



THE CITY OF SAN DIEGO

REPORT TO THE PLANNING COMMISSION

DATE ISSUED: September 15, 2006 REPORT NO. PC-06-060

ATTENTION: Planning Commission
Agenda of September 21, 2006

SUBJECT: Initiation of an amendment to the Navajo Community Plan and the Progress Guide and General Plan to redesignate 3.2 acres from Industrial to Mixed Use in Grantville and to study up to 70 acres surrounding Mission Gorge Road, Mission Gorge Place and Alvarado Canyon Road. Project No. 89759.

OWNER/
APPLICANT: 4 D Properties, Mr. Daniel Dallenbach, Mr. Daniel Smith (Attachment 1)

SUMMARY

Issue - Should the Planning Commission INITIATE a land use plan amendment to the Navajo Community Plan and Progress Guide and General Plan pursuant to Municipal Code Section 122.0103? This amendment has been requested to redesignate an area in Grantville from industrial to mixed use and to study up to 70 acres surrounding Mission Gorge Road, Mission Gorge Place and Alvarado Canyon Road.

Staff Recommendation – INITIATE the plan amendment process and define the area for a land use study of the surrounding industrially designated area.

Community Planning Group Recommendation - On September 19, 2005, Navajo Community Planners, Incorporated considered the proposed community plan amendment initiation. A motion was made to approve the initiation and it passed 8-4-5. (Attachment 2).

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

Housing Impact – The current land use designation of the site is industrial. The proposed community plan amendment would redesignate 3.2 acres of industrial to a mixed use designation that would allow a density range of 45-75 dwelling units per acre. This could yield a maximum of 240 dwelling units not anticipated by the current community plan.

Approval of 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 subject property is located at 5803-5841 Mission Gorge Road, south of Mission Gorge Place (Attachment 3). The property is bounded on the north, south and to the east with industrial uses and to the west across Mission Gorge Road by commercial uses (Attachment 4).

The project site is approximately 3.2 acres and currently contains commercial uses fronting along Mission Gorge Road (Attachments 5 & 6). There are a total of six different buildings on the site. Fronting onto Mission Gorge Road, there is a restaurant use, a spa retail use and automobile repair. In addition, there are several small businesses in the buildings behind the restaurant. The buildings are at least 30 years old. The project site is developed and the topography slopes down eastward to the Alvarado Creek. The site is known to flood periodically due to overflow of the Alvarado Creek during heavy rains. The Navajo Community Plan designates this site as industrial. The proposed amendment would redesignate the site from industrial to a mixed use designation (Attachment 7). The surrounding area is both designated and used for commercial and industrial activities. If initiated, the applicant has indicated that they will be proposing approximately 200 for-sale residential dwelling units and 16,000 square feet of office and retail uses.

The site is within the recently adopted Grantville Redevelopment Project Area. The purpose of the Grantville Redevelopment Plan is to ensure the continued viability of the areas' commercial, industrial and retail uses. City Council took action regarding adoption of the redevelopment plan and approved it in August 2005. The Redevelopment Plan is consistent with the Navajo Community Plan. The proposed land uses for the redevelopment area are based on the existing Navajo Community Plan land uses. An update to the Navajo Community Plan is envisioned once redevelopment funding becomes available.

The subject site is well located with respect to transit service. The Grantville trolley station is now complete and is approximately 700 feet southeast of the site as part of the Mission Valley East (MVE) extension of the Blue Line light rail corridor. The station is one of four new stations located along the line. The 5.9-mile MVE extension connects the Blue and Orange lines, completing a loop that will give San Diegans new mobility and access to commercial and employment centers, including San Ysidro, downtown, Old Town, Mission Valley, La Mesa, El Cajon and SDSU. Connecting bus service will be offered at the Grantville Station in the future.

The applicant has requested a redesignation of the subject parcel from industrial to mixed use. Staff recommends a comprehensive planning approach to land use changes in this area. Staff has recommended that the area be studied in order to ensure successful connections from the trolley station into the community, to provide adequate infrastructure for a change in land uses, to plan

for adequate facilities, to respond to potentially higher residential densities, and to address traffic impacts. The applicant has agreed to study the area beyond where the subject property is located (Attachment 8). This study area would be bounded by Mission Gorge Road, Mission Gorge Place and Alvarado Canyon Road. Potentially, a smaller area could be studied but the study area should extend far enough to the east to include the trolley station and parking lot north to Mission Gorge Place, and to the west to Mission Gorge Road, and to the south to Alvarado Canyon Road.

