

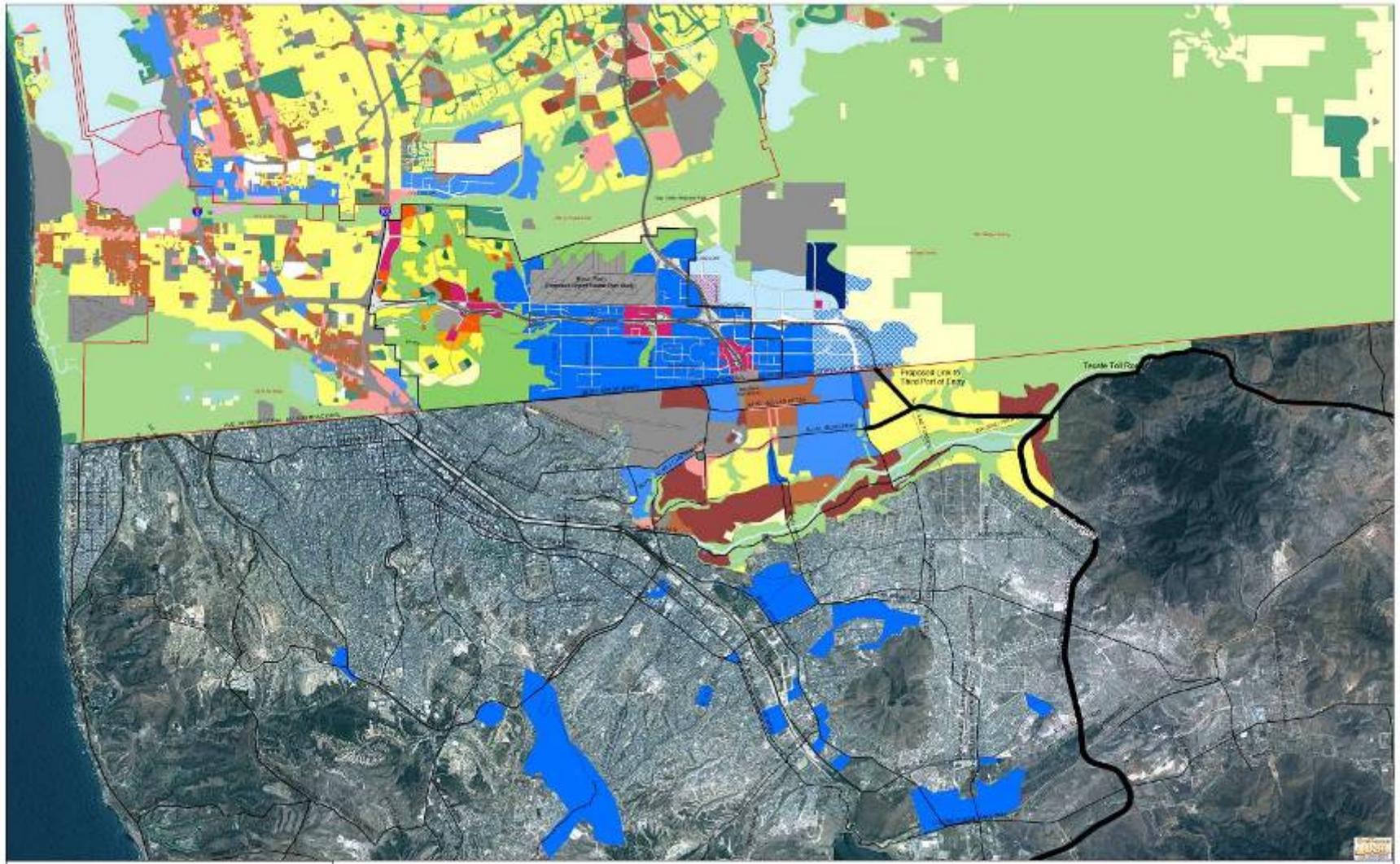
THE CITY OF SAN DIEGO

OTAY MESA COMMUNITY PLAN UPDATE

Planning Commission Workshop:
Industrial Land & Economic Prosperity
18 January 2007



Otay Mesa: Regional Perspective



Overview

1. Introduction
2. Bi-national Profile
3. Regional Studies
4. Logistics Trends
5. General Plan Goals
6. Otay Mesa Background
7. Analysis of Scenarios
8. Discussion Points
9. Public Comment
10. Planning Commission Discussion

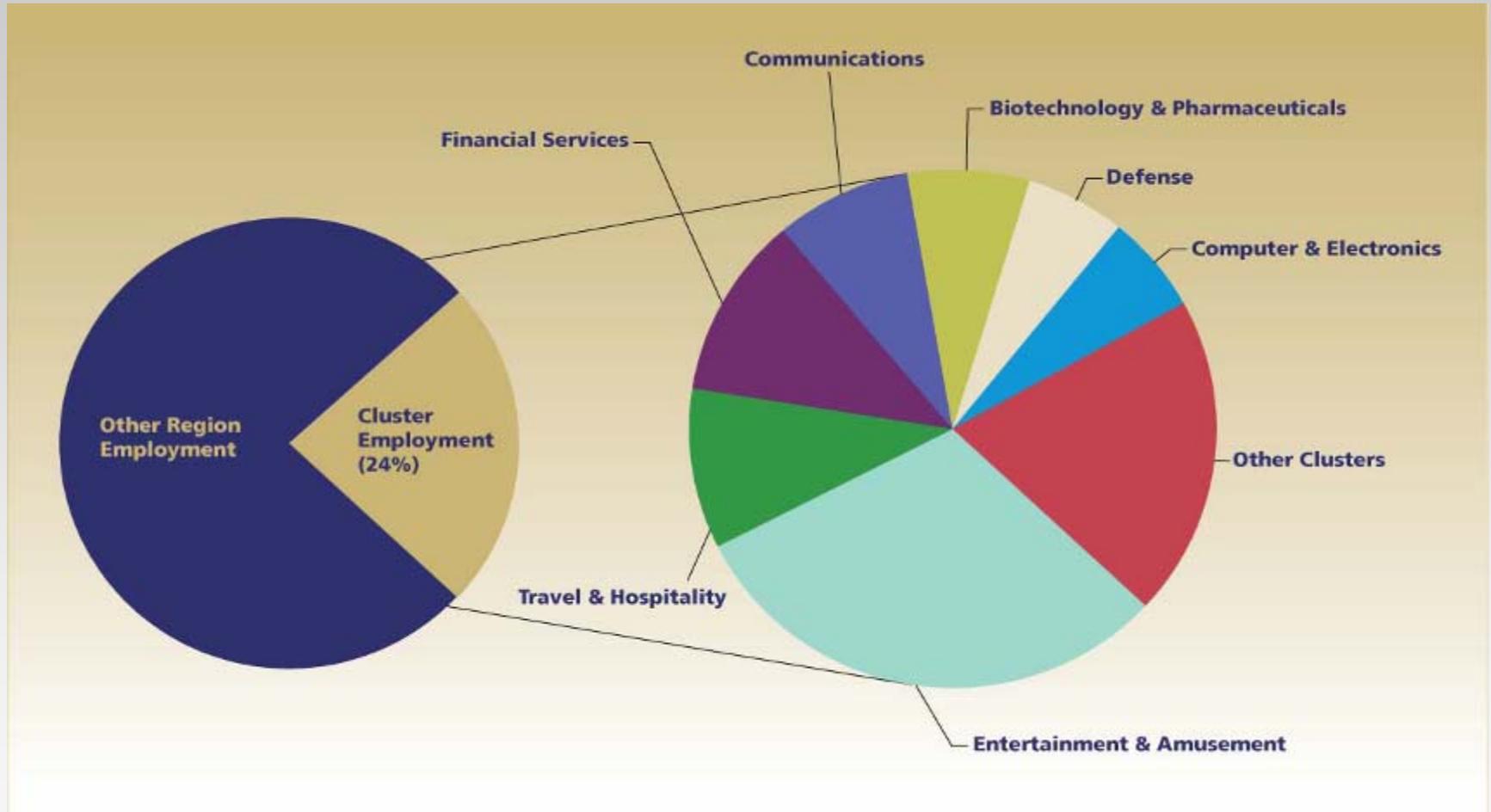


Introductions

- **William Anderson, FAICP**, Director of City Planning and Community Investment
- **Elisa Arias**, San Diego Association of Governments
- **Curtis Spencer**, IMS Worldwide, Inc.
- **Jean Cameron**, Senior Planner
- **Russ Gibbon**, Business Development Officer
- **Theresa Millette, AICP**, Senior Planner
- **Manjeet Ranu, AICP**, MW Steele Group, Inc.



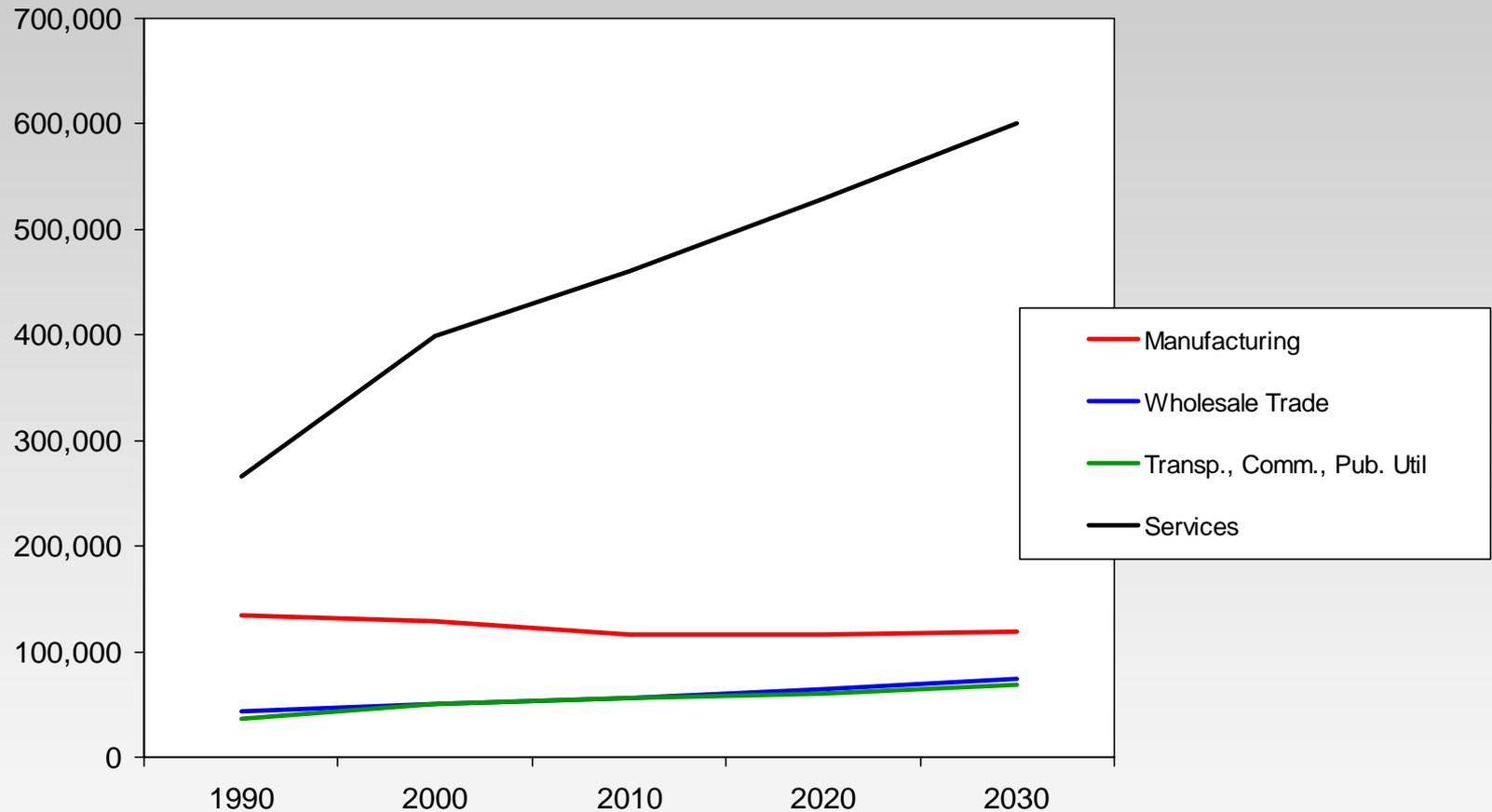
San Diego Region Industry Clusters



Source: California Employment Development Department; compiled by SANDAG.



County-wide Employment Trends



Source: SANDAG



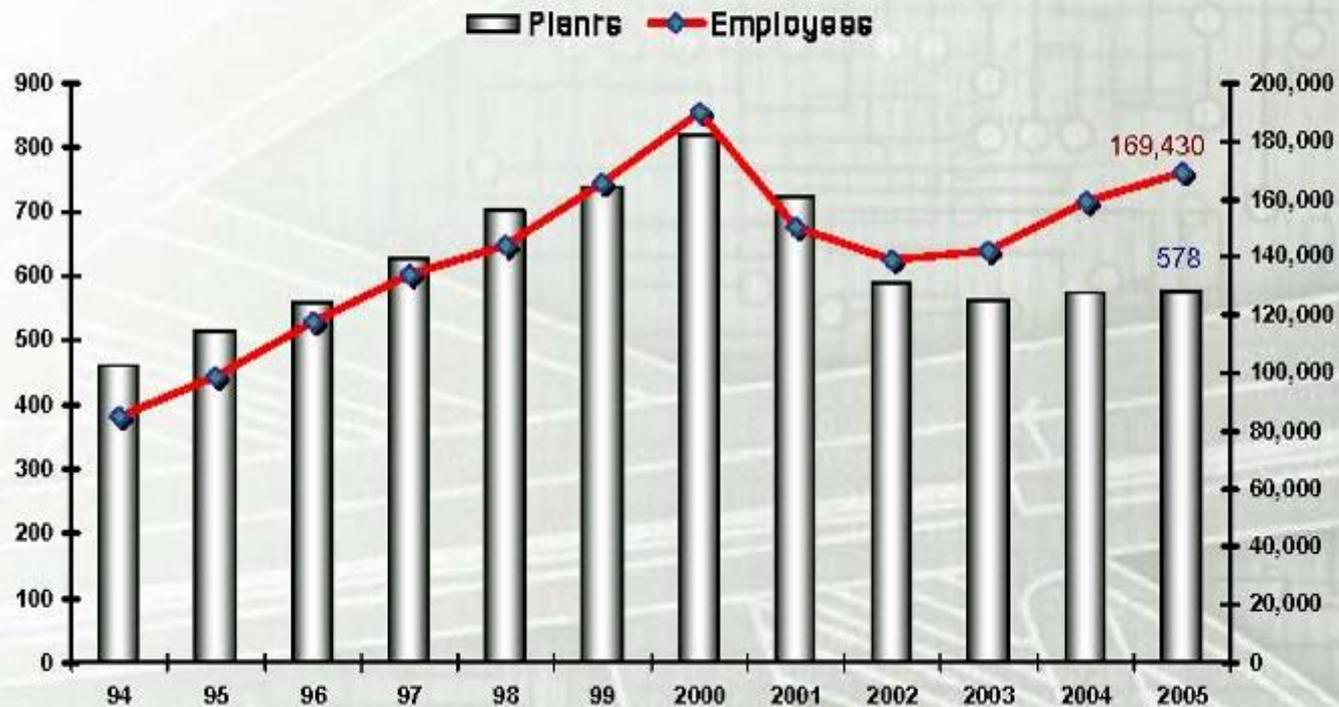
Implications for Region's Economy

- Reflects service and technology based economy
- Forces industries to be more productive
- Some industries won't succeed in region over the long-run
 - Natural process as regional urban economy evolves/matures



