

DATE ISSUED: February 18, 2005 REPORT NO. P-05-094

ATTENTION: Planning Commission, Agenda of February 24, 2005

SUBJECT: Initiation of amendments to the Carmel Valley Neighborhood 7 Precise Plan (and Carmel Valley Community Plan), the Pacific Highlands Ranch Subarea Plan and the Progress Guide and General Plan to modify the residentially designated area on a 40-acre site. (**Villa Costa Vista**)

OWNER/
APPLICANT: McKean Natural Gas, Inc./ John Vertullo / Myles Cooper, Cooper Engineering

SUMMARY

Issue - Should the Planning Commission INITIATE land use plan amendments to the Carmel Valley Neighborhood 7 Precise Plan (and Carmel Valley Community Plan), the Pacific Highlands Ranch Subarea Plan and the Progress Guide and General Plan, pursuant to Municipal Code Section 122.0103? Amendments to these land use plans have been requested to modify the land use designations on a 40-acre site.

Staff Recommendation - INITIATE the plan amendment process.

Community Planning Group Recommendation - At their December 7, 2004 meeting, the Carmel Valley Community Planning Board recommended denial of the initiation of the land use plan amendments. At the applicant's request, the Planning Board reconsidered the proposed land use plan amendments at their February 8, 2005 meeting. The Planning Board voted 14-0-0 to recommend denial of the plan amendment initiation and has provided a letter detailing their recommendation (Attachment 1).

Environmental Impact - If initiated, the proposed plan amendments and future discretionary actions will be subject to environmental review.

Fiscal Impact – None; costs associated with processing this application are reimbursed by the applicant.

Code Enforcement Impact - A code enforcement action for illegal grading on the project site is under investigation. The grading occurred to construct a 5 to 6-foot high chain link security fence around the perimeter of the property. The Municipal Code does not allow processing of separate development permits on a property subject to a Code violation

(Section 143.0112). However, a plan amendment application is not considered a permit by the Code and may be processed separate from the enforcement action. Processing of associated development permits may be impacted until the code violation is resolved.

Housing Impact - The adopted plans allow up to 10 detached dwelling units on the site. The proposed land use plan amendments would increase the amount of residentially designated area on the 40-acre site and allow an increase of approximately 10 dwelling units. However, the applicant has indicated that the proposed rezone would permit an equivalent number of dwelling units to the adopted plans.

This initiation request does not constitute an endorsement of the project proposal. A staff recommendation will be developed once the project has been fully analyzed. This action will allow the staff analysis to proceed.

BACKGROUND

The Carmel Valley and Pacific Highlands Ranch Communities are located in the northwestern portion of the City of San Diego, east of Interstate 5. Adjacent communities include Subarea II of the North City Future Urbanizing Area to the north, Torrey Highlands to the east, Torrey Hills to the south, and Torrey Pines to the west (Attachment 2).

The subject property is a 40-acre site located north of Marcasel Place in Carmel Valley and east of Old El Camino Real in Pacific Highlands Ranch (Attachment 3). Residential neighborhoods off Marcasel Place and along Old El Camino Real border the site. The adjacent residential neighborhood in Carmel Valley is developed at a density of approximately 4 dwelling units per acre and is zoned Carmel Valley Planned District SF-1A, which permits a 5,500 square foot minimum lot size. Adjacent development within Pacific Highlands Ranch is developed at an overall density of 1 dwelling unit per 4-acres and is clustered on approximately 2-acre lots to preserve open space. Open space within Gonzales Canyon is located north and east of the project site.

A small portion of the site off Marcasel Place has been previously graded flat. This area occurs atop a knoll at the highest point on the property. The remainder of the site slopes down toward Old El Camino Real along a small ridge. This portion of the site contains undisturbed native habitat and steep slopes. Flatter areas are generally located within the northwest and northeast portions of the property on either side of the ridge.

A slope analysis is not yet available for the portion of the property in Carmel Valley. However, the steep slopes appear to be within the area designated open space. The slope analysis provided for the Pacific Highlands Ranch Subarea Plan indicates that steep slopes associated with the ridge landform occur within the northern portion of the property (Attachment 4). Some of these slope areas are within the portion of the property designated for residential development by the Subarea Plan. Natural areas on-site and off-site to the east are within the Multi-Habitat Planning Area (MHPA), the preserve component of the City's Multiple Species Conservation Program (MSCP) (Attachment 3). The MSCP is part of a Habitat Management Plan consistent with state and federal endangered species regulations. The area east of the site is also within the MHPA.

