THE CITY OF SAN DIEGO

REPORT TO THE PLANNING COMMISSION

DATE ISSUED: December 7, 2006 **REPORT NO. PC-06-299**

ATTENTION: **Planning Commission, Agenda of December 14, 2006**

SUBJECT: CENTERPOINTE AT GRANTVILLE - PROJECT NO. 80450. PROCESS FIVE

REFERENCE: REPORT NO. PC-05-145 – CPA Initiation Report http://www.sandiego.gov/planning-commission/pcreports/pc05145.pdf

OWNERS Mission Corporate Industrial Center L. P., a California Limited Partnership; Mission Corporate Center, L. L. C., a California Limited Liability Company; and Parma Property Company, Inc., a California Corporation

APPLICANT: Coastal Development Company, a California Corporation

SUMMARY

Issue: Should the Planning Commission recommend approval to the City Council of a Community Plan Amendment for a 22.2-acre site and approval of a 12-acre mixed-use project that would provide approximately 588 multi-family dwelling units, including 10% (59) affordable units and 135,228 square feet of office and retail uses within the block bound by Vandever Avenue, Fairmount Avenue, Twain Avenue, and Mission Gorge Road in the Navajo Community Planning Area?

Staff Recommendation:

1. Recommend that the City Council **Certify** Supplemental Environmental Impact Report (No. 80450) to the Grantville Redevelopment Project Program Environmental Impact Report;

2. Recommend that the City Council **Approve** amendments to the Progress Guide and General Plan, and the Navajo Community Plan, No. 251399;

3. Recommend that the City Council **Approve** Rezone No. 251401;

4. Recommend that the City Council **Approve** Site Development Permit No. 270199; and

5. Recommend that the City Council **Approve** Vesting Tentative Map No. 251403.

Community Planning Group Recommendation: On May 15, 2006 the Navajo Community Planners voted 9-5-1 to approve the Centerpointe at Grantville project design and entitlement as proposed (See Attachment 18).

Environmental Review: A Supplemental Environmental Impact Report (No. 80450) to the Grantville Redevelopment Project Program Environmental Impact Report (PEIR) has been prepared in accordance with the California Environmental Quality Act. A Mitigation, Monitoring And Reporting Program has been prepared and will be implemented which will reduce, to a level below significant, any potential impacts identified in the following areas: air quality, noise, cultural resources, geology/soils, hazards and hazardous materials, paleontological resources, and water quality/hydrology.

In addition to impacts determined to be significant by the Redevelopment Project PEIR, Transportation/Circulation impacts were determined to be significant and unavoidable for the Centerpointe at Grantville project. As mitigation, applicant shall pay a share of the cost for the Alvarado Canyon Road Realignment project, which would reduce project impacts, but not to less than significant.

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 project as proposed would add 588 residential units to a site that is designated as industrial and commercial, resulting in a net increase of 588 units to the Navajo Community. The project is subject to the Inclusionary Housing requirements of San Diego Municipal Code Chapter 14, Article 2, Division 13. The Site Development Permit has been conditioned to require the applicant to comply with the Affordable Housing Requirements of the City's Inclusionary Housing Ordinance (Chapter 14, Article 2, Division 13 of the Land Development Code) prior to the issuance of the first building permit. The applicant has elected to meet these requirements by setting aside at least 10% of the units as affordable (65% AMI for-rent or 100% AMI for-sale). Prior to receiving the first residential building permit, the applicant has been required to enter into an agreement with the San Diego Housing Commission to assure that the affordable units are built, occupied by eligible households, and rented or sold at the appropriate rates. Although the project falls within the limits of the Grantville Redevelopment Project Area, the applicant has not chosen to seek Redevelopment Agency assistance at this time.

