DATE ISSUED: March 2, 2005 REPORT NO. P-05-067

ATTENTION: Planning Commission, Agenda of March 10, 2005

SUBJECT: Initiation of an Amendment to the Progress Guide and General Plan and

the Clairemont Mesa Community Plan to re-designate a 7.51-acre site from Industrial Park to Medium-High Density Residential (30-45

DU/AC). Project No. 59724.

OWNER/

APPLICANT: Accurate Elastomer Products, Inc. / CLB Partners

SUMMARY

<u>Issue</u> - Should the Planning Commission INITIATE a land use plan amendment to the Progress Guide and General Plan and the Clairemont Mesa Community Plan pursuant to Municipal Code Section 122.0103? An amendment to the Progress Guide and General Plan and the Clairemont Mesa Community Plan has been requested to allow for the redesignation of a 7.51-acre site from Industrial Park to Medium-High Density Residential (30-45 DU/AC).

<u>Staff Recommendation</u> – DENY THE INITIATION REQUEST and maintain the existing Industrial Park land use designation per the Clairemont Mesa Community Plan.

Community Planning Group Recommendation – On February 15, 2005, the proposed initiation was heard as a workshop item before the Clairemont Mesa Planning Committee. Although the Committee made no formal recommendation in regards to the initiation, there were many concerns raised by members of the Committee as well as a large number of residents who were in opposition to the initiation. The major issues raised by both Committee members and the public, included: the loss of employment lands, traffic issues, insufficient infrastructure, environmental concerns, as well as concerns over the proposed density. (Clairemont Mesa Planning Committee Minutes are not yet available).

<u>Environmental Impact</u> – If initiated, the proposed plan amendment and future discretionary actions will be subject to environmental review.

<u>Fiscal Impact</u> – Processing costs would be paid for by the applicant.

<u>Housing Impact Statement</u> – If initiated, the proposed general/community plan amendment to re-designate 7.51 acres of land from Industrial Park to Medium-High Density Residential (30-45 DU/AC) would allow a range from approximately 225 to 338 multiple family dwelling units on the site where none are currently allowed. The project will be subject to the citywide inclusionary housing requirements.

This initiation request does not constitute an endorsement of the proposed project. If initiated, a staff recommendation will be developed once the project has been fully analyzed. Approval of this action would allow the staff analysis to proceed.

BACKGROUND

The subject property is a 7.51-acre site located at 4370 Jutland Drive in the Rose Creek/Canyon industrial area of the Clairemont Mesa community planning area. The Clairemont Mesa community planning area is located in the central western portion of the City of San Diego east of Interstate 5, south of State Route 52, west of Interstate 805, and north of Interstate 8, approximately 6 miles north of downtown San Diego. Adjacent communities include University to the north, Kearny Mesa to the east, Linda Vista to the south, and La Jolla, Pacific Beach, and Mission Bay Park to the west (Attachment 1 - Location Map). The Rose Creek/Canyon industrial area, as identified in the Clairemont Mesa Community Plan, is located adjacent to Interstate 5 between State Route 52 to the north, Balboa Avenue to the south (Attachment 2 – Rose Creek/Canyon Industrial Area. Please note, however, that Attachment 2 includes identification of a Future LRT Station at the intersection of Morena Blvd. and Jutland Dr., which has since been deleted by SANDAG).

The site currently contains a 66,000 square foot industrial building that houses a rubber bushings manufacturing plant. This property is surrounded by industrial park to the east with single-family residential beyond that, industrial park to the south, industrial park to the west and multi-family residential to the north (Attachment 3 – Aerial Photo). The topographic features of the site include a significant grade separation as the subject site is flat and developed with a steep slope down to the multi-family residential to the north.

The applicant has indicated a desire to develop the subject property with approximately 150 – 200 for-sale residential units as well as explore the option of including a commercial component within the property. Should the proposed general/community plan amendment be initiated, it is anticipated it would be processed concurrently with any required development permits, including a rezone.