Maquiladora Trends: 1995 - 2005

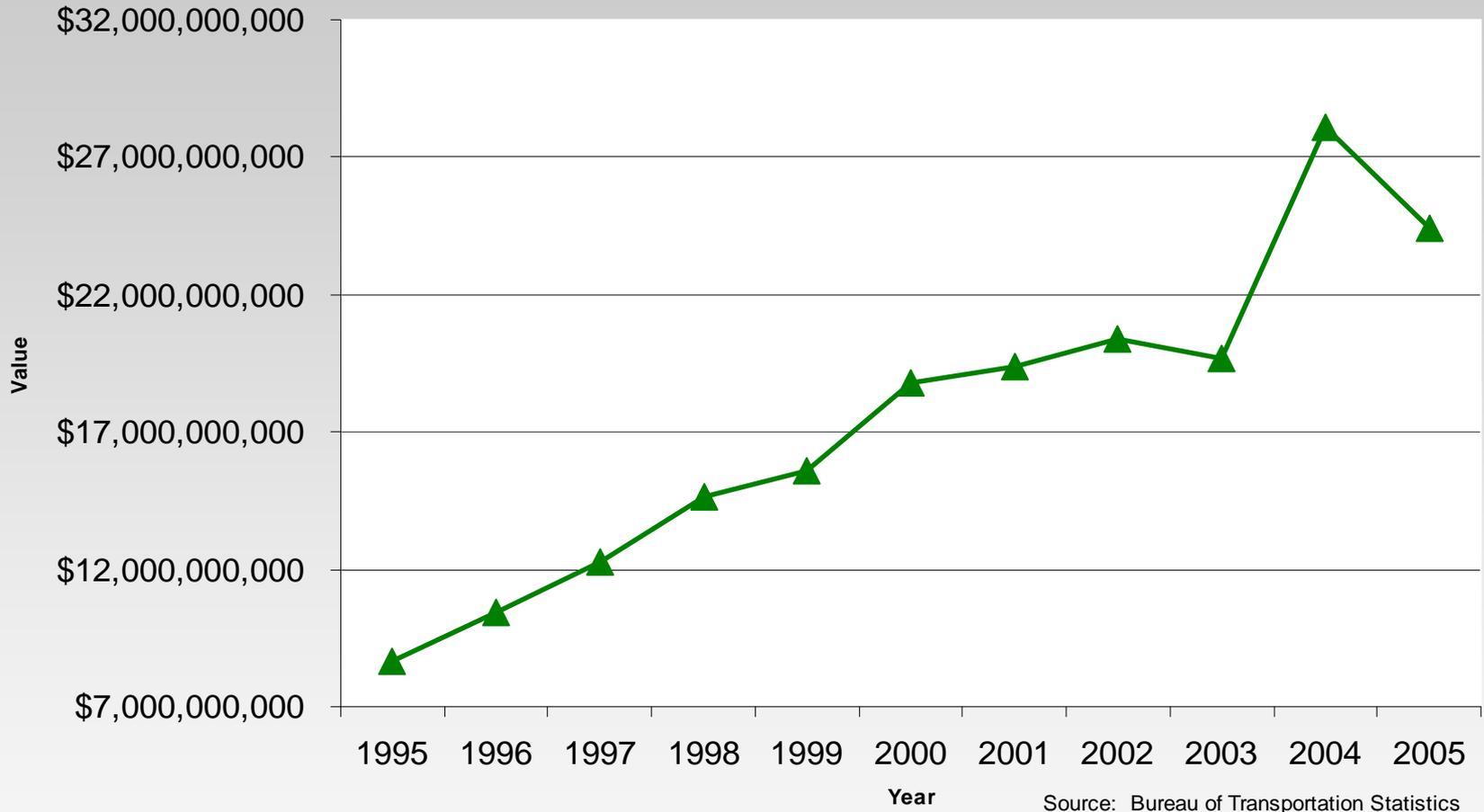
Maquiladora Industry in Tijuana



Source: INEGI, estimated 2005 data



Annual Value of Imports and Exports Through Otay Mesa POE



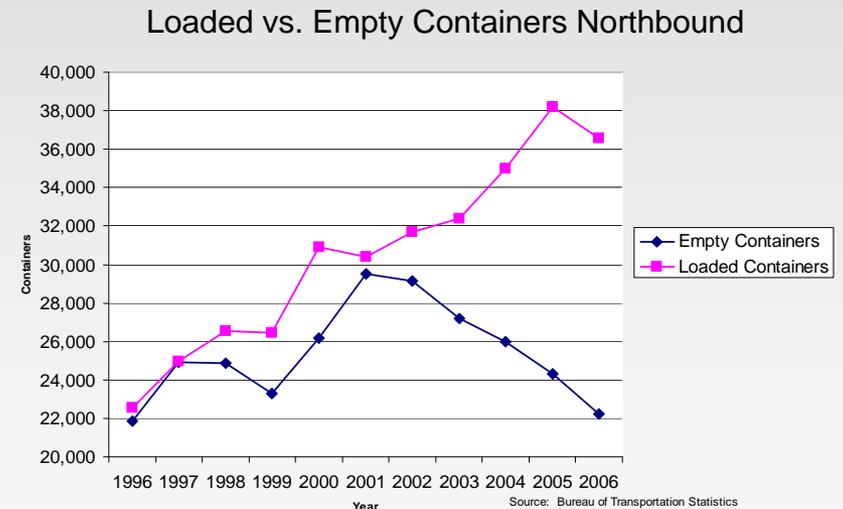
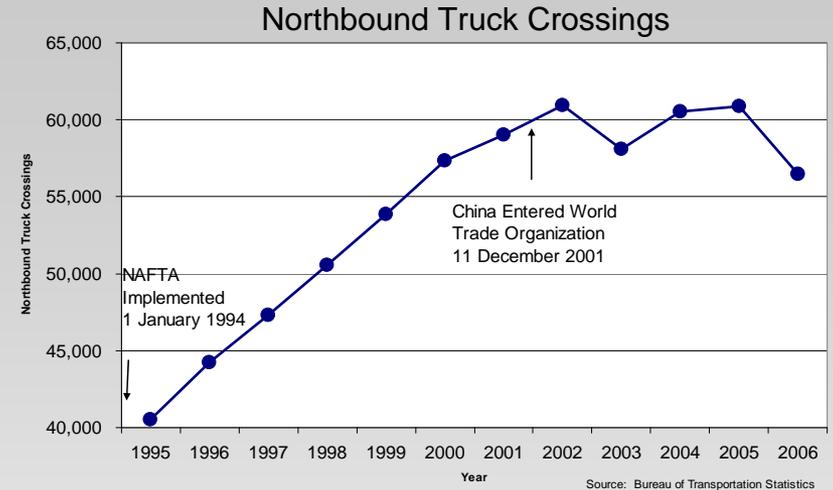
Elisa Arias

San Diego Association of Governments



Economic Impacts of Wait Times at the Border

- Trade is a key contributor to local, state, and national economic growth. Mexico is California's number one export market.
- Border crossing delays costs the U.S. and Mexican economies an estimated \$6 billion in gross output in 2005. Fully 51,325 jobs are sacrificed because of the reduction in output.
- 60% of cross-border travelers surveyed said they would be willing to pay a \$3 toll to cross at new East Otay Mesa port of entry.
- An interview with the trucking industry revealed that the investment potential has been curbed due to the increasing delays at the border.
- The economic impact of congestion on freight traffic is greater on the Mexican side, and spreads significantly to the state and national levels.
- Without improvements, border delays keep growing and the losses incurred by the regional and national economies will more than double in the next ten years.
- Border delays result in increased transportation costs and interruptions in manufacturing and delivery cycles.



Regional housing capacity shortage

- The 288,700 new homes needed by 2030 is roughly equivalent to the entire remaining housing capacity under existing plans.

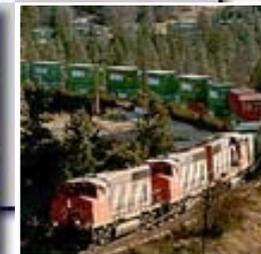
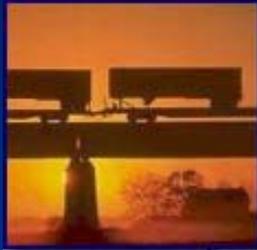
Regional employment capacity surplus

- In 2030 there is still enough land currently designated for employment to locate over 228,000 new jobs.



Logistics Trends, Ports and Inland Ports

Curtis Spencer
President
IMS Worldwide,
Inc.



City of San Diego
January 18, 2007

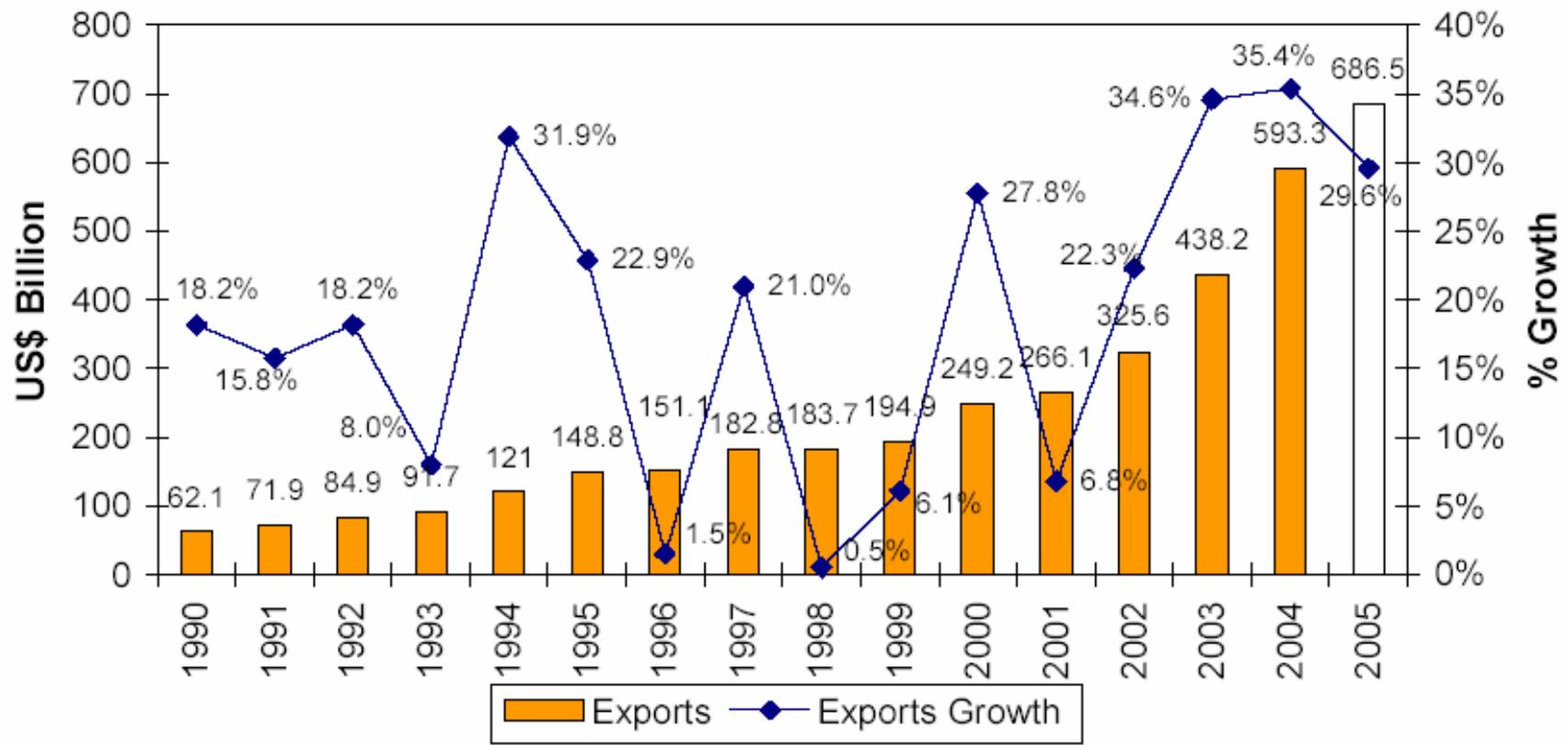


The Global Logistics Process and its Impact on Industrial Real Estate

The U.S. Ports Systems
Inland Transportation Networks
The Inland Port Network

China Growth

FIGURE 4 EXTERNAL DEMAND: CHINA EXPORTS, 1990-2005



Note: 2005 data from Jan-Nov 2005.

China Trade Impact

- In 1995, no major liner services called at a mainland China port. Today, every major liner service has calls at multiple China ports
- The number of containers handled at China's mainland ports has grown by 27% between 1999 and 2004, and has now reached nearly 62 million TEUs
- By 2008, "Greater China" global throughput will be near 34%

Top 10 U.S. Ports, 2005 TEU Volume

• Los Angeles*	7,484	22%
• Long Beach*	6,709	20%
• NY/NJ	4,792	15%
• Oakland	2,727	8%
• Seattle	2,087	6%
• Tacoma	2,066	6%
• Charleston	1,986	6%
• Norfolk (VA)*	1,981	6%
• Savannah	1,901	6%
• Houston	1,582	5%

