DATE ISSUED: September 22, 2004 REPORT NO. 04-203

ATTENTION: Honorable Mayor and City Council

Docket of September 28, 2004

SUBJECT: Aero Drive 3: Planned Development Permit, Site Development Permit, and

Right-of-Way Vacation. Project No. 6729. Council District 6. Process 5.

REFERENCE: Report to the Planning Commission No. PC-04-092. Planning Commission

Hearing of June 17, 2004.

OWNER/

APPLICANT: City of San Diego/Kim Peterson

SUMMARY

Issues:

- 1. Should the City Council approve a new 7,200 square foot, 31.5-foot high, single-story retail building on a vacant undeveloped parcel located on City-owned land south of Aero Drive and east of Murphy Canyon Road within the Kearny Mesa Community Planning Area?
- 2. Should the City Council refer Council Policy 900-14 (Sustainable Buildings Policy) to the City Manager in order to require private development on Cityowned land to incorporate sustainable building principles?

Staff's Recommendations:

1. Certify Mitigated Negative Declaration No. 6729, and Adopt the Mitigation, Monitoring and Reporting Program; and

- 2. Approve Planned Development Permit No. 56270, Site Development Permit No. 56271, and Right-of-Way Vacation No. 37090.
- 3. Do not refer Council Policy 900-14 to the City Manager for amendments to require private development on City-owned land to implement sustainable building principles.

<u>Planning Commission Recommendation:</u> On June 17, 2004, the Planning Commission voted 5-0 to recommend approval of the project with the following conditions: 1) That the applicant consider adding cascading vines on the retaining wall; 2) That the City Council consider applying the Sustainable Building Policy (Council Policy 900-14) to this project. These recommendations are addressed in the Discussion section of this report.

Community Planning Group Recommendation: On January 21, 2004, the Kearny Mesa Planning group voted 12-0-0 to recommend approval of the proposed project.

<u>Environmental Review:</u> Mitigated Negative Declaration No. 6729 has been prepared for the project in accordance with State of California Environmental Quality Act (CEQA) guidelines. A Mitigation, Monitoring and Reporting Program has been prepared and will be implemented which will reduce, to a level of insignificance, any potential impacts identified in the environmental review process.

<u>Fiscal Impact</u>: None. All staff costs associated with processing this project are recovered from a separate deposit account provided by the applicant.

Code Enforcement Impact: None.

<u>Housing Impact Statement:</u> This project proposes a retail commercial structure on commercially zoned land and therefore will have no impact on housing availability or affordability.

<u>Water Quality Impact Statement:</u> The Water Quality Technical Report concluded that the project would result in negligible changes in drainage pattern, and no net change in site hydrology is anticipated. A Storm Water Pollution Prevention Plan (SWPPP) and a Monitoring Program Plan will be implemented concurrently with the commencement of grading activities. Onsite *Best Management Practices* (BMPs) would include slope stabilization, stockpile controls, gravel bags, fiber rolls, inlet protection devices, and sediment traps.

BACKGROUND

The 1.1-acre project site is located east of Murphy Canyon Road, south of Aero Drive, and west of Interstate 15, in the CC-1-3 Zone, Airport Environs Overlay Zone (Montgomery Field), and Stonecrest Specific Plan area of the Kearny Mesa Community Plan. The CC-1-3 Zone is a

commercial-community zone intended to accommodate development with an auto orientation. The project is also designated for regional-commercial use within the Stonecrest Specific Plan.

The project area consists of previously graded lands, manufactured slopes, and paved portions of old Murphy Canyon Road. The property was previously owned by the State, however Caltrans relinquished the remnant parcel to the City as part of Interstate 15 construction. In addition, Murphy Canyon Road was realigned further west as part of the adjacent Stonecrest development, creating this 60-foot wide remnant parcel.

The topography has been altered by previous grading activities, creating a north-south trending valley between Interstate 15 and Murphy Canyon Road. This project proposes construction along the western portion of this valley. The eastern portion of the valley is a fill slope supporting Interstate 15. Elevations on-site range from approximately 156-feet at the southern end of the property to 185-feet along the northern property boundary.

Adjacent land uses consist of industrial, business park and commercial uses to the north, and industrial to the south. Land uses to the west and southwest are retail commercial and include Wal Mart, Vons, Petsmart and Fry's Electronics. Another shopping center exists to the north between the property's northern boundary and Aero Drive. Interstate 15 and State-owned property exists along the project's eastern boundary.

DISCUSSION

Project Description:

The project proposes the construction of a 7,200 square-foot, 31.5-foot high, single-story retail building and parking lot on an undeveloped 1.1-acre site. The property is owned by the City of San Diego and would be leased to the project applicant through a lease agreement with the Real Estate Assets Department. The physical design of the proposed retail building includes a cement plaster exterior with architectural cornices, and a mission-style clay tile roof.

