THE CITY OF SAN DIEGO

# REPORT TO THE CITY COUNCIL

DATE ISSUED: March 3, 2014 REPORT NO. 14-002

ATTENTION: City Council, Agenda of March 11, 2014

SUBJECT: Otay Mesa Community Plan Update, Process 5

## SUMMARY

**Issue**: Should the City Council **Approve** the Otay Mesa Community Plan Update?

**Staff Recommendation:** Staff recommends that the City Council **approve** the Otay Mesa Community Plan Update based on the information contained in this report and the evidence offered as part of the public hearing.

**City Council Actions:**

1. **Certify** the Final Environmental Impact Report (FEIR) Project No. 30330/304032/Sch. No. 2004651076 and adopt the Findings, a Statement of Overriding Considerations, and a Mitigation, Monitoring and Reporting Program (MMRP)
2. **Approve** a resolution amending the Otay Mesa Community Plan and General Plan
3. **Adopt** an ordinance amending the Land Development Code (which would include repealing the Otay Mesa Development District Ordinance and replacing it with citywide zoning, and approving new zones)
4. **Approve** the Otay Mesa Public Facilities Financing Plan (PFFP) for Fiscal Year 2014;
5. **Adopt** a Resolution of Intention to designate an Area of Benefit for a Facilities Benefit Assessment (FBA) in Otay Mesa
6. **Adopt** a Resolution of Designation for the FBA in Otay Mesa
7. **Approve** the setting of Development Impact Fees (DIF) consistent with the FBA in Otay Mesa for those developments which have never been assessed or otherwise agreed to pay an FBA
8. **Establish** an interest bearing fund for the Otay Mesa FBA for the consolidated Area of Benefit
9. **Establish** an interest bearing fund for the Otay Mesa DIF for the consolidated Area of Benefit
10. **Authorize** the Chief Financial Officer to modify individual Capital Improvement Program (CIP) project budgets to reflect this plan

REFERENCE: Planning Commission Reports, PC-05-222 (August 4, 2005), PC-06-196 (September 21, 2006), PC-06-300 (December 7, 2006), PC-07-026 (January 18, 2007), PC-07-092 (May 17, 2007), PC-07-123 (August 2,2007), PC-07-170 (March 13, 2008), and PC-14-002 (February 6, 2014) . Planning Commission reports can be accessed online at http://www.sandiego.gov/planning-commission/pdf/pcreports/ .
Park and Recreation Board Report No. 101(January 7, 2014) can be accessed on line at http://www.sandiego.gov/parkandrecboard/reports/index.shtml .
Historical Resources Report No. HRB-14-009 (January 23, 2014) can be accessed online at http://www.sandiego.gov/planning/programs/historical/pdf/2014/staffreports/hrb14009mtng140123.pdf .

**Community Planning Group Recommendation** – On November 13, 2013, the Otay Mesa Community Planning Group voted 10-5-0 to recommend approval of the draft Otay Mesa Community Plan Update with the recommendation that the property owned by the Torrey Pines Bank (located at the northeast and southeastcorners of Otay Mesa and La Media Roads) be designated Commercial, rather than Heavy Commercial on the north portion and International Business & Trade on the southern portion as recommended by staff.

On December 18, 2013, the Otay Mesa Community Planning Group voted 11-0-0 to recommend approval of the draft 2014 Public Facilities Financing Plan.

**Other Recommendations** – On December 3, 2013, the Land Use & Housing Committee voted 5-0-0 to forward the Otay Mesa Community Plan Update and associated actions to the full City Council for hearing, with the request for further information regarding the designation for the Torrey Pines Bank property and the use of easements within the Business Park, Residential Permitted designation, modeled after easements used in the Petco Park ball field. The property owner understands that the "easements" would be private agreements implemented through the likes of Covenants, Conditions and Restrictions.

On January 16, 2014, the Park & Recreation Board voted 6-0-0 to recommend approval to the City Council of the Otay Mesa Community Plan Update Recreation Element.

On January 23, 2014, the Historic Resources Board voted 10-0-0 to recommend approval to the City Council of the Otay Mesa Historic Context Statement and Historic Resource Survey (Survey), the Historic Preservation Element of the Otay Mesa Community Plan update (HPE), and the Final Environmental Impact Report (FEIR) related to Cultural/Historical Resources.