TOTAL US VOLUME – 2004 = 29,805,000 TEU

TOTAL US VOLUME – 2005 = 33,315,000 TEU

**Capacity for 8000+TEU vessels (+Halifax and Prince Rupert)*

Ports of Los Angeles & Long Beach



**TRAPAC –
173 acres**

YML –
186 acres

China Shipping –
75 acres

YTI – 185 acres

Evergreen –
205 acres

**APL –
292 acres**

APM – 484 acres

Port of LA

MSC/Zim –
171 acres

P&O/NL –
84 acres

Hanjin –
375 acres

Matson – 70
acres

**CUT –
108 acres**

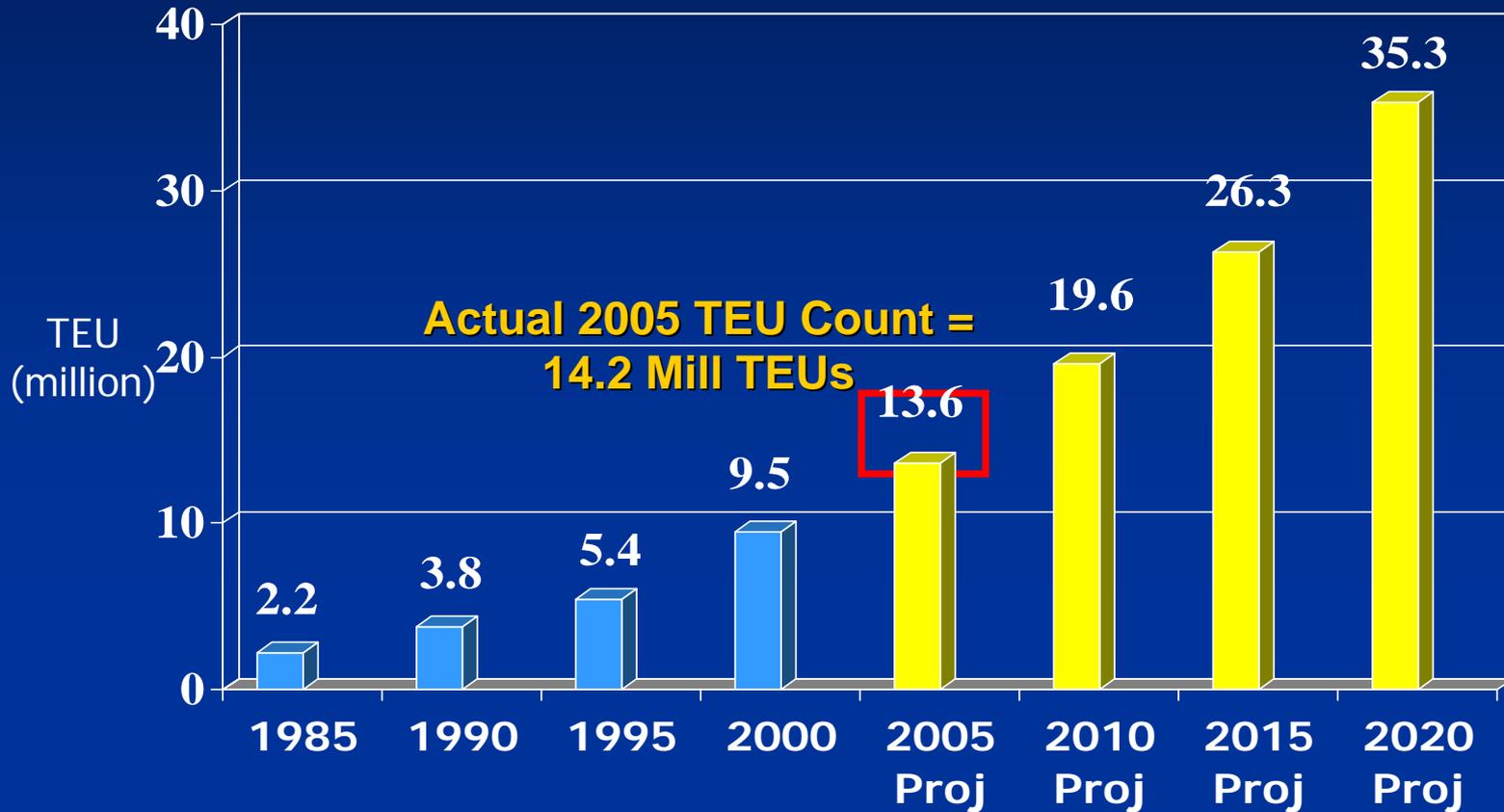
LBCT –
101 acres

ITS
246 acres

PCT 237
acres

Port of LB

LA-Long Beach Container Volumes *Estimates (LA EDC)*



Source: 2001 Mercer Mgmt Consulting based on 6.5% compounded

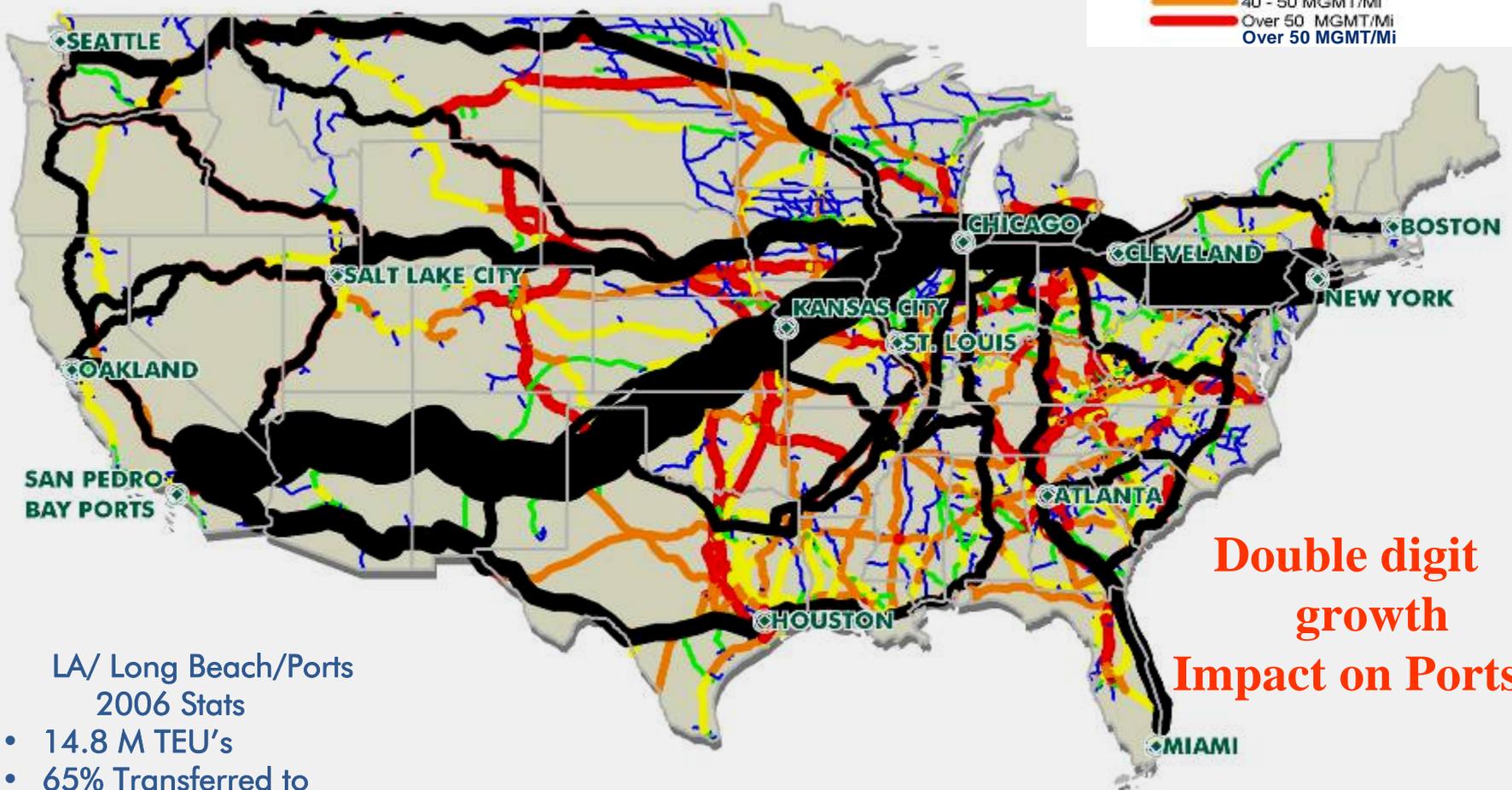
The West Coast Continues to Receive 2/3 of all Imports into the USA

- This phenomenon started with an emerging Japan, then Taiwan, and now China
- Now, N. Asia and S.E Asia account for > 50% of all container traffic coming into the USA
- **Of that traffic, more than 65% moves inland!**
- The new ways cargo moves to the DC is the key to unlocking the development opportunities

Inter-modal Trade Volume

Intermodal Freight Density

Million Gross Metric Tons per Mile

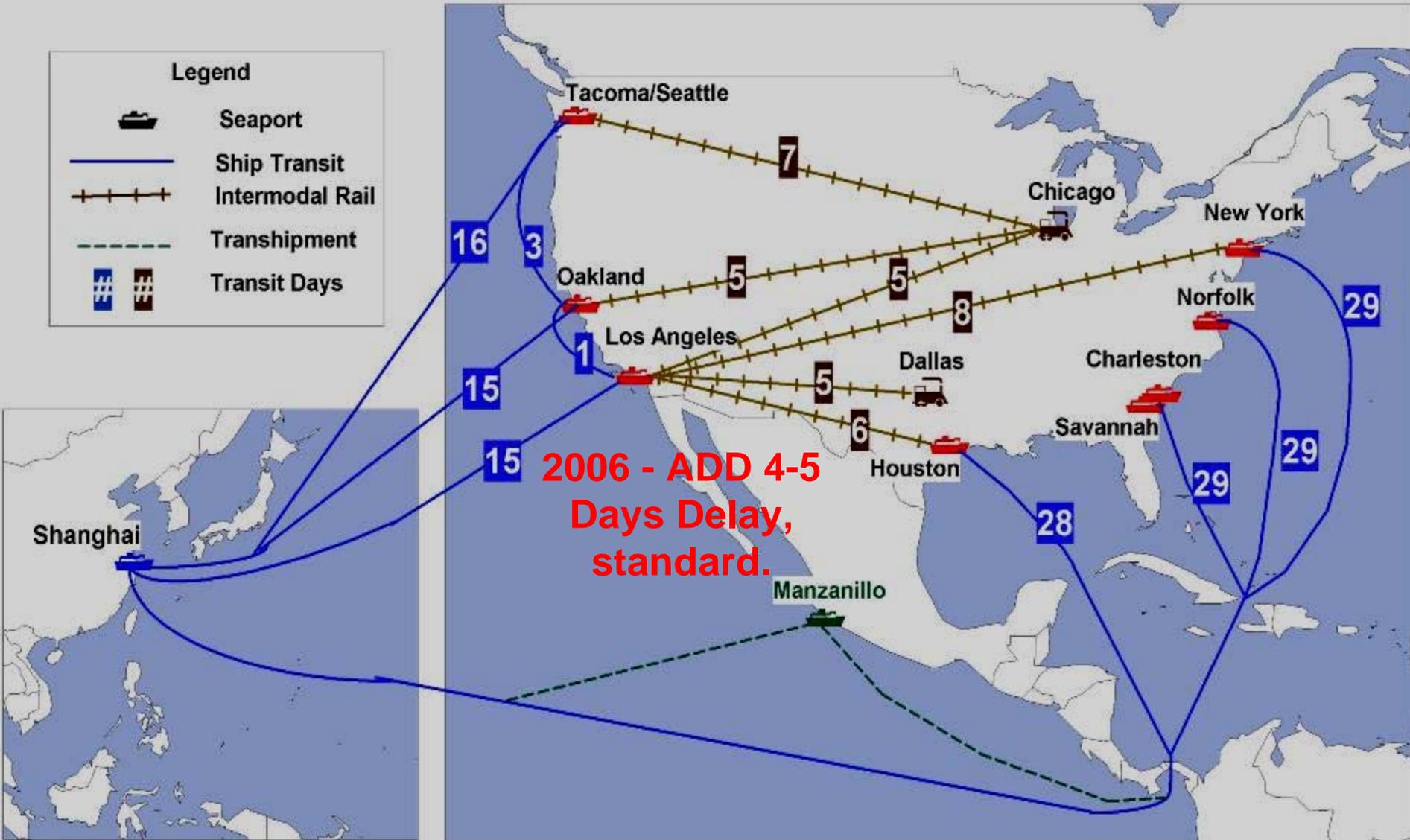


**Double digit
growth
Impact on Ports**

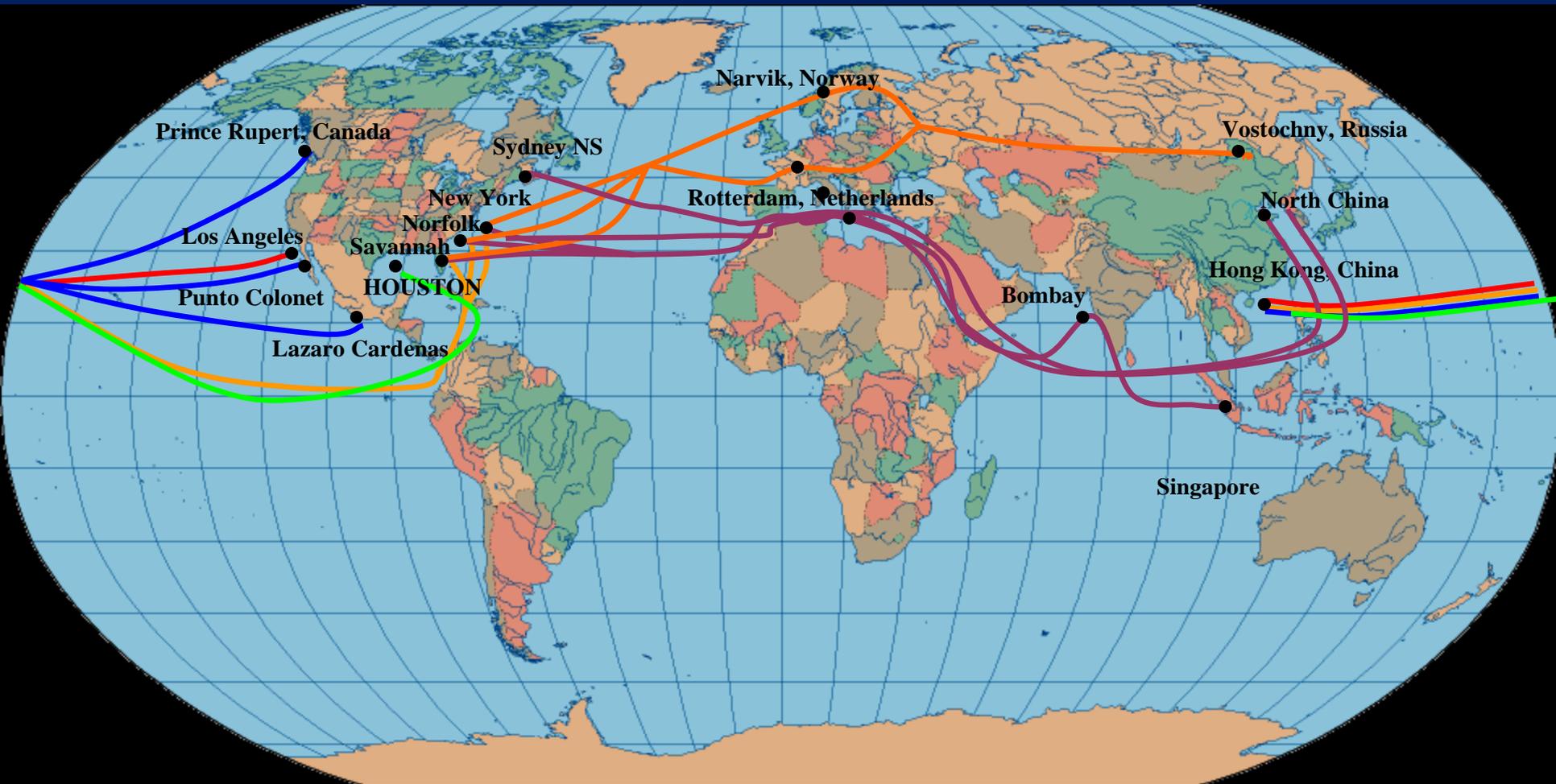
LA/ Long Beach/Ports
2006 Stats

- 14.8 M TEU's
- 65% Transferred to Inland Ports

Shanghai to North American Port Destinations - 2006



“The Earth is Round” New Routes to the New World!



NEW Routes for Imports into the USA

PANAMA CANAL, 2006: A VERY TIGHT FIT!





SUEZ CANAL – WILL TAKE ANY SIZE VESSEL TODAY (2006)

Port Diversions Strategies

- New Wal-Mart DCs: Houston, Savannah, Norfolk
- Target, IKEA, and Toys “R” US are following!
- Nike, Best Buy, Canon have stated objectives of 50% to 75% diversions OUT of LA/LB
- Direct SUEZ service to U.S. East Coast easing some LA/LB capacity (started 2005-2006)
- S.E. & Gulf Ports seeing 15% to 20% growth rates
- New “out of the box” thinking and strategies
- It’s happening NOW!

What is an Inland Port?

- The simple definition of an Inland Port is a strategic location “inland” away from a port that off-loads containers for a large population base.
- Usually connected to excellent interstate highway crossroads.
- We define it exclusively as an “intermodal” facility, “the end of the rail-ramp, from a port complex.”
- What does it look like?

BNSF INTERMODAL YARD – ALLIANCE TX

675,000 Lifts/Year, expanding to 1 Million!



