



THE CITY OF SAN DIEGO

Report to the Planning Commission

DATE ISSUED: March 23, 2023 REPORT NO. PC-23-001

HEARING DATE: March 30, 2023

SUBJECT: Bella Mar Apartments, Process Five Decision

PROJECT NUMBER: [631240](#)

REFERENCE: Initiation of an amendment to the Otay Mesa-Nestor Community Plan to re-designate the land use of a 14.62-acre site, located on 408 Hollister Street, from Open Space to Medium-Density Residential (15-29 dwelling units per acre), and rezone from AR-1-2 and OF-1-1 to RM-2-5, Planning Commission Report No. [PC-19-011](#); and

Conditional Use Permit No. 367052 and Site Development Permit No. 367053 (Extension of Time and Amendment to Conditional Use Permit and Multiple Habitat Planning Area Boundary Line Adjustment No. 96-7318, known as the Trolley Stop RV Park project granted October 5, 2006; and

Conditional Use Permit/Multiple Habitat Planning Area Boundary Line Adjustment No. 96-7318 granted July 26, 2002.

OWNER/APPLICANT: Bella Mar Land Investors, LLC (Owner) / RTA PHAIR/HOLLISTER, LLC (Applicant)

SUMMARY

Issue: Should the Planning Commission recommend approval to the City Council of an application for amendments to the General Plan, Otay Mesa-Nestor Community Plan and Local Coastal Program, amendment to San Diego Municipal Code Section 132.0402, a Rezone, and the rescission of Conditional Use Permit No. 367052 and Site Development Permit No. 367053 (Extension of Time and Amendment to Conditional Use Permit and Multiple Habitat Planning Area Boundary Line Adjustment No. 96-7318) for the Bella Mar Apartments project which proposes the subdivision of an existing 14.62-acre site into two lots (north and south neighborhood) and for the construction of a residential development for 380 multi-family dwelling units, consisting of 280 dwelling units within 14 three-story buildings, a clubhouse/leasing office building, and a pool and spa area (north neighborhood); 100 affordable housing multi-family dwelling units within a four-story building (south neighborhood); amenity areas, and associated site improvements, located at 408 Hollister Street within the Otay Mesa-Nestor Community Plan area?

Staff Recommendations:

1. Recommend the City Council ADOPT Mitigation Negative Declaration (MND) No. [631240/SCH No. 2022040642](#), and ADOPT a Mitigation, Monitoring and Reporting Program (MMRP);
2. Recommend the City Council APPROVE a resolution for an amendment to the General Plan, the Otay Mesa-Nestor Community Plan No. [2609704](#), and Local Coastal Plan amendment;
3. Recommend the City Council ADOPT an Ordinance for Rezone No. [2278306](#);
4. Recommend the City Council ADOPT an Ordinance for an amendment to the San Diego Municipal Code for a redesignation of the Coastal Overlay Zone Certification Map; and
5. Recommend the City Council RESCIND Conditional Use Permit (CUP) No. 367052 and Site Development Permit (SDP) No. 367053 (Extension of Time and Amendment to Conditional Use Permit and Multiple Habitat Planning Area Boundary Line Adjustment No. 96-7318); and

Community Planning Group Recommendation: On September 11, 2019, the Otay Mesa-Nestor Community Planning Group voted 16-0-0 to recommend approval of the project without conditions or recommendations (Attachment 16).

Environmental Review: [Mitigated Negative Declaration \(MND\) No. 631240/State Clearinghouse \(SCH\) No. 2022040642](#), has been prepared in accordance with the California Environmental Quality Act Statutes and Guidelines. A Mitigation Monitoring and Reporting Program for Biological Resources, Historical Resources (Archaeology) and Tribal Cultural Resources, would be implemented with this project, which would reduce, to below a level of significance, any potential impacts identified in the environmental review process.

Fiscal Impact Statement: No fiscal impact. All costs associated with the processing of the application are recovered through a deposit account funded by the applicant.

Housing Impact Statement: The Bella Mar Apartments Project (Project) would provide for the development of 380 dwelling units which would include 100 dwelling units designated as affordable housing. The proposed dwelling units will add to the City's housing stock and help address the City-wide housing crisis by providing a mix of affordable and market rate homes.

BACKGROUND

Location

The 14.62-acre site is located at 408 Hollister Street, on the east side of Interstate 5 (I-5), west of

Hollister Street, north of Palm Avenue and south of Main Street and adjacent to the Otay Valley Regional Park (Attachment 1).

Existing Base Zones:

The site is located in the Agriculture Residential (AR-1-2) and Open Space (OF-1-1) Base zones (Attachment 5).

Overlay Zones:

The Project site is located within the following overlay zones: Coastal Overlay Zone (Deferred Certification), Parking Impact Overlay Zone (Coastal Impact), Airport Land Use Compatibility Overlay Zone (ALUCOZ) (Brown Field, Naval Air Station (NAS) North Island and Imperial Beach Naval Outlying Landing Field (NOLF).

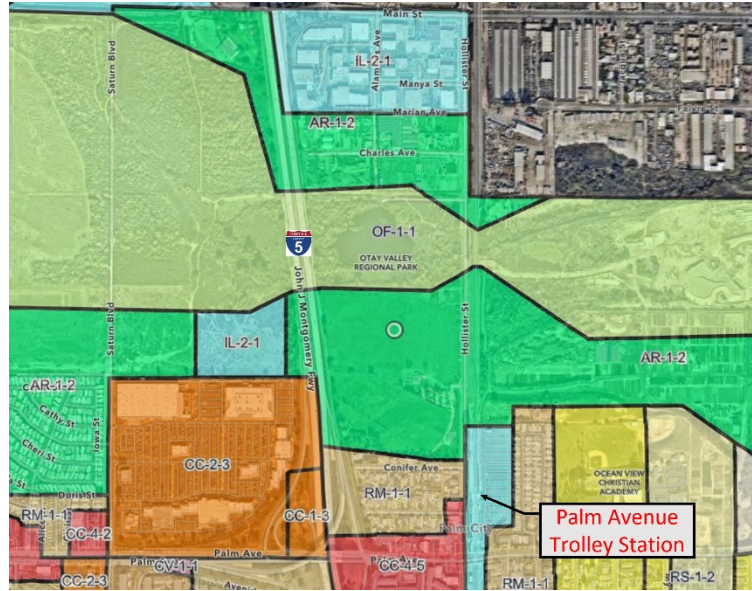


Figure 1 - Base Zone Map

Coastal Overlay Zone

The Project site is within the Coastal Overlay Zone and is identified as Coastal-Deferred Certification which is a geographic area where a Local Coastal Program (LCP) has not yet been certified by the California Coastal Commission (Coastal Commission). The Coastal Commission retains jurisdiction over Coastal Development Permits issued for proposed development within the deferred certification area.