Due to the topographic features of the site caused by previous grading activities, the project proposes to import 15,520 cubic yards of fill in order to achieve a finished level building pad. Approximately five to fourteen feet of fill will be placed above existing grade. This imported fill will be retained with a 581-foot long vertical keystone wall to be constructed along the eastern boundary of the site. The applicant is requesting a deviation for the retaining wall because portions of the wall's dimensions do not meet development regulations of the Land Development Code (see "Project Related Issues" section below). The CC-1-3 zone limits the project height to a total of 45-feet. The project's 45-foot maximum height limit calculation includes the maximum height of the proposed structure at 31.5-feet plus the maximum height of the proposed fill which is 13.5-feet as measured above existing grade at the same location.

The project site is not within or adjacent to the City's Multi-Habitat Planning Area (MHPA). Though the project area was previously altered by grading, there are sensitive habitats on and adjacent to the subject property that will be impacted by the proposed development. Permanent impacts include 0.08-acres of disturbed coastal sage scrub onsite, and 0.15-acres off-site, totaling

0.23 acres. These impacts are considered significant, but will be mitigated by the acquisition of 0.23 acres of Tier II habitats within a City approved mitigation bank, or by paying into the City of San Diego Habitat Acquisition Fund.

The project site is traversed by a right-of-way (ROW) easement for the previous alignment of Murphy Canyon Road, which has since been realigned to the west. The proposed ROW Vacation would abandon this unused and unneeded portion of Murphy Canyon Road to allow for the construction of the proposed retail building.

A Planned Development Permit is required for this project in order to allow the retaining wall dimensions to deviate from the Land Development Code's development regulations. A Site Development Permit is required for this project due to the identified impacts to sensitive vegetation; and the Right-of-Way Vacation is required in order to abandon unused portions of Murphy Canyon Road that traverse the project site.

Planning Commission Recommendations:

On June 17, 2004, the Planning Commission voted 5-0 to recommend approval of the project with the following conditions:

- 1) That the applicant consider adding cascading vines on those areas of the retaining wall that are greater than 5 feet in height and not restricted in a horizontal dimension by the location of the curb. The applicant has agreed to add cascading vines on the retaining walls. Condition #23 has been added to the permit.
- 2) That the City Council consider applying the Sustainable Building Policy (Council Policy 900-14; Attachment 20) to this project. The applicant does not believe that the sustainable buildings policy should be applied (Attachment 21).

The purpose of Council Policy 900-14 is two-fold. The first is to require green building principles for "all newly constructed facilities and major building renovation projects for City facilities". The second is to encourage the voluntary application of these principles for private-sector construction through expedited permit processing.

The Aero Drive 3 project proposes the construction of a privately-owned retail building (non-sustainable) on a City-owned parcel. This parcel will be leased to the applicant through a lease agreement with the City of San Diego. Staff did not apply Council Policy 900-14 requirements because the proposed project is a private facility and does not meet the definition of a "City facility".

If the Council believes that this policy should apply to privately owned structures on City-owned land, Staff would recommend that the Council refer Council Policy 900-14 to the City Manager for an amendment. This amendment would require all new private development projects on City-owned land to incorporate green building principles.

If the sustainable building principles required by Council Policy 900-14 are applied to this project, the applicant would be required to achieve the LEED (Leadership in Energy and Environmental Design) "Silver" level Certification, and would be encouraged to apply the following sustainable building measures: use of renewable energy technologies (e.g. photovoltaic, wind and fuel cells); incorporation of mechanical and electrical systems to achieve the maximum energy efficiency; structures designed to exceed the State of California Title 24 energy requirements; compliance with storm water development requirements; use of high efficiency irrigation technology; Use of recycled building products; separation, collection and storage of recyclable materials; and taking advantage of passive and natural sources of heat, cooling, ventilation, and light.

Community Plan Analysis:

The project is located in the Kearny Mesa Community Plan Area and within Planning Area 5 of the Stonecrest Specific Plan. Planning Area 5 is designated for up to 272,500 square feet of regional commercial use. This 7,200 square foot proposal, located across Murphy Canyon Road from the core of this regional commercial center, is consistent with this designation and the floor area limitation. Permitted uses include those uses permitted in the CA (now CC-1-3) Zone, which this project is limited to. The design allows for easy ingress and egress and minimizes conflicts with pedestrians, as required in the Urban Design Element of the Stonecrest Specific Plan, by providing a four-way stop at Murphy Canyon Road and a sidewalk from Murphy Canyon Road and into the site. This new access point to Planning Area 5 is permitted with the approval of the City Engineer.

Environmental Analysis:

Sensitive Habitat - The project site is not within or adjacent to the City's Multi-Habitat Planning Area (MHPA). However, there are sensitive habitats on and adjacent to the subject property. Direct impacts would result from grading and development of the site. Therefore, a biological survey was required. The existing vegetation was found to consist of a mixture of disturbed coastal sage scrub and disturbed and developed lands, with non-native vegetation as the dominant cover. Approximately 0.15 acres of the proposed development footprint would extend into the property directly due west of this parcel. This western area consists of a manufactured slope that was previously planted with a native coastal sage scrub hydroseed mixture, as prior mitigation for impacts associated with the development of the adjacent Stonecrest Square.