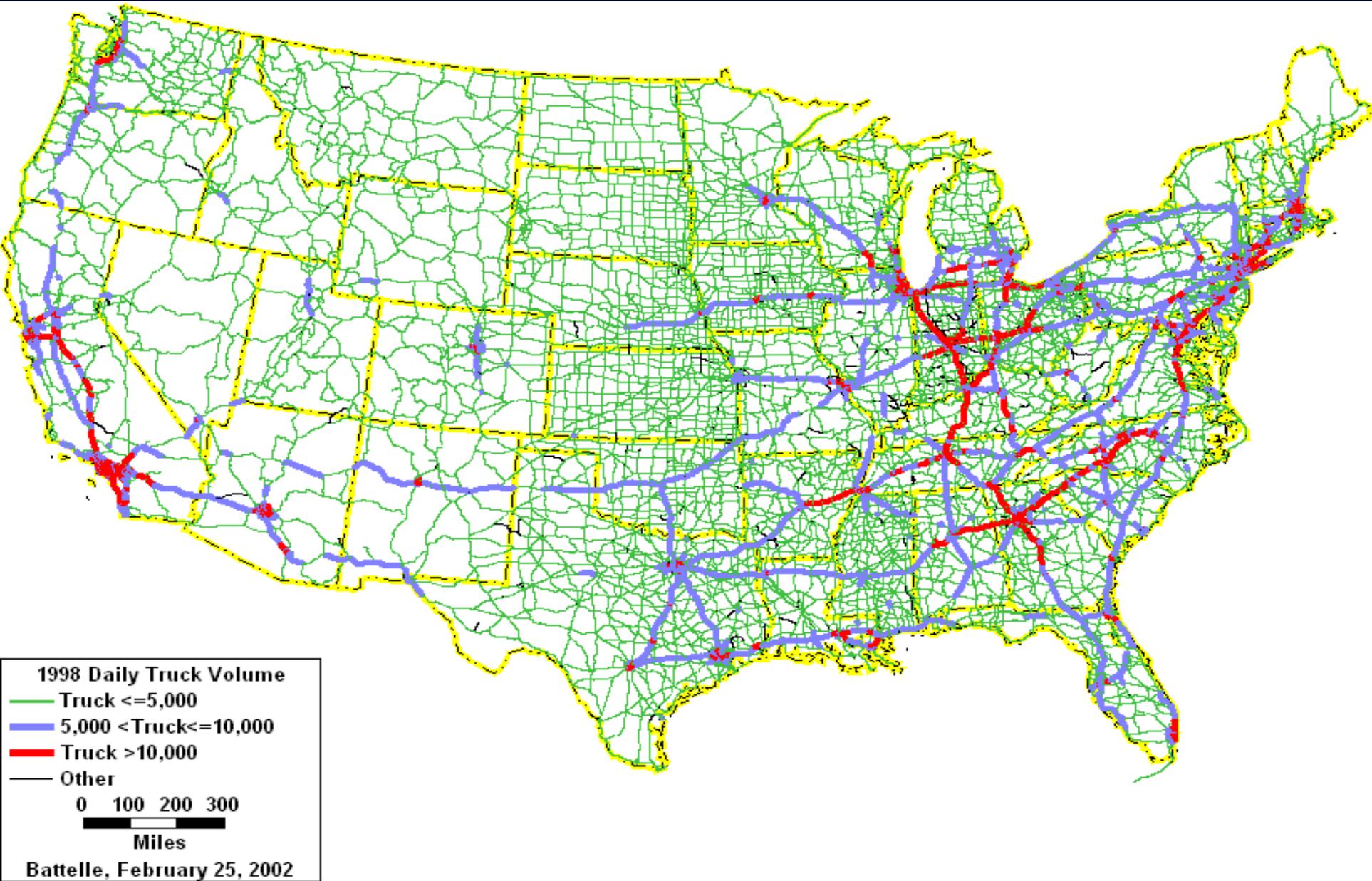
Inland Port Distribution Complex



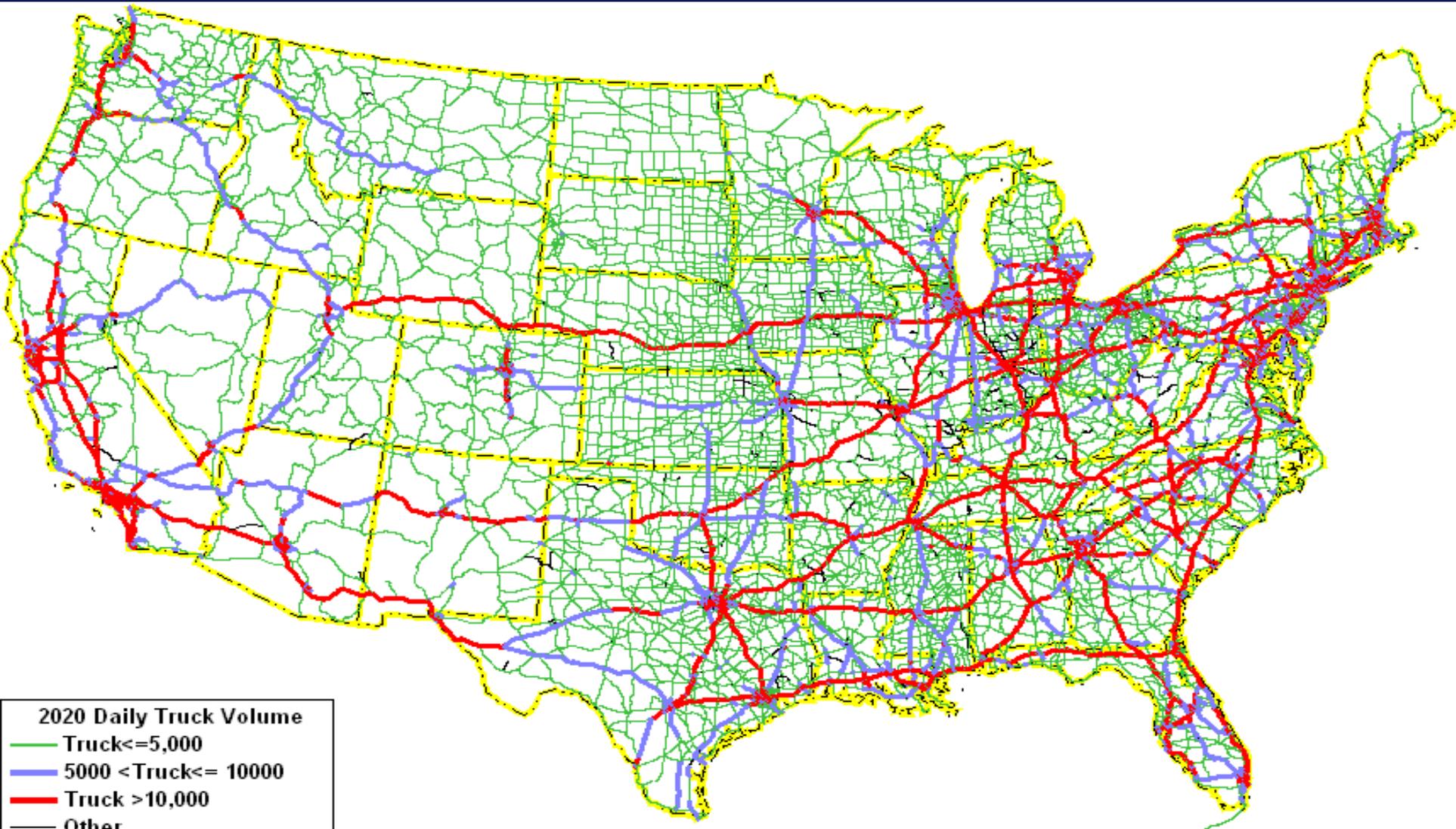
What is the rationale around Inland Ports?

- As developers/investors, understanding the “logistics process” and port growth is fun, but WE want to know:
 - Where does the “Box” come to rest?
 - Where is it getting opened?”
- Because THAT is where vertical is to be built!!
- Its “fine and good” to understand where the TEU is coming *through*, BUT we want to know where it comes to rest!

Truck Volumes –1998



Truck Volumes – 2020



2020 Daily Truck Volume

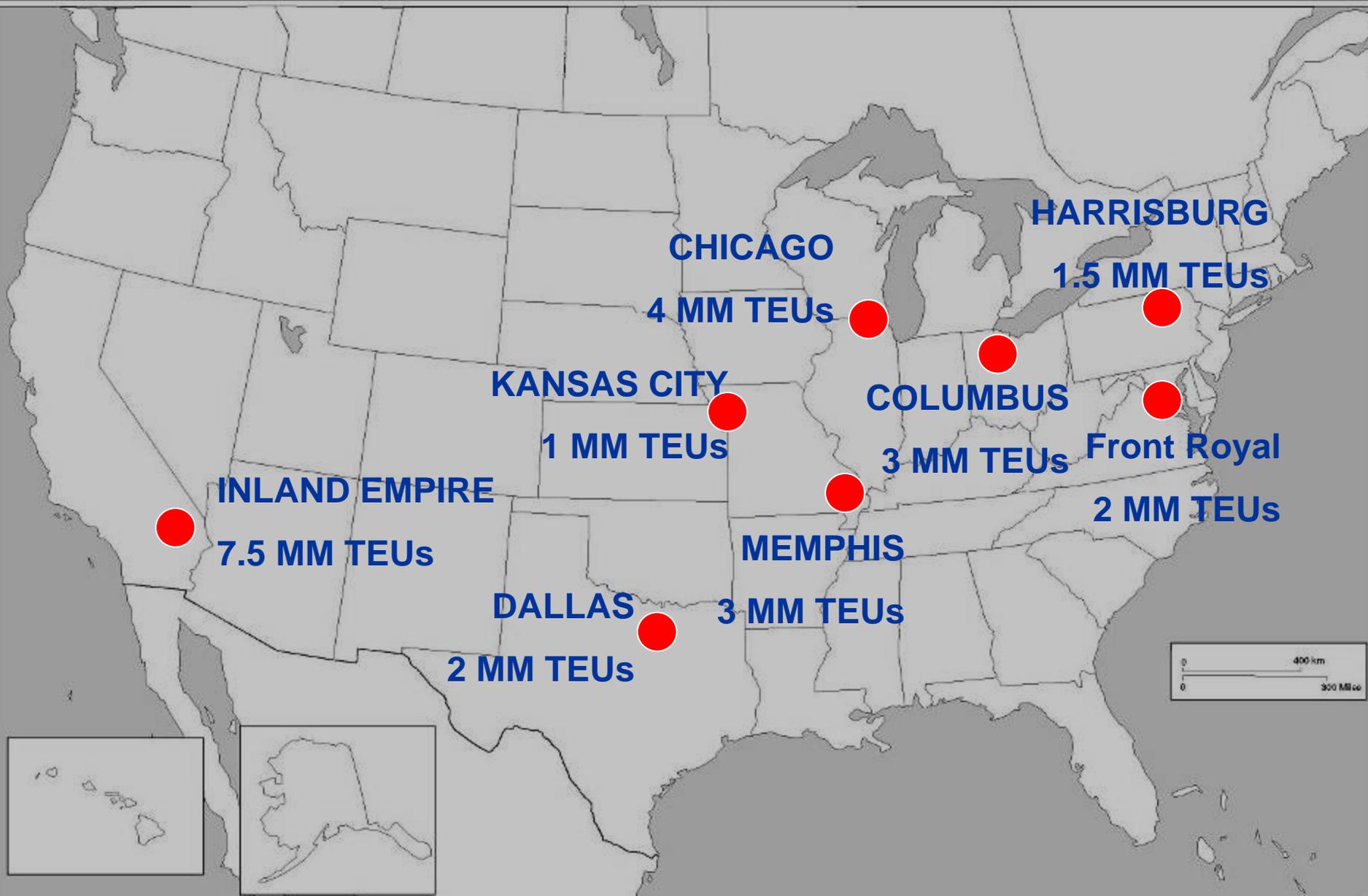
- Truck ≤ 5,000
- 5000 < Truck ≤ 10000
- Truck > 10,000
- Other

0 100 200 300

Miles

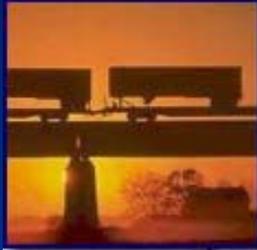
Battelle, February 25, 2002

Hottest NEW Inland Ports



Logistics Trends & their Impact on Industrial Real Estate

Thank You!
IMS
Worldwide,
Inc.



WWW.IMSW.COM
800-741-9286

Jean Cameron

Senior Planner, City of San Diego



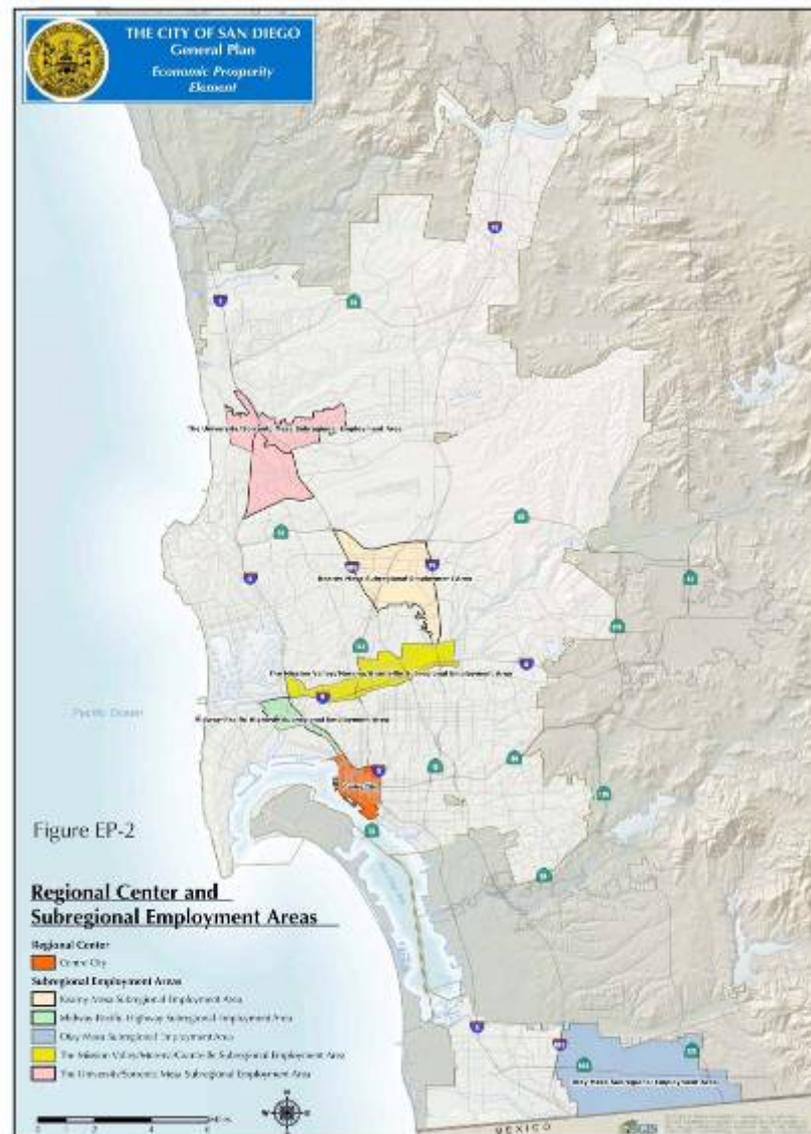
Draft General Plan Goals: Economic Prosperity

Industrial Lands

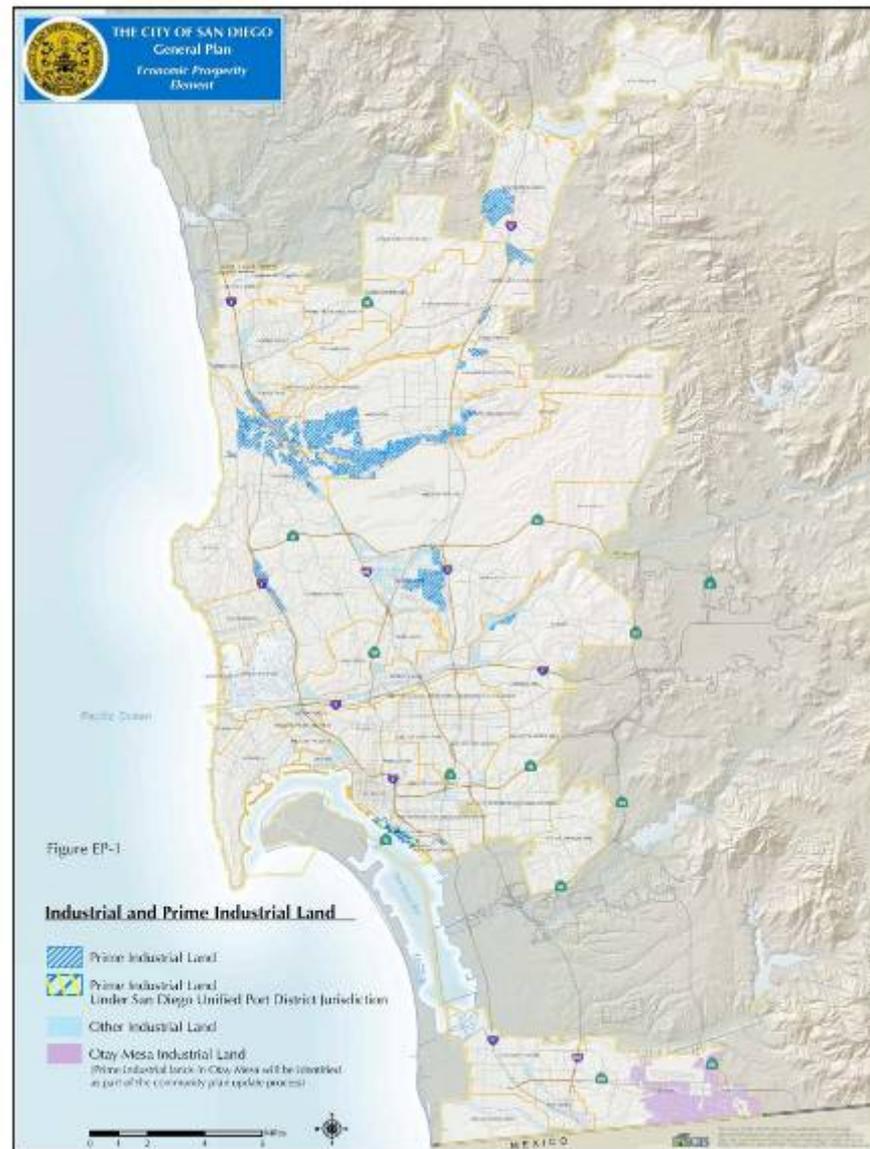
- A diversified economy with a focus on providing good employment opportunities and livable incomes for San Diegans
- A city with employment land and capacity for base-sector industries sufficiently and appropriately designated to sustain a strong economic base
- Efficient use of existing employment lands
- No loss of employment land and capacity for base-sector industries that contribute significantly to the regional or local economy



Draft Regional & Sub-regional Centers



Draft City Prime Industrial Lands



Draft General Plan Border Relations Goals

- A city that takes advantage of its location as part of a greater interregional and bi-national area to be a strong competitor in the global marketplace.
- A city that actively promotes greater interregional and bi-national cooperation.
- Protection of the quality of life in the greater border region while keeping the region secure.
- Reliable and efficient passenger and commercial transportation systems along the U.S.–Mexico border.