Brush Management Zone

The Project site is located adjacent to and partially within the Very High Fire Hazard Severity Zone (VHFHSZ) and Fire Brush Management Zone. Brush management shall be required on all premises that propose structures that are within 100 feet of native or naturalized vegetation.

Environmentally Sensitive Lands - Flood Fringe

A floodplain is comprised of the floodway and the flood fringe areas. The floodway includes the channel and adjacent overbank areas necessary to effectively convey floodwaters. The Project site is located within the Otay River 100-year Federal Emergency Management Agency (FEMA) flood fringe (Zone AE), and is outside of the floodway, thus it must comply with the flood fringe Environmentally Sensitive Lands (ESL) regulations from the City of San Diego Municipal Code and the Code of Federal Regulations. The ESL for Special Flood Hazard Areas 'Zone AE' that are outside of the floodway allow development in the flood fringe area where the development will not significantly adversely affect the existing sensitive biological resources onsite or offsite and is capable of withstanding flooding and does not require or cause the construction of offsite flood protective works, nor will it increase or expand a Flood Insurance Rate Maps (FIRM) Zone A published by FEMA.

The ESL regulations allow permanent structures and fill for permanent structures, roads, and other development in the flood fringe area only in limited circumstances when certain conditions are met.

These generally include where the development: would not significantly adversely affect the existing sensitive biological resources onsite or offsite, would be capable of withstanding flooding without requiring or causing the construction of offsite flood protective works, would not cause flooding of properties upstream or downstream, would not increase or expand FIRM Zone A (areas of higher risk of flooding), would limit grading and fill to the minimum amount necessary, would minimize harm to environmental values and peak flow storage capacity in the floodplain, would maintain wetlands hydrology, would not significantly increase or contribute to downstream bank erosion and sedimentation, would not cause an increase in flood flow velocity or volume, and would ensure compliance with National Pollutant Discharge Elimination System (NPDES) requirements.

Environmentally Sensitive Lands - Multi-Habitat Planning Area

Two land cover types occur on the parcel and off-site improvement area. Disturbed land dominates the majority of the site while urban/developed land occurs along Hollister Road within the off-site improvement area. The project site lies within the boundaries of the City's Multiple Species Conservation Program (MSCP) Subarea. Furthermore, the Multi-Habitat Planning Area (MHPA) is mapped on-site and adjacent to the project site in association with the Otay Valley Regional Park. Disturbed land and urban/developed land are considered Tier IV (least sensitive) habitat types per the City's Biology Guidelines. Lands designated as Tier IV are not considered to have significant habitat value and impacts are not considered significant. Which are not considered significant. Therefore, mitigation is not required. Thus, no impacts to sensitive vegetation communities would occur. No sensitive plant species were observed on the parcel or within the proposed off-site improvement areas, and none are expected to occur due to lack of appropriate habitat and/or soil conditions. No impacts to sensitive plant species would occur.

Sensitive wildlife species were not observed on the site. Although a Cooper's hawk was observed flying over the site during the site survey, this species is not expected to nest on the site due to lack of suitable nesting habitat; however, there could be suitable nesting habitat in the adjacent MHPA lands. A burrowing owl habitat assessment was conducted and burrows potentially suitable for burrowing owl were observed on the site, however, no direct burrowing owl observations or any sign of burrowing owl were discovered, and the site conditions are not conducive for burrowing owl breeding nor long-term occupation. The existing riparian habitat along the Otay River corridor in this eastern area is not suitable for use by burrowing owl. Of the remaining undeveloped areas east of I-5, there is little suitable foraging habitat that is comprised of grassland or open habitats preferred by the burrowing owl. Additionally, although not expected to occur on the project site, there is a high potential for least Bell's vireo to occur to the north of the site along the Otay River within the Otay Valley Regional Park. The project would be required to comply with California Fish and Game Code Section 3503, nesting bird regulations. No other sensitive wildlife species are expected to occur on the site; however, it is noted that the state and federally listed light-footed Ridgeway's rail have been recorded within the Otay Valley River Park. MHPA Land Use Adjacency and light-footed Ridgeway's rail specific avoidance measure requirements would be included as conditions of project approval.

The project site does not contain any sensitive riparian habitat or other identified habitat community identified in local or regional plans, policies, and regulations or by the CDFW or U.S. Fish and Wildlife Service. There is riparian habitat located to the north within the adjacent Otay Valley Regional Park/MHPA land. Indirect impacts to this off-site area would be avoided through the proposed 100-

foot-wide buffer along the northern property line and other project features such as the fencing located on the southern edge of the buffer area which would provide additional protection of the off-site habitat area and on-site buffer area. Additionally, the project has been designed to limit storm water runoff by applying best management practices (BMPs) which would include construction BMPs such as monitoring, flagging, staking, or silt/bio fencing around sensitive areas to ensure toxins from construction and project implementation would not impact the MHPA.

