

**DATE ISSUED:** November 30, 2006                      **REPORT NO. PC-06-290**

**ATTENTION:**            **Planning Commission, Agenda of December 7, 2006**

**SUBJECT:**                GRAND AVENUE MIXED USE - PROJECT NO. 59006  
PROCESS FIVE

**REFERENCE:**            Report to the Planning Commission, Report No. PC-05-219, Agenda of  
August 4, 2005 ([PC Report No. PC-05-219](#))

**OWNER/  
APPLICANT:**            Stanley R. Simpson (Attachment 18)

### **SUMMARY**

**Issue(s):** Should the Planning Commission recommend City Council approval to demolish an existing one-story, 787 square-foot single family residence and 200 square-foot detached garage, and to construct a three-story, mixed use building on a 4,688 square foot property within the Pacific Beach Community Plan Area?

### **Staff Recommendations:**

1.        Recommend Certification of Negative Declaration No. 59006;
2.        Recommend Approval of Coastal Development Permit No. 173574, Variance No. 348219 Rezone No. 391244, Community Plan Amendment and Local Coastal Program Amendment No. 391242, Map Waiver and Waiver of Undergrounding No. 348218

**Community Planning Group Recommendation:** On May 24, 2006, the Pacific Beach Community Planning Committee voted 15-2-0 to recommend denial of the project based on parking concerns. The Pacific Beach Community Planning Committee made an additional motion to approve the proposed community plan amendment associated with the project. The group voted 17-0 to approve the community plan amendment (Attachment 17).

**Environmental Review:** A Negative Declaration No. 59006 has been prepared for the project in accordance with State of California Environmental Quality Act (CEQA) Guidelines.

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

**Code Enforcement Impact:** None with this action

**Housing Impact Statement:** The proposed development would be a mixed-use building containing three residential units and 863 square feet of ground floor commercial retail. The Pacific Beach Community Plan (PBCP) designates the proposed 0.11-acre project site for Medium-Density Residential at 14- 29 dwelling units (DU) per acre. Based on the existing land use designation, one to three dwelling units could potentially be allowed on the project site. The proposed development would result in the removal of one existing single-family dwelling unit and the construction of three new multi-family dwelling units. The proposed development would also propose a land use amendment that would include a 0.11-acre site located at 1036 Grand Avenue and a 0.14-acre site located at 1033 Grand Avenue. The land use amendment would redesignate these sites from Medium Density Residential to Community Commercial within the PBCP. No development is proposed on the additional areas included in the proposed land use amendment. The number of dwelling units allowed on the project site, as well as on the additional sites, would remain the same under the proposed land use amendment.

## **BACKGROUND**

The proposed project is located at 1042 Grand Avenue in the RM-2-5 and CC-4-2, Coastal Overlay (non-appealable), Parking Impact Overlay and Coastal Height Limit Overlay Zones, within the Pacific Beach Community Plan and Local Coastal Program. The project is designated Medium-Density Residential(14 -29 DU/acre) within the Pacific Beach Community Plan (PBCP). The site is currently developed with a one-story, 787 square-foot single family residence and a 200 square-foot detached garage (Attachment 1). The lot is 4,688 square-feet and bound by residential properties to the northeast, commercial buildings to the southwest (Attachments 1 and 2). The site is relatively flat with an average mean sea level (MSL) of approximately 27 feet.

On August 4, 2005, the Community Plan Initiation was presented to the Planning Commission and was approved by a vote of 7-0. The Planning Commission directed staff to consider the following eight issues when reviewing the proposed development:

1. Analysis of expanding the boundaries of the plan amendment to include two residentially designated parcels in the commercial zone.
2. Compatibility of the proposed mixed-use development with adjacent residential development.

3. Measures to ensure the provision of mixed-use development.
4. Implementation of the Pacific Beach Community Plan Transit-Oriented Development Standards.
5. The impact additional commercial and potential residential development would have on public services and facilities.
6. Evaluation of any traffic impacts associated with the addition of a commercial component on the site.
7. Rezone of the residentially zoned portion of the site to commercial for consistency with the proposed commercial land use.
8. Inclusion of any additional properties within the area which have residential land use and commercial zoning.

Staff has reviewed the eight issue areas (see analysis within Attachment 13) related to the proposed development and determined that two additional properties will be included within the proposed community plan amendment. The two properties are located at 1033 Grand Avenue and 1036 Grand Avenue (Attachments 3 and 5). Both of these properties have the same situation as the project site. Both properties are within the CC-4-2 Zone and have a Medium-Density Residential (14-29 DU/acre) land use designation within the PBCP; therefore, they have been included within the proposed community plan amendment to resolve the inconsistency between the base zone within the San Diego Municipal Code (SDMC) and the adopted land use plan.