**Environmental Impact** – A Program Environmental Impact Report (SCH No. 20046581076) has been prepared in accordance with the California Environmental Quality Act. On October 1, 2010, in accordance with CEQA Guidelines Section 15082, the City distributed a Notice of Preparation (NOP) of a Programmatic Environmental Impact Report (PEIR) (Attachment 5) to the State Clearinghouse, local and regional responsible agencies, and other interested parties. A previous Notice of Preparation (NOP) was issued on May 12, 2004 for a Master EIR that described the project as a comprehensive update of the Otay Mesa Community Plan with major revisions focusing on redesignating land uses and describing the primary changes within specific neighborhoods. On September 12, 2006, a second NOP was issued for a Program EIR to evaluate and analyze equally three Land Use Scenarios for the community plan which included a range of

land use intensities within the planning area. After completing additional work with the community and technical analysis, the City decided to revise and narrow the scope to study a single, consensus scenario. In 2010, the City issued a new NOP for a PEIR for the update in order to give interested agencies and members of the public an additional opportunity to participate in the CEQA process.

A Draft PEIR was prepared and circulated on September 10, 2013, for review and comment by the public, agencies and organizations. The comment period closed on October 25, 2013, and responses to comments have been incorporated into the Final PEIR.

The City has determined that the project would have a significant environmental effect in the following areas: Land Use, Air Quality, Biological Resources, Transportation/Circulation, Geology/Soils, Historical Resources, Hydrology/Water Quality, Paleontological Resources, Human Health/Public Safety/Hazardous Materials, Noise, Utilities, and Greenhouse Gas Emissions.

With the exception of impacts related to Air Quality (Regional Air Quality Standards/Stationary Source/Collocation), Transportation/Circulation, Noise (Traffic/Stationary Sources), Utilities (Solid Waste), and Greenhouse Gas Emissions, mitigation measures are proposed that would reduce Project impacts to below a level of significance. Findings of Fact and a Statement of Overriding Considerations have been prepared for adoption of the community plan.

**Fiscal Impact** – Adoption of the public facilities financing plan would provide a portion of the funding for the required public facilities. Portions of project costs not funded by new development through Facilities Benefit Assessments, Development Impact Fees, development project conditions, or other specified sources would need to be identified by future City Council actions in conjunction with the adoption of annual Capital Improvements Program (CIP) budgets.

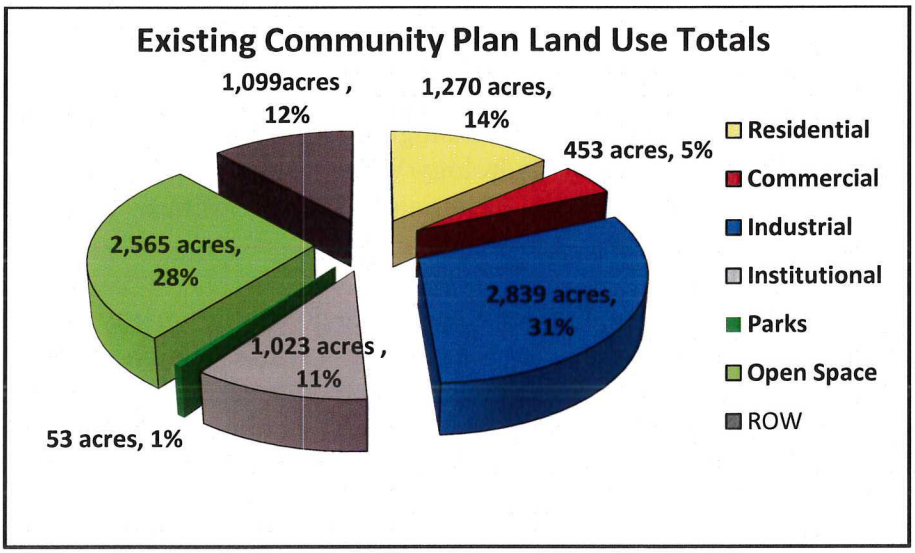
**Code Enforcement Impact** – Not applicable

**Housing Impact Statement** – An additional 6,374 dwelling units could be developed over the existing plan's 12,400 units for a total of 18,774 dwelling units in the planning area.