A total of 5.5-acres of MHPA land occur on the site and a 2.3-acres portion of the on-site MHPA (100-foot-wide buffer) is currently conserved having been placed in an open space easement at the time of the previous request for an MHPA BLA approved on July 26, 2002, for the project site under CUP/MHPA BLA No. 96-7318, known as the Trolley Stop RV Park project. Although no sensitive habitat is currently mapped within the on-site portion of the MHPA area, the project includes a habitat restoration plan to restore the area with native "up-tier" habitat (i.e., coastal sage scrub) to compensate for the disturbed land that would be removed (RECON 2021b) from the MHPA through approval of a Boundary Line Adjustment. The restoration plan provides guidelines for the enhancement of the on-site MHPA land, to restore habitat functions and values, and ensure a functional buffer to the off-site wetland area (RECON 2021b). Implementation of the restoration plan would improve and increase on-site native sensitive habitat. Along with City approval, concurrence from the state and federal wildlife agencies is required for approval of the BLA. Concurrence was achieved on June 24, 2021. Due to the presence of the MHPA within and adjacent to the site, the project would be required to comply with the Land Use Adjacency Guidelines (Section 1.4.3) of the City's MSCP Subarea Plan in order to ensure that the project would not result in any indirect impacts to the MHPA.

Otay Mesa-Nestor Community Plan

The site is located within the Palm City Neighborhood of the Otay Mesa-Nestor Community Plan (Community Plan) and designated as Open Space land use (Attachment 3). The Community Plan is also the Local Coastal Program for the community. Specifically, Appendix H of the Community Plan provides the strategies for the protection of coastal resources and issues pertaining to coastal access. Pursuant to Appendix 1B of the Otay Mesa-Nestor Community Plan, the project site is located within an area designated as the Special Study Area (SSA). The SSA designation was placed on lands to require the preparation and adoption of a Special Study Report (SSR) for properties located within the SSA overlay designation prior to any land use changes. The SSR is required to assess the biological, sensitive natural resource, natural habitat, and regional habitat and open space connectivity values. Additionally, the SSR is required to assess the hydrological conditions, describe the watershed(s) and drainage characteristics, determine wetland areas and provide recommendations for floodplain management to meet the needs of proposed development. Additionally, specific issues are to be addressed in the SSR to serve as the basis for establishing land uses in the Community Plan.

General Plan Designation

The General Plan designates the site as Park, Open Space and Recreation land use (Attachment 4).

Existing Use and Site Conditions

The site is vacant, the most recent use was an entertainment/recreational facility which operated from 1989 to 2006 which included an arcade and a go-kart track. The site is relatively flat lying with a slight slope to the west-northwest. Remnant asphalt paving related to the former go-kart track and arcade

is present in the northeastern portion of the site. The existing site elevations range from approximately 16 feet to 22 feet above Mean Sea Level. An approximately 10-foot-high slope descends along the northern property line with inclinations of about 2:1 (horizontal to vertical) to the Otay River.

Adjacent Uses

Palm City, centered at Palm Avenue and Hollister Street, is one of the oldest neighborhoods of the community. Existing development includes light industrial and warehousing, a variety of commercial uses, single-family and multifamily residential and mobile home parks, motels and the Palm Avenue Transit Station. Uses immediately adjacent to the site include open space to the north of the site within the Otay River Valley River; open space and a nursery to the east; a former golf driving range and residential to the south; and Interstate 5 to the west with open space.

Otay Valley Regional Park

The Project is south of the Otay Valley Regional Park (OVRP). The County of San Diego and the Cities of Chula Vista and San Diego entered into an agreement for coordinated planning, acquisition, and design for OVRP. The jurisdictions prepared a Concept Plan that provides planning area boundary for OVRP and provides policy direction to protect environmentally sensitive areas and important cultural resources, identifies areas adjacent to the open space core for active and passive recreational development opportunities, includes a trail system with staging areas, viewpoints and overlooks, and connections to recreation areas and adjacent public lands and trails; and envisions interpretive centers for environmental and educational programs. The Otay Valley Regional Park Focused Planning Area boundary in the Concept Plan extends approximately eleven miles eastward from south San Diego Bay along the Otay Valley to the Otay Lakes. The northern portion of the Otay Mesa-Nestor community planning area is located within the OVRP planning area.

Transit

The Project is within a Parking Standards Transit Priority Area and Transit Priority Area due to the Palm Avenue Trolley Station being located approximately a 0.25-mile from the Project site. Metropolitan Transit Service (MTS) Bus Route 932 also runs along Hollister Street and provides service to the Palm Avenue Transit Station from the Project site. The Palm Avenue Trolley Station is served by the Blue Line Trolley provides service between San Ysidro, Downtown and the University community. The Project proposes the relocation of an MTS Bus Stop immediately adjacent and in-front (on Hollister Street) of the Project site for the southbound route of MTS Bus Route 932 and an additional MTS Bus Stop for the northbound route of MTS Bus Route 932, connecting the site to the City of Chula Vista to the north of the project site.

DISCUSSION

Project Description:

The Bella Mar Apartments project (Project) application was deemed complete on July 19, 2019, and the project is utilizing the Affordable/In-Fill Housing and Sustainable Buildings Expedite program (Expedite Program) qualifications and San Diego Municipal Code (SDMC) regulations that were in effect when the project application was deemed complete. The project would subdivide the existing 14.62-acre site into two parcels (north neighborhood and south neighborhood) for construction of 380 multi-family dwelling units within two parcels.

The north neighborhood would consist of 280 multi-family market rate dwelling units within 14 three-story buildings, a clubhouse/leasing building, pool area, play area, open multi-use field, several other common outdoor space amenity areas and a combination of private garage parking and surface parking. The 280 market rate dwelling units consisting of 85 one-bedroom units (647 square feet (SF)), 129 two-bedroom units (1,000 SF), 66 three-bedroom units (1,253 SF) and 100 affordable (for-rent) multi-family DUs consisting of 48 one-bedroom units (572 SF), 26 two-bedroom units (738 SF), and 26 three-bedroom units (963 SF).

The south neighborhood would consist of 100 multi-family affordable housing dwelling units within a four-story building, common outdoor open space and surface parking. Residents of both neighborhoods will have access to the common outdoor amenities located within both neighborhoods to include the pool area, playgrounds, multi-purpose play field and community grilling areas. The project proposes deviations from the applicable Land Development Code (LDC) regulations further described below under "Project Related Issues."