The property is equally split by the Carmel Valley Neighborhood 7 Precise Plan and the Pacific Highlands Ranch Subarea Plan, the City's adopted land use plans for this area (Attachments 5 & 6). The majority of the site, approximately 35-acres, is designated as Open Space by both land use plans, leaving an approximately 5-acre portion of the site designated for residential development (4.3-acres along the northern property line in Pacific Highlands Ranch, and 1-acre on the knoll off Marcasel Place in Carmel Valley). This represents about 13 percent of the property that could be graded for future development pursuant to the land use plans. The Environmentally Sensitive Lands (ESL) Regulations that implement the MSCP would allow up to a 25 percent developable area, or 10-acres. To develop 25 percent of the site would require encroachment into portions of the site designated and zoned for open space.

Some of the natural slopes designated as Open Space by the Carmel Valley Neighborhood 7 Precise Plan are not identified for conservation by the MSCP and are not within the MHPA preserve. The preserve design does not include some natural areas adjacent to existing development within Carmel Valley, although these areas contain steep slopes and native habitat.

The applicant is requesting initiation of amendments to the Carmel Valley Neighborhood 7 Precise Plan and the Pacific Highlands Ranch Subarea Plan to reconfigure the two areas designated for development. The location of the residentially designated area within Pacific Highlands Ranch is proposed to be shifted to the southwest. The residentially designated area within Carmel Valley is proposed to be extended to the northeast along the sloping ridge line from the knoll. The total area designated for residential development is also proposed to be increased from 5-acres to 10-acres (Attachment 7).

Development within the Carmel Valley portion of the site could currently be permitted within an estimated 1-acre area located north of Marcasel Place designated Detached Residential. The Precise Plan permits a density range up to 6 dwelling units per acre within this designation. The plan amendment proposes to reconfigure the residentially designated portion of the site in Carmel Valley and increase the area from approximately 1-acre to 2.1-acres.

A residentially designated area also occurs on the northern portion of the site within the Pacific Highlands Ranch Subarea Plan. This area generally rises from Old El Camino Real and tapers toward the northern property line. The Subarea Plan designates this 4.3-acre portion of the site for Very Low Density Residential development at a density up to 1 dwelling unit per acre. The plan amendment proposes to shift the location of the residentially designated portion of the site within Pacific Highlands Ranch to the southwest and increase the area from 4.3-acres to 8-acres.

Zoning within the site is within 4 zone designators: two residential zones and two open space zones. The portion of the property within Carmel Valley is zoned Single-Family (SF-1A) and Open Space within the Carmel Valley Planned District (Attachment 8). The area within Pacific Highlands Ranch is zoned Residential Single Unit (RS-1-8) and Open Space Conservation (OC-1-1).

The proposed amendments would increase the number of dwelling units that could potentially be considered on this site. Although a development project has not yet been submitted, the applicant has indicated that if the plan amendment is initiated, a development project for one single-family home and accessory buildings associated with a private horse ranch may be processed concurrent

with the plan amendments. The home would be located within Carmel Valley and the horse ranch within Pacific Highlands Ranch. The applicant has indicated that rezone options will be proposed that would permit the same number of dwelling units allowed by the existing land use plans. If the plan amendment is initiated, a rezone application will be processed concurrently.

DISCUSSION

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

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

The Planning Department does, however, believe that all of the following 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 Carmel Valley Neighborhood 7 Precise Plan and Pacific Highlands Ranch Subarea Plan.**

The shift in planned open space will not adversely impact the applicable land use plans provided that the proposed open space configuration is based upon detailed site constraints and meets the open space objectives of each plan, particularly those objectives related to the MSCP.

Both the General Plan and the Carmel Valley Neighborhood 7 Precise Plan predate adoption of the MSCP and do not provide the detailed recommendations contained within the Pacific Highlands Ranch Subarea Plan. The General Plan recommends natural resources, including steep hillsides be preserved as open space, and designates the project site for residential development and open space. However, detailed land use designations and objectives are to be identified in the open space elements of the community plans.

The Carmel Valley Neighborhood 7 Precise Plan identifies natural areas within the project site for conservation as open space without providing parcel level detail. The portion of the site designated for development is also within the area that has been

previously graded. The remaining onsite resources are conserved within the area designated open space. It is possible that a site specific biology and slope analysis could identify additional areas onsite that could be developed within Carmel Valley and still be consistent with the open space objectives of the Precise Plan as some of the natural areas onsite are not identified for conservation by the MSCP. However, these areas may not be suitable for development either as they contain steep slopes. Initiating the precise plan amendment would allow staff to update and strengthen policies for the preservation of open space and be specific on the areas to be preserved as open space.

