DATE ISSUED: January 21, 2005 REPORT NO. PC-04-146

ATTENTION: Planning Commission, Agenda of January 27, 2005

SUBJECT: BAY VIEW PLAZA - PROJECT NO. 5540. PROCESS 5.

OWNER/ Burgener-Clark, LLC, A California Limited Liability

APPLICANT: Company, Craig W. Clark, Managing Member (Attachment 12).

SUMMARY

<u>Issue(s)</u> - Should the Planning Commission RECOMMEND to the City Council the APPROVAL of an application for:

- 1. Tentative Map No. 179620 to reconfigure an existing 5.31-acre site, abandon and modify existing easements, vacate portions of public rights-of-way, and waive the requirement for the undergrounding of the existing overhead utilities;
- 2. Planned Development Permit No. 179619 to allow deviations to setback requirements of Subdivision Map No. 3780, and signage requirements of the Land Development Code; and
- 3. Site Development Permit No. 9100 to allow development which requests an exception to exceed the maximum height allowed by the Clairemont Mesa Height Limit Overlay Zone, and which is also located with the Community Plan Implementation Overlay Zone (Type "B"), within the Clairemont Mesa Community Plan Area?

Staff Recommendation:

1. **RECOMMEND CERTIFICATION** of Mitigated Negative Declaration (MND) Project No. 5540 and **RECOMMEND ADOPTION** of the Mitigation Monitoring and Reporting Program (MMRP) prepared for the Project;

- 2. **RECOMMEND APPROVAL** of Tentative Map (TM) No. 179620; Site Development Permit (SDP) No. 9100 and Planned Development Permit (PDP) No. 179619; and
- 3. **RECOMMEND DENIAL** of the request to waive the requirement for the undergrounding of the existing overhead utilities (Attachment 6).

Community Planning Group Recommendation – On April 20, 2004, the Clairemont Mesa Community Planning Group voted 10-2-0 to recommend approval of the application as presented, without conditions. The Group encouraged the Applicant to enhance the degree of building articulation along Ingulf Street during further project design. Subsequent design revisions were made by the Applicant to enhance the building facade along Ingulf Street (Attachment 5). A copy of the Group's recommendation is included as Attachment 11.

<u>Environmental Review</u> – Mitigated Negative Declaration (MND) No. 5540, has been prepared for the project in accordance with State of California Environmental Quality Act (CEQA) Guidelines. A Mitigation, Monitoring and Reporting Program (MMRP) has been prepared and would be implemented with this project to reduce any potential impacts to resources identified in the Initial Study, to a level below significance. These resources were identified as paleontological resources, human health/public safety, noise, solid waste and traffic.

<u>Fiscal Impact</u> - All staff costs associated with processing this project are recovered from a separate deposit provided and maintained by the Applicant.

<u>Code Enforcement Impact</u> – None with this action.

<u>Housing Impact Statement</u> – The project proposes the demolition and redevelopment of an existing commercial center on a site that is designated for General Commercial uses in the Clairemont Mesa Community Plan. As such, there would be no impacts to the City's housing stock as a result of the proposed project.

BACKGROUND

The 5.31-acre project site is located east of Mission Bay, Interstate 5 and Morena Boulevard, north of Ingulf Street, west of Denver Street and south of Clairemont Drive, and is addressed as 2509-2591 Clairemont Drive, within the Clairemont Mesa Community Plan Area. The site is designated for general commercial land use in the Clairemont Mesa Community Plan and is zoned CC-1-3 (Commercial-Community). The purpose of the CC-1-3 Zone is to accommodate community serving commercial services, retail uses, and limited industrial uses of moderate intensity and small to medium scale. The intent of this Zone is to provide for a range of development patterns from pedestrian-friendly commercial streets to shopping centers and autoriented strip commercial streets, and may include residential development. The CC-1-3 Zone is intended to accommodate development with an auto orientation.

Surrounding properties across Clairemont Drive to the north are zoned RM-3-7 (Residential-Multi-Family), and developed with multi-family residential uses (apartments), with gas stations located at each corner of Denver Street. Each of these gas station uses is regulated by a separate Conditional Use Permit. Properties located to the east across Denver Street are zoned CN-1-2 (Commercial-Neighborhood) and developed with office uses (dental/medical) on the southeast corner of Clairemont Drive and Denver Street, a church use further south on Denver Street, and a strip commercial center within the CC-1-3 (Commercial-Community) Zone at the northeast corner of Denver and Ingulf Streets. Properties located to the southeast of the intersection of Denver and Ingulf Streets are zoned RS-1-7 (Residential, Single-Family) and developed with single-family residential use. Properties to the south across Ingulf Street are zoned RM-3-7 (Residential, Multi-Family) and developed with one- and two-story, multi-family residential use (apartments), with commercial service uses at the southeast corner of Ingulf Street and Morena Blvd., located within the CC-1-3 zone.