Housing Affordability:

The 100 affordable housing units will include 10-percent (38 dwelling units) of the total units as deed-restricted affordable housing dwelling units provided at 60-percent area median income (AMI) or less for no fewer than 55 years in accordance with the requirements of the "Affordable, In-Fill Housing and Sustainable Buildings Expedite Program" and Chapter 14, Article 3, Division 9 of the SDMC. The project proposes additional affordable housing units at the following affordability levels, 28 dwelling units at 80-percent AMI, 22 dwelling units at 60-percent AMI, 11 dwelling units at 30-percent AMI, and a manager's dwelling unit.

Residential Density:

The project is proposing an amendment to the Otay Mesa-Nestor Community Plan to redesignate the site from an Open Space to Medium-Density Residential to allow a residential density ranging from 15 to 29 dwelling-units per acre resulting in a range of 219 to 424 dwelling units. The RM-2-5 (Residential-Multiple Unit) zoning designation is intended to accommodate development of multiple dwelling unit developments at varying densities and permits a maximum density of one (1) dwelling unit for each 1,500 square feet of lot area. The 14.62-acres site (636,847 square feet) would accommodate a maximum density of 424 dwelling units in accordance with the RM-2-5 base zone designation and the Medium Density Residential land use designation. The project proposes 380 dwelling units, therefore, the project is in conformance with the maximum density regulations of the RM-2-5 Base Zone and within the density range for the Medium-Density Residential land use designation within the Otay Mesa-Nestor Community Plan.

Architecture:

The buildings would be designed in a Contemporary style of architecture incorporating a color palette of neutral tones,



Figure 2 - Building Rendering

stone facades, varied building materials and architectural accents and a mixture of flat roofs with parapets and hip roofs. The exterior façade of the building would include a variety of building materials such as stucco finish, fiber cement trim boards, ceramic tile, timber or metal trellises, concrete masonry units, standing seam metal panels for hip roofs and energy efficient exterior glazing.

Amenities:

The Club House building will include a property management and leasing office, resident information center, fitness center, club room and is centrally located within the Project site. The building is adjacent to outdoor pool area with common space. Additionally, the Project would include improvements to the public right of way adjacent to the site and off-site public improvements to include a connector trail to the Otay Valley Regional Park open space located north of the Project site.

Pedestrian Improvements:

The project would be conditioned to make improvements along Hollister Street to include a 12-foot parkway consisting of a six-foot-wide sidewalk and a five-foot-six-inch landscape area (six-foot face of curb to front edge of sidewalk) along the project frontage. The project site would also include internal walkways connecting to the public right-of-way. Additionally, the Project would include the construction of additional frontage and off-site multi-modal improvements which include the following: stipe buffered bike lanes, relocation of the southbound bus stop on Hollister Street for MTS Bus Route 932, construction of a bus stop on northbound MTS Bus Route 932 across the street from the site, construction of a mid-block crossing across Hollister Street with a rapid flashing beacon, construction of a sidewalk from the northbound MTS Bus Stop to the mid-block crossing, construction of a accessible sidewalk along southbound Hollister Street between the Project site and Conifer Avenue and the provision of a gravel path adjacent to the northbound Hollister street for connection to Otay Valley Regional Trail system as shown on the Exhibit "A" drawings and exhibits.

Landscaping:

The proposed landscape plan includes the use of native/naturalized and/or drought-tolerant plant material, whenever possible. The landscape plan for the outdoor/recreation courtyards and common areas emphasizes a garden setting, where plant material would be used to help define spaces, encourage circulation paths, and highlight entry points. Street trees are proposed to define and activate the pedestrian parkway along Hollister Street providing shade and scale to the street scene. The street trees would also help soften the building façade, reduce the heat island effect, and provide carbon sequestration.

Vehicular Access:

Vehicular access to the Project would be via full access driveways from Hollister Street located at the northeast and southeast corners of the site.

Parking:

Parking for vehicles and motorcycles would be provided with a combination of private garages and surface parking for the north neighborhood and surface parking for the south neighborhood. The project proposes 437 parking spaces including 316 parking spaces for the north neighborhood and 121 parking spaces for the south neighborhood. Parking would include 12 accessible parking stalls

(eight north neighborhood and seven south neighborhood), 39 motorcycle stalls (29 stalls north neighborhood and 10 stalls south neighborhood), and 92 bicycle storage spaces (44 bicycle spaces north neighborhood and 48 bicycle spaces south neighborhood). The proposed number of parking spaces for vehicles would exceed the City's minimum parking requirements, while bicycle and motorcycle parking would meet the City's minimum parking requirements.

Required Approvals:

Due to process consolidation, all actions are consolidated and processed as a Process Five per [SDMC Section 112.0103](#). Development of the proposed project requires:

- Process Five Land Use Plan Amendment to amend the General Plan to redesignate the 14.62-acre site from Parks, Open Space and Recreation to Residential; and to amend the Otay Mesa-Nestor Community Plan and Local Coastal Program to redesignate the site from Open Space to Medium-Density Residential, which would permit multi-family residential development at a density range of 15 to 29 dwelling units per acre and to amend the Local Coastal Program removing the site from the Special Study Area in Appendix 1B of the Community Plan and from the Coastal Deferred Certification area; and
- Process Five Amendment of SDMC Section 132.0402, redesignating the Coastal Overlay Zone from Coastal Deferred Certification; and
- Process Five Rezone per [SDMC Section 123.0105](#), of the 14.62-acre Project site from Agriculture Residential (AR-1-2) and Open Space (OF-1-1) zones to Residential Multiple Unit (RM-2-5) to allow multi-family residential development; and
- Process 1 rescission of Conditional Use Permit No. 367052 and Site Development Permit No. 367053 (Extension of Time and Amendment to Conditional Use Permit and Multiple Habitat Planning Area Boundary Line Adjustment No. 96-7318); and

The approvals listed above are required prior to any approvals related to the subdivision and development of the Project.

General Plan - Community Plan Analysis:

City of Villages Strategy

The General Plan City of Villages strategy encourages future development to increase housing supply and diversity with compact, mixed-use activity centers that are integrated into the larger community. The Project would provide needed housing and focus growth in an area with proximity to the Palm Avenue Trolley Station consistent with the City of Villages strategy. As a residential development, the project would increase the housing supply within the Otay Mesa-Nestor Community Plan area, within a Transit Priority Area (TPA), and in proximity to existing and planned commercial uses.