BACKGROUND

The approximately 22.2-acre site covers an entire block, surrounded by Vandever Avenue to the north, Mission Gorge Road to the east, Twain Avenue to the south, and Fairmount Avenue to the west. The site is currently zoned IL-3-1, Light Industrial, and CC-4-2, Community Commercial, (proposed to be rezoned to RM-3-9 & CO-1-1) and is located within the Navajo Community Plan and the Community Plan Implementation Overlay Zone (Type A), within the Grantville Redevelopment Project Area and Council District 7 (See Attachment 2). The subject block is surrounded by commercial and light industrial uses to the north and south, across Vandever and Twain Avenues; by office and light industrial to the west, across Fairmount Avenue; and by general commercial uses to the east, across Mission Gorge Road. More specifically, the project site is located within a land use environment of existing industrial and service commercial/fast food uses. Off-site properties consist of two-story office buildings on the west side of Fairmount Avenue; mostly one-story commercial and industrial buildings south of Twain Avenue and north of Vandever Avenue; and a strip retail center, fast food restaurants and automotive sales and services on the east side of Mission Gorge Road. Although the project site is within the Grantville Redevelopment Project Area, no assistance has been requested from the City's Redevelopment Agency at this time.

The project area is designated as Commercial and Industrial within the Navajo Community Plan. The community plan also establishes criteria and guidelines for development within the Community Plan Implementation Overlay Zone (CPIOZ), which is applicable to the project area. In addition, the City's Strategic Framework Element (SFE) identifies the project site within an Urban Village Center Opportunity Area and Transit Corridor. The SFE strategy encourages higher density, mixed-use patterns of land uses, and pedestrian-friendly forms of development that would better facilitate use of public transit, walking, and bicycling as a means of reducing the continued growth of motor vehicle trips in the region.

The project applicant currently controls the ownership of approximately 12 acres of the 22.2-acre block, and had originally proposed development approvals for only that 12-acre area (See Attachment 2). As a result of staff review and analysis of the development proposal, it was recommended that the project scope include the Community Plan Amendment redesignation of the entire 22.2-acre block (from Commercial and Industrial to Mixed-Use) bounded by Mission Gorge Road on the east, Twain Avenue on the south, Fairmount Avenue on the west, and Vandever Avenue on the north. It is staff's belief that redesignation of the entire block could assist in the redevelopment of the entire block and reduce the possibility of incompatible uses in close proximity to one another. Therefore, the proposed amendment to the Navajo Community Plan for the Centerpointe at Grantville project would affect 16 other adjacent properties within the block which are not under the applicant's control.

The 16 adjacent assessor parcels within the block are held in 11 separate ownerships and contain a total of approximately 10 acres. Existing uses on these adjacent parcels are commercial and light industrial businesses such as offices, a bank, a restaurant, retail sales, and automobile and other equipment repair services. These uses are consistent with the existing CC-4-2 commercial zone for properties along Mission Gorge Road and the IL-3-1 industrial zone for the properties located along Twain, Fairmount, and Vandever Avenues. In addition to these typical commercial

and light industrial uses, more specialized land uses within the block are a Veterans of Foreign Wars social hall located on Fairmount Avenue and a large Kaiser Permanente medical office building and parking garage located on Vandever Avenue.

Existing development within the 12-acre project site consists of 7 buildings, each containing multiple tenants in suites or in service bays with roll-up doors. Principal tenants are several technical or occupational training schools, public agency offices, communication services, and non-profit foundations. Commercial services for home improvements, plumbing, landscaping, and bicycle, automotive, and marine products are also located in several of the buildings. Other uses are primarily small professional business offices or product distribution companies.

There are no residential uses within the block or on the adjacent properties. The nearest residential uses are two multi-family buildings located on Decena Drive approximately 250 feet east of the project site. A third multi-family residential development is located east of Mission Gorge Road on the south side of Twain Avenue. A former public school on the east side of Decena Drive, now used as a private school, is approximately 360 feet east of the project site.

The project site is completely surrounded by public roads. It is fully served by public utilities and site drainage is conveyed along paved surfaces and into an underground storm drain system that flows to the San Diego River, located approximately 360 feet west of the project site.

Because the project proposes the development of 10% of the units (59 units) as affordable, either for rent at, or below, 65% of the Area Median Income (AMI), or for sale, at or below 100% AMI, the land use approvals have been processed through the "Affordable/In-Fill Housing and Sustainable Buildings Expedite Program."

The Centerpointe at Grantville project and future development of the adjacent parcels will be subject to compliance with the additional design guidelines of the proposed Mixed-Use Community Plan Implementation Overlay Zone.