The biological letter report concluded that construction of the proposed 7,200-square-foot retail building on the 1.1-acre site would result in permanent impacts to 0.08 acres of disturbed coastal sage scrub onsite, and 0.15 acres off-site, totaling 0.23 acres. These impacts are considered significant and required mitigation. Mitigation would be accomplished by the acquisition of 0.23 acres of Tier II habitats within a City approved mitigation bank or by paying into the City of San Diego Habitat Acquisition Fund. Impacts to the 0.48 acres of disturbed land and 0.56 acres of developed lands onsite were not considered significant and did not require mitigation. A Mitigated Negative Declaration was prepared in accordance with CEQA, and a Mitigation, Monitoring and Reporting Program (MMRP) will be implemented to reduce impacts to biological resources to below a level of significance.

<u>Water Quality</u> - Based on the City of San Diego Storm Water Manual and the completed Storm Water Requirements Applicability Checklist, this development was identified as a "priority project," and required the completion of a Water Quality Technical Report. The Water Quality Technical Report concluded that the project would result in negligible changes in drainage pattern, and no net change in site hydrology is anticipated. The primary focus of this project's Storm Water Pollution Prevention Program would be to prevent contaminated runoff from leaving the construction site through the existing storm drain systems. Onsite *Best Management Practices* (BMPs) would include slope stabilization, stockpile controls, gravel bags, fiber rolls, inlet protection devices, and sediment traps.

Project Related Issues:

Retaining Wall – The proposed project includes a 581-foot long keystone retaining wall to be constructed within the required 10-foot wide side yard setback, along the eastern boundary of the project site, immediately adjacent to the Interstate 15 right-of-way. This keystone retaining wall reaches its maximum height of 15.3 feet at the southern end of the site, and then decreases to 0 feet in height at the northern end of the project site. The wall design is near vertical, and does not include a horizontal separation. An approximately 217-foot long section of this wall exceeds the maximum 12-foot height allowed and does not provide horizontal separation as required in the Land Development Code. An approximately 278-foot long section of this wall exceeds the maximum 9-foot height, which does not require horizontal separation in the Land Development Code. The Land Development Code limits retaining walls to a maximum height of 12-feet in height with two 6-foot walls separated by a minimum horizontal distance equal to the height of the upper wall. In addition, the Land Development Code limits retaining walls in a commercial zone to one vertical wall to a maximum height of 9-feet with no horizontal separation (see Attachment 19).

This keystone wall is required in order to retain the 15,520 cubic yards of fill needed to achieve a finished level building pad. The applicant is requesting a deviation to allow portions of the retaining wall to exceed 9 and 12-feet in height (a maximum of 15.3-feet proposed), as well as relief from the requirement to provide horizontal separation.

The retaining wall is proposed along the eastern boundary of the project site, and immediately adjacent to an existing approximately 25-foot high manufactured slope supporting Interstate 15. Because the retaining wall will be situated approximately 25-feet below Interstate 15, the wall would not be visible to the public, or to southbound traffic on Interstate 15. Because the wall will not be visible to the public, the applicant had not proposed to landscape the wall itself; however, the Planning Commission requested the applicant consider adding cascading vines on those areas of the retaining wall that are greater than 5 feet in height and not restricted in a horizontal dimension by the location of the curb. The applicant agreed to add cascading vines on the retaining walls. Condition #23 has been added to the permit.

<u>Four-Way Stop</u> – Public review of the proposed project identified the need for a four way stop sign at the entrance to this project on Murphy Canyon Road. This new four-way stop will serve the existing shopping center to the west, and this proposed project. A condition of approval (Condition #15) has been incorporated into the Permit requiring the installation of stop signs at

this newly created four-way intersection.

<u>Lease Agreement</u> – The applicant proposes to lease this property from the City of San Diego, and a Lease Agreement is being processed concurrently with this project, and is a companion item on the Council docket.

ALTERNATIVES

- 1. Approve the City Manager's recommendation with modifications.
- 2. Deny the project if the findings required approving the project cannot be affirmed.
- 3. Refer Council Policy 900-14 to the City Manager for amendments to require private facilities on public land to incorporate green building principles.

Respectfully	y submitted,

Gary Halbert,	Approved:	George I. Loveland
Acting Development Services Director	**	Assistant City Manager

HALBERT/MJW/DM

Note: Attachments 4, 14 - 16, and 18 are available in electronic format. A complete copy is available for review in the Office of the City Clerk.

Attachments:

- 1. Aerial Photograph
- 2. Community Plan Land Use Map
- 3. Project Location Map
- 4. Project Data Sheet
- 5. Architectural Site Plan
- 6. Architectural Floor Plan
- 7. Architectural Elevations
- 8. Architectural Roof Plan
- 9. Topographic Survey
- 10. Grading and Drainage Plan
- 11. Landscape Development Plan
- 12. Site Sections
- 13 Street Vacation Exhibit B
- 14. Draft Street Vacation Resolution
- 15. Draft Permit with Conditions
- 16. Draft Resolution with Findings
- 17. Community Planning Group Recommendation
- 18. Project Chronology

- 19.
- 20.
- LDC 142.0340(d) Retaining Wall Height in Required Side Yards Council Policy 900-14: Sustainable Building Policy Applicant letter dated July 14, 2004 responding to Planning Commission Hearing 21.