchorage Lane
9. Ownership Disclosure Statement