## BACKGROUND

The Otay Mesa Community Planning area is approximately 9,300 acres and is in the southeastern area of the City along the border with Mexico. The community is bordered by the San Ysidro and Otay Mesa-Nestor communities on the west, the City of Chula Vista and the Otay Valley Regional Park on the north, the County of San Diego on the east and the US/Mexico border and the City of Tijuana on the south. (Attachment 1, Existing Land Use Map). Major natural and manmade features define the community and create its boundaries, including the Otay River Valley, the canyon and mesa systems in the western portion, Brown Field airport and the U.S./Mexico border. Otay Mesa's unique location along the Mexican border and its broad flat topography allows Otay Mesa to contribute to the thriving border economy.

The historical development pattern followed the natural topography of the land, with development occurring on the flat mesa tops and bounded by the extensive canyon system. Known sensitive biological resources have been documented, and planning in the area included preservation of canyon lands and sensitive resources along with development opportunities. Otay Mesa's industrial, commercial, residential, and institutional uses have developed in a manner consistent with the adopted 1981 Community Plan land use policies and zoning. The distribution of land uses and percentages for the existing plan are shown in the table below.




The largest land use is industrial, with approximately 2,839 acres comprising 31 percent of the community planning area. The second largest land use is open space, with approximately 2,565 acres comprising 28 percent of the planning area. The remaining land uses include residential at 14 percent with approximately 1,270 acres, right-of-way with 12% and 1,099 acres, institutional at 11 percent with approximately 1,023 acres, commercial at five percent with approximately 453 acres, and parks at one percent with approximately 53 acres.

Otay Mesa is envisioned as a diverse international community due to its proximity to the U.S./Mexico border. A mixture of industry, business, commercial, housing, recreation, education, services and civic uses make up this vibrant community. The long term needs in the region for business and residential uses will be achieved in Otay Mesa through careful long range planning. The Otay Mesa community plan includes broad land use themes developed through the public outreach process. The outreach process included a series of roundtables, Planning Commission workshops, public workshops and community planning group meetings. The following land use themes were developed to form the basis of the community plan goals, objectives, and recommendations.

- **Regional Center**: Enhance Otay Mesa's unique role as a bi-national regional center
- **Economic Diversification**: Broaden the economic profile to increase employment and growth opportunities
- **Industrial Capacity**: Enhance and sustain Otay Mesa's strong economic base and potential for expansion

- **International Trade**: Support activities that promote greater interregional and bi-national activities
- **Housing**: Provide more and varied housing that meets workforce needs, close to employment centers
- **Complete Places**: Create balanced neighborhoods that integrate a mix of uses in Otay Mesa
- **Transit**: Coordinate land use planning with high frequency transit service planning
- **Open Space**: Protect the canyon lands and sensitive biological resources while providing recreational opportunities
- **Infrastructure**: Include financing mechanisms that can secure infrastructure improvements with development
- **Environmental Leadership and Sustainability**: Apply the highest possible standards for environmentally sensitive design and sustainable development practices

## DISCUSSION

To address the Otay Mesa Community Plan's land use issues, the City of San Diego commenced an update to the community plan in 2001 (Attachment 2, Draft Otay Mesa Community Plan). The plan is a comprehensive update to the adopted plan and addresses substantial land use changes, both locally and regionally that have occurred over the past 30 years, including the loss of designated industrial and residential land resulting from adoption of the Multiple Species Conservation Program (MSCP) in 1997. The update is guided by the framework and policy direction in the City of San Diego General Plan and reflects citywide policies and programs from the General Plan. The updated plan implements the General Plan with respect to the distribution and arrangement of land uses, local street and transit network, prioritization and provision of public facilities, community and site-specific urban design guidelines, and recommendations to preserve and enhance natural and cultural resources within the Otay Mesa community. The plan is intended to define new strategies for the way Otay Mesa would develop and function over the next 20–50 years. The Otay Mesa Community Plan Update was written by a team of City staff and closely follows the General Plan format. A summary of the elements is below.