Russ Gibbon

Business Development Officer, City of San Diego



SANDAG's 2000 Regional Employment Lands Study

- Includes non-retail lands (industrial & office)
- 13,700 acres developable capacity
 - 2,900 near-term
 - 10,800 long-term
- 1,500 acres unmarketable (10%)



San Diego's Local Economy

Retail Trade Sector

Local Government (Public) Sector

Utilities Sector

Construction Sector

Service Sector

Transportation Sector

Border Patrol

Amusement & Animal Parks

Business & Specialty Equipment

National Corp. HQs

Maquiladoras

US Coast Guard

Museums

Software

National Engineering & Construction

Customs Brokers

USMC

Hotels & Motels

Telecom

National Customer Service Centers

Freight Forwarders

USN

Bio-Tech

Logistics

NATIONAL SECURITY

TOURISM

MANUFACTURING

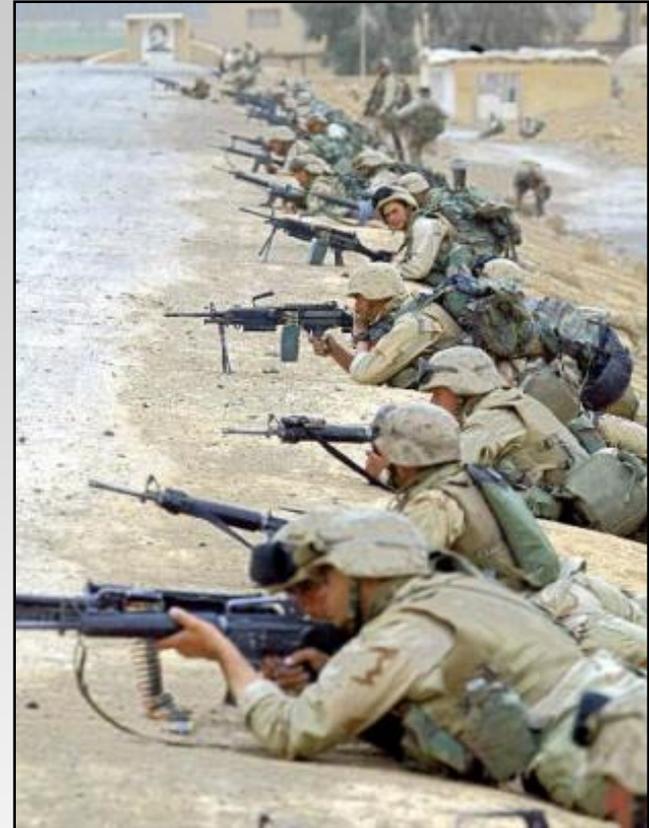
NATIONAL BUSINESS SERVICES

INTERNATIONAL TRADE

San Diego continues to have the largest number of military personnel in the nation

LEADING COUNTIES FOR DEPARTMENT OF DEFENSE WAGES AND SALARIES

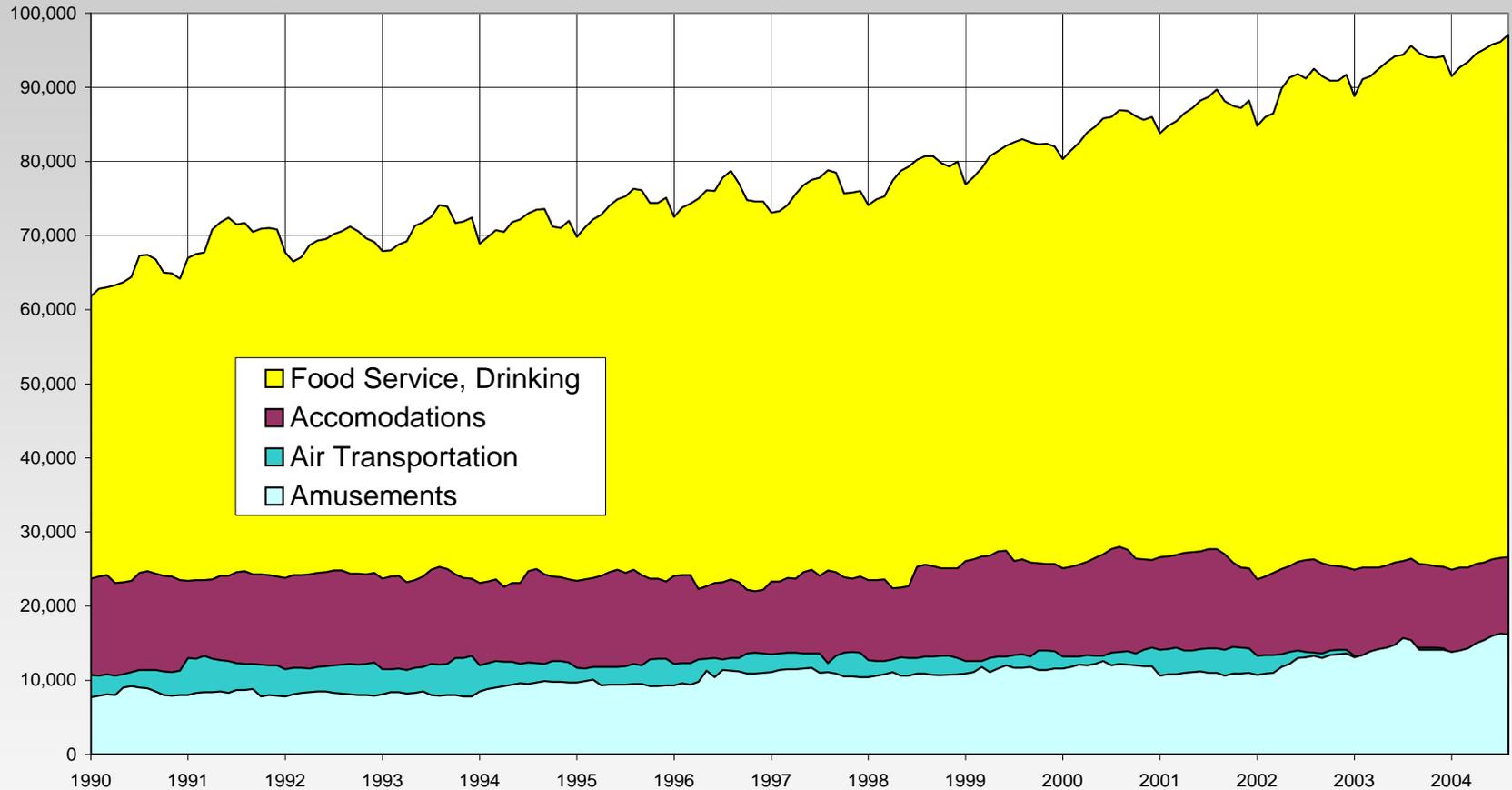
2002 Rank	County, State	Payrolls (\$000s)		Change '02/'01
		FY 2001	FY 2002	
1	SAN DIEGO, CA	\$3,765,351	\$4,264,152	13.2%
2	Norfolk city, VA	2,264,096	2,497,767	10.3%
3	Honolulu, HI	2,107,123	2,231,650	5.9%
4	Bexar, TX	1,507,586	1,884,181	25.0%
5	Cumberland, NC	1,592,704	1,781,771	11.9%
6	Arlington, VA	1,603,685	1,642,783	2.4%
7	Bell, TX	1,461,566	1,566,920	7.2%
8	El Paso, CO	1,215,842	1,251,946	3.0%
9	Washington, DC	1,122,979	1,446,096	28.8%
10	Pierce, WA	943,360	1,063,799	12.8%
CALIFORNIA		\$7,445,592	\$8,242,556	10.7%
UNITED STATES		\$70,273,656	\$76,100,377	8.3%



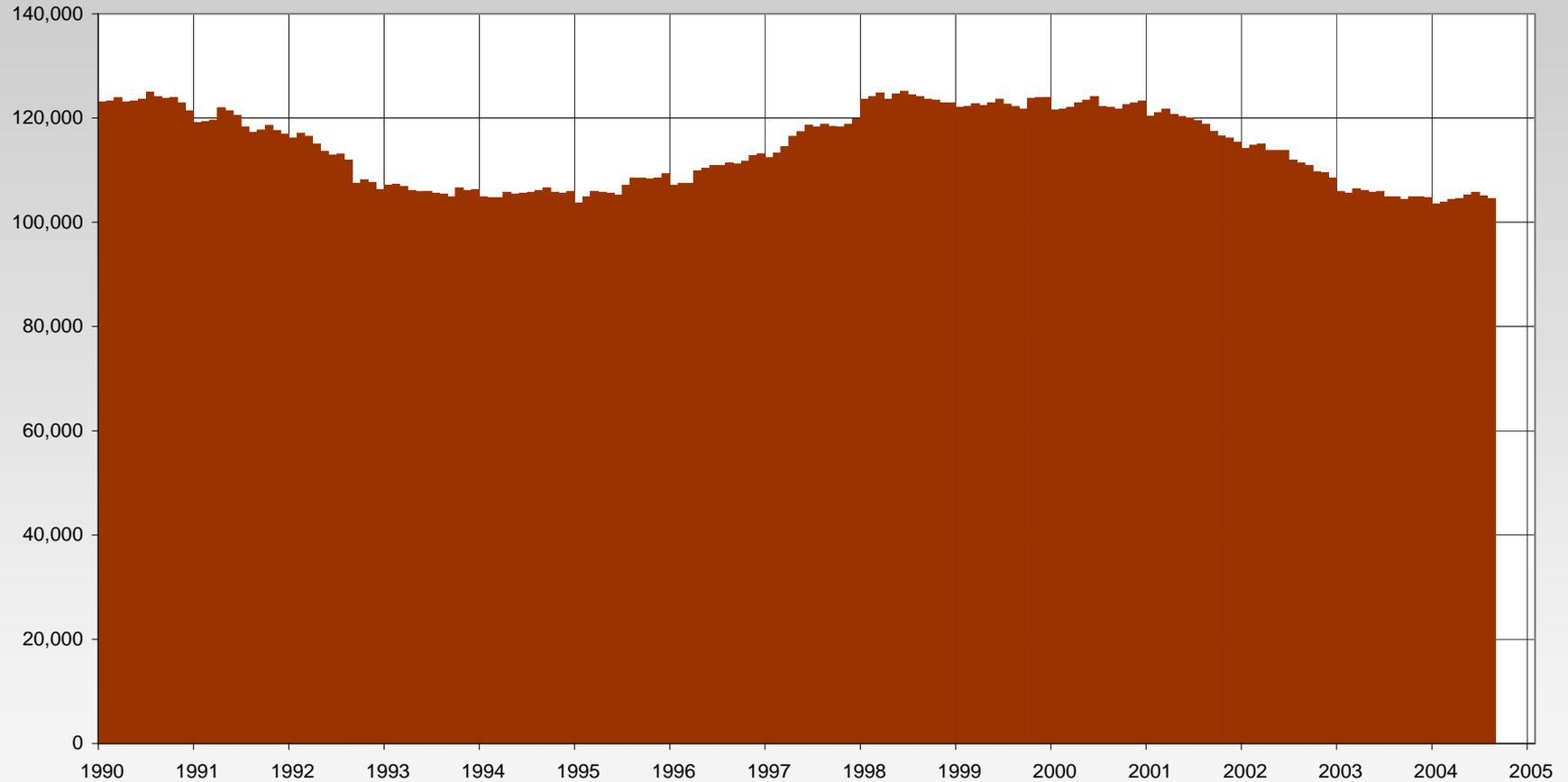
Source: U.S. Department of Commerce, Bureau of the Census; Economic Research Bureau, San Diego Regional Chamber of Commerce.



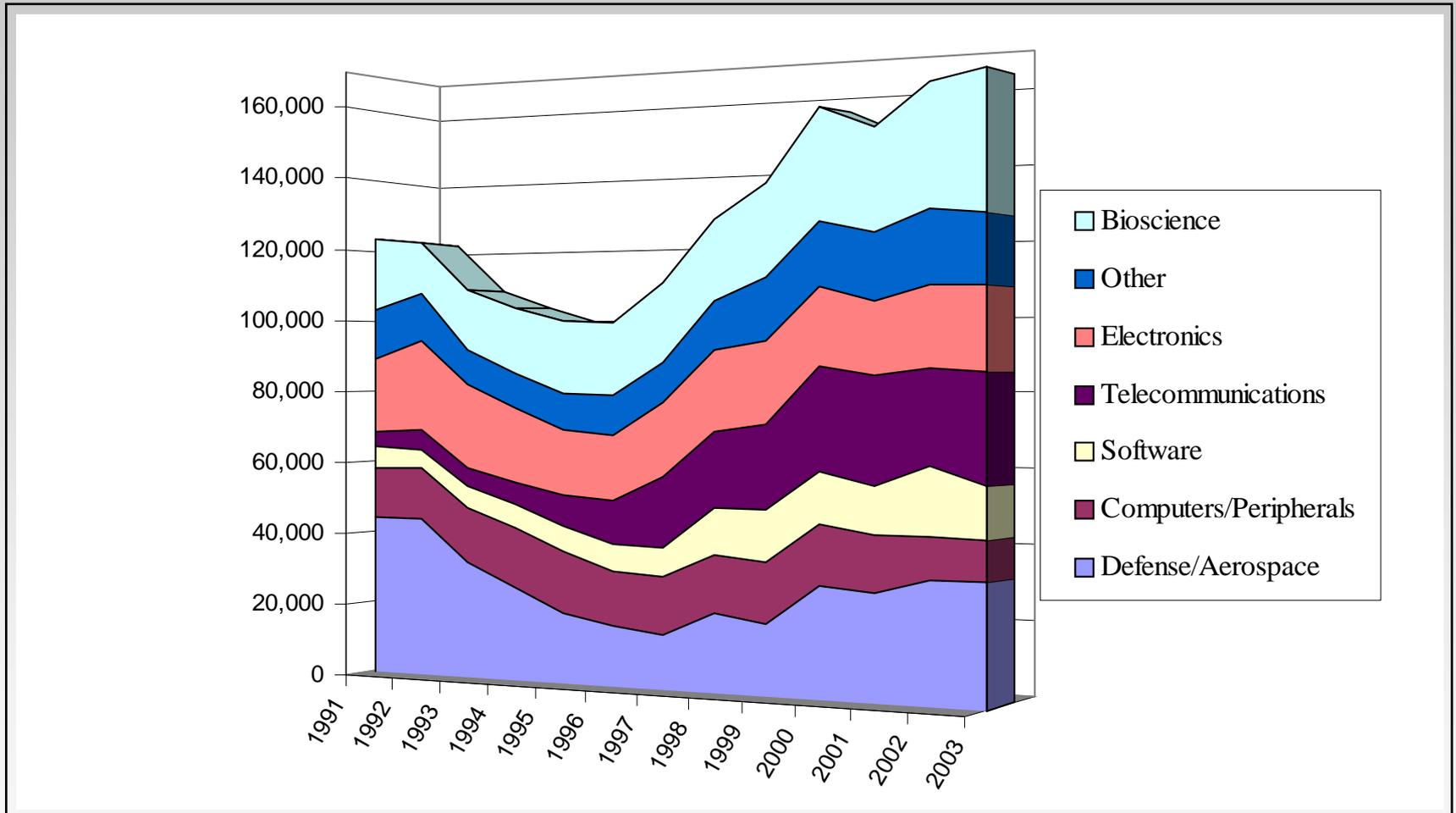
Visitor Industry Jobs San Diego County



Manufacturing Jobs San Diego County



High-Technology/Bioscience Employment, San Diego County



Local Economic Trends - Manufacturing

Bio-tech

- Amylin Pharmaceuticals, Biosite, Cardinal Health,
- Gen-Probe, Novartis, Pfizer

Defense Systems

- Northrop-Grumman, General Atomics, SAIC,
- BAE Systems, GD-NASSCO, Remec, Cubic, Raytheon

Business & Specialty Equipment

- Cochu, Cymer, Kyocera, Solar Turbines,
- Crower, Hamilton-Sunstrand, Parker-Hanifan



Defense Contracts Increase 62.6 percent in San Diego



LEADING COUNTIES FOR DEPARTMENT OF DEFENSE PROCUREMENT CONTRACT AWARDS

2002 Rank	County, State	Contracts (000s)*		Change '02/'01
		FY 2001	FY 2002	
1	Los Angeles, CA	\$7,583,359	\$9,555,654	26.0%
2	Fairfax, VA	4,659,058	5,060,645	8.6%
3	SAN DIEGO, CA	2,863,193	4,654,559	62.6%
4	St. Louis (City), MO	4,511,566	4,570,597	1.3%
5	Cobb, GA	4,668,849	4,099,230	-12.2%
6	Tarrant, TX	1,768,593	3,542,383	100.3%
7	Maricopa, AZ	2,558,992	3,498,224	36.7%
8	Madison, AL	2,285,758	3,434,914	50.3%
9	Santa Clara, CA	2,740,959	2,944,333	7.4%
10	Pima, AZ	1,765,922	2,629,401	48.9%
1	CALIFORNIA	\$19,864,231	\$23,991,633	20.8%
	UNITED STATES	\$149,314,126	\$165,578,660	10.9%

*Total value for most contract obligations of \$25,000 or more.

Source: U.S. Department of Commerce, Bureau of the Census; Economic Research Bureau, San Diego Regional Chamber of Commerce.



National Business Services

National Corporate HQ's

Jack in the Box Corp.

Petco Animal Supplies, Inc.

Linsco Private Ledger (LPL) Corp.

Sempra Energy

Charlotte Russe Holdings Corp.

National Customer Service Centers

AMN Healthcare Corp.