Land Use

The General Plan designates the 14.62-acre Project site as Park, Open Space and Recreation land use

and the Community Plan designates the Project site as Open Space. The Project includes a General Plan Amendment to redesignate the Project site from Park, Open Space and Recreation to Residential and an Amendment to the Community Plan to redesignate the site from Open Space to Medium-Density Residential to allow for multi-family residential land use between 15 and 29 dwelling units per acre. General Plan Policy Land Use LU-C.3 recommends maintaining or increasing the City's supply of land designated for various residential densities as community plans are prepared, updated, or amended. The proposed project implements this policy by redesignating the site to allow a range between 219 and 424 multifamily dwelling units on site where none currently exist. The project proposes a total of 380 multifamily dwelling units.

The proposed project implements General Plan Land Use Policy LU-H.3. which calls for the provision of a variety of housing types that are affordable in nature in residential and village developments. Given the project site's location near the intersection of Palm Avenue and Hollister Street, an area with high village propensity as identified in General Plan Figure LU-1, the project implements this policy through proposed family-oriented units that are diverse in size. The project includes 1-bedroom, 2-bedroom, and 3-bedroom units to support families in the area and to provide workforce housing in support of local businesses. The proposed project also includes 100 affordable housing units on-site, with units of varying size.

Residential

Policy HE-A.2 of the Housing Element encourages location and resource-efficient development whereby housing is located near employment, shopping, schools, recreation, transit, and walking/bicycling infrastructure. The project will implement this policy by locating close to facilities in the area, as shown in *Figure 3*, including two schools, two public recreation facilities, and one library. Sunnyslope Elementary School is less than half a mile from the site, and Montgomery High School is approximately 2 miles from the site. The project site is located within proximity to two public recreation facilities. Montgomery-Waller Community Park and Recreation Center is on Beyer Boulevard, within 1.3 miles from the site, and South Bay Recreation Center is located on Coronado Avenue, within 1.4 miles from the site. The site is located within 1.5 miles from the Otay Mesa-Nestor Branch Library, on Beyer Boulevard. The Southland Plaza Shopping Center, a regional shopping center with approximately 406,000 square feet, located at Palm Avenue and Saturn Boulevard, is within 1.5 miles of the site.

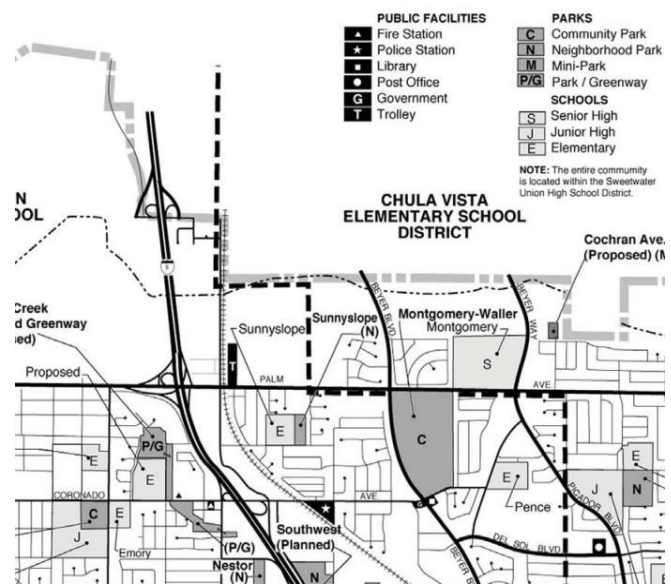


Figure 3 - Park, Schools, and Public Facilities

To meet the balanced communities' goal of ensuring diverse and balanced neighborhoods and communities with housing available for households of all income levels, the proposed project will

include 100 affordable housing units on-site for varying levels of AMI and in a variety of unit sizes (The affordable housing expedite program requires the project to provide 38 affordable dwelling units at 60 percent AMI for a period of 55 years, the applicant is proposing to provide additional affordable dwelling units at various levels of affordability). The provision of affordable housing will also implement General Plan Land Use Element Policy LU-H3 which calls for the provision of a variety of housing types that are affordable in nature in residential and village developments.

Mobility

The General Plan Mobility Element has a goal for creating a safe and comfortable pedestrian environment. The proposed project will implement this goal and its implementing policies ME-A.1 and ME-A.7 emphasizing pedestrian safety and comfort, through a design that features a circulation pattern with landscaped parkways and contiguous sidewalks, canopy shade trees along public sidewalks, sidewalk illumination utilizing street lighting and building lighting, and improvements to bicycle infrastructure along Hollister Street, Policy 3.4-1 (a) in the Mobility Element recommends the refinement and implementation of the Bicycle Master Plan in the Otay Mesa-Nestor Community Plan area by developing bicycle facilities that implement internal connectivity to activity areas within the community and links to the regional bicycle network.

To comply with the Mobility Element goals relating to the attainment of a balanced, multi-modal transportation network, the project includes the construction of frontage and off-site multi-modal improvements including the following:

- Stripe buffered bike lanes along the project frontage.
- Relocate the southbound bus stop on Hollister Street for Bus Route 932 to be in front of the project site.
- Construct a bus stop on northbound Hollister Street for Bus Route 932 across from the project site.
- Construct a mid-block crossing across Hollister Street on the north side of the southern project driveway with a rectangular rapid flashing beacon.
- Construct non-contiguous sidewalk facilities along the project frontage on southbound Hollister Street.
- Construct non-contiguous sidewalk facilities along northbound Hollister Street from the proposed bus stop to the proposed mid-block crossing.
- Construct temporary accessible sidewalk along southbound Hollister Street between the project site and Conifer Avenue.
- Provide decomposed gravel path adjacent to northbound Hollister Street for connection to Otay Valley Regional Trail system.

The Project site is located within a Transit Priority Area and proposes improvements to the existing Metropolitan Transit System bus stops located adjacent to and across the street from the Project site. The improvements to the bus stops for Bus Route 932, would provide transit opportunities for residents within the Project area as stated in the Mobility Element. The project proposes the construction of sidewalks and bike lanes along Hollister Street which would improve pedestrian connectivity to and from the Project site.