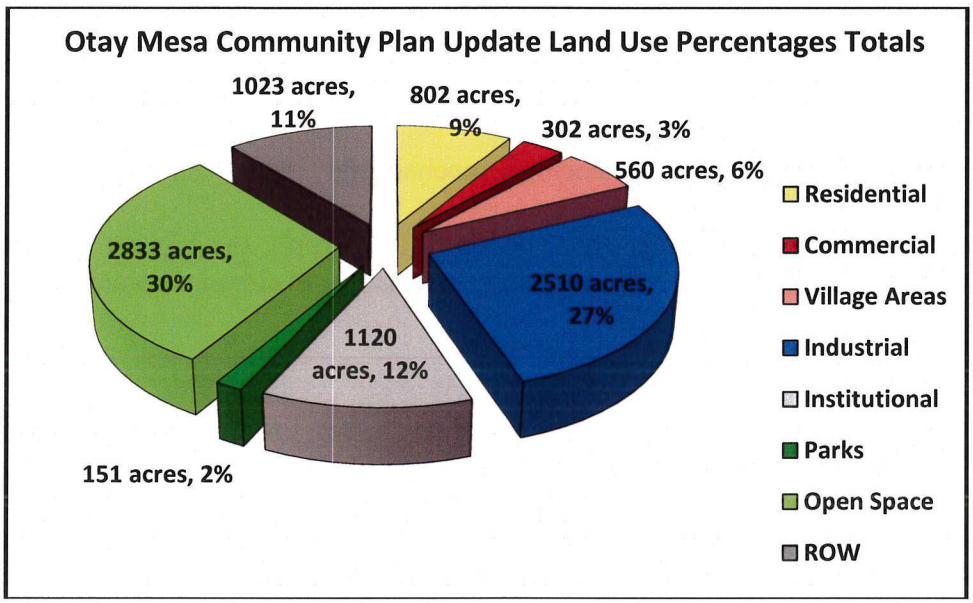
### Summary of Community Plan Elements

#### Land Use Element

The Land Use Element encompasses a broad range of the land use designations defined in the General Plan, supplemented with a more detailed description and distribution of land uses for Otay Mesa. As a subregional employment area and the vision of providing a balanced community that respects the sensitive resources and provides workforce housing near employment opportunities, the Otay Mesa Community Plan land use designations include: residential with a variety of density ranges, village centers, commercial, industrial, open space, parks, and institutional.

In the Otay Mesa update, the largest land use designation is Open Space, with approximately 2,833 acres which comprise 30 percent of the planning area. The next largest land use designation is industrial, with approximately 2,510 acres which comprise 27 percent of the planning area. The remaining land use percentages include institutional at 12 percent with

approximately 1,120 acres, right-of-way at 11 percent with approximately 1,023 acres, residential designations at nine percent with approximately 802 acres, village designations at 6 percent with approximately 560 acres, commercial designations at 3 percent with approximately 302 acres, and parks at 2 percent with approximately 151 acres (see table below).




The community plan anticipates two villages within the planning area, the Southwest and Central Villages. The villages would implement the City of Villages Strategy by creating compact village core areas with densities that support transit-oriented development. The village areas would be developed through specific plans, which would provide detailed design guidelines for the development of the village areas. Section 2.1 of the Land Use Element contains direction for the specific plans, which would include design details for the village core, public spaces, a complete multi-modal circulation system with linkages to the Otay Mesa circulation system, transit locations, the precise location of public facilities and amenities, and implementation plans that would provide infrastructure improvements and facilities as development occurs. The specific plans would amend the Otay Mesa Community Plan to incorporate the more detailed land use distributions and associated zoning, facilities' sites, and the local network system.

Mobility Element

The community plan refines the Mobility Element of the General Plan through community-specific pedestrian, bicycle, transit, streets, goods movement, truck traffic, and regional collaboration recommendations. Unique mobility features addressed in the community plan include the Port of Entry, international goods movement, and Brown Field.

The Otay Mesa Mobility Element is closely linked to the community plan's Land Use and Urban Design Elements. Village sites have been identified in the Land Use Element that provide opportunities for higher density housing and employment uses to be located in areas with existing or planned transit service. Proposed transit routes support the relationship between planned villages, other activity centers, and the transit system. The Urban Design Element

contains design guidelines to help ensure that new buildings, public spaces, and streetscape features support walkability, transit-orientation, and sustainability goals.