The 5.31-acre site is comprised of two legal lots as subdivided in 1958. Lot 1 (0.33-acre) is developed with an automobile service business, and is located at the northeasterly corner of the site, adjacent to Clairemont Drive and Denver Street. The remainder of the site, Lot 2 (4.98-acres), is developed with a mostly vacant retail shopping center, a three-story, 102-room motel, a drive-thru restaurant and parking lot. The shopping center previously included a grocery store, restaurant, a bar/lounge and associated retail uses.

DISCUSSION

Project Description

Phase one of the project includes the demolition of the existing shopping center, drive-thru restaurant and surface parking lot, grading and construction activities to accommodate development of the retail center. This center consists of five, single- and multi-level structures/buildings totaling approximately 256,400 sq. ft. of area.

Phase two of the project includes the demolition of the existing oil-lube facility, grading and construction activities to accommodate a two-level 8,800 sq. ft. office and/or retail commercial building and includes the expansion of the upper-level parking deck and/or lower level parking garage to accommodate additional off-street parking spaces providing a total of 496 required off-street parking spaces for the development.

The project requires approval of discretionary actions which include a Tentative Map, Site Development Permit and a Planned Development Permit to accommodate reconfiguration of the existing 5.31-acre site; abandonment and modification of existing easements; the vacation of portions of public rights-of-way; deviations to established setbacks and signage requirements; an exception to exceed the maximum height allowed by the Clairemont Mesa Height Limit Overlay Zone; and development located within the Community Plan Implementation Overlay Zone.

Tentative Map

A Tentative Map (Attachment 5) will reconfigure the 5.31-acre site into two parcels, and add approximately 0.12-acres of vacated public right-of-way for a total site area of 5.43-acres. Parcel One will be developed with Phases One and Two of the project. Parcel Two is intended to accommodate the existing three-story, 102-room motel and associated parking spaces, which will remain on the site. Various portions of public rights-of-way are proposed to be vacated, and easements modified or abandoned to accommodate the development (Attachment 5).

San Diego Municipal Code Section 144.0240 allows the subdivider to apply for a waiver from the requirement to underground the existing overhead utilities within the boundary of the subdivision or within the abutting public rights of way (Attachment 6). City staff does not support the subdivider's request for an undergrounding waiver. The existing overhead utility lines abutting the project site span a full block along Ingulf and Denver Streets. Staff does not find that any waiver criteria as contained in Council Policy 600-25, *Underground Conversion of Utility Lines at the Developer's Expense*, can be met (Attachment 8). Therefore, the Applicant will be required to underground the existing overhead utility lines and any new service run(s) within the subdivision per Condition No. 9 of the draft Tentative Map resolution (Attachment 7).

The neighborhood currently contains power poles and overhead utility lines along Ingulf and Denver Streets. The closest pole locations on the site are on Denver Street (two poles) and Ingulf Street (five poles). The City's Undergrounding Master Plan for Fiscal Year 2004 designates the site within Block 6B, which has a projected date for undergrounding in year 2008 (Attachment 8).

Site Development Permit

A Site Development Permit is required for development of the subject property which is located within the Community Plan Implementation Overlay Zone (Type 'B') for the Clairemont Mesa Community Plan Area, and also to allow the development to exceed the 30-foot height limit of the Clairemont Mesa Height Limit Overlay Zone.

Planned Development Permit

A Planned Development Permit is required to accommodate deviations proposed by the development, related to setbacks and signage. West Clairemont Plaza Unit No. 1 Subdivision Map No. 3780, recorded in 1958 (Attachment 5) established 20-foot setbacks along each street frontage, and restricted vehicle access. Section and Elevation Plans (Attachment 5) indicate that the development will observe a 0-foot setbacks on Denver and Ingulf Streets, and 0-foot setbacks along Morena Blvd. and Clairemont Drive. The Sign Plan indicates that ground signage will observe a maximum height of 7'-6" within the setback where 3'-0" is the maximum permitted in this area.

