



THE CITY OF SAN DIEGO
REPORT TO THE CITY COUNCIL

DATE ISSUED: February 13, 2008

REPORT NO.: 08-009

ATTENTION: Council President Peters and City Council
Docketed for February 19, 2008

SUBJECT: Sunroad Centrum Residential - Project No. 99397; Council District 6; Process 4

REFERENCE: Planning Commission Report No. PC-07-058

REQUESTED ACTION: Appeal of the Planning Commission's approval of one 5-story residential building containing 129 residential units and two 4-story residential buildings containing 379 residential units, subterranean parking, two recreation centers, and a 2-acre park site on a 12.49 acre site located at 8773-8827 Lightwave Avenue and 8770-8786 Spectrum Center Boulevard in the Kearny Mesa Community Plan Area.

STAFF RECOMMENDATION: Grant the appeal and deny Planned Development Permit No. 325462 and Vesting Tentative Map No. 329293.

SUMMARY:

Planning Commission Approval:

On December 13, 2007, the Planning Commission voted 6-0 to approve the project. On December 19, 2007, Ian Trowbridge appealed the project (Attachment 3). On December 27, 2007, William Lyon Homes appealed the project (Attachment 4).

Staff Recommendation to Approve the Appeal and Deny the Project:

The New Century Master Plan Design Manual includes a provision which states that "in connection with the introduction of residential uses within the Mixed Use Commercial/Residential area, the existing SDG&E substation shall be relocated to a non-residential portion of the site." The language did not provide a clear trigger point for how this provision was to be achieved, and as a consequence prior residential projects have been approved without the substation removal.

The City of San Diego has had extensive in-depth meetings with the applicant, SDG&E, the City Attorney's Office and William Lyon Homes. A Covenant, Restriction and Negative Easement Prohibiting Development of Land has been agreed to and signed by both SDG&E and Sunroad Enterprises that provides a method to satisfy the provision in the Master Plan with the City of

location of the potential relocation site as identified in the New Century Center Master Plan. The agreement is enforceable by the City of San Diego and is a public document.

Staff believes that although with this covenant, the City has a method to satisfy the provision in the Master Plan, the exact timetable can not be established as the relocation is dependent on the California Public Utilities Commission approval and SDG&E. Therefore no additional residential projects should be approved for the New Century Center Master Plan Mixed Use Commercial/Residential Areas 1A, 1B, 3A and 2B.

BACKGROUND:

The proposed project is located on 12.49 acres of the previous San Diego General Dynamics site within the CC-1-3 zone of the Kearny Mesa Community Planning Area. There is a Development Agreement for the site which vests the New Century Center Master Plan as well as the old-code CA zone, therefore proposed development is required to comply with the CA zone, except as it is regulated by the Master Plan. The site is designated for Mixed Use Commercial and Residential development. The original New Century Center Master Plan was approved by the City Council on November 18, 1997, allowing General Dynamics (the original owner) to develop a high-density mixed-use retail, commercial and industrial business park on 242-acres centrally located within the Kearny Mesa Community Plan area. The project included adoption of the New Century Center Master Plan (Master Plan) as part of the Kearny Mesa Community Plan, approval of a Development Agreement between the City and General Dynamics, and adoption of Planned Industrial Development/Planned Commercial Development Permit (PID/PCD) No. 96-0165.

On October 3, 2000, PID/PCD Permit No. 99-1269 amended the original approval, Permit No. 96-0165, to include residential use in the western portion of the property. Amendments to the New Century Center Master Plan were also approved in October of 2000, to allow 448 residential units in Planning Area 3B of the Master Plan and 550 dwelling units in the commercial mixed use area, part of which includes the subject site. The Development Agreement was amended on October 3, 2000, to address the addition of residential use.

On November 12, 2002, another amendment to the Master Plan was approved to allow 570 additional residential units on the 33 acre commercial/mixed use area (Planning Areas "1A" "1B" and "2B") and an eight acre industrial area (Planning Area "3A")(Attachment 13). This approval brought the total permitted residential units in the Master Plan area to 1,568. Development of the additional 570 units will require the provision of a minimum two-acre park on-site and a shuttle service to serve the uses. Per the City Council's action, implementation of the park and shuttle service requirement will be triggered by the issuance of the 999th building permit.

On April 17, 2003, the Planning Commission approved a Planned Development Permit and Tentative Map Waiver (PTS No. 5711), under a separate ownership, to construct 90 condominiums at the Sunroad A site. Also, on April 17, 2003, the Planning Commission approved a Planned Development Permit and Tentative Map Waiver (PTS No. 5715) to construct 168 condominiums at the Sunroad B property (also known as Promenade).

On May 15, 2003, the Planning Commission approved a Planned Development Permit and Tentative Map Waiver (PTS No. 5611) for the Spectrum Townhomes project to allow development of thirteen buildings with a total of 148 townhome condominium units.