Urban Design Element

The intent of the Urban Design Element is to provide policy guidelines for the future of the built environment. The Urban Design Element builds from the framework established in the Urban Design Element of the General Plan. The Otay Mesa Community Plan echoes the General Plan's desire for respecting the community's natural setting, strengthening linkages and connectivity, improving the built environment, and creating mixed-use walkable villages. Key strategies for all villages include pedestrian orientation, transit-oriented development, streetscape and public facility design, and architectural design. In addition, a specific section on Street Trees provides specific guidance on increasing tree canopy in Otay Mesa. The Community Plan's Appendix B provides the recommended list of street trees. A complementary Urban Forestry section is found in the Conservation Element.

Economic Prosperity Element

Otay Mesa plays a vital role in the economic prosperity for the entire San Diego and U.S./Mexico border region due to activities generated at the Otay Mesa Port of Entry and operations of base-sector industries. The Otay Mesa Community Plan Economic Prosperity Element addresses the community's growing economic diversity by establishing policies for the varied industrial and commercial land uses allowed under the plan. The Economic Prosperity Element also establishes a Prime Industrial Lands map for Otay Mesa, which includes a large majority of the industrial lands in Otay Mesa.

Public Facilities, Service and Safety Element

The Public Facilities, Services and Safety Element includes specific policies regarding public facilities financing, fire-rescue, police, wastewater, storm water infrastructure, water infrastructure, waste management, parks, libraries, schools, healthcare services and facilities, public utilities, and regional facilities. Because Otay Mesa has large vacant areas with development potential, the opportunity exists to provide adequate public facilities and services at the time of development. Element goals and policies recommend that the future development of vacant Otay Mesa lands be managed through the assurance of adequate and timely public facilities to serve the projected population.

Recreation Element

The Otay Mesa Recreation Element includes specific policies addressing park and recreation guidelines, preservation, accessibility, joint use and cooperative agreements, open space lands and resource based parks. These policies along with the General Plan policies provide a comprehensive parks strategy for Otay Mesa over the life of the plan. The General Plan establishes "equivalencies" as a mechanism for provision of population-based park acreage in urbanized communities where land is constrained. Since Otay Mesa is not constrained and the planning process allows for incorporation of all required park acreage, the use of equivalencies, including joint use partnerships, is not available as a method to provide population-based park acreage, except for the existing Ocean View Hills Middle School Joint Use Area.

Conservation Element

The Otay Mesa Community Plan Conservation Element builds on the General Plan Conservation Element with policies tailored to conditions in Otay Mesa. The Conservation Element addresses open space and habitat protection, and also contains policies on how to meet the City's sustainable development goals in areas that have been identified as suitable for development. The community plan policies are responsive to water issues, runoff management techniques, and to state legislation calling for greenhouse gas emissions reductions to be achieved in part through coordinated land use and transportation planning, and more sustainable development practices. Additionally, policies address the community's location next to the international border, and the high volumes of truck traffic associated with the border.

Historic Preservation Element

The history of a region provides the context for the identification, evaluation and management of historical resources. Otay Mesa's historic context statement, found in Appendix C of the plan, is the foundation for preservation planning and is a valuable tool for understanding, identifying, and evaluating the historic resources of Otay Mesa. The context statement describes the broad patterns of historical development of a community or region that are represented by the physical development and character of the built environment. It also identifies important associated property types, and establishes eligibility criteria and integrity thresholds. The Otay Mesa Historic Preservation Element contains specific goals and recommendations to address the history and cultural resources unique to Otay Mesa in order to encourage appreciation of the community's history and culture. The policies, along with the General Plan policies, provide a comprehensive historic preservation strategy for Otay Mesa.

Noise Element

The Noise Element of the community plan complements the General Plan goals and policies by addressing Otay Mesa specific noise sources and issues. Otay Mesa is an active suburban community with a mix of residential, commercial, and industrial uses. Industrial and commercial areas can have a higher ambient noise level than residential areas. Ambient noise level is the composite of noise from all normal background noise sources at a given location. Single event noises, such as aircraft flyovers from the municipal airport Brown Field, also affect the background noise level in the community. Strategies within the Noise Element address Otay Mesa specific noise sources and issues, including commercial and industrial activity, and motor vehicle and truck traffic associated with industry and border activity.

