



THE CITY OF SAN DIEGO

Report to the Planning Commission

DATE ISSUED: May 4, 2023 REPORT NO. PC-23-013

HEARING DATE: May 11, 2023

SUBJECT: EXPOSITION WAY, Process Five Decision

PROJECT NUMBER: [PRJ-1062231](#)

REFERENCE: [Planning Commission Report No. PC-22-022: Otay Mesa Community Plan Amendment Initiation - Exposition Way](#)

OWNER/APPLICANT: Exposition Way, LLC

SUMMARY

Should the Planning Commission recommend to the City Council approval of an amendment to the General Plan to redesignate a 2.01-acre site from Commercial Employment, Retail, and Services to Industrial Employment and an amendment to the Otay Mesa Community Plan to redesignate from Community Commercial to Light Industrial; and a rezone from Commercial Neighborhood (CN-1-2) to Industrial Light (IL-2-1)?

Staff Recommendation(s):

1. Recommend the City Council APPROVE General Plan Amendment and Community Plan Amendment No. PMT-3162511
2. Recommend the City Council APPROVE Rezone No. PMT-3162510 and
3. Recommend the City Council APPROVE Addendum No. 1062231.

Community Planning Group Recommendation: On November 16, 2022, the Otay Mesa Community Planning Group voted 10-0-0 to recommend approval without conditions (Attachment 1).

Environmental Review: Addendum No. 1062231 to the Otay Mesa Community Plan Update Final Program Environmental Impact Report (No. 30330/304032; SCH No. 2004651076) has been prepared for the project in accordance with the California Environmental Quality Act (CEQA). Staff determined that only minor technical changes or additions are necessary, and that no changes in circumstances have occurred, and no new information of substantial importance has manifested, which would result in new significant or substantially increased adverse impacts as a result of the project.

Fiscal Impact Statement: All costs associated with the processing of this project are recovered through a deposit account funded by the applicant.

Housing Impact Statement: The project does not propose housing, nor does it propose to change land use designation to remove housing potential. The current land use designation prohibits housing. There would be no impact on City housing capacity or inventory.

BACKGROUND

Site Location

The proposed amendment site is a 2.01-acre vacant property located at the existing northern terminus of Exposition Way (APN No. 645-050-45), in the Northwest District of the Otay Mesa Community Planning Area (Community Plan) (Attachment 2). The site had been used previously for the storage and dismantling of automobiles.

Existing Adjacent Land Uses

The vacant site is bounded by open space to the west, vacant properties to the north and east, and existing industrial uses (office, warehouse, and distribution facilities) to the south (Attachment 3).

Community Plan Use Designation

The Otay Mesa Community Plan designates the site as Community Commercial (Residential Prohibited), which provides for shopping areas with retail, services, civic, and office use for the community at-large. This designation does not permit residential development. The property to the south and east are designated as light industrial and the property to the north is designated as residential medium (Attachment 4).

Zoning

Base Zone: The property is currently zoned CN-1-2 (Commercial-Neighborhood). The purpose of the CN zones is to provide residential areas with access to a limited number of convenient retail and personal service uses. The CN zones are intended to provide areas for small scale, low intensity developments that are consistent with the character of the surrounding residential areas.

Overlay Zones:

Community Plan Implementation Overlay Zone: The site is located within the Otay Mesa Community Plan Implementation Overlay Zone (CPIOZ) which includes the majority of industrial and commercial in the community and serves to ensure the protection of sensitive resources, construction of circulation infrastructure, and conformance with appropriate policies from the Urban Design Element of the Community Plan.

Airport Land Use Compatibility Overlay Zone: The property is 0.33 miles from Brown Field Municipal Airport and is within the Airport Land Use Compatibility Overlay Zone (ALUCOZ). The ALUCOZ implements the adopted Airport Land Use Compatibility Plan for Brown Field Municipal Airport to ensure that new development located within the airport influence area is compatible with respect to airport-related noise, safety, airspace protection, and aircraft overflight. The site is within Safety Zone 2, which limits future developments to lower intensity uses. The site is also in the 65 to 70 dB noise

contour and due to the higher noise level, residential is not permitted.

Multiple Habitat Planning Area

The site is not located within the City's Multiple Habitat Planning Area (MHPA).

Vernal Pools

The site does not contain any vernal pools as mapped in the City's Vernal Pool Habitat Conservation Plan

DISCUSSION

Project Description:

The proposed project consists of the following actions:

- An amendment to the General Plan to redesignate the site from Commercial Employment, Retail, and Services to Industrial Employment (Attachment 5),
- An amendment to the Otay Mesa Community Plan to redesignate the site from Community Commercial (Residential Prohibited) to Light Industrial (Attachment 6), and
- A rezone the site from the Commercial Neighborhood (CN-1-2) zone to the Light Industrial (IL-2-1) zone (Attachment 7).

The project is not proposing any development.