## **DISCUSSION**

### **Project Description:**

The development proposes to process a Community Plan Amendment, Local Coastal Program Amendment, Rezone, Coastal Development Permit, Variance and Map Waiver to demolish the existing one-story, 787 square-foot single family residence and 200 square-foot detached garage and construct a three-story, mixed use building containing 863 square-feet of commercial space on the ground floor, with three residential condominium units containing 4,966 square -feet and 1,915 square feet of covered parking, for a total building of 7,744 square feet on an existing 4,688 square foot lot. Also, r ezone the project site from RM-2-5/CC-4-2 to CC-4-2 and amend the PBCP to change the land use designation on three properties located at 1033, 1036 and 1042 Grand Avenue.

The site is currently split-zoned RM-2-5 (Multi-Family Residential Zone) and CC-4-2 (Commercial-Community) (Attachment 5). The Rezone would change the underlying zone to CC-4-2, which would allow for the proposed mixed-use development (Attachment 15). The three properties located at 1033, 1036 and 1042 Grand Avenue are currently designated Medium-Density Residential (14-29 DU/acre) in the PBCP. The proposed plan amendment would change the land use designation for all three properties to Community Commercial (Attachments 12 and 13). This plan amendment would resolve conflicts between the underlying zone within the

SDMC and the adopted land use plan.

The proposed development consists of 863 square-feet of commercial space on the ground-level, fronting Grand Avenue, and three residential condominium units (Units 1-3) on the second and third floors. The residential units would range in size from 1,520 square-feet to 1,961 square-feet. Unit 1 contains a living room, dining area, kitchen, one bathroom and a balcony on the first level and two bedrooms, two bathrooms, a laundry/storage room and a balcony on the second level. Units 2 and 3 contain a living room, dining area, kitchen and one bathroom on the first level and two bedrooms, two bathrooms, laundry area in the hallway, and a computer room on the second level.

The proposed development is located within the Coastal Overlay Zone and would be in compliance with the 30-foot Coastal Height Limitation. The exterior of the proposed development would consist of stucco, brick, vinyl windows, guardrails along the balconies, wood doors and a flat roof. The commercial space would consist of a glass door and larger store front windows on the ground floor fronting Grand Avenue.

The proposed development would provide eight off street parking spaces within covered surface parking and surface parking on site. Seven of the off -street parking spaces are provided on site within covered parking spaces. This covered parking area is approximately 1,915 square-feet and is counted towards the Gross Floor Area (GFA) for the building. The proposed parking spaces within the front half of the lot are within covered parking and do not have a visual impact on the surrounding properties. Vehicular access for the project will be from the adjacent alley. The project site is not located with the Tandem Parking Overlay Zone; however, a variance is being processed to allow tandem parking to be counted as two parking spaces, when normally counted as one space outside the Tandem Parking Overlay Zone; allow residential parking within the front half of the lot where it would not be permitted in the CC-4-2 Zone; and allow for a portion of the site adjacent to the residential zone not to provide the required landscape screening.

The PBCP designates the site as Medium-Density Residential (14-29 DU/acre). The proposed plan amendment would change the land use designation for the project site and two additional properties located at 1033 and 1036 Grand Avenue to Community Commercial (Attachment 14). This plan amendment would provide for no further conflicts between the underlying zone within the SDMC and the adopted land use plan. The proposed project retains the mix of uses the community plan envisioned for the site and the surrounding area.

### **Community Plan Analysis:**

The Commercial Land Use Element of the Pacific Beach Community Plan (PBCP) recommends that new projects along transit corridors incorporate transit-oriented development (TOD) standards into their design. These standards include minimizing building setbacks, locating parking to the rear of the lot, articulating building façade, orienting the commercial entrance to the street, providing bus shelters and bike racks, and providing public plazas as space permits. Additionally, the community plan recommends the utilization of alleys for vehicular access where it is safe and efficient.

The proposed development would meet the TOD standard in the community plan for minimizing

building setbacks and locating the parking to the rear of the building by bringing the building close to the sidewalk with direct access to the building from the street and locating parking to the rear of the building adjacent and off the existing alley. In order to meet the standard of providing building articulation, the proposed development would utilize an upper story setback with balconies and varying window sizes to further articulate the southern elevation. A large portion of the eastern elevation would be further set back from the property line by approximately 18 feet. The three residential units above the ground floor retail and parking would appear to be virtually separated from each other by 6 feet except for balconies that connect the three buildings along the third story. The western elevation would incorporate windows, balconies, varying colors, and building materials in order to lend further articulation to the proposed modern architectural design of the proposed development.

As a way of meeting the TOD standard of creating interest and activity in the proposed development, the project would include balconies along the upper stories of the project. The proposed development would also meet the standard of orienting commercial buildings to the street by locating the commercial entrance and storefronts to Grand Avenue. Although the TOD standard of providing bus shelters at established bus stops would not apply since there are no bus stops immediately adjacent to the project site, the proposed development would be serviced by an offsite transit stop for bus route 30 located west of the project on the northwest corner of the Cass Street and Grand Avenue.