DISCUSSION

Project Description:

The Centerpointe at Grantville project would involve an amendment to the Navajo Community Plan for the entire block (approximately 22 acres) surrounded by Vandever Avenue, Fairmount Avenue, Twain Avenue, and Mission Gorge Road, and approval of a Rezone, Site Development Permit, and Vesting Tentative Map for the approximately 12-acre project site to allow a mixed-use development of 588 multi-family dwelling units and approximately 135,228 square feet of office, retail, and restaurant space. One existing 54,800-square-foot four-story commercial building would be retained on the project site and five existing service commercial, industrial, and office buildings containing a total of approximately 180,630 square feet would be removed.

Residential uses would consist of studios and one-, two-, and three-bedroom units. Commercial uses would consist of 20,428 square feet of retail space, a 5,000 square foot restaurant space, and 109,800 square feet of office space. The project would include seven new buildings: four multi-family residential, two mixed-use multi-family residential and retail, and one mixed-use office,

retail, and multi-family residential. The project's total commercial space includes one existing office building of approximately 54,800 square feet that would be remodeled to include 5,000 square feet of ground floor retail uses. Proposed new buildings would be four to six stories in height over two to four levels of parking. Community recreation, open space, and pathways would also be provided.

The proposed Centerpointe at Grantville development is estimated to generate 6,658 average daily trips (ADT) with 548 AM peak-hour trips and 685 PM peak-hour trips. A trip credit was applied to the existing use on this site. The existing use on site consisting of 179,190 square feet of office space and 56,240 square feet of industrial use is generating approximately 3,468 ADT with 434 AM peak-hour trips and 468 PM peak-hour trips. Therefore, the net traffic increase generated by this project is 3,190 ADT with 114 AM peak-hour trips and 216 PM peak-hour trips.

A traffic analysis was conducted by Linscott Law & Greenspan to evaluate potential project impact on surrounding streets and intersections within the study area shown in the analysis. It was determined that direct and cumulative impacts will occur in the near and long term scenarios at several street intersections and roadway segments. Impacts at these locations were studied and evaluated, and as a result, fair share contribution percentages were calculated for the project to contribute toward the mitigation measures required to improve all street intersections and segments impacted by the Centerpointe at Grantville development.

While not fully meeting the requirements of Council Policy 900-14, the Sustainable Building Policy, the applicant does propose to utilize sustainable design and energy efficiency measures during the construction phase of the project, as described in Attachment 8.

Required Approvals:

As proposed, the project requires the following approvals:

- A Community Plan Amendment for the entire block surrounded by Vandever Avenue, Fairmount Avenue, Twain Avenue, and Mission Gorge Road to redesignate the land use from Commercial and Industrial to Mixed-Use. As a part of the plan amendment, a new Mixed-Use chapter is proposed to be added to the Navajo Community Plan;

- A Rezone to change the zone of a portion of the site (approximately 10.9 acres, including public-rights-of-way) from IL-3-1 (Light Industrial) to RM-3-9 (Multi-Family Residential) and a portion of the site (approximately 2.1 acres, including public-rights-of-way) from CC-4-2 (Community Commercial) to CO-1-1 (Commercial-Office);

- A Site Development Permit for a Pedestrian Bridge over a Public Alley, for affordable/in-fill housing with deviations from the development regulations of the underlying zone, and for development within the Community Plan Implementation Overlay Zone (CPIOZ) Type A that does not comply with the development standards in the applicable Community Plan; and

- A Vesting Tentative Map for condominium purposes.

All discretionary actions are being processed concurrently, with a Recommendation hearing before the Planning Commission before a final decision is rendered by the City Council, in accordance with Process Five.

Deviations:

Deviations to the applicable development regulations are requested to allow permitted residential and commercial land uses to be sited within the project without regard to the base RM-3-9 and CO-1-1 zones, including:

- An increase in the allowable building height from 60 feet in the RM-3-9 zone to a maximum of 80 feet;
- A reduction in the minimum front yard setback in the RM-3-9 zone from the required minimum of 10 feet and standard of 20 feet, to a minimum of 0 feet, to allow proposed Building F to have a 0-foot setback on Twain Avenue and Buildings A, B, C, D, E, F, and H to have a 0-foot setback from the proposed private drive;
- A reduction in the minimum street frontage in the RM-3-9 zone from the required 70 feet, to 0 feet to permit Lots B, D, E, and H to front on a private drive.