Community Plan/General Plan Analysis:

The applicant is requesting an amendment to the Community Plan to redesignate a 2.01-acre property from Community Commercial (Residential Prohibited) to Light Industrial. The proposed amendment would also amend the General Plan and redesignate the site from Commercial Employment, Retail, and Services to Industrial Employment.

Proposed Light Industrial Designation

For the Light Industrial designation, the Otay Mesa Community Plan allows a wider variety of industrial uses by permitting a full range of light manufacturing and research and development uses and adding other industrial uses such as storage and distribution and transportation terminals. Multi-tenant industrial uses and corporate headquarters office uses are permitted. Otherwise, only limited office or commercial uses should be permitted which are accessory to the primary industrial use. Heavy industrial uses that have significant nuisance or hazardous effects are excluded. The Community Plan limits the FAR to 0.5 for light industrial uses. The proposed light industrial designation is consistent with the adjacent industrial designated properties to the east and south.

Economic Prosperity – Employment Lands

Amending the Community Plan to the Light Industrial land use designation would be consistent with the following General Plan and Community Plan Economic Prosperity Element goals and policies:

- General Plan Economic Prosperity Element goal: having a City with sufficient land capacity for base sector industries to sustain a strong economic base, by adding more industrial-

designated land to the City.

- General Plan Economic Prosperity Element policy EP-A.1: plan amendments for industrial land use designations should be appropriately applied to protect viable sites for base sector and related employment uses.
- Facilitates the future development and expansion of base sector manufacturing, research and development and support industries in the City.
- Community Plan Economic Prosperity Element goal: employment and economic growth through diversified industrial land uses, by expanding the capacity of industrial land that could serve industrial activities related to high technology and multinational businesses given its proximity to the border with Mexico, as well as additional employment opportunities in the community.

Land Use - Commercial

The Otay Mesa Community Plan designates the site as Community Commercial (Residential Prohibited) which provides for goods and services to the residential areas to the north and employment areas to the east in Otay Mesa. The Community Commercial (Residential Prohibited) designation is intended to support commercial uses that cannot be accommodated within the mixed-use areas located within the villages. While the Community Plan recommends maintaining community commercial areas in Otay Mesa to support the development of retail, office and other commercial services to serve the surrounding areas, this site commercial site has remained undeveloped. The proposed amendments to the General Plan and Community Plan would not affect the supply of land for providing commercial goods and services to residents and employees within the community).

A retail and industrial analysis was conducted by the applicant which indicated that the market viability for commercial retail at the site would not be recommended due to several reasons related to the location and setting of the site; poor access and visibility from a busy roadway to draw traffic. The study also indicated that there are many future commercial-retail centers in the competitive market area with much better locations (Attachment 8). The Community Plan designates over 290 acres for commercial uses (not including mixed-use commercial land within village areas), of which 46 acres are designated for Community Commercial use.

- Palm Promenade in the Northwest District is a regional shopping center with approximately 489,000 square feet that includes large retail establishments, restaurants, and a multi-plex movie theatre that serves the existing residential uses in Otay Mesa and the surrounding communities in South County.
- Heavy commercial lands are in the eastern portion of the community, near two major freeways (SR-905 and SR-125) to provide auto-oriented commercial businesses with high visibility. The approximately 140 acres designated heavy commercial meet the demand of border-related activity that occurs near the Otay Mesa Port of Entry.
- Within the village areas, the Central Village Specific Plan allows up to 139,700 square feet of commercial uses to serve the residents of Central Village. The draft Southwest Village Specific Plan currently proposes to allow up to 174,240 square feet of commercial uses.

Urban Design

The site is physically separated from existing residential development by approximately 0.1 mile to the north; however, the vacant parcel immediately adjacent to the project site to the north is designated for residential use. At the time a specific project is proposed, consistency with Community Plan policies, General Plan Noise Element policies, and compliance with the required setbacks and the landscape regulations and the Urban Design policies as part of CPIOZ Type A would be required to ensure compatibility between land uses. A future site plan for the site could also consider locating any office uses or office component of larger project along the northern elevation adjacent to the residential-designated property to the north and relegating truck loading along the southern, eastern, and western elevations of the site.

Mobility

The Otay Mesa Community Plan has classified Exposition Way connecting to Santo Domingo Road as two-lane collector to provide access from the northern residential areas to the Otay Mesa Road. The CPIOZ Type A will require future development of the property to construct the portion of the two-lane collector fronting the property and any other associated public right-of-way improvements. The proposed amendments to the General Plan and Community Plan would not affect the feasibility of ultimately connecting Exposition Way with Santo Domingo Road, therefore, the project would not affect the ability of the Community Plan's mobility network to be constructed as planned. As future development is proposed, the CPIOZ Type A will require a site-specific evaluation of transportation to address consistency with the surrounding mobility network and evaluate traffic operations in the vicinity.