The applicant has prepared a land use inventory to determine what land uses are currently in the proposed study area. The land use inventory, entitled the Alvarado Creek Sub-area, (Attachment 9) was conducted in March of 2006, and encompassed approximately 70 acres of industrial land bounded by Mission Gorge Road, Mission Gorge Place and Alvarado Canyon Road. A land use survey was conducted to compare what uses are in the area today and which of them could function in a commercial zone and which ones could only be permitted in an industrial zone. Of the industrial uses in the area, only two parcels and uses could not be conducted in a commercial zone (Attachment 10). These two industrial uses are as follows. Hafer Steele, located on leased MTS property is 5915 Mission Gorge Road. Hafer Steel manufactures steel rebar (Attachment 11). This parcel is adjacent to the subject property, where the applicant is requesting a land use designation change from industrial to mixed use. The second parcel is Cal Neon located at 4570 Mission Gorge Place on the north side of Mission Gorge Place, further from the subject parcel (Attachment 12). Cal Neon produces neon signs and billboards.

Other factors to consider in the community plan amendment request for the subject parcel and the land use study is the need to realign Alvarado Canyon Road further to the north to intersect Mission Gorge Road at Fairmount Avenue. To the south of the subject parcel, efforts lead by MTS, Caltrans and City traffic Engineering have been underway to realign the Alvarado Canyon Road to intersect further to the north (than present) into Mission Gorge Road. The realignment of Alvarado Canyon Road would affect the subject parcel and coordination would need to occur to ensure the potential realignment and future development of the subject site (Attachment 13).

Should the proposed amendment be initiated, staff will analyze the appropriate density for development of the site during the review of any required development permits. These permits, including a rezone, would be processed concurrently with the amendment to the Navajo Community Plan.

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; or**

- (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 believes 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 Navajo Community Plan.**

The subject site is located within one of five Subregional Employment Districts as identified in the opportunities areas map contained in the appendix to the Strategic Framework Element (SFE) Action Plan. Subregional Districts are typified as major employment and/or commercial districts containing office, industrial, and retail uses with some adjacent multifamily residential uses. Where appropriate, the SFE identifies the collocation of medium to high density residential uses with employment uses. The proposed community plan amendment could fulfill this goal of the SFE by accommodating higher density residential housing with commercial, retail and employment uses.

The draft Economic Prosperity Element, dated May 2006, discusses the Grantville area and states that while it was historically designated for industrial uses, it has been largely commercialized and no new industrial uses are likely to occur there. The area is not mapped as prime industrial lands. This means that the industrial land is not critical to be retained as industrial and may transition into other uses. Most of the “non-prime” industrial areas contain a preponderance on non-industrial uses such as office and commercial. Within these industrial areas outside of prime industrial land, conversion to other uses could occur, including residential uses subject to the analysis in the policy.

The SFE and the City of Villages strategy places an emphasis on determining how and where new growth will occur, and, in particular, how and where to accommodate additional housing. Importantly, the strategy seeks to target areas where additional density could occur in locations where employment uses are integrated. The strategy identifies increasing housing opportunities that enable the workforce to live close to the employment centers. Within these other industrially designated areas, outside of the prime industrial lands, there is the potential to locate workforce housing within or proximate to employment centers. In addition to providing opportunities for additional housing within these areas, there is an added benefit of reducing traffic with the opportunity to walk or bike to work. Conversion within these areas to other uses could also contribute significantly to community revitalization. The community plan amendment to consider mixed use development on the site would be consistent with recommendations in the draft Economic Prosperity Element to consider opportunities for revitalization of the site with alternative uses.

The subject property is within a few hundred feet of the Grantville Trolley Station and is accessible from Mission Gorge Road, which is a transit corridor and could implement Progress Guide and General Plan policies related to the location of mixed use development near transit stations.

In addition, objectives for residential development in the Navajo community include encouraging the development of a variety of new housing types. The plan also provides additional development recommendations, which state: “Housing types and densities should be varied in residential development to create interest and provide a mix of people with various economic and social characteristics.” The proposed designation for mixed use would provide the opportunity for a greater variety of housing types in an area where no housing exists but could be appropriate.

