



THE CITY OF SAN DIEGO

Report to the Planning Commission

DATE ISSUED: January 12, 2018 REPORT NO. PC-18-003

HEARING DATE: January 25, 2018

SUBJECT: Kearny Mesa Community Plan Amendment Initiation for 3545 Aero Court

PROJECT NUMBER: 584390

OWNER/APPLICANT: Newport Equities, LLC

SUMMARY

Issue: Should the Planning Commission INITIATE an amendment to the Kearny Mesa Community Plan to re-designate from Industrial and Business Parks to a residential designation that would allow for high-density residential on an approximately 2.9-acre site located at 3545 Aero Court?

Staff Recommendation: **INITIATE the plan amendment process.**

Community Planning Group Recommendation: On December 20, 2017, the Kearny Mesa Planning Group voted 10-0-0 in support of initiating an amendment to the Kearny Mesa Community Plan (Attachment 1).

City Strategic Plan Goal and Objectives: The proposed amendment to the Community Plan is aligned with the following City of San Diego Strategic Plan Goal 2 to Work in partnership with all of our communities to achieve safe and livable neighborhoods.

Environmental Review: This activity is not a "project" under the definition set forth in CEQA Guidelines Section 15378. Should initiation of the community plan amendment be approved, environmental review would take place at the appropriate time in accordance with CEQA Section 15004.

Fiscal Impact Statement: No fiscal impact. All costs associated with the processing of this initiation are recovered through a deposit account funded by the applicant.

Code Enforcement Impact: None.

Housing Impact Statement: There are no housing units allowed with the current designation. The proposed land use amendment to re-designate the site for high density residential development (up to 109 dwelling units per acre) would allow up to approximately 320 housing units on the site.

BACKGROUND

The site is located at 3545 Aero Court, which is the southern terminus of Aero Court within the southern portion of the Kearny Mesa Community Planning Area (Attachment 2). The site borders the Serra Mesa Community Planning Area. A distribution center is located to the north, Cabrillo Heights Park is located to the south, a business park is located to the east, and residential apartments are located to the west.

The 2.9-acre site is designated as Industrial and Business Parks in the Kearny Mesa Community Plan (Attachment 3). The allowed uses include general industrial, business park, scientific research and development, and heavy commercial. The area along west Aero Drive and Aero Court includes a mix of office and industrial park uses, educational uses, and distribution uses. In addition to the adjacent residential development to the west, two community plan amendments for multi-family residential uses have been initiated for sites to the north on Aero Drive.

A study of the land uses south of Aero Drive and west of the Serra Mesa-Kearny Mesa Branch Library, referenced in the Kearny Mesa Community Plan, recommended the area to the south of Aero should integrate uses to serve the community and provide a transition between Montgomery Field to the north and single family to the south with a mix of land uses to include multifamily residential uses, commercial, and office. Several amendments to the Kearny Mesa Community Plan are currently proposed, which if approved would shift land uses along a section of the Aero Drive corridor from industrial to mixed-use and residential uses.

The applicant is requesting an amendment to the Community Plan in anticipation of a high density residential development located in close proximity to other residential uses, and park, and employment uses. The Kearny Mesa Community Plan Update process, which kicked off in 2016, has identified the portion of Aero Drive between the airport and the adjacent Serra Mesa community as an area that could build on existing residential development to create a more cohesive, neighborhood character. If initiated, the amendment to the Community Plan would be processed concurrently with other required discretionary actions necessary to allow high density residential development on the site.

The update to the Kearny Mesa Community Plan is in process, with staff working with the community to develop land use alternatives for the planning area. The Community Plan Update is anticipated to increase employment opportunities, identify areas appropriate for workforce housing, and identify improvements to the circulation network to enhance multi-modal connections, which facilitates implementation of the City's Climate Action Plan. It is anticipated that the proposed amendment to the Community Plan and concurrent approvals would be processed prior to the completion of the comprehensive Community Plan Update.

The initiation of a plan amendment in no way confers adoption of a plan amendment; neither staff nor the Planning Commission is committed to recommend in favor or denial of the proposed amendment, and the City Council is not committed to adopt or deny the proposed amendment.