The requested deviations would allow the proposed development to provide a minimum of 10 percent (59) of the dwelling units on-site that would be reserved for sale or rental at affordable rates in accordance with the Inclusionary Housing Ordinance. The requested additional height provides flexibility for the developer to determine the most cost-effective building height to accommodate the expense associated with providing below-market-rate dwelling units; the deviation from the minimum street frontage of 70 feet provides cost savings with a reduced street width for a private drive rather than constructing the proposed interior roadway to full public street standards; and the deviation for the reduced front yard setbacks is consistent with the Strategic Framework Element's goal of creating more vibrant urban spaces that enhance the pedestrian experience by stimulating visual interest through direct pedestrian access from the sidewalk to commercial storefront uses and residential buildings.

In addition, the proposed project includes an amendment to the Navajo CPIOZ that is intended to allow flexibility from the base zone use regulations as a means to encourage mixed-use development with a density and intensity of use that will improve retail activity, increase pedestrian amenities, create new opportunities for social interaction and a more vibrant sense of place, and encourage use of alternative modes of transportation.

The proposed deviations are intended to enable the site to be developed in accordance with the policies of the City of Villages Strategic Framework Element, which identifies the site within an Urban Village Center Opportunity Area; and would allow mixed-use, rather than single-use buildings, and minimum street setbacks to enhance the pedestrian experience in mixed-use neighborhoods.

These deviations are further justified in accordance with the purpose of SDMC Section 143.910, which "is to provide flexibility in the application of development regulations for projects

providing affordable shelter and a balance of housing opportunities for all economic segments of the community." Strict application of the base zone development regulations would restrict design options and result in a less desirable project. The requested additional height provides flexibility for the developer to determine the most cost-effective building height to accommodate the expense associated with providing below-market-rate dwelling units; and the deviation from the minimum street frontage of 70 feet provides cost savings with a reduced street width for a private drive rather than constructing the proposed interior roadway to full public street standards.

Community Plan Analysis:

The approximately 22.2-acre site covers an entire block, surrounded by Vandever Avenue to the north, Mission Gorge Road to the east, Twain Avenue to the south, and Fairmount Avenue to the west. The site is currently zoned IL-3-1, Light Industrial, and CC-4-2, Community Commercial, (proposed to be rezoned to RM-3-9 & CO-1-1) and is located within the Navajo Community Plan and the Community Plan Implementation Overlay Zone (Type A), within the Grantville Redevelopment Project Area and Council District 7.

The project applicant currently controls the ownership of approximately 12 acres of the 22.2-acre block, and had originally proposed development approvals for only that 12-acre area (See Attachment 2). As a result of staff review and analysis of the development proposal, it was recommended that the project scope include the Community Plan Amendment redesignation of the entire 22.2-acre block from Commercial and Industrial to Mixed-Use. It is staff's belief that redesignation of the entire block could assist in the redevelopment of the entire block and reduce the possibility of incompatible uses in close proximity to one another.

The amendment to the community plan includes a new Mixed-Use chapter and map changes to the commercial, industrial and community plan maps (See Attachment 14). As part of the new Mixed-Use chapter, an amendment to the Community Plan Implementation Overlay Zone (CPIOZ) is proposed that addresses new supplemental design guidelines for mixed-use development and specifically for the proposed Centerpointe at Grantville project.

The new Mixed-Use chapter discusses the objectives for projects within the new mixed-use designation. The Mixed-Use chapter includes supplemental design guidelines that outline how mixed-use projects should fit into the surrounding area and create their own new neighborhoods, and gives specific direction on the scale of buildings, streetscapes, street trees and urban furniture, building materials and colors, primary access to the street from buildings, transparency requirements for street level windows, Floor Area Ratio (FAR), design guidelines as they relate to the San Diego River, parking requirements, curb cuts and driveways, landscaping, and parcels fronting onto the exterior streets of the subject parcel block. In addition to these design guidelines, there are specific design guidelines that address the Centerpointe at Grantville project proposal and address the mix of land uses for the subject parcel, including a development concept, limitations on the land uses allowed, FAR, building height and setback, ground level uses, landscaping for the street right-of-way, plaza/public access common areas, and vehicular access.