Other general/community plan amendment submittals in the community include: Greystone Residential – 4.5-acre site located at 1579 Morena Boulevard. An amendment is proposed that will allow for the construction of 190 multi-family homes on a site currently occupied by 45 mobile homes (Coastal Trailer Villa). Madera Town Homes – 3.67-acre site located east of Clairemont Drive, south of Iroquois Avenue, and west of Cowley Way. An amendment is proposed that will allow for the construction of 77 town homes on a site

currently occupied by a bowling alley. Baci Ristorante Parking - An amendment is proposed to develop policies which address the provision of supplemental off-site parking areas for commercial establishments on properties between Morena Boulevard and Chicago Street, south of Clairemont Drive and north of Littlefield Street.

DISCUSSION

Before a general/community plan amendment can be initiated, Section 122.0104 of the Municipal Code requires that any one of three primary criteria or all four supplemental criteria specified in the code must be met. The Planning Department does not believe any of the following three primary criteria can be met:

- (1) The amendment is appropriate due to a mapping or textural error or omission made when the original land use plan was adopted or during subsequent amendment;
- (2) Denial of initiation would jeopardize the public health, safety or general welfare; or
- (3) The amendment is appropriate due to a material change in circumstances since the adoption of a land use plan, whereby denial of initiation would result in a hardship to the applicant by denying any reasonable use of the property.

Additionally, the Planning Department does not believe that all the following four supplemental criteria can be met:

(1) The proposed land use plan amendment is consistent with the goals and objectives of the Progress Guide and General Plan and the Clairemont Mesa Community Plan.

As one of it's primary goals, the Clairemont Mesa Community Plan calls for the provision of new, high quality office and industrial park development within the community, and for the rehabilitation of older office and industrial development. Major objectives of this goal include the desire to increase employment opportunities and to decrease potential land use conflicts between industrial and residential or commercial development.

The subject site is part of a larger industrial park, the Rose Creek/Canyon industrial area. The Community Plan calls for development in the Rose Creek/Canyon industrial area to be principally research and development (R&D) oriented, but could also include professional offices or corporate headquarters as well. The Plan also calls for the Costco site to the south of the subject site to revert back to industrial use once the current use is discontinued. Therefore, Community Plan language is supportive of the

long-term proliferation of industrial land use within the boundaries of the Rose Creek/Canyon industrial area.

The Progress Guide and General Plan discusses the issue of the absorption of industrially-zoned land by non-industrial and non-manufacturing activities. An important goal of the General Plan is to protect a reserve of manufacturing lands from encroachment by non-manufacturing uses. The adopted Strategic Framework Element acknowledges the shortage of land for employment uses citywide and identifies key strategies to increase economic prosperity, including language which calls for the preservation of areas for middle-income employment uses including manufacturing, research and development, distribution, and wholesale trade. Another key strategy identified in the element prescribes limiting the redesignation of employment land except where it will mitigate existing land use conflicts, or when it meets specific criteria to be established with the adoption of the Economic Prosperity Element. While this specific criteria has not yet been established, the City of Villages Strategy of the Strategic Framework Element does not appear to be supportive of the redesignation given the subject site's location in an employment area outside of the City Council adopted City of Villages Opportunity Areas. In keeping with the City of Villages Strategy, locations viewed as appropriate for an increase in density are those which, among other factors, are convenient to existing public facilities and services including transit, commercial services, parks, and other recreational opportunities within a close proximity to residents. The subject site is not located in an area which meets the above criteria.