DISCUSSION

The staff recommendation of approval or denial of the initiation is based upon compliance with all three of the initiation criteria contained in the General Plan. The Planning Department has provided an overview of how the following initiation criteria can be met:

- (a) **The amendment request appears to be consistent with the goals and policies of the General Plan and community plan and any community plan specific amendment criteria.**

One of the overarching goals of the Kearny Mesa Community Plan Update is to preserve land for employment uses, while also considering mixed-use and compatible housing where appropriate. Under the General Plan Housing Element goal to ensure the provision of sufficient housing for all income groups, there is a related objective to "Identify and make available for development adequate sites to meet the city's diverse housing needs." Throughout the City, new growth is encouraged in areas connected by transit to minimize the economic, social, and environmental costs of growth. The Kearny Mesa Community Plan includes goals that support this vision: to ensure the continued development of Kearny Mesa containing a mix of industrial, office, retail and compatible housing land uses; and housing to serve the expanding workforce. This amendment is being initiated to provide additional housing in close proximity to employment uses in the surrounding area. The proposal is requesting a land use designation to allow high density residential (up to 109 dwelling units per acre).

The General Plan's City of Villages Strategy outlined in the Strategic Framework Element states that growth should be focused into "mixed-use activity centers that are pedestrian-friendly districts linked to an improved regional transit system." The project site is within a Transit Priority Area (TPA). An amendment to allow multi-family residential development adjacent to a neighborhood park, existing multi-family residential uses, and nearby employment uses has the potential to reduce vehicle miles traveled (VMT) through increased mode-share within TPAs to help to further the City's Climate Action Plan (CAP) goals for greenhouse gas (GHG) emission reductions.

- (b) **The proposed amendment provides additional public benefit to the community as compared to the existing land use designation, density/intensity range, plan policy or site design.**

Due to the site's proximity to a neighborhood park, staff will work with the applicant to ensure the project design contributes to this area's neighborhood character and provides better connections to the adjacent park.

- (c) **Public facilities appear to be available to serve the proposed increase in density/intensity, or their provision will be addressed as a component of the amendment process.**

The Kearny Mesa Community Planning Area is an urbanized community and all necessary public services are available. If the amendment to the Community Plan is initiated, an analysis of public services and facilities would be conducted with the review of the amendment.

CONCLUSION

As outlined above, it is staff's recommendation that the proposed initiation meets all of the criteria as described. The following land use issues have been identified by City staff. If initiated, these issues, as well as others that may be identified, would be analyzed and evaluated through the community plan amendment review process:

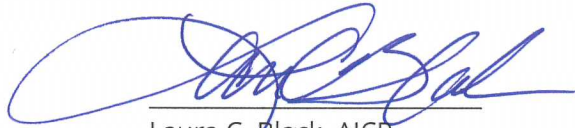
- Analyze and address the Collocation/Conversion Suitability Factors in General Plan Appendix C, EP-2, related to conversion of industrial lands, including but not limited to provision of public services and facilities for the proposed land use change
- Evaluate the appropriate transit supportive density for proposed residential uses given the site's location in a TPA
- Evaluate the circulation and access for the subject property and nearby connections
- Evaluate the ability of the project to provide pedestrian connections to the neighborhood park as an additional community benefit
- Evaluate the ability of the project to ensure integrated site design, building orientation, streetscape improvements, and architecture compatible with surrounding development
- Evaluate the proposal design to allow high quality pedestrian and bicycle connections and access to surrounding areas

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.

Respectfully submitted,



Lisa Lind, AICP
Senior Planner
Planning Department



Laura C. Black, AICP
Deputy Director
Planning Department

Attachments:

1. Kearny Mesa Community Planning Group Draft Minutes for December 20, 2017
2. Kearny Mesa Aerial Map
3. Kearny Mesa Land Use Map
4. Draft Planning Commission Initiation Resolution
5. Ownership Disclosure Statement

Minutes of the Monthly Meeting of the
Kearny Mesa Planning Group
December 20, 2017
Serra Mesa/Kearny Mesa Library
9005 Aero Drive, San Diego, CA 92123

Planning Group Members in Attendance:

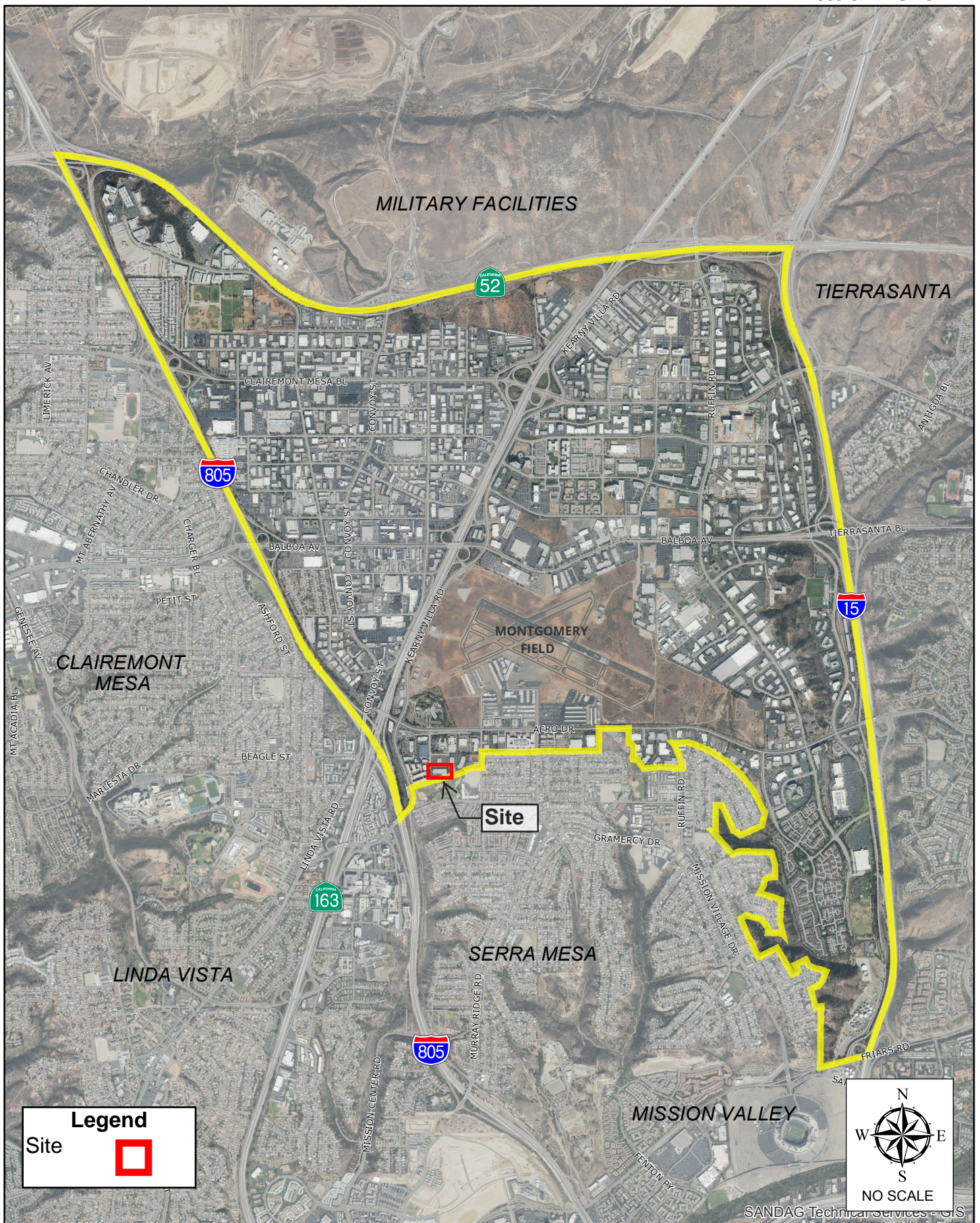
☒ Ping Wang ☒ Mark Olsson ☐ ☐ Paul Yung ☐ Tana Lorah ☒ Todd Matcher
☒ Jeff Sallen ☒ John Turpit ☐ Meridith Marquis ☒ Buzz Gibbs ☒ Ed Quinn ☒ Karen Ruggels ☐ Robyn Badilla ☐
Derek Applbaum ☒ John Mulvihill ☒ Dana Hooper

Community members in Attendance:

Allen Young, Lisa Lind, Jeff Frazel, Pat Helafson, David Belanich, Wes Quach, Tim Nguyen, Jason Weiss, Kendra Tindall, Michael Kinoshita, Tom Story and Gary Keller