In order to meet TOD standards for providing bicycle facilities, public plaza and courtyard areas, the proposed development would provide bicycle racks within internal entry of the proposed office-commercial use. Currently, there is no existing bikeway along Grand Avenue; however the community plan does designate Grand Avenue as a future Class II Bikeway. Given the size of the project site, incorporating a public plaza or courtyard areas would be infeasible. Instead, the proposed development would utilize turf block for its driveway in order to minimize the hardscape area. This component of the proposed development would serve to soften the hardscape driveway, as well as help filter surface runoff.

The proposed development would meet design standards of the Commercial Land Use Element of the PBCP by minimizing curb-cuts along pedestrian oriented streets and provide access to on-site parking from the alley. The proposed development has no curb cuts along Grand Avenue and would provide parking access from an adjacent alley. Additionally, the proposed development would provide entryways and windows at the street level in order to enhance pedestrian activity. In order to meet the commercial design standard of limiting the development impacts of new commercial projects on adjacent residential development, the proposed development would provide a 6-foot high wall instead of a fence between the proposed development and the existing residences to the east. This feature of the project would serve to mitigate vehicular noise from the proposed project, reduce glare from vehicular headlights, as well as provide screening of lower story elements of the proposed development.

The proposed development would meet the goal in the Residential Land Use Element of the PBCP for enhancing the residential neighborhood by establishing and maintaining street tree patterns. Two 40-foot high palms exist along the frontage of the project site along Grand Avenue, which will be maintained in place by the applicant. The proposed development provides a planter in front of the commercial building façade to add more landscaping to the

project's frontage and enhance the project's street façade. The PBCP also recommends maintaining the residential scale of Pacific Beach and encouraging development of residential units within transit corridors. The proposed mixed-use development would develop three residential units along Grand Avenue which is a designated transit corridor in the community served by public transit route 30 and would result in a development that does not exceed the 30-foot height limit within the Coastal Zone.

The proposed development includes a general and community plan amendment to redesignate the project site from Medium-Density Residential 14-29 DU/ acre to Community Commercial. The proposed development includes a rezone for a portion of the lot from RM-2-5 to CC-4-2. Currently, the lot is "split zoned" for both commercial (CC-4-2) and multiple-family residential (RM-2-5). The proposed land use amendment and accompanying rezone would make the land use and underlying zone consistent with one another. The proposed CC-4-2 zone would implement the Community Commercial land use designation by allowing multi-family residential and a variety of retail sales, commercial services, and office-related uses. This meets the intent of the Community Commercial land use designation within the PBCP, which allows community-serving retail, service and office uses in a pedestrian-oriented development pattern in addition to promoting mixed-use along its commercial/transit corridors. Given the proposed development's close proximity to the existing commercial areas along Grand Avenue, the proposed land use designation would create a logical and contiguous extension of the commercial areas to the west as well as create a transitional development, in the form of a mixed-use development with the existing residential development to the east.

The proposed development's land use amendment would incorporate two additional properties located at 1036 Grand Avenue, which is immediately west of the proposed development and 1033 Grand Avenue which is located south of the proposed development, across Grand Avenue. Both of the additional properties are currently designated as Medium Density Residential in the PBCP. Currently, the 1036 Grand Avenue site is owned by a religious organization and developed with a residential use with an existing temple immediately to the west of it. The proposed land use amendment would allow the potential for an expansion of the existing temple use or for accessory uses allowed under the existing commercial zone that would otherwise conflict with the site's residential land use designation. The 1033 Grand Avenue site is currently occupied by a pet hospital business. The proposed land use amendment would make the existing use and the land use designation at this site consistent with each other. No rezones are required or proposed for these additional sites, nor are any development projects proposed on these sites at this time.

### **Environmental Analysis:**

The City of San Diego conducted an Initial Study and determined that the proposed development would not have a significant environmental effect; therefore, Negative Declaration No. 59006 was prepared in accordance with State of California Environmental Quality Act (CEQA) Guidelines, Section 15070.

The following environmental issues were considered in depth during the environmental review of the project and determined not to be potentially significant: Land Use, Geology, Air Quality, Noise, and Water Quality. The proposed development was analyzed for the amount of noise the

site would generate and for the amount of noise affecting the site. The intended use of the proposed development would not result in the generation of noise, except during temporary construction which is regulated by SDMC Section 59.5.0404.

With regards to noise affecting the site, the main sources of noise would be from the traffic on Grand Avenue. In order to assess noise impacts, the applicant provided a noise analysis, "External Noise Environment study for the three story mixed-use commercial/residential building located at 1042 Grand Avenue in Pacific Beach, San Diego CA", dated April 24, 2006, prepared by Dr. Penzes & Associates. The report analyzed the potential noise impacts to the proposed development and determined that project implementation would not result in potential significant noise impacts; therefore, no mitigation is required for noise.