The proposed project will include a variety of mixed uses to include multi-family residential, office, retail and private open space available to the public. The project complies with the supplemental design guidelines developed in the new mixed-use chapter. The subject property would be rezoned to RM-3-9 to accommodate the residential, commercial and retail component of the project proposal. The commercial parcel fronting onto Mission Gorge Road would be rezoned to CO-1-1 (Commercial-Office).

The Strategic Framework Element (SFE) defines the future direction of land use transitions within the Navajo Community in Grantville. The requested land use designation change would be consistent with the SFE, which identifies the Grantville area in Navajo as a Subregional District. The SFE also identifies the site as part of a potential Urban Village Center and Transit Corridor. The SFE recommends a mix of uses that include residential, commercial, retail, open space, and other community-serving uses compatible with the area's future use, occupancy, and social environment. A Subregional District, as defined in the SFE, is a major employment and/or commercial district containing corporate or multiple-use office, industrial, and retail uses with some adjacent multi-family residential uses. Where appropriate, the collocation of medium to high density residential uses with employment could occur. Within the Subregional District are Urban Village Centers that will have higher density/intensity areas characterized by a cluster of employment, residential, regional and subregional commercial uses that maximize walkability and support transit. These types of mixed land uses are encouraged to create live, work, shop, and recreate environments and more pedestrian-oriented social and economic neighborhood centers, which are conducive to transit use and can reduce dependence on automobiles for single-purpose trips.

As a component of the Centerpointe at Grantville community plan amendment, the potential for redesignating land uses beyond the subject parcel and within the larger block bounded by Mission Gorge Road, Vandever, Twain and Fairmount Avenues was analyzed. The subject parcel is approximately 12 acres and covers the majority of the block. There are no purely industrial uses currently on the site. The remainder of the block contains predominately commercial uses located in either commercially designated and zoned land along Mission Gorge Road, or medical uses such as the Kaiser Foundation medical center, and a variety of small commercial uses primarily located facing Twain and Fairmount Avenues. The application of a mixed-use designation would be over the entire block, which totals approximately 22 acres. This would facilitate the eventual redevelopment of the block and provide for a transition from the few parcels fronting onto Twain Avenue to residential and/or commercial and retail uses over time. Staff conducted outreach to all of the adjacent property owners within the block and worked directly with the property owners whose properties are proposed to be redesignated from Commercial and Industrial to Mixed-Use. These property owners are in agreement with the proposed redesignation to mixed-use.

In the residential neighborhood to the east of the site and east of Mission Gorge Road, there are existing multi-family residential density designations of up to 43 dwelling units per acre. Also, as previously stated the proposed development and mixed-use block is identified in the SFE as part of a Subregional District where new growth may be targeted at core locations adjacent to supportive land uses and existing transit facilities. Given the location of the Centerpointe at

Grantville site in close proximity to the Grantville Trolley Station and the fact that a portion of the site is located within the transit corridor along Mission Gorge Road, a higher residential density is recommended.

The project would set aside 10 percent of the total dwelling units on-site for households with an income at or below 65 percent Area Median Income (AMI) for rental units, or at or below 100 percent AMI for for-sale units, in conformance with the City of San Diego's Inclusionary Housing Ordinance.

The issue of collocating residential uses within an area designated for industrial development has been considered as part of this community plan amendment. The subject parcel contains businesses and training schools that are located in an industrial zone but could be located in a commercial zone. The land uses adjacent to the subject parcel, such as the Kaiser Permanente medical center and other small businesses, such as a sewing machine repair shop and the Veterans of Foreign Wars building located along Twain Avenue, are commercial and therefore do not pose collocation issues. There is a possibility that future industrial uses within the industrial designated area will be permitted within 1,000 feet of the subject parcel and block that is proposed for mixed-use designation. Any future projects should be reviewed with the collocation/conversion suitability factors in mind.