1. The Meeting was brought to order at 11:35 PM by Jeff Sallen, chair of the Kearny Mesa Planning Group. Copies of the **Minutes of the October meeting** were distributed and discussed. After the members reviewed the minutes, Jeff asked for any changes or corrections. They were **approved 7-0-1**.
2. **Public Comment on any item not on the agenda:** Community Member Gary Keller stood up and voiced his concerns regarding the potential for health risks due to lead from jet engine fuel surrounding Montgomery Field. Ray Richmond of Crown Aviation also discussed this topic and stated that when and if alternative fuels would be available for use, the airport would adopt such fuels. Jason Weiss (community member representative) introduced himself and gave a brief update on district six.
3. **Mail and other items received since the last meeting:** Kearny Mesa has been flooded with applications for CUP's to allow Marijuana Production Facilities to operate within Kearny Mesa. Get ready in 2018 to listen to these new projects. **Lisa Lind** (City of San Diego) gave a brief update on the upcoming Community Plan Update. The next meeting will be held on January 18, 2018 at 3:00pm.
4. **Action Item:** The Province Group gave another presentation on a future planned development at 3545 Aero Court. For many years, the site has been used for religious assembly and related ancillary uses. The owner's goal is to redevelop the site with a multi-family residential community. The Initiation Plan Amendment was approved 10-0-0.
5. **Action Item:** Michael Kinoshita (Principle/President) w/MKA Architecture & Planning returned for a second time to discuss plans to subdivide an existing Ramada Inn located at 5550 Kearny Mesa Road into two lots. The project was not voted on due to a lack of information. The KMPG Members requested Cycle Comments, Environmental results and Right of Way Comments before voting on the project.
6. **Action Item:** Tom Story presented on Sunroad Centrum 6 (Project #565879). This project proposes to convert the Centrum Office Buildings 2 & 3 and associated 10 level parking structure to a 442 unit apartment complex over parking. This will be the last Sunroad Centrum project if approved. The group voted in favor of the project 10-0-0.

Jeff concluded the meeting at 12:30 pm.



Date: 4/4/2017 Document Path: L:\GIS\PGIS\Community Planning\Kearny Mesa\CPA_PROJETS\KearnyMesa_Aerial_Map_2017.mxd



