

DATE ISSUED: February 2, 2005 REPORT NO. 05-018

ATTENTION: Honorable Mayor and City Council
Docket of February 8, 2005

SUBJECT: Appeal of the Mission Boulevard Mixed Use Project; Planned Development Permit, Coastal Development Permit, and Tentative Map, Project Number 9522. Council District 2. Process 4

REFERENCE: Planning Commission Report No. PC-04-179. Project Approved by the Planning Commission on November 18, 2004.

OWNER/
APPLICANT: Ocean 3857, LLC/Pacific Beach Investment Trust

SUMMARY

Issue - Should the City Council approve or deny the appeal of the Planning Commission decision to approve the construction of eight (8) sustainable residential condominiums and a 1,300 square foot commercial building?

Staff's Recommendation:

1. **Deny** the appeal;
2. **Certify** Mitigated Negative Declaration No. 9522, and Adopt Mitigation, Monitoring, and Reporting Program (MMRP);
3. **Approve** Planned Development Permit No. 154089;
4. **Approve** Coastal Development Permit No. 18169; and
5. **Approve** Tentative Map No. 159337.

Planning Commission Recommendation – On November 18, 2004, the Planning Commission voted 5-2 to **Approve** the project as proposed, with **Denial** of the request to waive the requirement to underground existing overhead utilities.

Community Planning Group Recommendation - On July 26, 2004 the Pacific Beach Community Planning Committee voted 7-5-1 to recommend approval of the project with conditions. See the Discussion Section and Attachment 14 of the attached Planning Commission Report for further information. Information has been received that the Planning Group proposes to revote on the project after the Manager's Report will have gone to print. The results of that revote, should it occur, would be presented to the City Council under separate cover.

Other Recommendations – None with this action.

Environmental Review - Mitigated Negative Declaration Number 9522 was prepared and finalized on June 1, 2004 in accordance with the State of California Environmental Quality Act (CEQA) Guidelines. A Mitigation, Monitoring, and Reporting Program will be implemented which will reduce, to below a level of significance, the potential environmental impacts identified from the environmental review process for historical resources (archaeology).

Fiscal Impact - All costs associated with the processing of this project are paid from a deposit account maintained by the applicant.

Code Enforcement Impact – None with this action.

Housing Impact Statement - This proposal would allow for a mixed use project with eight dwelling units where none previously existed. As such, the project would result in a net gain of eight market rate dwelling units within the Pacific Beach Community Plan area.

The community plan encourages mixed-use projects on commercial land within transit corridors, but does not state a residential density for mixed-use projects, except for the allowance of up to 43 dwelling units per acre as an incentive when Transit-Oriented Development Standards are met. This incentive density would allow up to 25 dwelling units on this site.

The project is subject to the Inclusionary Housing requirements of the Municipal Code which requires 10% affordable units or payment of an in-lieu fee. The applicant plans to pay an in-lieu fee instead of providing affordable housing on site.

Water Quality Impact Statement – The proposed project complies with the City of San Diego's Storm Water Standards. A Water Quality Technical Report and Drainage Study were prepared to define Best Management Practices (BMP's) to minimize stormwater runoff pollutant loading. Site design and source control BMP's have been incorporated into the project to reduce potential pollutants. Runoff from the project site would be directed to a biofiltration area to remove some anticipated pollutants. Post-development

runoff from the site will not exceed the runoff volumes under pre-development conditions. The post-development runoff will be discharged to the existing public storm drain system. Construction BMPs will be used to minimize potential pollutants in stormwater runoff during construction/grading activity.

BACKGROUND

The project site is located at 4287 Mission Boulevard in the CV-1-2 (Visitor Serving Commercial allowing Residential) Zone, within the Pacific Beach Community Plan, Coastal Overlay Zone (Coastal Commission Non-Appealable Jurisdiction), Coastal Height Limit Overlay Zone, Transit Overlay Zone, and Parking Impact Overlay Zone (Beach Impact Area).

The project site currently contains an existing one-story, 5,192 square-foot commercial building, which would be retained. Adjacent land uses include restaurants to both the north and south, residential to the east, across the alley, and a hotel and parking lot to the west, across Mission Boulevard. The immediate neighborhood is developed with a mixture of commercial and residential development in a wide variety of architectural styles, colors, heights, bulk, and scale.

On November 4, 2004 the Planning Commission heard the subject project for the first of two times (See Attachment 2). At the November 4 hearing, a motion was made by Commissioner Garcia to Approve staff's recommendation which was to Approve the Coastal Development Permit, the Planned Development Permit, and the Tentative Map; however the motion proposed to Deny the request to waive the requirement for undergrounding existing overhead utilities. With four Commissioners present, the motion failed by a vote of 3-1 with Commissioners Garcia, Chase and Otsuji voting in favor of the motion, and Chairman Lettieri voting against the motion. Since the motion failed, the item was trailed to the November 18, 2004 Planning Commission hearing. At the November 18 Planning Commission Hearing, the Commission voted 5-2 to Approve staff's recommendation and to Deny the request to waive the requirement to underground the existing overhead utilities (See Attachment 3).