Phase One

This phase includes the demolition of the existing shopping center, drive-thru restaurant, parking lot and associated site improvements. The existing automobile car wash/lube and oil change station located on the northeasterly portion of proposed Parcel One of the site adjacent to Clairemont Drive and Denver Street (Phase Two), is currently leased to another party and will remain until the end of that lease, and will be developed in Phase Two. The existing motel located on a southeasterly portion of the site (proposed Parcel Two) adjacent to Denver and Ingulf Streets is currently controlled by a long term lease to a third party. This use will remain on the site and is not a part of the development included with either Phase.

Phase One includes a retail center to be developed on a 4.1-acre (178,813 sq. ft.) portion of Parcel One. This retail center includes five, single- and multi-level structures/buildings to include —

1) Major Retail Building, a single-level with mezzanine structure totaling 48,240 sq. ft. (Although not numbered on the submitted drawings, this building would equate to "Building Four" if it were numbered); 2) Building One, a three-level, restaurant, retail and office structure comprising 11,606 sq. ft.; 3) Building Two, a two-level retail and restaurant structure comprising 15,126 sq. ft.; 4) Building Three, a single-level with mezzanine retail structure comprising 2,998 sq. ft.; and 5) An upper-level, 89,686 sq. ft., and lower-level, 88,747 sq. ft. Parking Structure, which will provide a total of 483 off-street parking spaces.

The new multi-level, commercial retail center consists primarily of a one-story major retail tenant, surrounded by one-, two-, and three-story buildings including restaurants, retail uses, office space and a drive-thru restaurant (Jack-In-the-Box). Secondary major retail space entrances are located to the north, with emergency exits to the west and south. An additional elevator and exterior stair are located on Parcel One adjacent to the existing motel on Parcel Two. Major retail spaces also provide access from the lower-level parking garage (below) to the upper-level parking deck (above). Outdoor areas, walks and patios are located at all levels. A drive-thru restaurant (Jack-In-the-Box) fronts on Morena Boulevard, to which one-way vehicular access is provided through a portion of the lower-level parking garage, past the restaurant and then exiting onto Morena Boulevard. Exterior materials consist of stucco, stone veneer, metal roofing, storefronts and trellis elements.

Site parking is incorporated into the development by an upper-level parking deck and lower-level parking garage, which will provide a total of 483 off-street parking spaces, 18 spaces more than the 465 minimum required by the development. These additional parking spaces will be utilized for part of the parking to be added in connection with Phase Two. The upper-level parking deck is surrounded by the retail center and is accessed from Clairemont Drive and Denver Street. Access to the lower-level parking garage is provided from Morena Boulevard and Ingulf Street, and also via a ramp from the upper-level. The upper-level parking deck will have landscaped areas, street furniture, lighting, enhanced paving and public areas.

Pedestrian access to the site is provided from Clairemont Drive to the upper-level parking deck, upper-level shops and major retail spaces. Pedestrian access to street level shops is provided from Ingulf Street and Morena Boulevard. A pedestrian plaza and stairway provide vertical circulation to the lower-level parking garage and plaza, located at the main northwest entry. These entries are flanked by two illuminated elevator towers that serve the major retail spaces and lower-level parking garage. A pedestrian plaza located at the corner of Morena Boulevard and Ingulf Street is oriented to the future trolley stop on the west side of Morena Boulevard.

It is anticipated that Phase One would begin immediately after obtaining required approvals.

Phase Two

Phase Two includes the removal of the existing lube/oil and car-wash facility on a 0.33-acre northeasterly corner of the property adjacent to Clairemont Drive and Denver Street, and the construction of "Building Five" which will integrate a new, two-level, 8,800 sq. ft. office and retail commercial building, with first floor shops at the upper-level parking deck and second floor commercial at street level. The lower-level parking garage and upper-level parking deck will be extended to the east to provide additional off-street parking spaces, bringing the total to 496 off-street parking spaces for the development, which meets the total off-street parking requirement. An elevator and stair structure provide access to both building levels and are directly accessible to Clairemont Drive and the upper-level parking deck. Landscaped walkways and patios will be included in the same character as the Phase One area of the center. It is anticipated that this Phase will be implemented at the conclusion of the remaining lease term, in approximately five years.

Site Grading

Conceptual grading plans indicate that the entire site is to be graded to accommodate the development. A total of 25,000 cubic yards of earth are proposed to be excavated to a maximum depth of 16-feet, with a total of 15,000 cubic yards of earth proposed to fill the site to a maximum depth of 13-feet, with 10,000 cubic yards being exported off-site. Retaining walls a maximum of 14-feet in height will be utilized to support retained earth for the development.