**Draft Zoning Program**

As part of the plan update process, the adopted Otay Mesa Development District (OMDD) that has served as the nonresidential zoning regulations for Otay Mesa would be repealed and replaced with citywide zones currently contained within the Land Development Code (LDC). In addition, new industrial zones have been created to implement General Plan land use designations. The new industrial zones are:

- IBT-1-1 would allow for a wide range of industrial uses, from warehousing to base sector industrial to office uses.
- IP-3-1 would allow research and development, office and residential development.

Within the LDC, footnotes have been added to the commercial and industrial zones that restrict the FARs in Otay Mesa. The commercial zones would have a 0.3 FAR and the industrial zones would have a 0.5 FAR. Any future commercial or industrial projects that would propose greater FARs would require further analysis and discretionary review.

Two Community Plan Implementation Overlay Zones (CPIOZ) have also been created and applied in parts of Otay Mesa. The two CPIOZ overlays are required to ensure protection of sensitive resources, construction of the circulation infrastructure, and conformance with the appropriate policies from the Urban Design Element. The first CPIOZ, Otay Mesa CPIOZ, is an overlay on all commercially and industrially designated and zoned properties except for the approximately 26-acre site that is designated Business Park, Residential Permitted (BPRP). The BPRP 26-acre site would have its own BPRP CPIOZ, and it is required to ensure a maximum area for residential development within the industrial designated and zoned area, and to ensure conformance with the appropriate policies from the Urban Design Element.

Proposals that conform to the appropriate CPIOZ would be allowed to develop at a Process One or Two level of review. The Process Two allows for a staff level of review to ensure compliance with the CPIOZ regulations. Proposals that do not conform to the CPIOZ requirements would then be reviewed through the discretionary process.

Within the community planning area, the Central Village Specific Planning Area is currently designated and zoned for industrial use, and is governed by the OMDD. With the repeal of the OMDD as part of the update process, the properties within the Central Village area require rezoning. The properties would be rezoned to AR-1-1, an agriculture holding zoning that would be replaced with appropriate zoning during the specific planning process. The General Plan's Land Use Element provides policies that guide the community plan update process and associated zoning. LU-C.6 recommends applying zones at the time of the update that assure implementation of the revised land use designations. The agricultural zone application would allow for the specific plan to comprehensive plan the village area which would include siting of facilities, services, a local network system, and appropriate land use designations and zonings. It would be appropriate to apply the agricultural zone as a holding zone until the specific plan is brought forward and approved, as the zoning would further the previously stated General Plan's and Update's objectives and policies to create a Central Village using the City of Villages strategy.

**Otay Mesa Public Facilities Financing Plan**

The Fiscal Year 2014 Otay Mesa Public Facilities Financing Plan (PFFP) (Attachment 4 – Public Facilities Financing Plan) is an update to the Fiscal Year 2007 PFFP, identifies the community-serving infrastructure requirements, and serves as the implementation document for the General Plan and Otay Mesa Community Plan. The PFFP establishes Facilities Benefit Assessments (FBA) and Development Impact Fees (DIF) to mitigate the costs of public facilities associated

with development pursuant to California Government Code sections 66000 et seq. (Mitigation Fee Act) and San Diego Municipal Code section 61.2200 et seq. (FBA Ordinance). The PFFP applies to all property owners seeking to develop property, even if the subject property has an approved tentative or final map detailing the development.

The PFFP serves as the basis for the Capital Improvement Program (CIP) with respect to the programming of the Otay Mesa DIF and FBA. The PFFP details the public facilities that would be needed through the ultimate development of Otay Mesa and for the projected population at full community development (Fiscal Year 2062). The facilities included in the proposed PFFP include 2 library projects, 2 fire stations, a police station, a grand park, 15 neighborhood parks, 2 community parks, 3 recreation centers, 2 swimming pools, numerous trails, and numerous major transportation facilities over the next 48 years.

This PFFP brings a change of methodology for fee assessment. Rather than assess fees based on the gross acreage as has been done in the past, fees would be assessed using Average Daily Trips (ADTs). This approach allows the height, density, and function of the development to be part of the assessment analysis. Under the previous PFFP, an assessment by gross non-residential acre was the same regardless of how many stories per development or intensity of use. As most of the development in Otay Mesa has been single story development, the previous assessment methodology did not have to respond to more intense/dense development. With the higher densification/intensification or long term evolution towards service industries and flex space, the ADT-based approach in the proposed PFFP would allow for the collection of fees based on the actual density/intensity created by each development. This facilitates the phasing of intensity on particular parcels in response to market demand. A parcel could begin as truck storage and pay a fee associated with a lower ADT rate, and then evolve to warehouse, light industrial, and business park uses while paying additional fees associated with new uses at the time of development intensification.