A Phase I Environmental Site Assessment was conducted for the project site and surrounding properties and has been reviewed by the City's Environmental Analysis Section. No businesses within the Centerpointe at Grantville site contain activities or use materials that require a permit from the County Department of Environmental Health (DEH). A study of Air Pollution Control District (APCD) permits was conducted and revealed seven permitted facilities within 1,000 feet of the Centerpointe at Grantville site. None of the businesses were identified as Facilities of Potential Environmental Concern by the Phase I study and none have the potential to cause toxic or hazardous air contaminants or contain hazardous materials that would preclude the proposed residential use. A more thorough discussion of the collocation/conversion suitability factors are discussed in Attachment 17.

Existing schools serving the project are at or near capacity. They include Foster or Juarez Elementary Schools, Lewis or Taft Middles Schools, and Henry or Kearny High Schools. Enrollments are not such that construction of new schools or significant expansion of the school campuses would be required. However, the magnitude of the development would cause an impact to the local schools, in particular, to Henry High School since it is already close to capacity. The schools do have an ability to adjust non-residential enrollment which could free up more enrollment space.

The City Progress Guide and General Plan guidelines recommend a minimum 10.0 acre neighborhood park for every 3,500-5,000 residents located within ½ mile service radius and a minimum 20 acre community park and a recreation center for every 18,000-25,000 residents located within 1½ mile service radius. This results in a range of 2.8 to 3.9 useable acres per 1,000 residents. For every 50,000 residents, a community swimming pool complex is recommended within 1½ to 2 miles service radius.

Based on the 2000 U.S. Census, the Navajo Community Planning Area should have a total of 138.3 useable acres of population-based park land and associated facilities. Currently, the Navajo Community has 56.5 useable acres of neighborhood parks, resulting in a 42.3 useable acre deficiency, and 64.4 useable acres of community parks, resulting in a surplus of 24.8 useable acres. By the year 2030, the deficit is projected to decrease to 23.4 useable acres for neighborhood parks and a surplus of 22.3 useable acres for community parks. Additionally, the community has two recreation centers consisting of a total of 21,066 square feet, which represents 62% of the recommended minimum standard; none of the existing recreation centers meet the recommended minimum size. The community has one swimming pool which represents 100% of the recommended minimum standard.

The proposed project will generate approximately 1,435 residents which would require an additional 4.0 useable acres of population-based park land, 0.06% of a community recreation center and 0.03% of a community swimming pool complex. An amendment to the Navajo Public Facilities Financing Plan (PFFP) is required to include the proposed park acreage and recreation facilities needed to serve the new residents generated from this proposed development, as well as, the new residents projected at full community development in 2030. A population-based park impact will be created by the proposed development unless the PFFP amendment is approved prior to the issuance of building permits, and the applicant pays the amended per-unit impact fee at that time.

Fire response times are 4.8 minutes from Fire Station 45 located at the Qualcomm Stadium parking lot to the subject parcel, and have been anticipated not to be impacted with the redesignation of the site from Commercial and Industrial to Mixed-Use.

On May 12, 2005, the Planning Commission initiated a General and Community Plan Amendment and authorized staff to undertake an analysis of land use issues and project impacts associated with the proposed plan amendment. A comprehensive analysis of these project issues is provided as Attachment 16. The analysis includes an evaluation of such issues as the project's potential to include affordable housing on site; the analysis of surrounding areas that could be redesignated from industrial and/or commercial to mixed-use; the evaluation of the potential for no net loss of employment land; and the determination of the appropriate land use designation and zone to allow mixed-use. The analysis also addresses impacts related to the internal and external circulation system; the potential for retention of existing industrial uses on the site; the potential impacts of multi-family residential development in close proximity to existing industrial uses; the analysis of pedestrian connections between uses within the project site and from the site to the adjacent public streets; and the evaluation of appropriate siting and design of public open space.