Given the fact that the subject site is within the boundaries of the Rose Creek/Canyon industrial area, as identified in the Community Plan, and is surrounded by industrial land uses on three sides, while grade-separated from residential use on the other side, staff's analysis is that the property is a key component to the Industrial Elements of the Clairemont Mesa Community Plan and the City's Progress Guide and General Plan. At 7.51 acres, the subject site is considered a relatively-large size site within this industrial area. To redesignate such a large site from within the Rose Creek/Canyon industrial area could erode the integrity of the industrial park, and in turn lead to the loss of employment opportunities within the Clairemont Mesa community. While the Rose Creek/Canyon industrial area may not currently be the hub of high-tech development in San Diego, it sits on the periphery and may soon become more attractive to high-tech industries as land in the northern areas of San Diego soon becomes scarce.

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

The proposed redesignation from Industrial Park to Medium-High Density Residential would provide some public benefit by providing for the development of new housing stock at a time when the demand for an increase in housing supply is high. Staff, however, believes that the Rose Creek/Canyon industrial area has been and continues to be an important site for employment lands, including offices, research and development, as well as manufacturing uses. The Clairemont Mesa Community Plan

includes language in support of the preservation of employment lands in the Rose Creek/Canyon area.

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

Although Clairemont Mesa is an urbanized community and services appear to be available to serve the proposed residential use, the site is not conveniently located near public facilities that would serve residential development. Given that these facilities do not appear to be in close proximity to the subject site, in addition to the steep topography surrounding the site, staff has determined that this is not an ideal location for residential development. However, the adequacy of all public services to serve the proposed increase in residential density will be examined in more detail if this initiation request is approved. In addition to the community plan amendment, an amendment to the Clairemont Mesa Public Facilities Financing Plan would be processed concurrently to ensure that facilities needs generated by the proposal will be addressed.

(4) City staff is available to process the proposed land use plan amendment without any work being deferred on General Fund supported programs or ongoing plan updates.

Staff is available to process this amendment request without delaying General Fund programs or ongoing plan updates as the Planning Department work program includes staff time for non-general fund development projects. However, delays in processing the plan amendment could occur based on staff levels and workloads. All costs associated with staff review of the project will be borne by the applicant.

CONCLUSION

As outlined above, the Planning Department does not believe that the proposed general/community plan amendment meets all four of the supplemental criteria, as described in Municipal Code Section 122.0104; therefore, Planning Department staff recommends this amendment process not be initiated.

If the Planning Commission does support the initiation, the following land use issues, as well as others that may be identified, will be analyzed and evaluated through the general/community plan amendment review process:

- The appropriate land use designation, density range, and zoning for the site.
- Impacts on housing availability (supply and demand) and affordability.
- Impacts on industrial land supply and demand.
- The adequacy of existing public services and facilities, including schools, parks, fire, police and transit services, to determine whether the additional units proposed would negatively impact the current levels of these services.

- Consistency between the proposed community plan amendment and the City's Strategic Framework Element, Industrial Element and Housing Element goals for future development.
- Provision of amenities, application of urban design guidelines and pedestrianscale elements per the adopted community plan.
- Feasibility of mixed-use development on this site.
- Incorporation of an affordable housing component on-site, in order to satisfy the City's Inclusionary Housing Ordinance.
- Evaluation of the Clairemont Mesa Facilities Financing Plan to determine whether an update would be necessary, given the proposed additional residential density.

Although staff believes the proposed amendment does not meet the necessary criteria for initiation, staff has not fully reviewed the applicant's proposal. **Therefore, if this** general/community plan amendment is initiated, neither the Planning Department staff nor the Planning Commission are committed to recommend in favor or denial of the proposed amendment.

ALTERNATIVES

Approve the initiation request. The Planning Commission would have to determine that all four of the supplemental criteria can be met in order for the community plan amendment initiation to be approved.

Respectfully submitted,

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- Attachments: 1. Location Map
 - 2. Clairemont Mesa Community Plan: Figure 17, Industrial Land Use Recommendations Rose Creek/Canyon
 - 3. Clairemont Mesa Community Plan: Figure 40, Land Use Map
 - 4. Adjacent Land Use Aerial Photo
 - 5. Adjacent Land Use Photos
 - 6. Ownership Disclosure Statement