The Pacific Highlands Ranch Subarea Plan contains the most detailed policies for the preservation of natural resources. These policies were based upon the requirements of the MSCP, and the Subarea Plan's natural open space system is designated as part of the MHPA preserve. The Subarea Plan allows some development within the MHPA on parcels that are mostly or wholly within the preserve. Development on these parcels is generally limited to the least sensitive 25 percent of the parcel, although the Subarea Plan identifies developable areas less than 25 percent on some parcels (Attachment 9). The Subarea Plan also allows refinements to land use boundaries and acreages based upon the more detailed site specific analysis available with a development project, and refers to the ESL Regulations in the Land Development Code for implementation.

Shifting the location of the designated development area within Pacific Highlands Ranch may avoid impacts to steep slopes and preserve the scenic value of the ridgeline in the center of the property. Both the Pacific Highlands Ranch Subarea Plan and the Carmel Valley Neighborhood 7 Precise Plan place a high priority on preservation of steep slopes and protecting prominent landforms from development. Currently, the area designated for residential development straddles the ridge on the northern portion of the property. The canyon landform on the eastern side of the ridge is contiguous to the larger open space system within Gonzales Canyon and should be preserved. Flatter areas occur on the western portion of the property near existing and planned development along Old El Camino Real. Shifting developable area away from the eastern portion of the site and off the ridge could reduce impacts to steep slopes and preserve the visual integrity of the ridgeline. Initiating the plan amendment process will allow for the evaluation of alternative development locations that are potentially more sensitive.

Council Policy 600-40 (Land Use Plans) requires land use plans to be prepared consistent with resource protection regulations. While this analysis was done at a macro level for the Pacific Highlands Ranch Subarea Plan, site specific detail was not included for individual properties, particularly the smaller ownerships. The Council Policy was not in effect when the Carmel Valley Neighborhood 7 Precise Plan was adopted in 1983, and the exact acreage designated for residential development on this site was not identified by that plan. Initiation of the proposed plan amendments would allow the developable area to be shifted, if warranted, as a result of a more detailed site analysis consistent with the land use plans and the Council Policy.

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

Shifting the location of the residential use based upon a detailed site specific environmental analysis could preserve more environmentally sensitive resources onsite than development within areas currently designated residential, as discussed in more detail above. Such a shift could provide for a better preserve configuration by providing a more contiguous open space system and locate future residential uses closer to existing and planned development.

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

Public services appear to be available to serve the proposed residential uses, as both Carmel Valley and Pacific Highlands Ranch are planned urbanizing communities, and services are available for this and surrounding sites. Total residential density is not proposed to significantly change from what is currently allocated by both land use plans. However, the contemplated rezone would shift some density from Carmel Valley to Pacific Highlands Ranch adding approximately 4 dwelling units accessed from Old El Camino Real. The adequacy of streets and all public services to serve the proposed residential density will be examined in more detail if this initiation request is approved.

(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's 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. The costs associated with processing this amendment will be paid for by the applicant.

CONCLUSION

As outlined above, the proposed plan amendment meets all of the supplemental initiation criteria as described; therefore, the Planning Department staff recommends that the proposed land use plan amendments be initiated.

The following land use issues have been identified with the initiation request. If initiated, these issues, as well as others that may be identified, will be analyzed and evaluated through the community plan amendment review process:

- Determine whether development beyond 13 percent of the property is justified;
- Analysis of an appropriate residential density and land use designation for the subject property;

- Analysis of an appropriate configuration of development areas versus open space;
- Site specific identification of environmentally sensitive resources and other development constraints;
- Develop site specific design requirements to reduce visual impacts and minimize the bulk and scale of future development;
- Identify appropriate access to each designated development area and restrict access through open space areas;
- Availability of public services and facilities to support the potential increase in residential intensity.

Although staff believes that the proposed amendment meets the necessary criteria for initiation, staff has not fully reviewed the applicant's proposal. **Therefore, by initiating this community plan amendment, neither the staff nor the Planning Commission is committed to recommend in favor or denial of the proposed amendment.**

ALTERNATIVE

Find that the proposed land use plan amendments do not meet the criteria as described and deny the initiation request. The applicant would then have the option of pursuing a residential development plan that maintains the existing residential and open space boundaries on the property with a range between 1 and 10 dwelling units.

Respectfully submitted,

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- Attachments:
1. Carmel Valley Community Planning Board recommendation
 2. Vicinity Map
 3. Aerial Map / MHPA boundary
 4. Steep slopes (Pacific Highlands Ranch EIR)
 5. Existing Land Use Plan (Carmel Valley Neighborhood 7)
 6. Existing Land Use Plan (Pacific Highlands Ranch)
 7. Proposed Land Use
 8. Existing Zoning
 9. Pacific Highlands Ranch ESL Analysis
 10. Ownership Disclosure Statement