This PFFP update proposes to consolidate Otay Mesa (West) and Otay Mesa (East) subareas in to a single Area of Benefit. This consolidation would improve the plan's ability to fund the community's infrastructure priorities in a timelier manner than would be possible if using segregated East/West funds. While there would be single funds for both the FBA and the DIF in the future, the current fund balances would remain in the current accounts until they are fully expended for facilities in the existing subareas from which they were collected.

The PFFP was developed following an extensive review process involving a special ad-hoc subcommittee of the Otay Mesa Community Planning Group (OMCPG). More than 10 separate public meetings were held between December 2012 and July 2013. The community participated in the development and review of the cost assumptions and development forecasts used as the basis for the establishment of the impact fees[1]. The efforts produced an impact fee that strikes a balance between funding the infrastructure needs of Otay Mesa and the limitations of the development community's ability to absorb those costs. The proposed PFFP identifies facility projects totaling over $1.2 billion as described below.

The proposed FBA/DIF[1] is $556 per ADT for non-residential development, $30,827 per single family dwelling unit, and $27,402 per multi-family dwelling unit.

The proposed PFFP includes $937 million in Mobility Element transportation projects. Approximately 50% of the transportation costs are funded from Otay Mesa FBA/DIF ($468 million), providing much of the funding for the community's principal roadway segments, classified as "primary arterial" or "major". The remaining 50% of the transportation funding would come from a variety of sources, including subdivider funding for the lesser-traffic-volume roadway segments, typically classified as "collector" with some lesser-traffic-volume "major" segments (14%), City of Chula Vista (Heritage Road within Chula Vista jurisdiction, 6%), Caltrans (SR-125, SR-905 interchange, 9%), Federal Grants (1%), and TransNet (1%). Approximately 19% or $177 million is presently unidentified based on determinations that certain projects cannot be fully attributed to new development and that certain projects costs should be shared by adjacent local jurisdictions contributing to the traffic impacts.

The proposed PFFP includes $203 million in FBA/DIF funding for approximately $213 million in park facilities. Funding for $3 million in park costs is unidentified in the PFFP, due to costs that cannot be attributed to new development within Otay Mesa. The remaining $7 million dollars in park costs is the contribution from San Ysidro and Otay Mesa-Nestor DIFs for Beyer Community Park, the Beyer Recreation Center, and the Pacific Breezes Community Swimming Pool which are shared facilities between Otay Mesa, San Ysidro and Otay Mesa-Nestor. The proposed PFFP also includes FBA/DIF funding for $19,400,000 for a police facility; $16,900,000 for fire facilities, and $21,000,000 for library facilities. The water and sewer facilities are anticipated to be funded by private development and are not part of the impact fee basis.

## COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS

Comprehensive community outreach has occurred as part of the community plan update process (Attachment 6). At the outset of the plan update, a series of meeting occurred throughout 2002 with the Project Advisory Committee, a group comprised of planning group members, stakeholders, and property owners. After 2002, work on the Otay Mesa Community Plan Update diminished due to staff and budget cuts. In the spring of 2004, a coalition of developers approached the Planning Department in order to accelerate work on the update. The Otay Mesa Planning Coalition was interested in pursuing land use changes that would not be otherwise considered while an update was in process. The coalition included Pardee Homes, D.R. Horton, Centex Homes, Integral Partners, Sunroad Enterprises, McMillin Land Development and Murphy Development. The Coalition helped coordinate outreach and technical studies from 2004 – 2007. In July 2007, the City determined that it was now in the position to fund the remaining contractual work needed to complete the community plan, the draft environmental impact report and the technical studies.

[1] The Otay Mesa PFFP establishes a FBA that is applicable to those properties in the community (Area of Benefit) upon development which have not previously been assessed an FBA. The FBA is based on the collective cost of each public facility needed to serve development in the community and is equitably distributed over the Area of Benefit (Otay Mesa). Development at the City's Brown Field Airport and development at properties within the Area of Benefit which have previously been subject to FBA are not subject to FBA, but are subject to a Development Impact Fee (DIF). The DIF is determined in the same manner as the FBA and is the DIF amount is equal to the FBA. The City has determined there is a reasonable relationship between the amount of the FBA and DIF and the public facilities burdens posed by new development. A development project (construction permit) is subject to either a FBA Fee or a DIF.