Kearny Mesa Aerial Map

CITY OF SAN DIEGO • PLANNING DEPARTMENT

2014 AERIAL

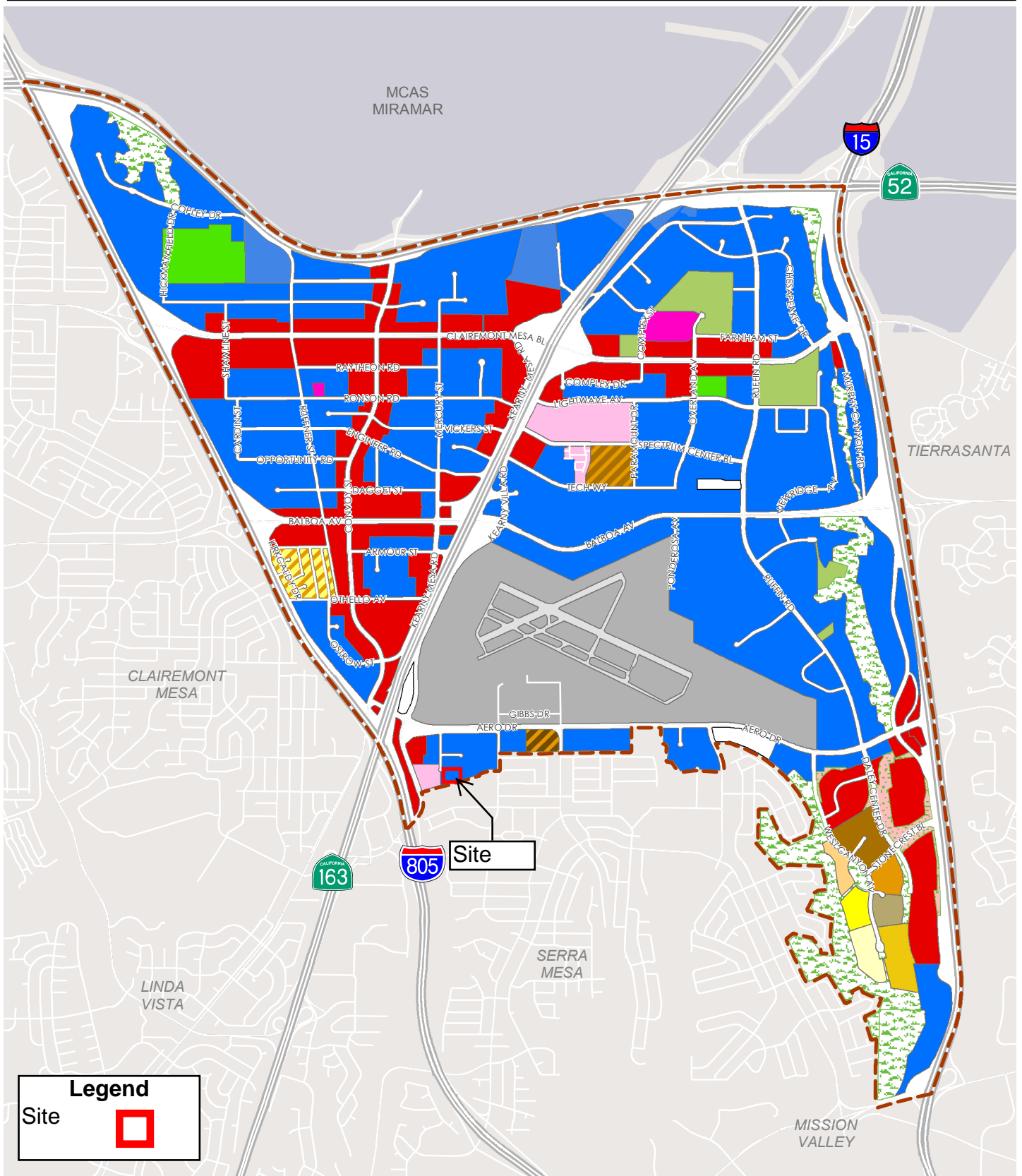


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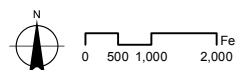
KEARNY MESA LAND USE



Legend

Site

- | | | | | |
|---------------------------------|-------------------------------------|---|-----------------|-------------------------|
| General Commercial | Residential 14 DU/AC | Low Medium Density Residential (20-29 du/ac) | Community Parks | County Facilities |
| General Commercial-Landscape OS | Residential 16 DU/AC | High Density Residential (45-74 du/ac) | Open Space | Vernal Pool |
| Residential 7 DU/AC | Residential 22 DU/AC | Industrial and Business Parks | Utility | Military Use |
| Residential 9 DU/AC | Residential 24 DU/AC | Mixed Use Commercial Residential (Up to 70 Du/ac) | Police Station | Community Plan Boundary |
| Residential 11 DU/AC | Low Density Residential (5-9 du/ac) | General Aviation Airport | Fire Station | |



PLANNING COMMISSION RESOLUTION NO. XXXX-PC

INITIATING AN AMENDMENT TO THE
KEARNY MESA COMMUNITY PLAN

WHEREAS, on January 25, 2018, the Planning Commission of the City of San Diego held a public hearing for the purpose of considering a request to initiate an amendment to the Kearny Mesa Community Plan; and

WHEREAS, the proposed amendment would change the land use to allow for high-density residential and employment uses on a site located at 3545 Aero Court; and

WHEREAS, the Planning Commission of the City of San Diego considered all maps, exhibits, and written documents presented for this project; NOW, THEREFORE:

BE IT RESOLVED by the Planning Commission of the City of San Diego, that the initiation of a plan amendment in no way confers adoption of a plan amendment, that neither staff nor the Planning Commission is committed to recommend in favor or denial of the proposed amendment, and the City Council is not committed to adopt or deny the proposed amendment; and

BE IT FURTHER RESOLVED that the Planning Commission of the City of San Diego determines that the proposed plan amendment meets the three criteria for initiation as described in section LU-D.10 of the Land Use Element of the General Plan:

a) The amendment request appears to be consistent with the goals and policies of the General Plan and community plan and any community plan specific amendment criteria:

One of the overarching goals of the Kearny Mesa Community Plan Update is to preserve land for employment uses, while also considering mixed-use and compatible housing where appropriate. Under the General Plan Housing Element goal to ensure the provision of sufficient housing for all income groups, there is a related objective to "Identify and make available for development adequate sites to meet the city's diverse housing needs." Throughout the City, new growth is encouraged in areas connected by transit to minimize the economic, social, and environmental costs of growth. The Kearny Mesa Community Plan includes goals that support this vision: to ensure the continued development of Kearny Mesa containing a mix of industrial, office, retail and compatible housing land uses; and housing to serve the expanding workforce. This amendment is being initiated to provide additional housing in close proximity to employment uses in the

surrounding area. The proposal is requesting a land use designation to allow high density residential (up to 109 dwelling units per acre).

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b) The proposed amendment provides additional public benefit to the community as compared to the existing land use designation, density/intensity range, plan policy or site design:

Due to the site's proximity to a neighborhood park, staff will work with the applicant to ensure the project design contributes to this area's neighborhood character and provides better connections to the adjacent park.

c) Public facilities appear to be available to serve the proposed increase in density/intensity, or their provision will be addressed as a component of the amendment process:

The Kearny Mesa Community Planning Area is an urbanized community and all necessary public services are available. If the amendment to the Community Plan is initiated, an analysis of public services and facilities would be conducted with the review of the amendment.

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

- Analyze and address the Collocation/Conversion Suitability Factors in General Plan Appendix C, EP-2, related to conversion of industrial lands, including but not limited to provision of public services and facilities for the proposed land use change
- Evaluate the appropriate transit supportive density for proposed residential uses given the site's location in a TPA

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Lisa Lind
Senior Planner
Planning Department

Approved on January 25, 2018
Vote: X-X-X

PTS No. 584390

cc. Legislative Recorder, Development Services Department

	City of San Diego Development Services 1222 First Ave., MS 302 San Diego, CA 92101 (619) 446-5000	Ownership Disclosure Statement	FORM DS-318 October 2017
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Approval Type: Check appropriate box for type of approval(s) requested: ☐ Neighborhood Use Permit ☐ Coastal Development Permit
☐ Neighborhood Development Permit ☐ Site Development Permit ☐ Planned Development Permit ☐ Conditional Use Permit ☐ Variance
☐ Tentative Map ☐ Vesting Tentative Map ☐ Map Waiver ☒ Land Use Plan Amendment ☐ Other _____

Project Title: Aero Court Apartments

Project No. For City Use Only: 584390

Project Address: 3545 Aero Court, San Diego, California 92123

Specify Form of Ownership/Legal Status (please check):

☐ Corporation ☐ Limited Liability -or- ☒ General - What State? California Corporate Identification No. _____
☐ Partnership ☐ Individual

By signing the Ownership Disclosure Statement, the owner(s) acknowledge that an application for a permit, map or other matter will be filed with the City of San Diego on the subject property with the intent to record an encumbrance against the property. Please list below the owner(s), applicant(s), and other financially interested persons of the above referenced property. A financially interested party includes any individual, firm, co-partnership, joint venture, association, social club, fraternal organization, corporation, estate, trust, receiver or syndicate with a financial interest in the application. If the applicant includes a corporation or partnership, include the names, titles, addresses of all individuals owning more than 10% of the shares. If a publicly-owned corporation, include the names, titles, and addresses of the corporate officers. (A separate page may be attached if necessary.) If any person is a nonprofit organization or a trust, list the names and addresses of **ANY** person serving as an officer or director of the nonprofit organization or as trustee or beneficiary of the nonprofit organization. A signature is required of at least one of the property owners. Attach additional pages if needed. Note: The applicant is responsible for notifying the Project Manager of any changes in ownership during the time the application is being processed or considered. Changes in ownership are to be given to the Project Manager at least thirty days prior to any public hearing on the subject property. Failure to provide accurate and current ownership information could result in a delay in the hearing process.

Property Owner

Name of Individual: Morris Cerullo ☒ Owner ☐ Tenant/Lessee ☐ Successor Agency

Street Address: 3545 Aero Ct.