The Commission and opposition discussion at both hearings centered on the amount of density and the use proposed on the project site. It is staff's position that the density and use are appropriate for the subject site.

The proposed 10-unit condominium project (8 new residential condominiums, one new and one existing commercial condominium) would self-generate at least 50 percent of their electrical energy needs through photovoltaic technology (solar panels). Because the project utilizes renewable technologies and qualifies as a Sustainable Building under Council Policies 900-14 and 600-27, the land use approvals have been processed through the "Affordable/In-Fill Housing and Sustainable Buildings Expedite Program."

DISCUSSION

Project Description

The project proposes to construct eight new, three-story, market rate condominiums and one new, 1,300 square-foot commercial building on a 25,692 square-foot, one-lot site at 4287 Mission Boulevard, within the Pacific Beach Community Planning area. A 5,192 square-foot commercial building currently exists on the site under a separate and previously approved building permit.

The exterior materials of the 8 residential condominiums would include stucco walls, wooden hand railings at the balconies, and composition tile trims, and four, 8-foot wide articulated garage doors off the alley. The exterior of the proposed commercial structure would also be stucco, with a standing seam metal roof. The structures, including all roof equipment, will not exceed the 30-foot Coastal height limit.

The 8 residential condominiums would each contain tandem parking (two vehicle parking spaces per unit) and 120 square-feet of storage on the ground floor, 670 square feet of living and dining space on the second floor, and 670 square feet of bedrooms and bathrooms on the third floor. Each unit would consist of 3 bedrooms, 2 and ½ baths, and would total 2,020 square feet, including the garage and storage area on the ground floor level.

A Coastal Development Permit is required for this project because both the proposed demolition and new construction constitute coastal development and all new development within the Coastal Zone requires a Coastal Development Permit. The Tentative Map is required in order to create 10 separate ownerships (8 residential and 2 commercial condominiums) on the site. The Planned Development Permit is required to allow the applicant to request a deviation to the regulations of the underlying zone for site access.

Appeal

An appeal application (Attachment 1) was received from a resident of the Pacific Beach Community on December 2, 2004. The reasons for the appeal were listed as Factual Error, Conflicts with Other Matters, Findings Not Supported, and City-wide Significance. Below is a list summarizing the appeal application, followed in bold by staff's response.

1. The CV-1-2 Zone prohibits residential uses on the ground floor within the Coastal Overlay Zone.
 - **Staff Response: As per Footnote 2 of Table 131-05B from the San Diego Municipal Code (SDMC), residential uses are prohibited on the ground floor of properties zoned CV-1-2 within the Coastal Overlay Zone; however, SDMC Section 131.0540 allows residential parking beyond the front (Mission Boulevard) 30 feet of the lot. The ground floor of the two, three-story structures housing residential units is designated for parking. The proposed residential structures would be located at the rear of the lot, abutting the alley.**

2. The Pacific Beach Community Plan states that community-serving commercial uses are insufficient. The Plan requires the commercial development area to be maximized. Too great of a percentage of the project's square footage is proposed for residential use.

- **Staff Response:** The specific Pacific Beach Community Plan reference states “Community-serving commercial uses in the area are insufficient; residents must go outside of the community for basic needs (such as theatres, clothing, etc.)” The Plan does not state that commercial development is “to be maximized,” nor does the Plan address the required amount of commercial versus residential in a mixed-use project. The project proposes to retain an existing 5,192 square-foot commercial building and add 1,300 square feet of new commercial. Further, commercial uses are located along the entire frontage of Mission Boulevard except for the existing driveway access. The project site is zoned CV-1-2, which allows a mix of commercial and residential uses.

The Pacific Beach Community Plan does not address the required amount of commercial beyond requiring commercial on the ground floor, facing Mission Boulevard, which the applicant has provided. Although the applicant is proposing a greater number of square feet for residential uses than for commercial uses, the proposal is still well below the allowable residential density for the site.

Under the Community Plan, the project would be allowed to develop 25 multifamily residential units. The CV-1-2 Zone allows a density of 1 dwelling unit per 1,500 square feet of lot area. The lot area of the site is 25,728 square feet, which would yield a maximum of 17 residential units. The maximum allowable Floor Area Ratio (FAR) is 2.0 and the applicant is proposing a FAR of 0.88.