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

The community plan amendment proposes to consider a mixed use designation on the subject property in close proximity to transit. This plan amendment could help fulfill the Strategic Framework Element’s goal of providing a mix of uses in close proximity to a trolley station by locating office, commercial, and multifamily residential use within walking distance to the trolley.

Providing housing within walking distance to the trolley would contribute to reducing traffic congestion and improving air quality. In addition, the location of multifamily on the subject site would provide needed housing in the area to support additional employment uses. With the proposed land use designation, there is a better possibility of achieving the goals for housing diversity set forth in the Progress Guide and General Plan by providing a range of housing for different economic levels.

Including the block within the Mission Gorge Road, Mission Gorge Place and Alvarado Canyon Road as part of a comprehensive land use study would allow for a thorough analysis of the mixed use designation at this location. This would allow for site-specific policies and regulations to be included in the community plan that would result in a more cohesive design and implementation.

The proposed land use amendment will also consider improvements to the traffic circulation in the area with the realignment of Alvarado Canyon Road further north to Mission Gorge Road. The redevelopment of this site would analyze the current City/MTS/Sandag plans to realign Alvarado Canyon Road. These needed improvements could potentially alleviate traffic congestion south on Mission Gorge Road. This is a project that was deleted from the Grantville Trolley Station improvements but will need to be resolved in the near future.

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

All needed public services (water, sewer) are available as the Navajo community is an urbanized community. Full analysis of public services and facilities (schools, fire stations, police stations, libraries, etc.) will be conducted with the review of the community plan amendment, if initiated. An amendment to the Public Facilities Financing Plan for the Navajo community will be processed concurrently with the community plan amendment to address facilities needs generated by the proposed land use change.

(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 the plan amendment request without delaying general fund programs or ongoing plan updates, as the City Planning Community and Investment 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 workload. The costs associated with processing this amendment will be paid for by the applicant.

As outlined above, the proposed plan amendment meets all of the supplemental initiation criteria as described; therefore, the staff recommends that the amendment to the Navajo Community Plan and the Progress Guide and General Plan be initiated at this time.

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

- Analysis of surrounding area (up to 70 acres) within Mission Gorge Road, Mission Gorge Place and Alvarado Canyon Road for redesignation from industrial to mixed use. This would include the evaluation of the potential need for additional local serving streets within the study area; determination of future land uses and intensities of commercial, residential and potentially industrial uses; evaluation of appropriate urban design guidelines to guide future land use, design and street layout to emphasize the public realm, and access to the trolley station.
- Evaluate the consistency with the Progress Guide and General Plan policies for collocation of industrial and non-industrial uses.
- Determination of the appropriate land use designation and zone for subject site.
- Development of design guidelines to ensure the implementation of a high quality and well designed project proposal.
- Analysis of potential for retention of existing industrial uses in the area.
- Analysis of potential impacts of multifamily residential development in close proximity to the two remaining industrial uses in the area.
- Analysis of traffic impacts, including connections to Mission Gorge Road, Mission Gorge Place, and Alvarado Canyon Road.
- Analysis of pedestrian connections between uses within the project site and from the site to the adjacent public streets and to the Grantville Trolley.

- Evaluate the draft Economic Prosperity Element’s collocation/conversion suitability factors, as listed in appendix EP-2, for further analysis regarding the subject parcel and public health, public facilities and separation of uses.
- Evaluation of appropriate siting and design of public open space.
- Evaluation of the potential to provide affordable housing on site.
- Evaluation of providing adequate public facilities, including park area to accommodate the addition of residential development.

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 or not, neither the staff nor the Planning Commission is committed to recommend in favor or denial of the proposed amendment.**

Respectfully submitted,

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 City Planning and Community Investment

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CW/LH/soa

- Attachments:
1. Ownership Disclosure Statement
 2. Navajo Community Planners Inc. letter from September 19, 2005 NCPI meeting
 3. Location Map for Subject Property
 4. Surrounding Area
 5. Photo of Subject Area
 6. Photo of Subject Area
 7. Land Use Designation
 8. Study Area Proposed
 9. Alvarado Creek Sub-Area Land Use Survey, March 2006
 10. Two Industrial Parcels
 11. Photo of Hafer Steel
 12. Photo of Cal Neon
 13. Alvarado Canyon Road Realignment Proposal