North Bay Redevelopment Plan Area

The subject property is located at the northerly portion of the North Bay Revitalization Area of the North Bay Redevelopment Plan, adopted by the City Council on May 18, 1998 (Ordinance O-18516). This Area includes properties within Clairemont Mesa and six other Community Plan Areas. The proposed project would support the objectives of the North Bay Redevelopment Plan as it would: 1) Eliminate and prevent the spread of blight and deterioration; 2) Improve, promote and preserve the positive neighborhood characteristics in North Bay, while correcting physical and economic deficiencies; and 3) Improve and attract the growth and vitality of the business environment and address the commercial, service and employment needs of the Area. In addition, the proposed project will support the redevelopment agency's overall strategy

of promoting retail and mixed-use development on Morena Blvd.

Community Plan Implementation Overlay Zone

The recommendations of this Overlay Zone are discussed in detail in the Clairemont Mesa Community Plan, and therefore are included in the Community Plan Analysis Section of this Report.

Clairemont Mesa Height Limit Overlay Zone

The subject property is located within this Overlay Zone adopted by the City Council in 1997, and restricts the height of new structures or alteration of existing structures to a maximum of 30-feet. Exceptions to this height limit may be approved by the City Council subject to the findings noted in Attachment 10. The purpose and intent of this Overlay Zone is to provide supplemental height regulations for western Clairemont Mesa. The intent of these regulations is to ensure that the existing low profile development in Clairemont Mesa will be maintained and that public views from western Clairemont Mesa to Mission Bay and the Pacific Ocean are protected.

The Roof Plan for Phase One is included in Attachment 5. This Plan indicates the locations at which the development will exceed the 30-foot height limit of the Clairemont Mesa Height Limit Overlay Zone.

Exterior Elevation Plans indicate that portions of the development will exceed the maximum 30-foot height limit at three locations as follows - adjacent to Clairemont Drive and Morena Blvd. (where a portion of the upper entry of that building reaches approximately 44-feet in height); adjacent to Morena Blvd. and Ingulf Street (approximately 34-feet in height); and adjacent to Ingulf Street east of Morena Blvd. (approximately 35-feet).

Transit Area Overlay Zone

The subject property and surrounding area are included within the Transit Area Overlay Zone adopted by the City Council in 1997, which applies to multi-family residential and non-residential development. The purpose and intent of this Overlay Zone are to provide supplemental parking regulations for areas receiving a high-level of transit service, to identify areas with reduced parking demand and to lower off-street parking requirements accordingly.

Vehicular access to the site will be provided from four improved streets which include Clairemont Drive, classified as a four-lane major arterial, Morena Blvd., classified as a four-lane major, and Denver and Ingulf Streets, both classified as two-lane collector streets.

Community Planning Group

The Clairemont Mesa Community Planning Group voted 10-2-0 to recommend approval of the project. Concerns expressed by two of the members related to the deviations for setbacks adjacent to Ingulf Street, and indicated a preference for these setbacks to be increased. The approved motion included a desire to enhance the degree of articulation along Ingulf Street. Subsequent design revisions were made to enhance buildings façade along Ingulf Street and are noted in Attachment 5. A copy of the Group's recommendation is included as Attachment 11.

Community Plan Analysis

The subject property is designated as General Commercial in the Clairemont Mesa community Plan, and the proposed project conforms with the identified use. The community plan contains a number of specific recommendations for the property to be implemented through the application of the Community Plan Implementation Overlay Zone. These recommendations include development of quality retail and professional uses, architecture which relates to the surrounding neighborhood and the future trolley station to the west across Morena Boulevard, enhanced pedestrian linkages within and to the site, and improved landscaping.

The property is located within a potential Neighborhood Village Center, as identified in the Strategic Framework Action Plan, and is subject to the Transit Oriented Development Design Guidelines. Similar to the cited recommendations of the Clairemont Mesa Community Plan, both the Strategic Framework Element and Transit Oriented Development Design Guidelines recommend development which relates to transit facilities and incorporates enhanced pedestrian amenities. The proposed project implements the recommendations for "village-type" development by creating a commercial hub which serves the surrounding residential areas, as well as establishing a pedestrian-oriented link between these residential areas and the future trolley station.

Specifically, the proposed project conforms to these recommendations by providing an active streetscape, with retail entries and windows, facing the future trolley station across Morena Boulevard. In addition, the crosswalk at the intersection of Morena Boulevard and Ingulf Street creates a strong linkage between the future station and the main pedestrian entry plaza and stairway for the project. The stairway leads to the internal pedestrian network on the upper level of the project, which connects a series of retail entries and plazas without intersecting vehicular use areas.