On June 19, 2003, the Planning Commission approved a Planned Development Permit and Tentative Map Waiver (PTS No. 2552) to construct 120 condominium units.

The current Sunroad Centrum Residential project proposes the development of 508 dwelling units in one (1), five-story residential building and two (2), four-story multi-family residential buildings with underground parking and the creation of a 2-acre public park. The project is located on portions of Planning Areas 1A, 2B, and 3A and is regulated by the New Century Center Master Plan, Development Standards and Design Manual of Planned Commercial Development (PCD)/Planned Industrial Development (PID)/Planned Residential Development (PRD) Permit LDR No. 99-1269.

The proposed project requires a Planned Development Permit to amend PCD/PID/PRD No. 99-1269 (Land Development Code Section 126.0602). A Vesting Tentative Map is required, by the Land Development Code Section 125.0410, for the proposed division of the 12.49 acre site into four lots for a residential apartment, condominium development and public park site.

DISCUSSION:

Project Description:

The 12.49 acre site is located on eight vacant parcels at 8773-8827 Lightwave Avenue and 8770-8786 Spectrum Center Boulevard. The surrounding area is developed with a mix of commercial and residential uses, with some Light Industrial uses to the north and southwest. The project proposes one 5-story (maximum height approximately 63' 6") residential building, Building A South with 129 units, and two 4-story residential buildings, Buildings B & C with 184 and 195 units respectively; two floors of subterranean parking; two recreation centers; and a 2-acre public park.

The City of San Diego has had extensive in-depth meetings with the applicant, SDG&E, the City Attorney's Office and William Lyon Homes. A Covenant, Restriction and Negative Easement Prohibiting Development of Land has been agreed to and signed by both SDG&E and Sunroad Enterprises that provides a method to satisfy the provision in the Master Plan with the City of San Diego as a third party.

Environmental Analysis:

This project was addressed in the three previous environmental documents for the graded site including the Addendum to EIR No. 96-0165, EIR No. 96-0165, and the Sunroad Centrum Mitigated Negative Declaration LDR No. 41-0101. The project site does not contain any vernal pools, sensitive resources, or unique archeological resources, and complies with FAA regulations. The project is consistent with what was envisioned in the previous environmental

documents and does not exceed the approved number of residential units or the average daily trips (ADTs). No new mitigation would be required.

The project would be subject to the Mitigation, Monitoring and Reporting Program (MMRP) conditions required by the previously cited environmental documents including the requirement for paleontological monitoring, a waste management plan, and transportation improvements.

Community Plan Analysis:

The proposed project is located within New Century Center (NCC) in the Kearny Mesa Community Planning area, is designated in the plan for Mixed Use Commercial and Residential, and is subject to the development criteria of the NCC Master Plan, Design Manual and Development Standards. The project proposes to construct 508 residential units with on-site recreational facilities, a 2.0-acre park, and other park-like public amenities.

The NCC occupies the former General Dynamics campus, and the community plan includes a number of objectives. Specifically, the plan recommends that the site be developed with a mixture of uses including residential on the western portion; establish site planning standards and architectural design guidelines that will further a sense of community identity; create a featured locale within a landscaped setting that will establish an important central focus for the site, which is open to the public and provides pedestrian non-vehicular linkages; and provide park facilities if more than 998 dwelling units are constructed for the entire master plan area.

The project will provide a residential use conforming to site planning and architectural design guidelines, while creating a landscaped featured locale, and providing a 2.0-acre public park.

The residential element of the community plan includes the policy of encouraging residential development on urban infill sites within mixed-use projects. The NCC is a mixed-use project and the proposed project will provide 508 dwelling units in a residential development.

The Master Plan of the NCC describes the proposed uses in each of the planning areas, and allows medium to high density residential uses in Planning Areas (PA) 1A, 2B, and 3A. The project proposes to provide residential development in a portion of PA 1A, 2B, and 3A, with a density yield of approximately 40.7 dwelling units per acre, which is consistent with the recommended density range of NCC Master Plan.

The proposed project meets the objectives and policies of the community plan and the NCC Master Plan, Design Manual, and Development Standards.

Appeal to City Council:

Ian Trowbridge and William Lyon Homes, Inc. appealed the Planning Commission's approval of the project. The appeals are lengthy however staff has summarized the issues and provided responses as Attachment 5.

Project-Related Issues:

Height:

The project proposes one 5-story (maximum height approximately 63' 6") residential building, and two 4-story (maximum height approximately 47') residential buildings, two floors of subterranean parking; two recreation centers; and a 2-acre public park. The project site has a Development Agreement and Master Plan which specifies that the zone for this site is the CA zone, in accordance with the Municipal Code in effect prior to January 3, 2000. There is no height limit in the CA zone. However, the City required review by the San Diego Regional Airport Authority and the Federal Aviation Administration.

On March 5, 2007, the Federal Aviation Administration (FAA) issued a Determination of No Hazard to Air Navigation for this project.