3. The project doesn't incorporate all the recommendations listed on pages 45 and 46 of the Pacific Beach Community Plan regarding the Transit-Oriented Development (TOD) Standards.

- **Staff Response:** Staff disagrees with this statement. Per Commercial Element Policy 3, page 41, the Plan states “New commercial development along the identified transit corridors and in the core commercial area shall incorporate pedestrian and transit-oriented features into project design.” The proposed project does incorporate pedestrian and transit-oriented features. The project is not required to incorporate all of the TOD Standards. However, it clearly meets several of these TOD standards, and meets the intent of the Plan. The TOD Standards referenced in the appeal are as follows:

- a. Minimize building setbacks

- **Staff Response:** The setbacks for the proposed project are 0 feet for the front yard and two side yard setbacks, and 4 feet for the rear yard setback. Both staff and the appellant agree that the building setbacks have been minimized.
- b. Locate parking to the rear of the lot, off the alley
- **Staff Response:** All parking is behind the existing and proposed commercial structures. The commercial parking is accessed off Mission Boulevard via an existing curb cut that serves not only the proposed new 1,300 square-foot commercial structure, but a larger 5,192 square-foot existing commercial building. The City' Transportation Development Review staff determined that it was appropriate to retain the existing curb cut. The residential parking is within garages at the rear of the lot and is accessed entirely off the alley.
- c. Provide arcades, porches, bays and balconies
- **Staff Response:** Specifically, the Plan states “Articulate building facades to provide variety and interest through arcades, porches, bays and particularly balconies, which minimize a walled effect and promote activity on the street. Promote activity on balconies through such means as outdoor seating for restaurants.” The Plan recommends, but does not require, the features stated in the appeal. Due to the small size (1,300 square feet and a single story) of the new commercial structure, arcades and balconies were not employed by the applicant. However, staff believes that the intent of this item (the articulation of building facades) has been met through the provision of offsetting planes and a recessed entry.
- d. Provide outdoor seating for restaurants
- **Staff Response:** The Plan reference actually states “Promote activity on balconies through such means as outdoor seating for restaurants.” The proposed commercial element of the project is single-story and does not have balconies, nor does the Plan require balconies. Furthermore, it is not known definitively at this time which commercial tenant will occupy the space. If a restaurant does occupy the new 1,300 square-foot space, the applicant could apply to provide outdoor seating via a sidewalk café permit.
- e. Orient primary entrances to the street
- **Staff Response:** The primary entry of the new commercial structure is oriented to the street (Mission Boulevard).

- f. Provide bike racks that are visible from Mission Boulevard
- **Staff Response:** The Plan reference states “Provide bicycle racks in areas that are visible and easily accessible from identified bicycle routes.” Mission Boulevard is not identified as a bicycle route. The closest identified bicycle route is the Oceanfront Boardwalk. The applicant has provided bicycle racks near the vehicular entrance to the commercial parking lot, visible and accessible from the street.
- g. Provide public plazas or courtyards
- **Staff Response:** The Plan specifically states “Provide, if space permits, public plazas or courtyards along pedestrian-oriented streets to serve residents and workers.” The Plan does not require these elements, but rather recommends them when space is ample. The subject site has a small amount of street frontage available since 54% of the frontage is occupied by the existing commercial structure which is to remain. Given the small size of the proposed commercial structure (1,300 square feet), staff did not require the incorporation of this element into the site plan.
- h. Encourage public art
- **Staff Response:** The Plan encourages, but does not require, public art. Due to the limited scope of the new public portion of this project (proposed 1300 square foot commercial building), public art was not required.
- i. Utilize parking structures instead of surface parking
- **Staff Response:** The Plan specifically states “Utilize parking structures instead of surface parking for larger commercial developments” The Plan does not require structured parking. Staff did not consider this to be a “larger commercial development” with only 1,300 square feet of proposed commercial development. However, it should be noted that all required residential parking is located in enclosed garages. Further, the commercial parking is located behind the commercial buildings and obscured from public view from the street.
- j. Encourage development on the 1st floor retail and 2nd floor residential development
- **Staff Response:** The Plan encourages, but does not require, retail on the 1st floor and residential on the 2nd floor. The proposed project does include commercial on the 1st floor adjacent to the street. The applicant chose to locate the residential entirely to the rear of the lot.

4. The Pacific Beach Community Plan encourages the use of parking structures instead of surface parking.

- **Staff Response:** Staff did not consider this to be a “larger commercial development” since the proposed commercial development is only 1,300 square feet. All required residential parking is located in enclosed garages and commercial parking is located behind the commercial building, out of public view. The proposed project locates retail uses on the street to preserve the life and activity at the street. Pedestrian access to the commercial buildings is from the street level.