The environmental analysis of the proposed development determined that project implementation would not result in potential significant impacts related to Land Use, Geology, Air Quality and Water Quality; therefore, no mitigation is required and Negative Declaration No. 59006 was prepared in accordance with State of California Environmental Quality Act (CEQA) Guidelines, Section 15070.

### **Project-Related Issues:**

The Pacific Beach Community Planning Committee (PBCPC) voted 15-2-0 to recommend denial of the proposed project due to parking concerns at their meeting on May 25, 2006, as identified within Attachment 17. At the same meeting, the PBCPC voted 17 -0 to recommend approval of the proposed community plan amendment.

The proposed development would provide eight off street parking spaces within covered surface parking and surface parking on site. Seven of the off-street parking spaces are provided on site within covered parking spaces. This covered parking area is approximately 1,915 square-feet and is counted towards the Gross Floor Area (GFA) for the building. The proposed parking spaces within the front half of the lot are within covered parking and do not have a visual impact on the surrounding properties. Vehicular access for the project will be from the adjacent alley. The project site is not located with the Tandem Parking Overlay Zone; however, a variance is being processed to allow tandem parking to be counted as two parking spaces, when normally counted as one space outside the Tandem Parking Overlay Zone, and to allow residential parking within the front half of the lot where it would not be permitted in the CC-4-2 Zone. Staff has determined that the proposed development is designed in a sensitive manner to the surrounding properties and the proposed variances related to the parking on site can be supported.

The site is currently split-zoned RM-2-5 (Multi-Family Residential Zone) and CC-4-2 (Commercial-Community). The Rezone would change the underlying zone to CC-4-2, which would allow for the proposed mixed-use development (Attachments 15 and 16). The three properties located at 1033, 1036 and 1042 Grand Avenue are currently designated Medium-Density Residential (14-29 DU/acre) in the PBCP. The proposed plan amendment would change the land use designation for all three properties to Community Commercial (Attachments 13 and 14). This plan amendment would resolve conflicts between the underlying zone within the SDMC and the adopted land use plan.

## **Conclusion:**

The proposed development is requesting to demolish the existing one-story, 787 square-foot single family residence and a 200 square-foot detached garage and construct a three-story, 7,744 square-foot mixed use building on an existing 4,688 square foot lot. The proposed rezone would allow for this proposed development on this project site. The proposed community plan amendment would designate the property site, 1033 and 1036 Grand Avenue as Community Commercial. This plan amendment would provide for no further conflicts between the underlying zone within the SDMC and the adopted land use plan. Overall, the project is increasing residential condominium units and adding 863 square-foot of commercial use to the surrounding area.

Staff recommends approval of the proposal as requested. The project is consistent with the PBCP as well as the underlying zones. The Pacific Beach Community Planning Committee voted 15-2-0 to deny the project and 17-0 to approve the proposed community plan amendment.

## **ALTERNATIVES**

- 1. Approve Coastal Development Permit No. 173574, Variance No. 348219, Rezone No. 391244, Community Plan Amendment and Local Coastal Program Amendment No. 391242, Map Waiver and Waiver of Undergrounding No. 348218 with modifications.**
- 2. Deny Coastal Development Permit No. 173574, Variance No. 348219, Rezone No. 391244, Community Plan Amendment and Local Coastal Program Amendment No. 391242, Map Waiver and Waiver of Undergrounding No. 348218 if the findings required to approve the project cannot be affirmed.**

**Respectfully submitted,**

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**Mike Westlake**  
**Program Manager**  
**Development Services Department**

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**Laura C. Black**  
**Development Project Manager**  
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**Betsy McCullough**  
**Deputy Director**  
**Planning Department**

MW/LCB

Attachments:

1. Aerial Photograph
2. Community Plan Land Use Map
3. Community Plan Land Use Map – closer view
4. Project Location Map
5. Pacific Beach Community Plan Land Use and Zoning Boundaries
6. Project Data Sheet
7. Project Site Plans
8. Map Waiver Exhibit
9. Draft Map Conditions and Subdivision Resolution
10. Draft Permit with Conditions
11. Draft Resolution with Findings
12. Community Plan Amendment Initiation Resolution, August 4, 2005
13. Community Plan Amendment Issues Analysis
14. Draft Community Plan Amendment Documents
15. Rezone Exhibit
16. Rezone Ordinance
17. Community Planning Group Recommendation
18. Ownership Disclosure Statement
19. Project Chronology
20. Land Owners for 1033 and 1036 Grand Ave. approval of Community Plan Amendment
21. Draft Planning Commission Resolution
22. Draft Community Plan and Local Coastal Program Amendment Resolution