Environmental Analysis:

A Program Environmental Impact Report (PEIR) for the Grantville Redevelopment Project (April 2005) was prepared and adopted by the City of San Diego Redevelopment Agency. The proposed Centerpointe at Grantville land development proposal is within the Grantville Redevelopment Project Area. A Supplemental Environmental Impact Report (No. 80450) to the Grantville Redevelopment Project Program Environmental Impact Report has been prepared in

accordance with the California Environmental Quality Act. The purpose of this Supplemental Environmental Impact Report is to examine potential environmental effects and provide project-specific mitigation measures for the proposed development of Centerpointe at Grantville, which includes an amendment to the Navajo Community Plan. A Mitigation, Monitoring And Reporting Program has been prepared and would be implemented which would reduce, to a level below significant, any potential impacts identified in the following areas: air quality, noise, cultural resources, geology/soils, hazards and hazardous materials, paleontological resources, and water quality/hydrology.

Transportation/Circulation. The Final Program EIR for the Grantville Redevelopment Project estimated that approximately 31,606 new average daily trips (ADT) would be added to the local circulation network as a result of proposed redevelopment projects. Mitigation measures for roadway improvements would reduce Redevelopment Project traffic impacts, but not to below a level of significance. The Supplemental EIR for the Centerpointe at Grantville project estimates that approximately 3,190 new ADT would be added to the local circulation network as a result of proposed project. The Centerpointe at Grantville project will pay a share of the cost for the Alvarado Canyon Road Realignment project, which is project T-12 in the current Navajo Community Public Facilities Financing Plan. Based on the ADT estimate from the project's traffic study and the road improvement project's need for funding from "other unidentified sources" as identified by the City Planning and Community Investment Department, Facilities Financing Section, the project's contribution is currently estimated at $1,240,800. This lump sum contribution would be in addition to payment of development impact fees. Payment of a share of the cost for the Alvarado Canyon Road Realignment project would reduce project impacts, but not to less than significant.

Air Quality: The Final Program Environmental Impact Report for the Grantville Redevelopment Project concluded that there would be significant unavoidable long-term air quality impacts from the increase in ADT that would exceed significance thresholds for carbon monoxide, reactive organic gases, oxides of nitrogen, and particulates. The Supplemental EIR for the Centerpointe at Grantville project requires implementation of mitigation measures from the Redevelopment Project PEIR to reduce particulate and construction equipment exhaust emissions associated with construction activities.

Noise. The Centerpointe at Grantville project is required to attenuate traffic noise for residential units so that interior noise levels are reduced to 45 dBA CNEL or below.

Cultural Resources. Grading and construction plans for the Centerpointe at Grantville project are required to specify that archaeological monitoring shall be conducted during construction. Post construction measures require preparation of a monitoring report and recordation, preservation, and curation of any discovered artifacts.

Geology/Soils. The Centerpointe at Grantville project is required to comply with the recommendations of a geotechnical evaluation that was prepared for the project.

Hazards and Hazardous Materials. Prior to the issuance of any building permit, the Centerpointe at Grantville project applicant must provide certification from the County Department of Environmental Health verifying that the site meets their criteria for commercial and residential uses.

Paleontological Resources. Grading and construction plans for the Centerpointe at Grantville project are required to specify that paleontological monitoring shall be conducted during construction. Post construction measures require preparation of a monitoring report and recordation, preservation, and curation of any recovered fossils.

Water Quality/Hydrology. The Centerpointe at Grantville project is required to comply with the mitigation measures from the Redevelopment Project PEIR by implementing Best Management Practices during construction that are in compliance with the NPDES General Construction Stormwater Permit, General Municipal Stormwater Permit, and General Industrial Stormwater Permit. This would include preparation and implementation of a project-specific Stormwater Pollution Prevention Plan for construction activities.

Project-Related Issues:

In addition to the issues discussed in the Community Plan Analysis and Environmental Analysis sections of the report, please see Attachments 16 and 17 for discussion of land use issues associated with the rezone and community plan amendment.