The Palm Avenue Trolley Station is located at an approximate walking distance of one quarter mile south of the Project site, thus providing connectivity to the Otay Mesa-Nestor Community Plan area and regional shopping centers, employment, entertainment, recreation, and transportation hubs including Downtown and the University of California San Diego. The Palm Avenue Trolley Station includes connectors to MTS Bus Routes 932, 933, 934, and transportation hubs.



Figure 4 Regional Transit

Urban Design

The proposed community plan amendment would be consistent with the Otay Mesa-Nestor community plan guidance that recommends Transit-Oriented (TOD) Development in the Palm City neighborhood, where the site is located. The proposed amendment would be consistent with the community plan recommendation to improve this area as one of the community's key mixed-use neighborhood centers through physical rehabilitation and economic revitalization. The proposed project follows TOD Guidelines, including locating both market-rate and affordable multifamily housing near the Palm Avenue Trolley Station and adjacent to a bus route. The project will provide Class II bike lanes along the site frontage, connecting to proposed Class II bike lanes on Hollister Street to access transit.

The project further implements Community Plan TOD recommendations by locating multiple pedestrian entries into the property from the pedestrian-oriented street, providing a bus stop adjacent to the site, and by creating visual interest along the street through balconies, windows, changes in materials, and articulating planes.

The project is consistent with the General Plan's Urban Design Element related the contribution of a positive neighborhood character and relate to neighborhood and community context. The project architecture is designed to fit the character of the community and provides varied visual interest. Additionally, the landscape plan would include screening onto the project from the public right-of-way, as well as creating a landscape environment with vegetation consistent with the surrounding context as well as other low water use regionally adapted species, non-invasive species, that will thrive in the coastal environment. The proposed architectural style could be described as a contemporary architectural style incorporating a color palette of neutral tones, stone facades, and a mixture of flat roofs with parapets and hip roofs.

General Plan Urban Design Policies UD-A.8(a) and (b) recommend new street trees for their shading, air quality, and livability benefits as well as water conservation through the use of drought-tolerant landscaping. The Otay Mesa-Nestor community plan also recommends landscaped parkways between the curb and sidewalk in new developments and specifically street trees in Transit Oriented Development areas. The project implements these General Plan and Community plan

recommendations by proposing planting 24-inch 36-inch box canopy street trees within the proposed parkway. Species include the Evergreen Elm/African Sumac which is a low-water tolerant species and the California Sycamore, which is an identified street tree for Hollister Street within the Otay Mesa-Nestor Street Tree Plan.

Recreation

The Recreation Element of the General Plan has a specific policy, RE-D.3, to provide recreation programs and services specifically designed to meet the needs of children, the increasing elderly population, persons with disabilities and the underserved teenage population. This policy will be implemented by the proposed public trail to be located on the east side of Hollister Street and common open space within the development to include a play area, a multi-purpose playing field, a swimming pool area with common outdoor space, and a grilling and lounging area for residents of the development.

The project also includes off-site improvements including a proposed trail consisting of a decomposed gravel path located adjacent to northbound Hollister Street for connection to the Otay Valley Regional Trail system located north of the site. The proposed trail would provide connectivity to recreational open space identified by the cities of San Diego and Chula Vista and the county of San Diego as an area that would be included in the concept plan area for the Otay Valley Regional Park. The project will enhance bicycle access to the nearby Palm Avenue Trolley Station by providing bike lanes along the project frontage and will improve bicycle and pedestrian access to the Otay Valley Regional Park, which in turn provides access to the Bayshore Bikeway (a major coastal multi-modal path). Additionally, the Project would include bicycle racks for 92 bicycles throughout the site.

Conservation

An overall goal in the General Plan Conservation Element is to reduce the City's overall carbon footprint by improving energy efficiency, increasing use of alternative modes of transportation, employing sustainable planning and design techniques. Conservation Element Policy CE-A.2 calls for achieving this goal by reducing the Urban Heat Island Effect through sustainable design and building practices. The proposed project will feature strategies consistent with the requirements of the California Green Building Standards Code including cool/green roofs, use of low-flow fixtures/appliances and electric vehicle charging stations. The project will also include drought-tolerant plant material. The project proposes to protect the wetlands that are located adjacent to the project site to implement policy CE-B.1 which calls for the protection and conservation of open space.

Project-Related Issues:

Local Coastal Program Amendment / Coastal Jurisdiction:

The Project proposes an amendment to the Otay Mesa-Nestor Community Plan for the removal of the Special Study Area (SSA) identified in the Community Plan which is also the Local Coastal Program for the area in the Coastal Zone. The Community Plan identifies the project site within an area designated as the Special Study Area (SSA). The SSA designation was placed on lands within the Otay Mesa-Nestor community planning area to require the preparation and adoption of a Special Study for properties located within the SSA overlay designation prior to any land use changes. Specifically, the community plan requires preparation of a comprehensive Special Study that addresses habitat protection,

floodplain management, and proposed development. The Special Study Report (SSR) (Attachment 23) prepared by RECON (RECON 2022) for the project applicant, follows the criteria established in the Community Plan and comprehensively addresses the SSA. The SSR provides an ecological analysis of the SSA to address biological resources, habitat value, and hydrology within the entire SSA. As shown throughout the SSR, the proposed project would be consistent with and adhere to all regulations and standards and would provide an opportunity for housing and revitalization while preserving any remaining biological value of the project site. The SSR can be used as a basis for additional analysis for future community plan amendments within the SSA. Future proposals within the SSA overlay will be required to prepare site-specific study reports using the criteria established in the Community Plan.

Consistent with the community plan, the SSR assesses the biological, sensitive natural resource, natural habitat, and regional habitat and open space connectivity values. The SSR also assess the hydrological conditions, describe the watershed(s) and drainage characteristics; determine wetland areas and provide recommendations for floodplain management to meet the needs of proposed development. The project would be developed within the flood fringe consistent with and adhere to all regulations and standards and would provide an opportunity for housing and revitalization while preserving any remaining biological value of the project site.