Through the public outreach process, detailed issues that would have an important effect on the community plan update were identified. Between the fall of 2005 and the beginning of 2006, Planning held a series of eight roundtables with the purpose of gaining a greater understanding of policy issues surrounding the Otay Mesa Community Plan Update. The goal was to engage City staff and individuals with specialized knowledge or experience to explore and discuss issues of concern. The topics of discussion were industrial lands, parks and public facilities, schools, international trade and the Port of Entry, truck traffic and California ARB Guidelines, corridor planning, Brown Field and the cross border terminal concept, and infrastructure funding needs. The roundtable discussions involved SANDAG staff, school district staff, Otay Mesa Chamber of Commerce representatives, Customs and Border Protection staff, engineering experts, economic experts, California Environmental Protection Agency staff, Air Pollution Control District staff, California Air Resources Board staff, Caltrans staff, California Transportation Ventures staff, South County Economic Development Council representatives, San Diego Regional Airport Authority staff, County, state and federal representatives and appropriate City staff.

Based on information from the roundtables, City staff held six workshops with the Planning Commission between September 2006 and March 2008. Each workshop focused on a specific issue, with the final workshop synthesizing input and considerations with a consensus scenario. All information related to the plan update including all outreach and technical documents can be found on the following website devoted to the plan update: http://www.sandiego.gov/planning/community/cpu/otaymesa/index.shtml.

The Otay Mesa Community Planning Group has been at the core for all outreach efforts throughout the years, with the current roster attached to this report (Attachment 7). Members participated in the roundtables, the Planning Commission workshops, zoning and facilities financing subcommittees, and provided input at planning group meetings. The group devoted many meetings solely to presentations/discussions on the update, as well as maintaining the update as a standing information item on the monthly agenda.

## CONCLUSION

The proposed Community Plan would update the Otay Mesa Community Plan adopted by the City Council in April 1981. The Otay Mesa Community Plan would be consistent with and further implement the adopted City General Plan as the update establishes policies that are in harmony with the underlying purpose of each of the General Plan's elements. The update advances each of the policies of the General Plan that the City considers mandatory and fundamental to achieving the General Plan's vision and principal goals. The community plan would provide guidance on future growth within Otay Mesa, would provide two village opportunity areas to implement the City of Villages Strategy, would protect sensitive biological resources, and would maintain an industrial profile per the General Plan's identification of Otay Mesa as a Subregional Employment Center.

The Otay Mesa Community Plan Update provides a unique opportunity to implement General Plan policies and its City of Villages Strategy for comprehensively planning the Otay Mesa community planning area by evaluating and coordinating a multi-modal transportation network, balancing economic prosperity with housing needs, and coordinating infrastructure financing and

phasing with complex land use decisions. The Draft Update provides comprehensive policy recommendations on complex land use issues that are sensitive to the public facilities needs and timely phasing of the infrastructure.

Respectfully submitted,

Bill Fulton, Director
Planning, Neighborhoods, and
Economic Development Department

Theresa Millette, Senior Planner
Planning, Neighborhoods, and
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Attachments: (Note due to the size of some of the attachments listed below, they have been provided on a CD)

1. Existing Land Use Map (attached)
2. Draft Otay Mesa Community Plan Update (attached)
3. Draft Otay Mesa Zoning Regulations (attached)
4. Draft Public Facilities Financing Plan (CD)
5. Final Programmatic Environmental Impact Report (distributed 12/19/2013)
6. Public Outreach/Community Meetings Summary (attached)
7. Otay Mesa Community Planning Group Roster (attached)
8. Draft City Council Resolution to amend the Otay Mesa Community Plan and General Plan (attached)
9. Draft City Council Resolution to certify the Environmental Impact Report and adopt the Findings, the Mitigation, Monitoring and Reporting Program and the Statement of Overriding Considerations (attached, Exhibits under separate cover)
10. Draft Rezoning Ordinance (attached)
11. Draft Planning Commission Resolution (attached)