Public Facilities

The proposed Community Plan amendment from community commercial to light industrial would not affect the need for additional planned offsite public facilities. Future proposed development will be required to provide infrastructure improvements needed for the development.

Rezone

To implement the proposed light industrial community plan designation, the applicant has requested a rezone to the IL-2-1 base zone. The purpose of the IL zones is to provide a wide range of manufacturing and distribution activities. The development standards of this zone are intended to encourage sound industrial development by providing an attractive environment free from adverse impacts associated with heavy industrial uses. The IL-2-1 base zone allows a mix of light industrial and office uses with limited commercial uses.

Airport Land Use Compatibility Overlay Zone

The Airport Land Use Compatibility Overlay Zone (ALUCOZ), which implements the Airport Land Use Compatibility Plan, limits uses to 84 people per acre for non-residential uses within safety zone 2 by placing limitations of the allowed floor area ratio (FAR). For example, the ALUCOZ limits light manufacturing to a 0.57 FAR. The ALUCOZ also implements the FAA notification requires for airspace protection for any proposed structure. The Airport Land Use Commission determined that the proposed amendments and rezone are consistent with the Airport Land Use Compatibility Plan for Brown Field Municipal Airport (Attachment 9).

Community Plan Implementation Overlay Zone

Any proposed development on the property is subject to the following Community Plan Implementation Overlay Zone (CPIOZ) Type A requirements:

- Submittal of the following:
 - Archeological Survey stating there is no presence of archeological resources on site,
 - Paleontological documentation stating there is no presence of paleontological resources on site,
 - Focused Biological Resources Survey stating there is no presence of sensitive plants or animal species, or habitats on site, and
 - Documentation stating that the proposed project's traffic volumes are based on the City's trip generation rated and are less than 1,000 ADT's,
- Conformance with the specified Community Plan Urban Design Element policies, and
- Construction of the abutting streets to the street classification identified in the Community Plan Mobility Element.

Environmental Analysis:

A Final Program Environmental Impact Report (PEIR) (Project No. 30330/304032; SCH No. 2004651076) for the Otay Mesa Community Plan Update was certified by City Council on March 11, 2014 (Resolution No. R-308810). The PEIR concluded that the Community Plan update would result in significant and unmitigated environmental impacts to air quality, greenhouse gas emissions (GHG), noise, traffic/circulation, and utilities. The Final PEIR issue areas that were determined to be significant but mitigated to below a level of significance included land use, biological resources, historical resources, human health/public safety/hazardous materials, hydrology/water quality, geology/soils, and paleontological resources. All other impacts analyzed in the Final PEIR were determined to be less than significant.

Addendum No. 1062231 to Final PEIR has been prepared for the project in accordance with Section 15164 of the CEQA State Guidelines. Staff determined that only minor technical changes or additions are necessary, and that no changes in circumstances have occurred, and no new information of substantial importance has manifested, which would result in new significant or substantially increased adverse impacts as a result of the project (Attachment 10).

Conclusion:

The proposed amendments and rezone would benefit the Otay Mesa Community and City through the provision of additional industrial land and employment opportunities, that would support economic growth in the community and City. The light industrial designation and rezone are consistent with the adjacent to industrially designated properties to the east and south and would be compatible with the Airport Land Use Compatibility Plan for Brown Field. Future development will be required to construct the portion of the two-lane collector fronting the property, orient parking, truck storage and loading areas away from the adjacent residential uses and incorporate screening and buffer elements.

Staff has reviewed the proposed project and all issues identified through the review process have been resolved in conformance with the adopted City Council policies and regulations of the Land Development Code (Attachment 11). Staff has provided a draft resolution and a draft ordinance to support approval of the Project (Attachments 12 and 13). Staff recommends the Planning Commission recommend the City Council approve the project as proposed.


ALTERNATIVES

1. Approve General Plan Amendment and Community Plan Amendment No. PMT-3162511 and Rezone No. PMT-3162510, with modifications.
2. Deny General Plan Amendment/Community Plan Amendment No. PMT-3162511 and Rezone No. PMT-3162510, if the findings required to approve the project cannot be affirmed.

Respectfully submitted,



Renee Mezo
Assistant Deputy Director
Development Services Department



Oscar Galvez III
Development Project Manager
Development Services Department



Tait Galloway
Deputy Director
Planning Department

Attachments:

1. Community Planning Group Recommendation
2. Project Location Map
3. Aerial Photographs
4. Otay Mesa Community Plan Land Use Map
5. General Plan Strikeout and Amended Maps
6. Otay Mesa Community Plan Strikeout and Amended Maps
7. Rezone - B Sheet
8. Retail-Industrial Analysis
9. Airport Land Use Commission Consistency Determination
10. Addendum to Environmental Impact Report (SCH No. 2004651076)
11. Otay Mesa Community Plan Amendment Issues Analysis
12. Draft Community Plan Amendment Resolution
13. Draft Rezone Ordinance
14. Ownership Disclosure Statement