The SSR concluded that, through compliance with the Environmental Sensitive Land (ESL) regulations applicable to development within the flood fringe, the development will not impact hydrological conditions throughout the special study area. The ESL regulations for flood fringe development will ensure consistency with Coastal Act Section 30236 by protecting on and off-site biological and hydrological resources through ensuring that channelization or fill within the flood fringe does not substantially change or redirect stream flows. The flood fringe development regulations will ensure that the proposed project will not constitute a dangerous condition or an impediment to the flow of flood waters.

The SSA Report concluded that the proposed project, which is in the flood fringe, will not alter the Otay River or tributary streams. The analysis concluded that the proposed project will not change the 100-year floodplain elevations nor flow velocities on-site, downstream, or upstream. It also concluded that the development will not alter the hydraulic conditions of on-site or off-site sensitive resources, will not increase on-site or off-site flooding, and will not hydraulically impact coastal resources. The analysis determined that the 100-year flow rates, flow velocities, and flow volumes will remain essentially unchanged following development.

The Project also proposes an amendment to the Local Coastal Program and to San Diego Municipal Code Section 132.0402 and Coastal Overlay Zone designation to redesignate the Project site from the Coastal Deferred Certification. The amendment would transfer jurisdictional rights from the California Coastal Commission to the City of San Diego for the issuance of Coastal Development Permits. The proposed Community Plan and Local Coastal Program amendments will require California Coastal Commission certification should the City Council approve the Project.

Otay Valley River Flood Fringe:

The project site is located within the Otay Valley River 100-year flood Fringe and the project is conditioned to construct the residential structure such that the lowest finished floor elevation of the

proposed structure is two feet or more above the Base Flood Elevation (BFE) (water surface elevation for a 100-year flood event) per Federal Emergency Management Agency (FEMA) requirements. In accordance with the ESL floodplain development regulations, the proposed Project's permanent structures will be elevated at least 2-feet above the 100-year base flood elevation (BFE) per FEMA requirements. This is based on the recommendations of the Hydraulic Study (December 16, 2019) prepared by *Fusco Engineering*. This would be above the flood level with a factor of safety and would not be impacted by flood events. The fill placed on-site to elevate the structures will be entirely within the flood fringe and does not involve any off-site protective works. The proposed project received a Conditional Letter of Map Revision (CLOMR) that includes hydraulic analyses showing no impacts and that the development is in conformance with the floodplain and floodway regulations. The proposed project also received a No-Rise Certification which certified that, based on technical data conducted, the development will not have an impact to the 100-year flood elevation, floodway elevation, or floodway width.

No-Rise Certification:

FEMA requires that any project in a floodway must be reviewed to determine if the project will increase flood heights. An engineering analysis must be conducted before a permit can be issued. The project must have a record of the results of this analysis, which can be in the form of a No-Rise Certification. The No-Rise Certification must be supported by technical data and signed by a registered professional engineer. The supporting technical data should be based on the standard step-backwater computer model used to develop the 100-year floodway shown on the FIRM or Flood Boundary and Floodway Map (FBFM). A No-Rise Certification has been included as Appendix 'A' of the Hydraulic Study to certify that there will be no impact to the 100-year flood elevation, floodway elevation, or floodway width.

Environmental Analysis:

During the environmental review of the Project, City Staff determined that based on the environmental analysis and information, [MITIGATED NEGATIVE DECLARATION \(MND\) No. 631240/SCH No. 2022040642](#) was the appropriate environmental document to be prepared for the project which would include a Mitigation, Monitoring and Reporting Program (MMRP). The MND identified potentially significant impacts to Biological Resources, Historical Resources (Archaeology), and Tribal Cultural Resources, related to the proposed development which would be mitigated through implementation of the proposed MMRP. Therefore, the MMRP, as detailed within the MND, would be required. With implementation of the MMRP, potential impacts to resources would be reduced to less than significant.

Biological Resources

A Biological Resource Report was prepared by RECON (RECON 2021a) to address what biological resources exist on-site. The project site lies within the boundaries of the City's MSCP Subarea. Furthermore, the MHPA is mapped on-site and adjacent to the project site in association with the Otay Valley Regional Park. No sensitive wildlife species were observed on the site. Although a Cooper's hawk (*Accipiter cooperii*) was observed flying over the site during the site survey, this species is not expected to nest on the site due to lack of suitable nesting habitat; however, there could be suitable nesting habitat in the adjacent MHPA lands. A burrowing owl habitat assessment was conducted on September 18, 2019, and four non-breeding season burrowing owl surveys were conducted between

October 2019 and January 2020. Although burrows potentially suitable for burrowing owl were observed on the site, no direct burrowing owl observations or any sign of burrowing owl were discovered, and the site conditions are not conducive for burrowing owl breeding nor long-term occupation. Western burrowing owls require ample foraging habitat to support occupancy at a particular site. A primary foraging area within a radius of approximately 600 meters (300 acres in size) is cited as being necessary for burrowing owl occupation in the Department of Fish and Game Staff Report of Burrowing Owl Mitigation published in 2012. Accordingly, the project site itself is likely not large enough to support ample foraging area to support burrowing owl breeding.

Additionally, although not expected to occur on the project site, there is a high potential for least Bell's vireo (*Vireo bellii pusillus*) to occur to the north of the site along the Otay River within the Otay Valley Regional Park. Therefore, impacts to least Bell's vireo would be significant. To lessen significant impacts to sensitive wildlife the project would implement mitigation measures Bio-1, Bio2, and Bio-3. With implementation of mitigation measures Bio-1 through Bio-3, potential impacts to sensitive species would be reduced to below a level of significance.

The project would be required to comply with California Fish and Game Code Section 3503, nesting bird regulations. No other sensitive wildlife species are expected to occur on the site; however, it is noted that the state and federally listed light-footed Ridgeway's rail (*Rallus obsoletus levipes*) have been recorded within the Otay Valley River Park. Due to the presence of the MHPA within and adjacent to the site, the project would be required to comply with the Land Use Adjacency Guidelines (Section 1.4.3) of the City's MSCP Subarea Plan to ensure that the project would not result in any indirect impacts to the MHPA. Per the MSCP, potential indirect effects from drainage, toxics, lighting, noise, barriers, invasives, and brush management from project construction and operation must not adversely affect the MHPA.