5. The Landscaping Requirements of the Pacific Beach Community Plan regarding street trees and planting pockets are not being met.

- **Staff Response:** The required street trees and planting pockets have been provided. Mission Boulevard is designated a Community Corridor in the Pacific Beach Community Plan and Washingtonia Robusta (Mexican Fan Palm) is one of the approved street trees on the selection list. The palms are already installed, and tree grates or permeable pavers are required to be installed as part of this project.

The Pacific Beach Community Plan recommends planting pockets (at a minimum of every 50 feet) on private property to break up building mass. The 5,192 square foot existing commercial building has approximately 64 square feet of planting area along the front of the building. The proposed commercial building would provide approximately 10 square feet of planting area for small shrubs and vines which would climb on the building street wall to soften the building from street view. Since the CV-1-2 zone allows development to observe a zero-foot front setback, the project could be developed without street yard landscaping on private property; however, approximately 74 square feet of planting area is provided. In addition, the street trees assist in softening the building mass from street view.

6. The existing curb cut on Mission Boulevard should be abandoned due to SDMC Access and Visibility requirements.

- **Staff Response:** Per San Diego Municipal Code (SDMC) Section 142.0560(j) 8c, driveways are not permitted for properties with access to an alley which have less than 150 feet of frontage (in this case the frontage is on Mission Boulevard, where the site has 125 feet of frontage). The applicant is proposing two access points: one from the existing alley to the east for the residential component of the project and the other (existing) from Mission Boulevard on the west side of the project, for the commercial component of the project. The existing curb cut on Mission

Boulevard provides access to the existing commercial building and has been in place for many decades.

The proposed commercial building would be sited alongside the existing commercial building facing Mission Boulevard and would be accessed from the existing curb cut. The proposed eight residential units would be sited at the rear of the property and the required off-street parking spaces would be provided within four fully enclosed tandem garages accessed from the alley. This proposed design results in dual access points, one for commercial and one for residential, effectively separating the two and minimizing traffic conflicts between the uses.

The required visibility triangle at the north side of the existing driveway on Mission Boulevard can not be achieved because of the existing commercial building adjacent to the driveway. Please note that the entry area at the south west corner of the existing commercial building is currently providing an acceptable visibility area for vehicles exiting the site onto Mission Boulevard. The proposed commercial building located at the south corner of the driveway has been designed in accordance with Land Development Code Section 113.0273 providing an adequate visibility triangle at that location.

CONCLUSION

Other than the one deviation for access, the project as proposed meets all applicable regulations and policy documents and staff finds the project consistent with the recommended land use, design guidelines, and development standards in effect for this site per the adopted Pacific Beach Community Plan and Local Coastal Program Land Use Plan, the CV 1-2 Zone, and City of San Diego Progress Guide and General Plan.

The project proposes to utilize renewable technology, self-generating at least 50 percent of its electrical energy needs through photovoltaic technology (solar panels), thus meeting the requirements of Council Policy 900-14, the City Council's Sustainable Building Policy.

The Mission Boulevard Mixed-Use project does not adversely affect the overall goals and objectives of the Pacific Beach Community Plan and Local Coastal Program Land Use Plan, the Progress Guide and General Plan, and the Strategic Framework Element, the Transit-Oriented Development Design Guidelines, and the Housing Element. The proposed project meets the overall goals of the Pacific Beach Community Plan and Local Coastal Program Land Use Plan by promoting a mixture of commercial services to meet the needs of existing and future populations, and by enhancing commercial areas and residential neighborhoods by establishing street tree patterns and promoting general maintenance and improvement of residential and commercial properties.

ALTERNATIVES

1. **Deny** the appeal and **Certify** Mitigated Negative Declaration No. 9522, and Adopt Mitigation, Monitoring, and Reporting Program (MMRP); and **Approve** Planned Development Permit No. 154089; Coastal Development Permit No. 18169; and Tentative Map No. 159337, with **Denial** of the requested waiver to the requirement to underground the existing overhead utilities.

2. **Approve** the appeal and **Not Certify** Mitigated Negative Declaration No. 9522, and Not Adopt Mitigation, Monitoring, and Reporting Program (MMRP); and **Deny** Planned Development Permit No. 154089; Coastal Development Permit No. 18169; and Tentative Map No. 159337, including the requested waiver to the requirement to underground the existing overhead utilities.

Respectfully submitted,

Gary Halbert
Development Services Director

Approved: George I. Loveland
Assistant City Manager

HALBERT/DES

Note: Attachments are not available in electronic format. A copy for review is available in the Office of the City Clerk.

Attachments:

1. Copy of Appeal Application
2. Planning Commission Report No. PC-04-179
3. Memo to the Planning Commission, dated November 18, 2004