City: San Diego State: Ca Zip: 92123

Phone No.: 858-277-2200 Fax No.: 858-514-1935 Email: rantz@mcwa.com

Signature: [Signature] Date: _____

Additional pages Attached: ☐ Yes ☒ No

Applicant

Name of Individual: Mark J. Kerslake of Newport Equities, LLC ☐ Owner ☐ Tenant/Lessee ☐ Successor Agency

Street Address: 26 Corporate Plaza, Suite 260

City: Newport Beach State: CA Zip: 92660

Phone No.: (949) 553-4800 Fax No.: (949) 706-7979 Email: mkerslake@provincegroup.com

Signature: _____ Date: _____

Additional pages Attached: ☒ Yes ☐ No

Other Financially Interested Persons

Name of Individual: N/A ☐ Owner ☐ Tenant/Lessee ☐ Successor Agency

Street Address: _____

City: _____ State: _____ Zip: _____

Phone No.: _____ Fax No.: _____ Email: _____

Signature: _____ Date: _____

Additional pages Attached: ☐ Yes ☐ No



City of San Diego
Development Services
1222 First Ave., MS 302
San Diego, CA 92101
(619) 446-5000

Ownership Disclosure Statement

FORM
DS-318

October 2017

Approval Type: Check appropriate box for type of approval(s) requested: ☐ Neighborhood Use Permit ☐ Coastal Development Permit
☐ Neighborhood Development Permit ☐ Site Development Permit ☐ Planned Development Permit ☐ Conditional Use Permit ☐ Variance
☐ Tentative Map ☐ Vesting Tentative Map ☐ Map Waiver ☒ Land Use Plan Amendment ☐ Other _____

Project Title: Aero Court Apartments **Project No. For City Use Only:** _____

Project Address: 3545 Aero Court, San Diego, California 92123

Specify Form of Ownership/Legal Status (please check):

☐ Corporation ☐ Limited Liability -or- ☒ General - What State? California Corporate Identification No. _____
☐ Partnership ☐ Individual

By signing the Ownership Disclosure Statement, the owner(s) acknowledge that an application for a permit, map or other matter will be filed with the City of San Diego on the subject property with the intent to record an encumbrance against the property. Please list below the owner(s), applicant(s), and other financially interested persons of the above referenced property. A financially interested party includes any individual, firm, co-partnership, joint venture, association, social club, fraternal organization, corporation, estate, trust, receiver or syndicate with a financial interest in the application. If the applicant includes a corporation or partnership, include the names, titles, addresses of all individuals owning more than 10% of the shares. If a publicly-owned corporation, include the names, titles, and addresses of the corporate officers. (A separate page may be attached if necessary.) If any person is a nonprofit organization or a trust, list the names and addresses of ANY person serving as an officer or director of the nonprofit organization or as trustee or beneficiary of the nonprofit organization. A signature is required of at least one of the property owners. Attach additional pages if needed. Note: The applicant is responsible for notifying the Project Manager of any changes in ownership during the time the application is being processed or considered. Changes in ownership are to be given to the Project Manager at least thirty days prior to any public hearing on the subject property. Failure to provide accurate and current ownership information could result in a delay in the hearing process.

Property Owner

Name of Individual: _____ ☐ Owner ☐ Tenant/Lessee ☐ Successor Agency
Street Address: _____
City: _____ State: _____ Zip: _____
Phone No.: _____ Fax No.: _____ Email: _____
Signature: _____ Date: _____
Additional pages Attached: ☐ Yes ☒ No

Applicant

Name of Individual: Mark J. Kerslake of Newport Equities, LLC ☐ Owner ☐ Tenant/Lessee ☐ Successor Agency
Street Address: 26 Corporate Plaza, Suite 260
City: Newport Beach State: CA Zip: 92660
Phone No.: (949) 553-4800 Fax No.: (949) 706-7979 Email: mkerslake@provinciegroupp.com
Signature: _____ Date: 11-2-17
Additional pages Attached: ☒ Yes ☐ No

Other Financially Interested Persons

Name of Individual: N/A ☐ Owner ☐ Tenant/Lessee ☐ Successor Agency
Street Address: _____
City: _____ State: _____ Zip: _____
Phone No.: _____ Fax No.: _____ Email: _____
Signature: _____ Date: _____
Additional pages Attached: ☐ Yes ☐ No

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Upon request, this information is available in alternative formats for persons with disabilities.