The project proposes landscaped, non-contiguous sidewalks for the perimeter of the property, helping to shade and physically buffer pedestrians from automobile traffic. The majority of the parking for the project is screened by retail buildings along the Morena Boulevard and Ingulf Street elevations, with over half of the parking being accommodated within a structure. These features encourage walking and the use of transit over private automobile travel. The development of additional retail services would encourage nearby residents to walk to satisfy basic convenience needs. In addition, the project would create an activity center near the future

trolley station and improve the pedestrian-orientation of the site, encouraging nearby residents to walk to transit services. The proposed project conforms to the Clairemont Mesa Community Plan, the Transit Oriented Development Design Guidelines, and the recommendations of the Strategic Framework Element.

The subject property is located within the Community Plan Implementation Overlay Zone (CPIOZ – Type 'B') for Clairemont Mesa, adopted by the City Council in 1997. The purpose and intent of this Overlay Zone is to provide development regulations tailored to specific sites within community plan areas of the City. The intent is to ensure that development proposals are consistent with the use and development criteria adopted for specific sites.

The Clairemont Mesa Community Plan recommendation(s) for West Clairemont Plaza (the subject property) include that any redevelopment of the site is compatible with adjacent residential development; supports use of the future Mid-Coast transit line; enhances the community image; and offers commercial services that are walkable to the surrounding community. The recommendations further state that the site should be developed with a first class retail and professional center. The existing center is characterized by older structures, underutilized parking areas, poor landscaping, and a lack of walkways to and from residential neighborhoods and throughout the site, and also that transit services are poorly integrated into the site. The recommendations include criteria related to use, architecture and site design, and future transportation improvements. A copy of these recommendations from the Community Plan, and the Ordinance from the Land Development Code are included as Attachments 16 and 17.

Environmental Analysis

The City of San Diego Environmental Analysis Section conducted an Initial Study for the proposed project and determined that it could have significant environmental effects in the areas of paleontological resources, human health/public safety, noise, solid waste and traffic. Subsequently, a Mitigated Negative Declaration (MND) was prepared for this project, and revisions in the project proposal create the specific mitigation identified in Section V of the MND. The project as revised now avoids or mitigates to a level below significance, the potentially significant environmental effects previously identified, and the preparation of an Environmental Impact Report was not required.

Project-Related Issues

During processing of this project, staff identified project issues related to traffic and design. Project modifications were incorporated and additional information was provided by the Applicant to address these issues.

Conclusion

Staff has reviewed this project and determined it conforms to the purpose and intent of the applicable Land Development Code regulations, including the policies and guidelines of the

Clairemont Mesa Community Plan and those related to the Community Plan Implementation Overlay Zone, and the North Bay Redevelopment Plan.

Among the goals of these policies and guidelines which the project will achieve are to eliminate and prevent the spread of blight and deterioration; improve, promote and preserve the positive neighborhood characteristics in North Bay, while correcting physical and economic deficiencies; and improve and attract the growth and vitality of the business environment and address the commercial, service and employment needs of the Area. Staff can therefore support the draft findings as contained in Attachments 7 and 10.

ALTERNATIVES

- 1. Approve Tentative Map No. 179620, Planned Development Permit No. 179619 and Site Development Permit No. 9100, with modifications;
- 2. Deny Tentative Map No. 179620, Planned Development Permit No. 179619 and Site Development Permit No. 9100, if the findings required to approve the project cannot be affirmed.

Respectfully submitted,

Marcela Escobar-Eck
Deputy Director, Project Management Division
Development Services Department

Bill Tripp Development Project Manager Development Services Department

HALBERT/WCT

Attachments:

- 1. Aerial Photograph
- 2. Community Plan Land Use Map
- 3. Project Location Map
- 4. Project Data Sheet
- 5. Project Plan(s) and Tentative Parcel Map
- 6. Undergrounding Waiver Request
- 7. Draft Tentative Map Conditions and Subdivision Resolution
- 8. Underground Conversion Schedule for Council District 6
- 9. Draft Permit with Conditions
- 10. Draft Resolution with Findings
- 11. Community Planning Group Recommendation
- 12. Ownership Disclosure Statement

- 13.
- 14.
- Project Chronology North Bay Redevelopment Plan Area Map Community Plan IOZ Recommendations for West Clairemont Plaza 15.