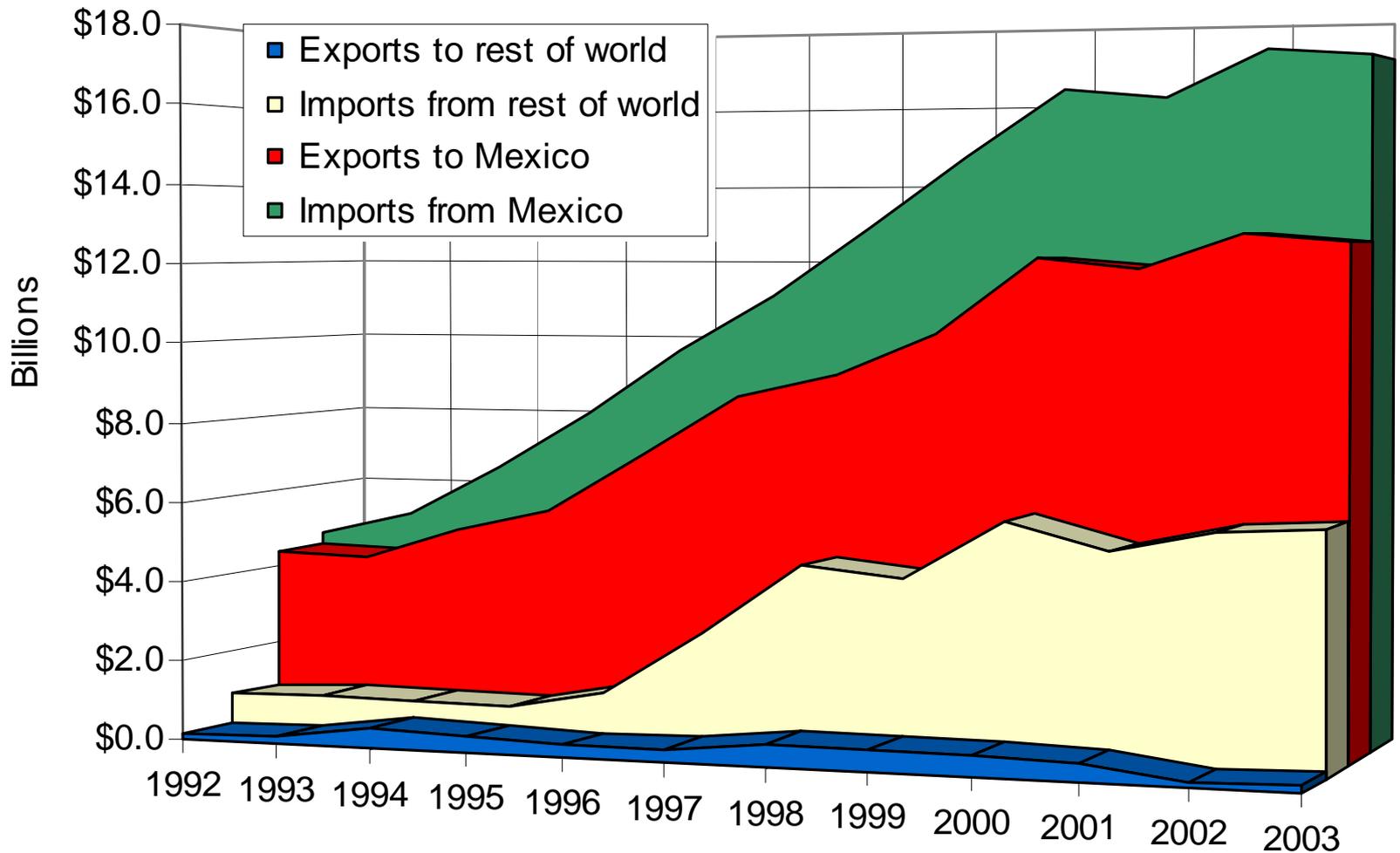
Accredited Home Lenders, Inc.

Home Depot Supply

New-Gen Results



Value of San Diego International Trade



Source: U.S. Census Bureau, Foreign Trade Division; MISER;
Economic Research Bureau, San Diego Regional Chamber of Commerce.



QUALCOMM Building W Complex R&D/Mfg

FAR = 1.1

364 s.f./job

136 jobs/net acre



Biosite Buildings A, B, C and D Office/R&D/Mfg./Dist.

FAR = 0.52

267 s.f./job

70 jobs/net acre



**Gen-Probe Buildings GCD-1 and GCD-2 554,000 s.f. Office/R&D/
Mfg./Dist.**

FAR = 0.43

675 s.f./job

34 jobs/acre



General Atomics Building 5 158,000 s.f. Mfg.

FAR = 0.35

526 s.f./job

37.5 jobs/acre



Northrop Grumman Buildings 1, 2, 3 and 4 230,000 s.f. R&D/Mfg.



Trepcowest – Distribution Center 134,000 s.f. Dist.

FAR = 0.45

1,914 s.f./job

10 jobs/acre



Crower Cams & Equipment

95,000 s.f. Mfg

FAR = 0.38 316 s.f./job 53 jobs/net acre



Factory 2-U Distribution Center 600,000 s.f.

FAR = 0.44 1,200s.f./job 16 jobs/net acre



The Importance of Middle-Income jobs

- First identified as a problem in San Diego by the Center for Policy Initiatives (CPI) in 1998 in its publication – ***“Prosperity and Poverty in the New Economy”***
- “In short, an hourglass economy is developing in which those with the skills and social networks to make it in growing high-tech industries are prospering and those filling the ranks of fast growing low-wage service industries are sliding backwards” - Donald Cohen, Enrico Marcelli, Ph.D, and Pascale Joassart, Ph.D



The Importance of Middle-Income Jobs

- Strategies to promote the creation of middle-income jobs are incorporated into the City's "***Community and Economic Development Strategy***" adopted by City Council in 2001 **Resolution R-294831**
- "Regional Economic prosperity – continuing business development incentives, but more narrowly focused on key middle income-producing industries" p.1
- "Continue to provide business development incentives authorized under Council Policy 900-12 and through the Enterprise Zone Program for businesses and projects that provide middle income job opportunities (manufacturing, R&D, and wholesale trade and distribution) ..." p 8



The Importance of Middle-Income jobs

- Land use policy guidance was also provided in the ***General Plan Update's Strategic Framework Element*** adopted by the City Council in 2002 **Resolution R-297230**
- “Preserve areas for middle-income employment uses including manufacturing, research and development, distribution, and wholesale trade by limiting or excluding multiple tenant office uses and corporate headquarters that do not have a research and development or manufacturing component.”



The Importance of Middle-Income jobs

- The importance of addressing this problem was once again underscored in a 2004 Report issued by the San Diego Regional Chamber of Commerce which also noted the emergence of an “hourglass” or “barbell” economy:
- Out of 70,810 jobs created between 1999-2002, 42,320 (60%) pay less than 30,000/annually, the slowest employment growth occurred in middle income jobs (\$30,000 - \$55,000/annually), only 2% growth during this 4-year period.
- We are creating some high-end jobs and a lot of low-wage jobs, but the middle class is getting squeezed out. We run the risk of becoming like Santa Barbara with a stratum of wealthy people and the workers on the lower end who serve them”
- - Kelly Cunningham – Chief Economist



Typical SD County Employment Densities

Base Sector Industries by Land Use Category (Square Feet per Worker)

<u>Category</u>	<u>Based on</u>		
	<u>Parking Ratio</u>	<u>KMA Study</u>	<u>ALUCP</u>
Natl. Business Services Office	300	250	250-300
Industrial (Mfg. and R&D)	400	500	250-500
Warehouse/ Distribution Center	1,000	2,000	n/a
Hotel/Motel	n/a	500	n/a



Typical Otay Mesa Employment Densities

Using the South side of Siempre Viva Road As a Representative Sample (Square Feet per Worker)

- Average: 2,425
- Average without Hitachi Transport: 1,343
- Median: 1,147



National Weighted Mean Hourly Wages

Base-Sector Industries by Land Use from KMA Study in 2003

Category	Annual Pay	Hourly Wage
Natl. Business Services Office	\$46,028	\$24.19
Industrial (Mfg. and R&D)	\$40,988	\$21.10
Warehouse/Distribution Center	\$36,556	\$18.99
Hotel/Motel	\$21,986	\$11.81



Typical Tax Revenue Generation

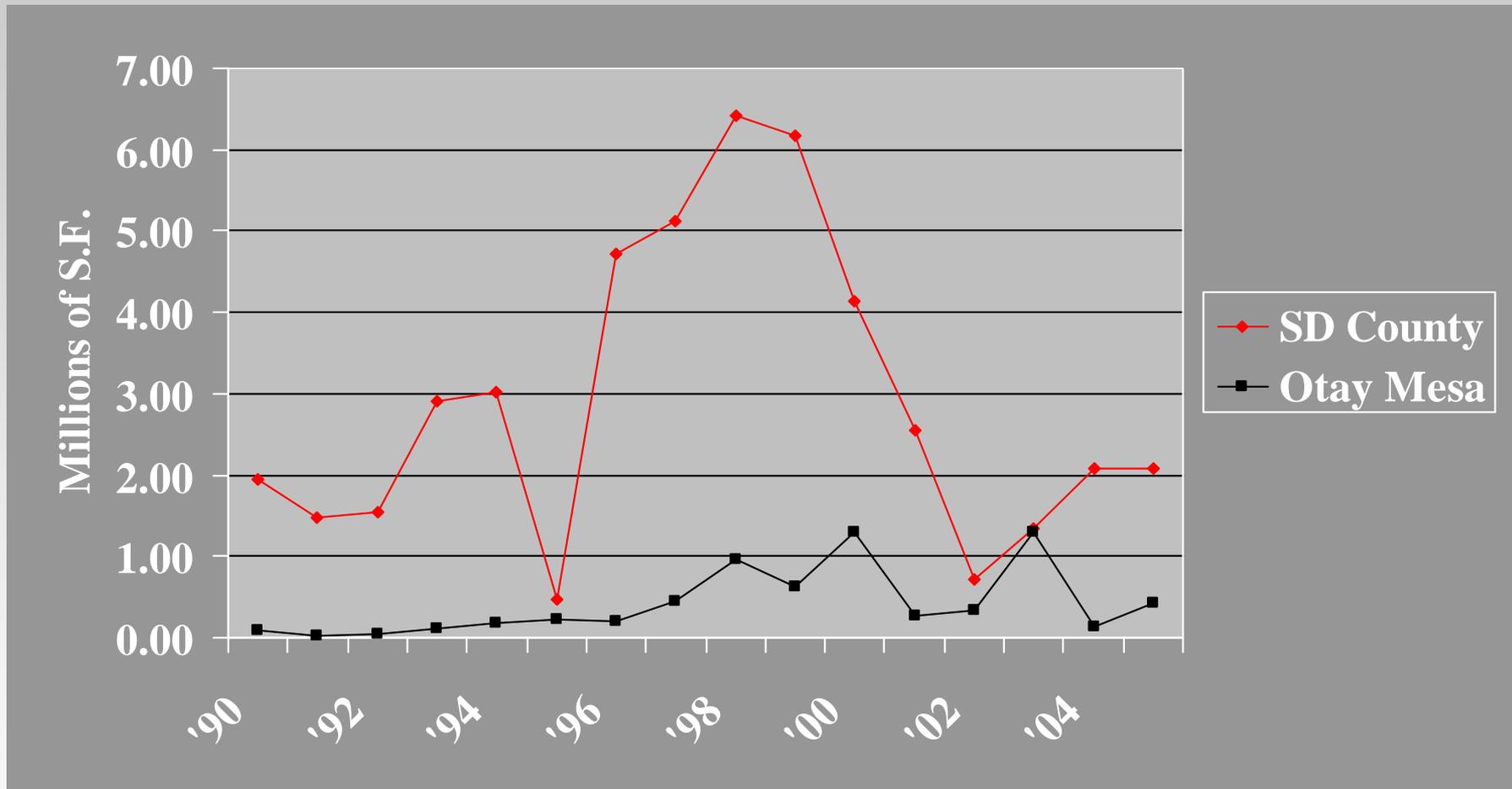
Base-Sector Industries by Land Use (in addition to Property Tax)

<u>Category</u>	<u>Tax Generation</u>	<u>Tax Type</u>	<u>Rate</u>
Natl. Business Services Office	minimal	n/a	n/a
Industrial (Mfg. and R&D)	yes	sales/use	1 %
Warehouse/ Distribution Center	minimal	n/a	n/a
Hotel/Motel	yes	T.O.T.	10.5%



Net Annual Industrial Absorption

1990-2005

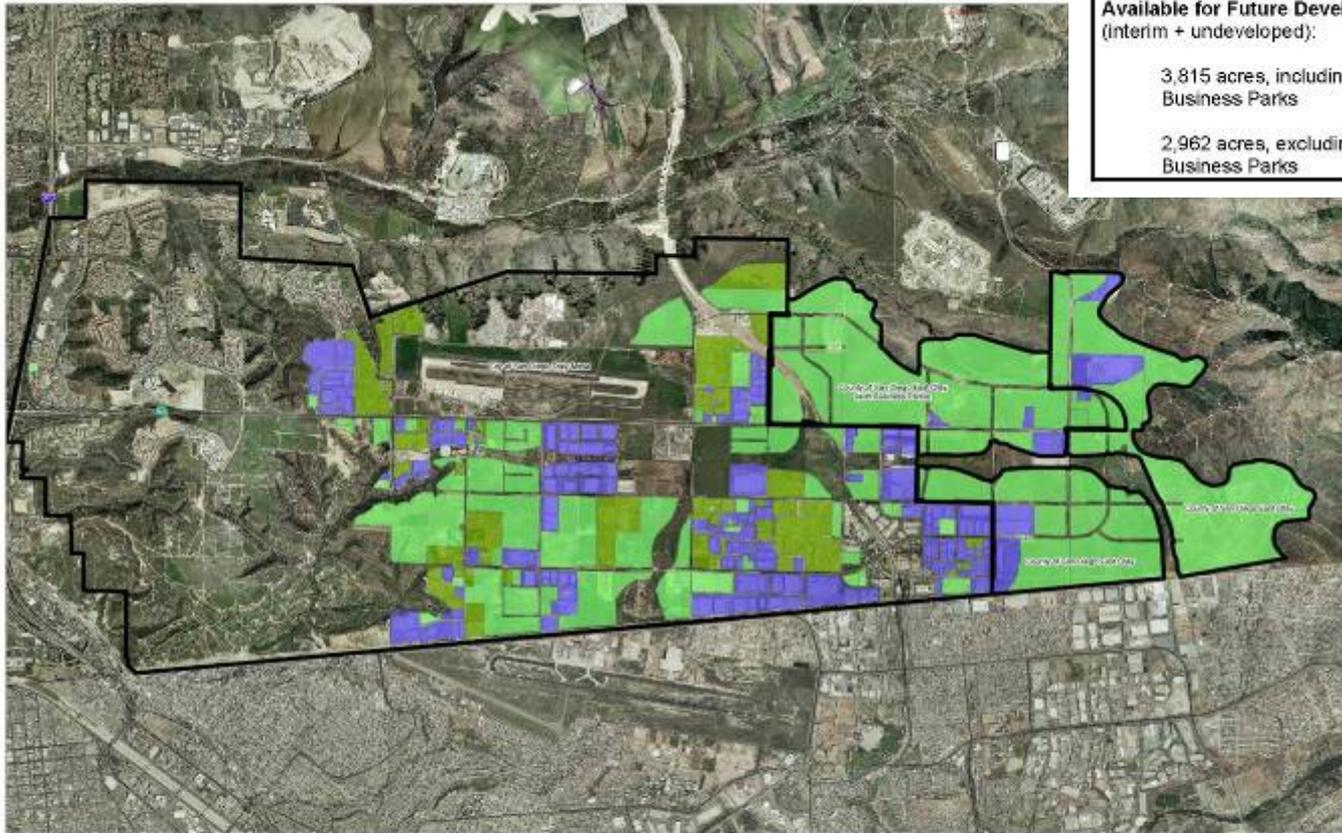


Otay Mesa Area Industrial Land Status

Total Industrial land in the Otay Mesa Area Available for Future Development (interim + undeveloped):

3,815 acres, including County of San Diego Business Parks

2,962 acres, excluding County of San Diego Business Parks



THE CITY OF SAN DIEGO PLANNING DEPARTMENT

This land use plan is intended to guide all future land use decisions. It is not a guarantee of any specific land use. It is subject to change without notice. For further analysis and public input, contact the Planning Department at (619) 451-3000.