On April 5, 2007, the San Diego Regional Airport Authority found this project to be consistent with the Certified Land Use Plan for Marine Corp Air Station Miramar because it identifies residential and recreational uses as being compatible outside the 60db CNEL noise contour. This project is not located in the Montgomery Field Airport Influence Area.

Affordable Housing:

The Development Standards (Volume 2, Page IV-7) of the NCC states "after the 550th dwelling unit within the mixed use Commercial/Residential area (Planning Area 1A, 1B, 2B and 3A), residential projects shall include approximately 10% of the proposed units as affordable housing. Further, the NCC defines affordable housing as units for households earning no more than sixty-five percent (65%) of the area median income, or an equally acceptable affordable housing program." Prior development rights have been approved for 526 residential units in these planning areas, leaving 24 units of the proposed project not subject to the affordable housing requirement. Therefore 484 of the proposed residential units with this application would be subject to the affordable housing provision as stated in the NCC Master Plan. Accordingly, forty-eight (48) units of affordable housing will be provided on-site and the project will meet the affordable housing recommendations of the NCC Development Standards. (This project is regulated by a preexisting Development Agreement and is exempt from the Inclusionary Housing Ordinance).

Park Issues:

The developer is proposing a minimum contiguous 2.0 useable acre public park developed to support active recreational programming and 1.42 acres of linear park around the perimeter of the Sunroad Centrum development, for a total of 3.42 useable acres, to satisfy population-based park requirements for the project. They are also required to provide a pro rata share of the cost of a community recreation building and a community swimming pool, to be paid as park fees at the time of issuance of building permits. These fees are to be based on current fair market value of the land and current design and construction costs, determined by the Park Planning and Development Division, at time of permit issuance in lieu of the park portion of the Kearny Mesa Development Impact Fee.

Pedestrian Linkages and Connectivity:

The Design Manual (Volume 3, Section V, A6) of the NCC states that ground floor residential units facing public streets should have direct access to the street. Further, stoop units, patio entries, or other designs should be used to connect ground floor entry doors to public sidewalks. Staff has included this as Condition 41 in Planned Development Permit No. 325462 for those units that face Spectrum Center Boulevard (Attachment 6).

In addition, the Design Manual requires connectivity between uses and other residential developments. The proposed project would continue the meandering jogging trail around the park area and the residential units proposed to the north and south. In addition there are existing eight-foot, non-contiguous sidewalks that serve as pedestrian linkages with other residential and commercial developments both existing and planned.

Transit Services:

The NCC Master Plan (Volume 2, page III-8), recommends a bus/shuttle loop route within the master project, interconnected with on-site uses to accommodate employees and customers accessing the site via bus transit. Currently there is limited bus service through the master project. In addition, Condition No. 40, of the draft permit requires that “prior to building permit issuance for the 999th residential unit within the New Century Center Master Plan area, the Owner/Permittee shall assure the provision of an internal shuttle transit system, satisfactory to the City Engineer, including, but not limited to, the shuttle system implementation schedule and duration and operational characteristics (e.g. route, frequency, daily hours of operation).” This condition is to satisfy the Mitigation Monitoring and Reporting Program for the Master Plan Amendment that was approved November 12, 2002.

FISCAL CONSIDERATIONS: All costs associated with processing of this application are paid for by the applicant.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

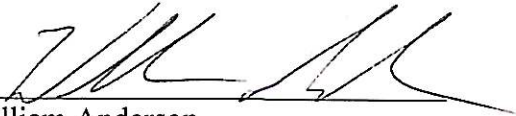
On August 16, 2006, the Kearny Mesa Planning Group voted 9-0 to recommend approval of this project with the additional recommendation that the park include some passive landscaped areas with trees, shaded sitting areas and other landscaped elements including a tot area. Also, it was requested that the street parking adjacent to the park be posted to limit parking to either a two or four hour limit so it will not become an alternative for residents to their assigned residential parking. Park planning staff will be working with the Park and Recreation Board and the community to determine the amenities for the proposed park site. The Planned Development Permit does not regulate on-street parking, however the applicant has agreed to work with Traffic Engineering, Streets, to study a parking time limit zone.

On August 4, 2006, the San Diego Spectrum Design Review Committee (DRC) approved this project as depicted in preliminary drawings and elevations.

KEY STAKEHOLDERS: Sunroad Centrum Partners, Limited Partnership; Sunroad Enterprises



Kelly Broughton
Director, Development Services Department



William Anderson
Deputy Chief of Land Use and
Economic Development

ATTACHMENTS:

1. Planning Commission Report No. PC-07-058
2. December 13, 2007 Memo to PC and related attachments
3. Appeal dated December 19, 2007
4. Appeal dated December 27, 2007
5. Staff Summary and Responses to Appeal Issues
6. Draft Planned Development Permit Denial Resolution
7. Draft Vesting Tentative Map Denial Resolution

PLANNING COMMISSION
TO: IN CHARGE
SECRETARY