Critical Project Features to Consider During Substantial Conformance Review:

The Centerpointe project has requested the approval of a conceptual design plan with design guidelines. If approved, the project would allow for the phasing of development, with each building site requiring staff review as it is submitted. Should subsequent phases of the project conform to the project's design guidelines, amended Navajo Community Plan (including the Mixed-Use Chapter and Community Plan Implementation Overlay Zone language) and the regulations of the underlying zone, subsequent phases would be processed via a Process 1 staff level review. Should the applicant request deviations from the aforementioned documents when submitting subsequent applications, the permit has been conditioned to require that the subsequent applications be processed as a Site Development Permit Process Three, with the Hearing Officer as the decision maker, and appealable to the Planning Commission.

Both the Centerpointe at Grantville project and future development of the adjacent parcels within the block would be required to comply with the design guidelines of the proposed Mixed-Use Chapter of the Navajo Community Plan and the Community Plan Implementation Overlay Zone.

Conclusion:

The project as proposed would add 588 residential units to a site that is designated as industrial and commercial, resulting in a net increase of 588 residential units to the Navajo Community. The density proposed is consistent with the proposed Mixed-Use land use designation and the Community Plan Implementation Overlay Zone (CPIOZ). The proposed project would include a variety of mixed uses to include multi-family residential uses, office, retail and private open space available to the public.

The Site Development Permit has been conditioned to require the applicant to comply with the Affordable Housing Requirements of the City's Inclusionary Housing Ordinance (Chapter 14, Article 2, Division 13 of the Land Development Code) prior to the issuance of the first building

permit. The applicant has elected to meet these requirements by setting aside at least 10% of the units (59 units) as affordable (65% AMI for-rent or 100% AMI for-sale).

The project has been reviewed in accordance with all applicable development regulations including the Land Development Code, Progress Guide and General Plan, Navajo Community Plan, the Subdivision Map Act, and the California Environmental Quality Act. Staff has considered the issues and determined the project complies with the applicable development regulations and would be consistent with the purpose and intent of the underlying and proposed zones. Staff believes the proposed mixed-use infill project is well designed and overall would be an asset to the community. Therefore, staff has provided the required findings to affirm the project and recommends that the Planning Commission forward this application to the City Council with a recommendation to approve the project.

ALTERNATIVES:

1. Recommend that the City Council **Certify** Supplemental Environmental Impact Report (No. 80450) to the Grantville Redevelopment Project Program Environmental Impact Report; **Approve** amendments to the Progress Guide and General Plan, and the Navajo Community Plan, No. 251399; **Approve** Rezone No. 251401; **Approve** Site Development Permit No. 270199; and **Approve** Vesting Tentative Map No. 251403, with modifications.

2. Recommend that the City Council **Not Certify** Supplemental Environmental Impact Report (No. 80450) to the Grantville Redevelopment Project Program Environmental Impact Report; **Deny** amendments to the Progress Guide and General Plan, and the Navajo Community Plan, No. 251399; **Deny** Rezone No. 251401; **Deny** Site Development Permit No. 270199; and **Deny** Vesting Tentative Map No. 251403, **if the findings required to approve the project cannot be affirmed.**

Respectfully submitted,

Mike Westlake
Program Manager
Development Services Department

Daniel Stricker
Project Manager
Development Services Department

Betsy McCullough
Deputy Director
City Planning & Community Investment Department

ESCOBAR-ECK/DES

Attachments:

1. Location Map
2. Aerial Photograph
3. Community Plan Land Use Map
4. Project Data Sheet
5. Conceptual Site Plans (Includes Existing Conditions, Parking & Access, and Design Guidelines)
6. Vesting Tentative Map sheets
7. Landscape Plans
8. Conceptual Sustainability Guidelines
9. Draft Vesting Tentative Map Conditions and Subdivision Resolution
10. Draft Permit with Conditions
11. Draft Permit Resolution with Findings
12. Draft Rezone Ordinance with B Sheet
13. Planning Commission Community Plan Amendment Initiation Resolution No. 3753-PC (May 12, 2005)
14. Draft City Council Community Plan Amendment Resolution, including Text & Graphics
15. Draft Planning Commission Recommendation to City Council Resolution
16. Planning Commission Community Plan Amendment Initiation Land Use Issues
17. Community Planning Collocation/Conversion Suitability Factors
18. Navajo Community Planners' Minutes of May 15, 2006
19. Ownership Disclosure Statement
20. Project Chronology