SourcePoint

Status of Land Designated Industrial in the Otay Mesa Area as of September 2006

Revised From Date: April 2005

City of San Diego Otay Mesa

- Developed (900 Acres)
- Interim (578 acres)
- Undeveloped (1,140 acres)

County of San Diego East Otay

- Developed (148 Acres)
- Interim (0 acres)
- Undeveloped (1,146 acres)

County of San Diego East Otay (with Business Parks)

- Developed (39 Acres)
- Interim (0 acres)
- Undeveloped (853 acres)



Comparing Different Industrial Inventories

INVENTORY SOURCE	City Consultants (prepared by SANDAG Service Bureau & MW Steele Group)	City Staff	SANDAG (Series 11)	SANDAG & ERA	Otay Mesa Chamber of Commerce (prepared by SANDAG Service Bureau)
Year of Inventory	2006	2006	2004	2000	2004
Interim Acres (gross)	676	675	N/A	N/A	N/A
Vacant Acres (gross)	1,140	N/A	1,566	1,675	1,086
80% (net) Vacant Acres	912	775	1,253	1,340	869



Original Objectives for Otay Mesa

- Coordinate development of the Otay Mesa port of entry
- Economic development strategy promoted “Twin Plants” concept
- Provide labor-intensive industrial users to alleviate high unemployment in the border area
- Provide areas for the exclusive use of industry, prohibiting other uses
- Keep hazardous industrial development away from urbanized areas



Principal Industries in Otay Mesa

- Logistics
- Small-scale manufacturing
- Automobile recycling
- Aviation
- Government-related
- Limited research and development facilities



Otay Mesa Employment Profile

Description	Number of Employees
Financial, insurance, and real estate	116
Leisure and hospitality	230
Construction	258
All other (Includes: agriculture and mining, education and health services, information services, and other service)	560
Professional and business services	565
Transportation, utilities, and water	1,011
Retail trade	1,299
Wholesale trade	1,543
Government	1,654
Manufacturing	2,115
Total	9,351

Source: 2003 State of California ES202 Employment Statistics



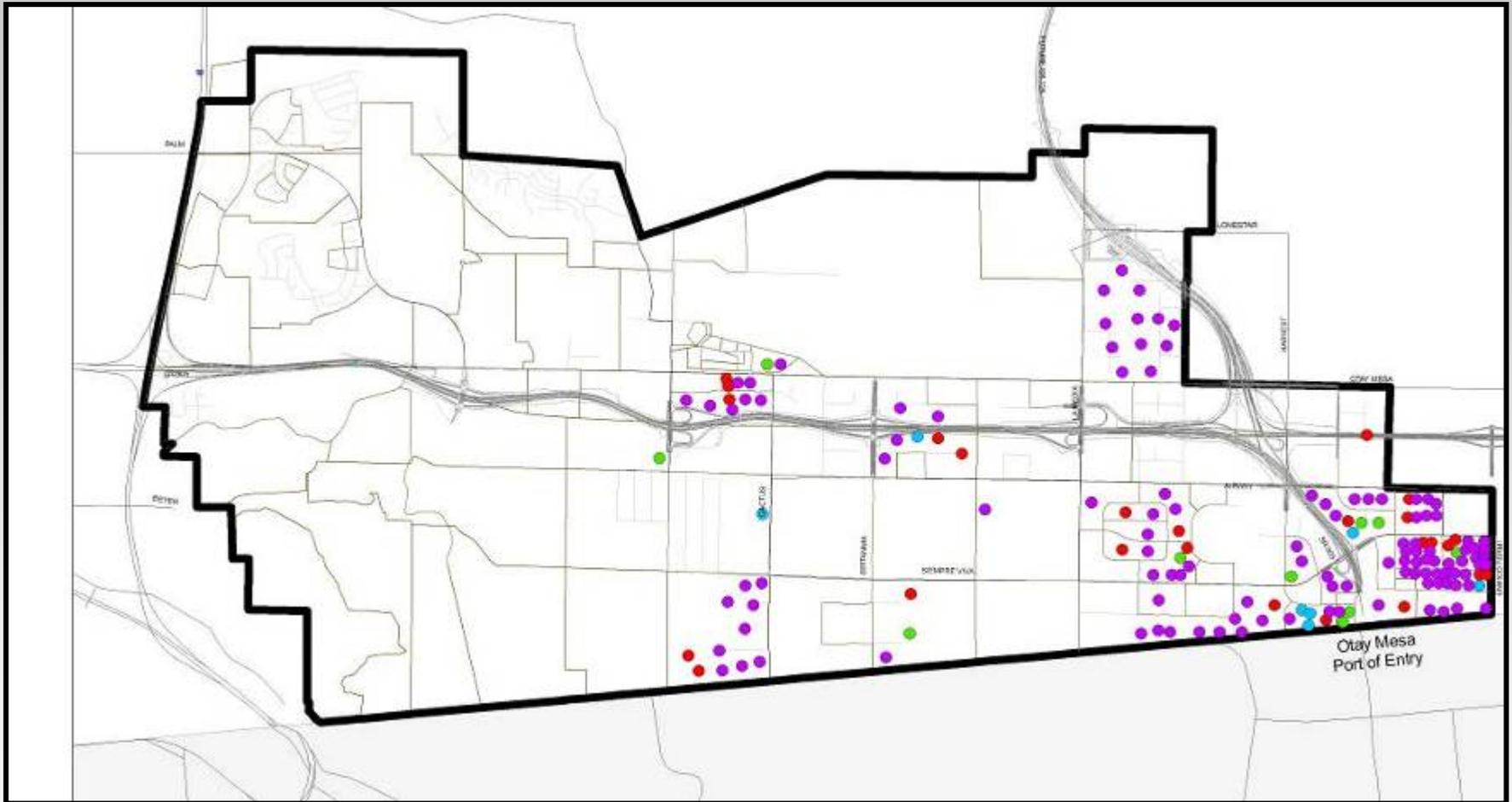
Employment Density: 6.2 Jobs Per Developed Acre



Employment Source: State of California ES202 Employment Statistics
Land Use Source: SANDAG Service Bureau & MW Steele Group, Inc.



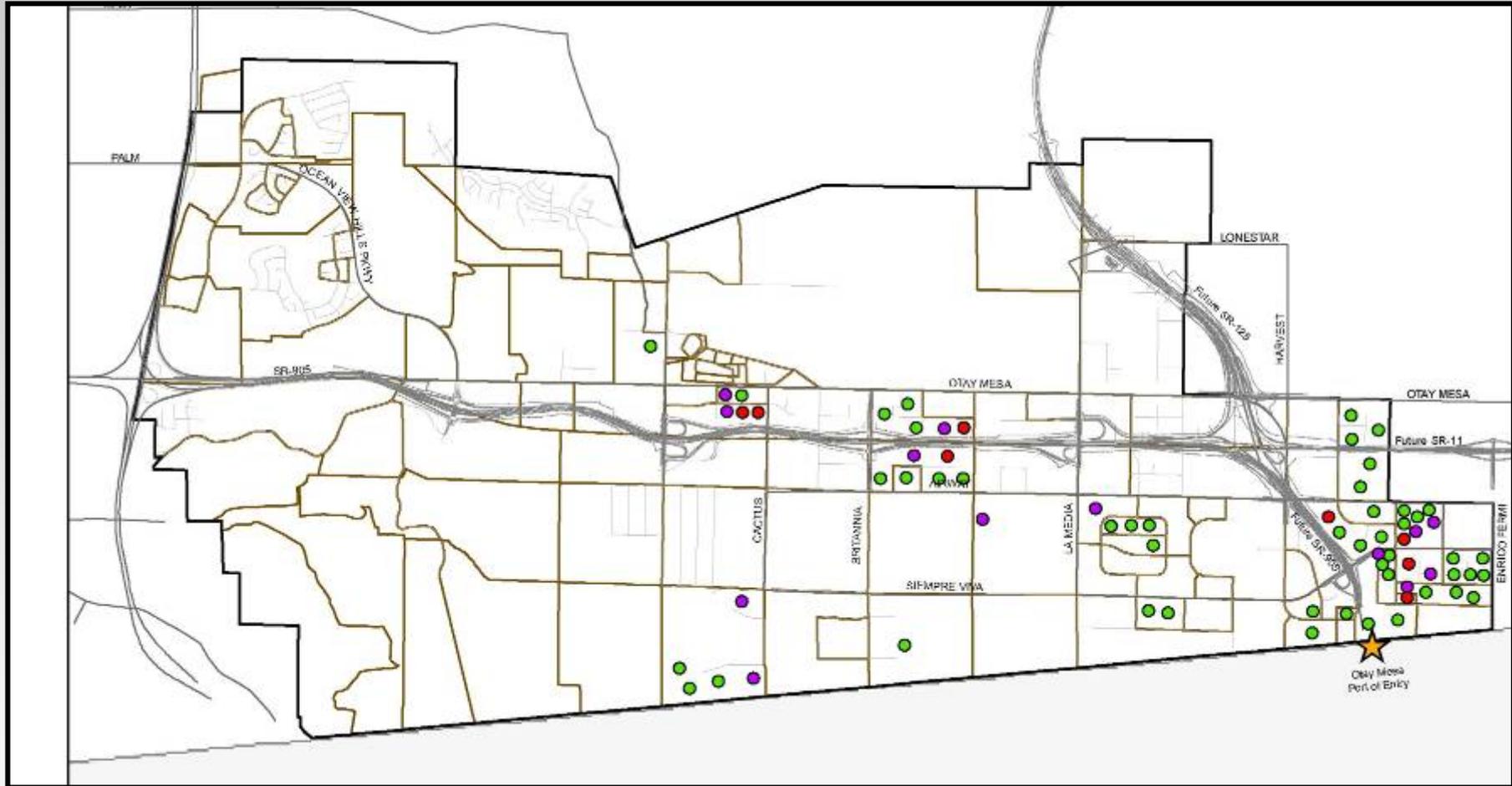
Locations of Logistics Industry Businesses



Source: SANDAG Service Bureau



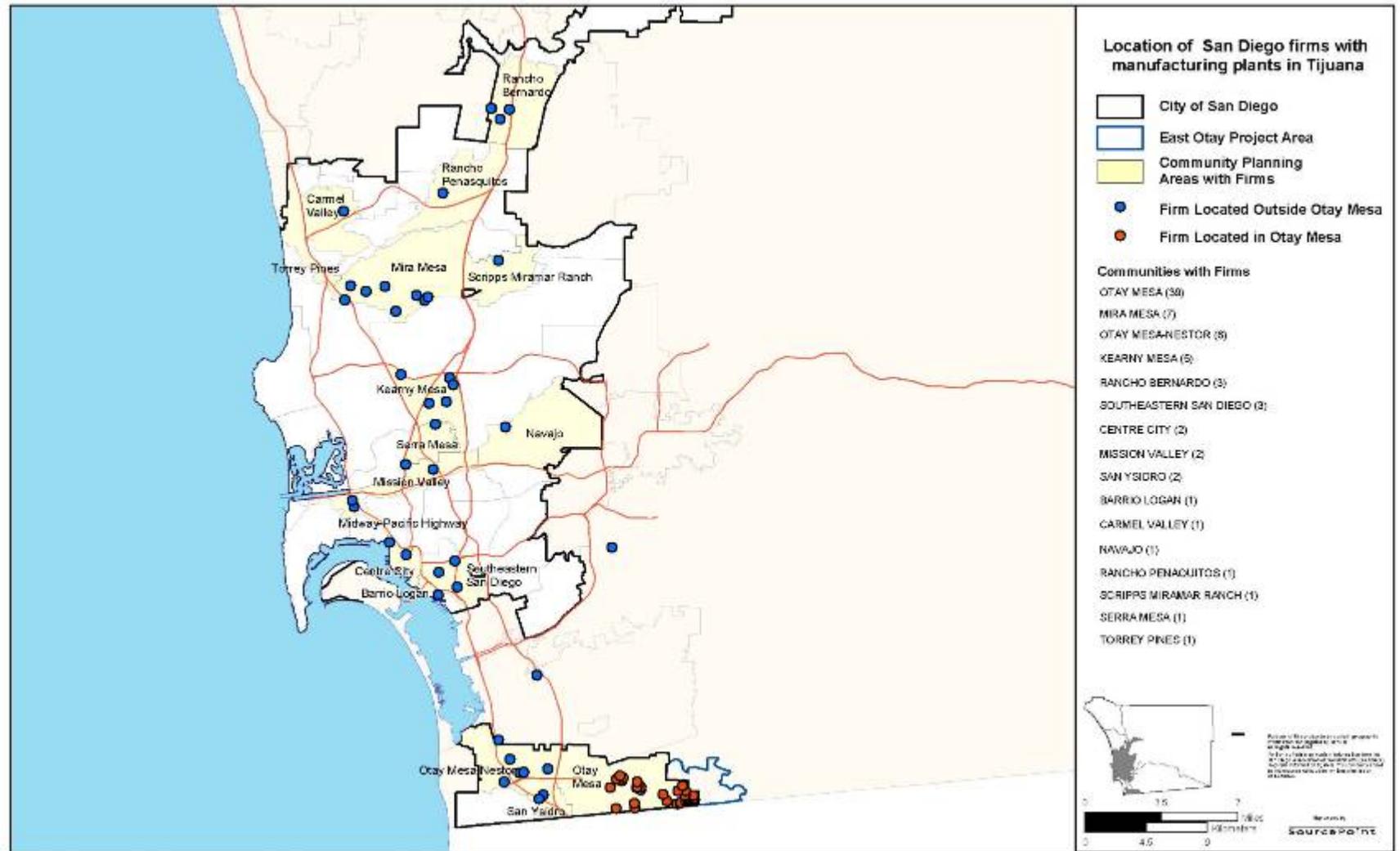
Locations of Manufacturing Businesses



Source: SANDAG Service Bureau



Location of San Diego Firms With Maquiladoras in Tijuana



Source: Tijuana Economic Development Corporation



Theresa Millette, AICP

Senior Planner, City of San Diego

Manjeet Ranu, AICP

MW Steele Group, Inc.



Goals of the Plan Update

- **Regional Center:** enhance Otay Mesa's role in the region
- **Create Complete Places:** balanced, integrated mix of uses within and across Otay Mesa
- **Transit:** coordinate land use planning to support high frequency transit service
- **Build Needed Infrastructure:** include development that can finance infrastructure improvements



Goals of the Plan Update

- **Diversify:** broaden the industry profile and increase employment
- **Industrial Capacity:** protect and enhance
- **International Trade:** support activities
- **Housing:** provide more housing and meet workforce needs
- **Brown Field:** improved utilization and integration within Otay Mesa



Lessons Learned:

- Industrial evolution to higher capacities
- Global influences on local manufacturing
- Complementary land uses
- Capacity versus supply
- Base sector industries
- Cross border trade uses
- Role for Otay Mesa in region



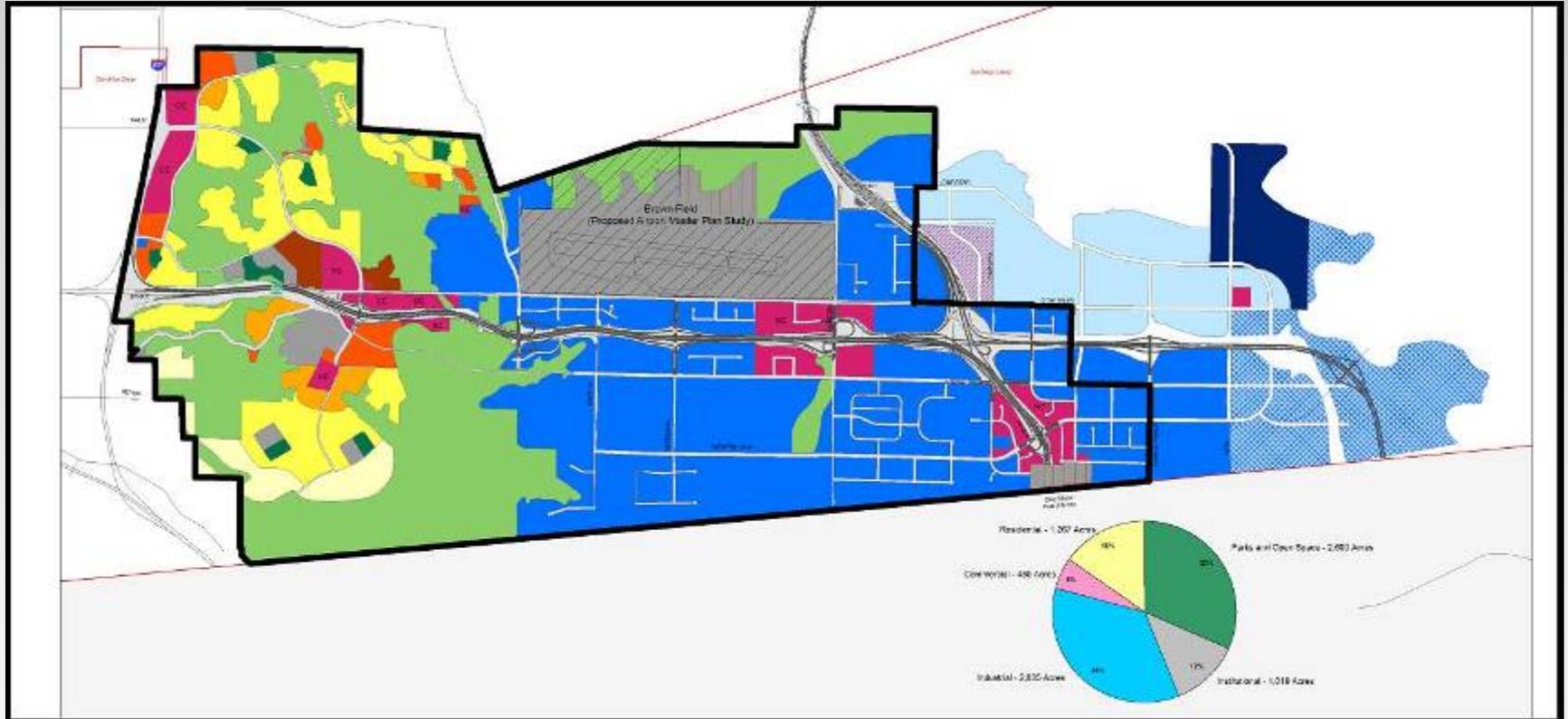
International Trade Roundtable

Lessons Learned:

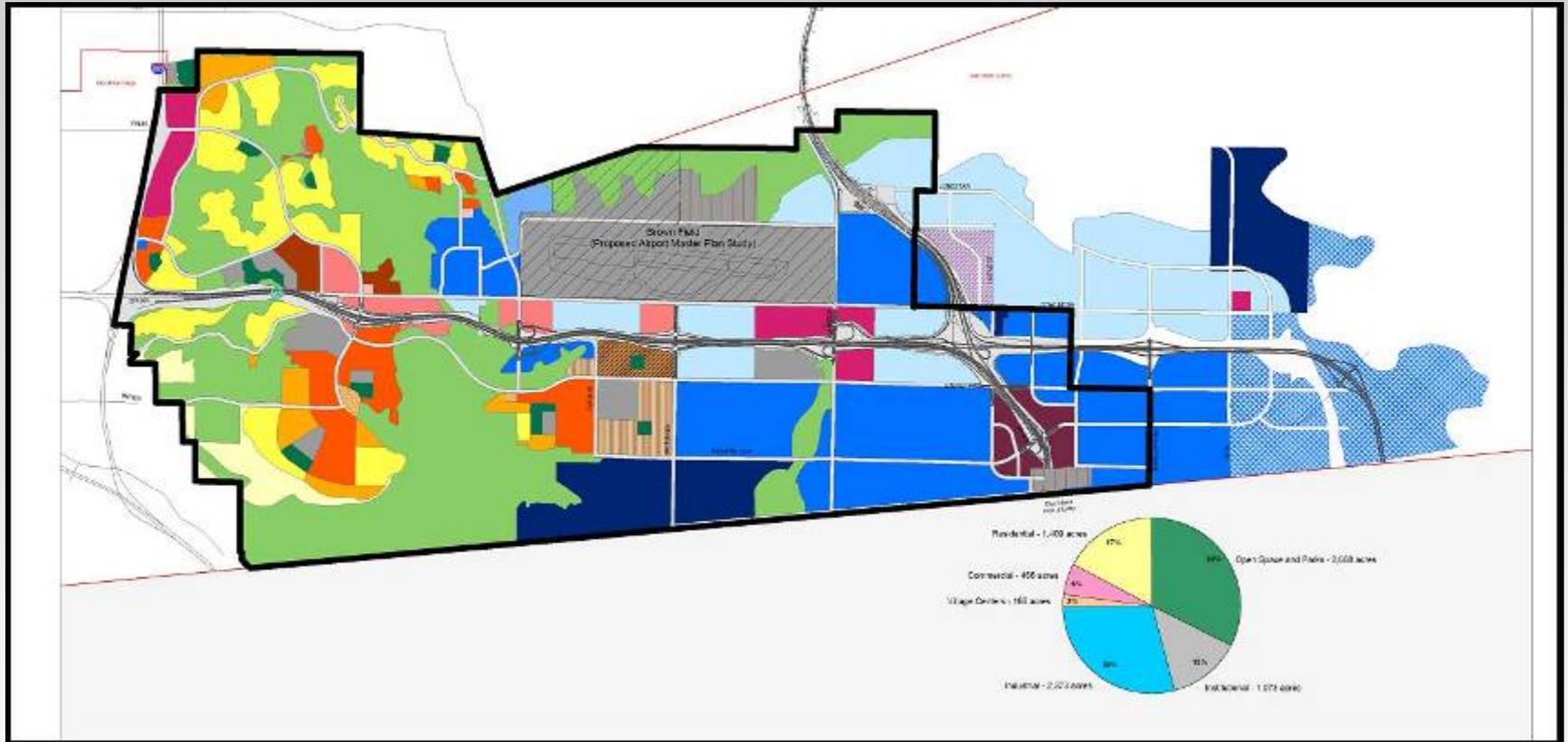
- Customs and Border Protection would consider shifting commercial operations to new port of entry, among other alternatives
- Most businesses associated with international trade in Otay Mesa are the logistics users
- Manufacturing does not have a substantial presence in Otay Mesa
- Otay Mesa and East Otay Mesa need to be considered together
- Truck storage and warehousing supports international trade
- Traffic congestion and wait times at the San Diego-Baja California POEs cost the bi-national region \$4.2 billion in lost output and a loss of more than 42,000 jobs in 2005
- If steps are not taken to improve border crossing and transportation infrastructure and management, these losses are projected to more than double in the next ten years



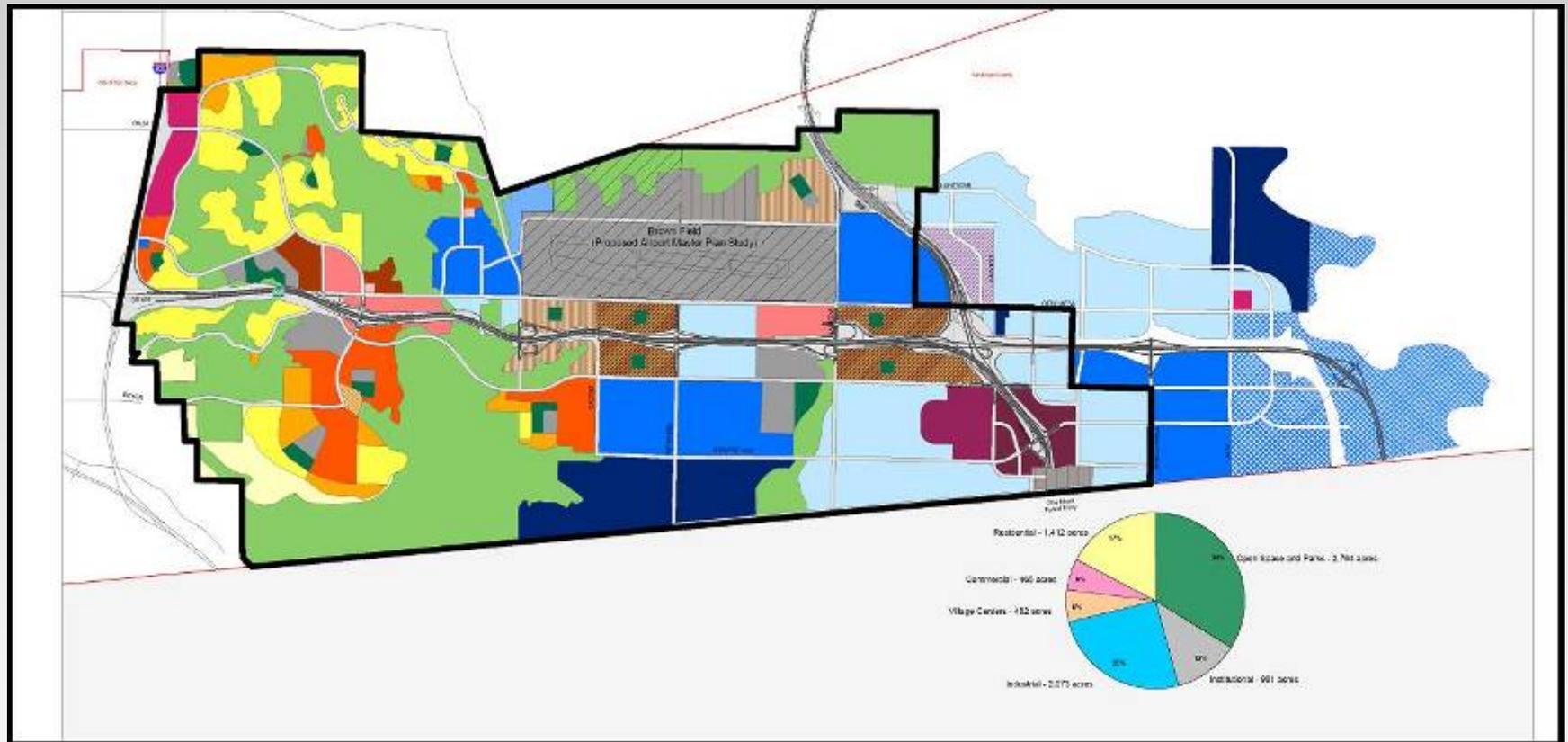
No Project Alternative



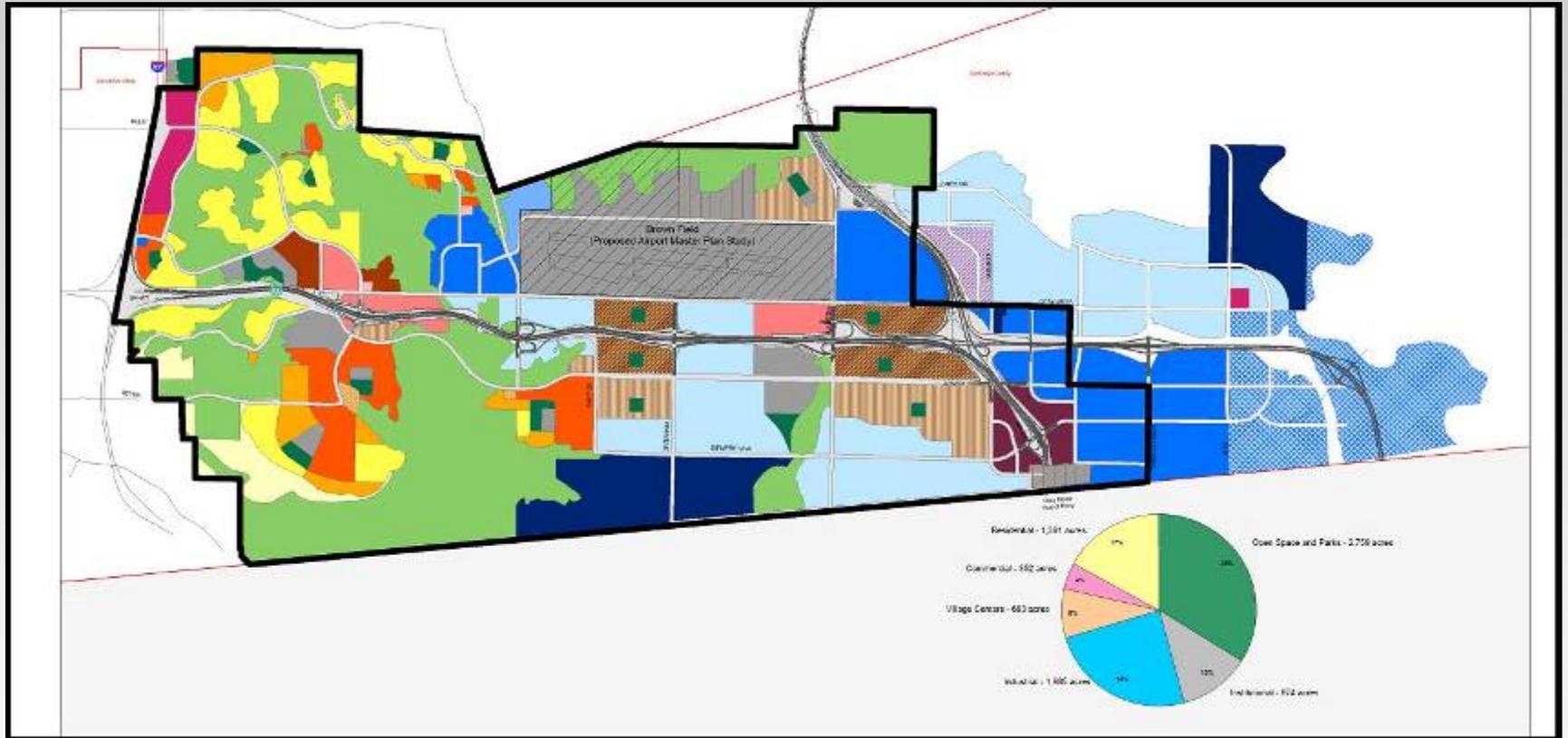
Scenario #3



Scenario #1



Scenario #2

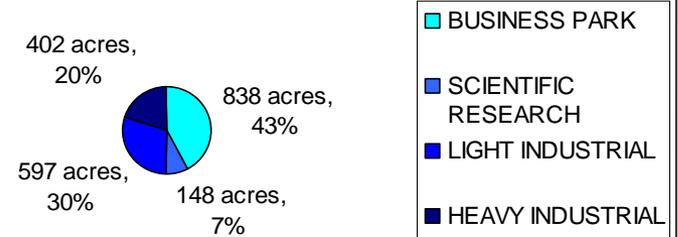


Distribution of Industrial Land in Scenarios

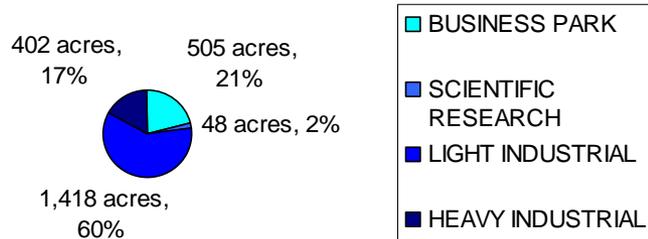
Scenario #1: Industrial Land Use Distribution



Scenario #2: Industrial Land Use Distribution



Scenario #3: Industrial Land Use Distribution



	Scenario 1	Scenario 2	Scenario 3
Business Park	876	838	505
Scientific Research	148	148	48
Light Industrial	647	597	1,418
Heavy Industrial	402	402	402
Total	2,073	1,985	2,373



Statistical Comparisons

	No Project	Scenario #1	Scenario #2	Scenario #3
Industrial	2,885	2,073	1,985	2,373
Commercial	450	465	352	466
Institutional	1,019	981	974	1,073
Parks and Open Space	2,600	2,764	2,759	2,688
Village Centers	-	482	683	186
Residential	1,267	1,412	1,391	1,409
Right-of-Way	1,098	1,142	1,175	1,124
TOTAL AREA	9,319	acres	14.6	square miles



Statistical Comparisons: Industrial Land

	Low (acres)	Moderate (acres)	High (acres)
ERA Forecast 4 th Quarter 2006 – 2030	692	888	1,199

Industrial Land Availability in 2030*	Low (acres)	Moderate (acres)	High (acres)
No Project Alternative	1,124	928	617
Scenario #1	332	136	-175
Scenario #2	248	52	-259
Scenario #3	661	465	154

*Figure assumes development of presently vacant land and redevelopment of underutilized industrial land.

Sources: ERA Forecast, adjusted for net absorption through third quarter 2006.
SANDAG Service Bureau and MW Steele Group inventory of industrial land in Otay Mesa.



Major Assumptions in the Forecast for Otay Mesa

Growing share of regional industrial demand

- Border trade industries still dominant, but Otay Mesa more diversified
- Increasing employment density over time
- Price competitive
- Sufficient long-term competitive supply of industrially designated lands in region, per SANDAG data



Industrial Land Planning

- Plan for more industrial land capacity than forecasted for fluid market, upside potential, and post-2030 capacity
- Plan for and anticipate some industrial redevelopment of underutilized properties (truck storage, Brown Field surplus, auto-dismantling, and building re-use)
- Consider expanding light industrial/business park capacity within surplus commercial land areas
- Reserve some land specifically for border trade operations, in coordination with the County's Otay Mesa lands
- Prepare to diversify Otay Mesa's industrial profile and utilization to appeal to non-border economy industries



Land Use Opportunities and Issues

Opportunities

- City of Villages implementation
- Coordination with County's industrial area of Otay Mesa
- Coordination with planned regional transportation improvements
- Industry diversification
- Coordination with Tijuana's economic development strategy

Issues

- Infrastructure
- Co-location
- Facilitating movement of international cargo
- Planning for adequate industrial land and capacity
- Understanding trends
- Providing for outdoor storage uses



General Plan Goals (proposed)

William Anderson, FAICP

Director of City Planning and Community Investment,
City of San Diego



Questions for Planning Commission

1. Do the Land Use Scenarios adequately preserve and protect the City's economic base?
2. To what extent should the update consider industrial demands past the 2030 planning horizon?
3. What other policies and approaches, if any, should staff and the planning team evaluate to preserve Otay Mesa's economic base while providing an integrated sustainable community?
4. Should the City provide designations which would allow truck storage, outdoor storage and auto salvaging as permanent and by-right uses?
5. What other issues related to Otay Mesa's competitiveness and role as an economic engine should be considered as staff proceeds in evaluating and preparing the plan?



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OTAY MESA COMMUNITY PLAN UPDATE

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Planning Commission
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