Historical Resources (archaeology)

A Cultural Resource Survey was prepared by RECON (RECON 2020) for the project site, which included a record search and site survey. Site record searches were requested from the California Historical Resources Information System, South Coastal Information Center at San Diego State University. The South Coastal Information Center lists a total of 49 cultural resources within the one-mile search radius. Two of these sites are recorded within the project boundaries: P-37-015894 and CA-SDI-13,464. Previously the prehistoric site was evaluated along with a dairy farm structure that has since been demolished. Due to the combined site analysis (prehistoric and dairy farm) the site is referenced as CA-SDI-13,464/H. Brian F. Smith and Associates (BFSA) evaluated the CA-SDI-13,464/H in 1998 in conjunction with the Trolley Stop RV Park project and determined that the site was not significant under CEQA or City's Historical Resources Guidelines (BFSA 1998). RECON concurs with the original determination that CA-SDI-13,464/H is not a significant historical resource under either CEQA (Public Resources Code Section 5024.1(g) and CEQA Guidelines Section 15064.5) or the City's CEQA Significance Determination Thresholds. The Project MMRP would require that both archeological and Native American monitors be present during ground disturbing activities.

Tribal Cultural Resources

Tribal Cultural Resources include sites, features, places, cultural landscapes, and sacred places or objects that have cultural value or significance to a Native American Tribe. Tribal Cultural Resources

include “non-unique archaeological resources” that, instead of being important for “scientific” value as a resource, can also be significant because of the sacred and/or cultural tribal value of the resource. Tribal representatives are considered experts appropriate for providing substantial evidence regarding the locations, types, and significance of tribal cultural resources within their traditionally and cultural affiliated geographic area (Public Resources Code [PRC] section 21080.3.1(a)).

In accordance with the requirements of PRC section 21080.3.1, Assembly Bill 52, the City notified Native American tribes that are traditionally and culturally affiliated with the project area. The tribes were sent notification letters on October 10, 2017, informing them of the proposed project and asking them of any knowledge or information about tribal cultural resources they may have about the project area. The Lipay Nation responded on October 11, 2019, within the 30-day formal notification period, concurring with staff's determination of monitoring during ground disturbing activities. This concluded their consultation process. Jamul Indian Village did not submit a request for consultation during the 30-day formal notification period and therefore consultation was concluded. No additional Tribal Cultural Resources were identified during consultation. A MMRP is required as detailed in the project MND. With implementation of the monitoring program, potential impacts on tribal cultural resources would be reduced to below a level of significance.

Conclusion:

Staff has reviewed the proposed project and all issues identified through the review process have been resolved in conformance with adopted City Council policies and regulations of the Land Development Code. The project will meet all applicable regulations and policy documents, and staff supports the determination that the project is consistent with the recommended land use plan, design guidelines, and development standards proposed and in effect for this site per the SDMC, the General Plan, the Otay Mesa-Nestor Community Plan and the Local Coastal Program. Staff recommends that the Planning Commission recommend approval of the project to the City Council as proposed.

Alternatives:


1. RECOMMEND the City Council ADOPT Mitigation Negative Declaration (MND) No. [631240/SCH No. 2022040642](#), and ADOPT a Mitigation, Monitoring and Reporting Program (MMRP); and APPROVE a resolution for an amendment to the General Plan, the Otay Mesa-Nestor Community Plan and Local Coastal Plan No. [2609704](#); ADOPT an Ordinance for an amendment to the San Diego Municipal Code for a redesignation of the Coastal Overlay Zone Certification Map; and ADOPT an Ordinance for Rezone No. [2278306](#); and RESCIND Conditional Use Permit (CUP) No. 367052 and Site Development Permit (SDP) No. 367053 (Extension of Time and Amendment to Conditional Use Permit and Multiple Habitat Planning Area Boundary Line Adjustment No. 96-7318), with modifications.
2. DO NOT RECOMMEND the City Council ADOPT Mitigation Negative Declaration (MND) No. [631240/SCH No. 2022040642](#), and ADOPT a Mitigation, Monitoring and Reporting Program (MMRP); and APPROVE a resolution for an amendment to the General Plan, the Otay Mesa-Nestor Community Plan and Local Coastal Plan No. [2609704](#); ADOPT an Ordinance for an amendment to the San Diego Municipal Code for a redesignation of the Coastal Overlay Zone

Certification Map; and ADOPT an Ordinance for Rezone No. [2278306](#); and RESCIND Conditional Use Permit (CUP) No. 367052 and Site Development Permit (SDP) No. 367053 (Extension of Time and Amendment to Conditional Use Permit and Multiple Habitat Planning Area Boundary Line Adjustment No. 96-7318), if the findings required to approve the Project cannot be affirmed.

Respectfully submitted,



Renee Mezo
Assistant Deputy Director
Development Services Department



Martin R. Mendez
Development Project Manager
Development Services Department

Tait Galloway
Deputy Director
Planning Department

Attachments:

1. Location Map
2. Aerial Map
3. Existing Community Plan Land Use Map
4. Existing General Plan Land Use Map
5. Existing Zoning Map
6. Draft Environmental Resolution with MMRP
7. Draft General Plan and Community Plan Amendment Resolution
8. Draft Community Plan Amendment
9. Draft Rezone Ordinance
10. Draft Rezone Exhibit Sheet No. B-4363
11. Draft San Diego Municipal Code Amendment Ordinance
12. Draft Coastal Overlay Zone Certification Exhibit Sheet No. C-1028
13. Draft Planning Commission Recommendation Resolution
14. OMITTED
15. Project Plans
16. Community Planning Group Recommendation
17. Ownership Disclosure Statement
18. Site Photographs
19. Previously Issued Permit with MHPA BLA

20. Previously issued Coastal Development Permit (Amendment)
21. Draft General Plan Land Use and Street System Map (Figure LU-2)
22. Community Plan Initiation Resolution
23. Special Study Report (SSR)
24. Mitigated Negative Declaration