

CALIFORNIA COASTAL COMMISSION

SAN DIEGO AREA
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June 29, 2017

Th17d**TO: COMMISSIONERS AND INTERESTED PERSONS****FROM: KARL SCHWING, DEPUTY DIRECTOR, SAN DIEGO COAST DISTRICT
DEBORAH LEE, DISTRICT MANAGER, SAN DIEGO COAST DISTRICT
ALEX LLERANDI, COASTAL PLANNER, SAN DIEGO COAST DISTRICT****SUBJECT: STAFF RECOMMENDATION ON CITY OF SAN DIEGO LOCAL COASTAL
PROGRAM AMENDMENT NO. LCP-6-SAN-17-0030-1 (Land Development
Code Amendments) for Commission Meeting of July 12-14, 2017**

SYNOPSIS

On April 19, 2017, the City of San Diego (City) Local Coastal Program (LCP) Amendment No. LCP-6-SAN-17-0030-1 was filed in the San Diego District office as part of a batched submittal. The submittal included two other items, one involving modified height limits in the Peninsula community planning area and the other involving the adoption of the San Ysidro Community Plan Update. The amendment addressing building heights in Peninsula will also be presented to the Commission at the July 2017 hearing, whereas the Commission acted on the San Ysidro Community Plan Update at the May 2017 hearing. At the Commission's June 2017 hearing, a one-year time extension was granted for the submittal. Therefore, for the remaining two items, the date by which the Commission must take action will be the June 2018 hearing.

SUMMARY OF AMENDMENT REQUEST

The subject amendment to the City's certified Implementation Plan (IP) involves amendments to the city-wide Neighborhood Commercial (CN) and Community Commercial (CC) base zones to increase residential density in certain CN zones, allow visitor accommodations in CN zones, prohibit outdoor patio areas or roof decks in certain CC-zoned properties adjacent to residentially zoned properties, allow museums in certain CC zones, change permissibility of dining establishments with a drive-through component in certain CC zones from a permitted use to one requiring a conditional use permit, lower the threshold for when the regulations addressing the orientation of parking lot areas and street frontages apply and adopt the lowered threshold for all CC zones, and introduce "Artisan Food and Beverage Producer" as a new separately regulated industrial use in the CN and CC zones. In addition to these key elements, there are also several ministerial and clean-up revisions for re-numbering and internal consistency.

SUMMARY OF STAFF RECOMMENDATION

The proposed amendment is related to the City's adoption of an update to the North Park Community Plan, the land use plan document for North Park, a community located in central San Diego. While located outside of the coastal zone, in order to effectuate many of the policies and goals of the community plan update, the City of San Diego is modifying various city-wide regulations that apply to its Neighborhood Commercial (CN) and Community Commercial (CC) base zones. The North Park community is a popular and growing medium-density community with many pedestrian-oriented commercial and cultural uses, such as craft breweries, restaurants, shops, athletic facilities, and single and multi-family residences. Anticipating the growing population of the community and wishing to foster the further growth of many of the pedestrian-oriented features of the community, such as mixed-use developments and concentrating development along transit lines, the City is proposing to amend the CN and CC regulations to encourage the type of cultural, commercial, and mixed-use developments that promote concentrated development and lessen reliance on vehicle miles traveled, in accordance with the City's recently adopted Climate Action Plan.

Many of the pedestrian-oriented, concentrated development provisions and alternate transit policies contained in the North Park Community Plan are shared in the land use plans of the City's communities within the coastal zone. The City and Coastal Commission have long worked together to identify ways in which alternate transit can be encouraged to lessen traffic, reduce pollution impacts, and promote public access. Furthermore, by encouraging new commercial uses, communities can more easily stay fiscally solvent and encourage their patronage by visitors from outside of the community, helping to activate areas so as to become more sustainable.

Only some of the zones modified by the proposed amendment are currently present in the City's coastal zone. The proposed modification that could have the highest potential impact – increasing the density of the CN-1-5 zone to 73 dwelling units per acre – coupled with that zone's base height limit of 65 feet, could adversely impact public access and coastal resources. However, at this time, no properties in the City's coastal zone carry the CN-1-5 base zone designation. Thus, any proposal to rezone properties in the coastal zone to have the CN-1-5 designation would require a Commission-approved LCP amendment. The remaining proposed changes are unlikely to have adverse impacts to coastal resources. The zone-wide changes to CN and CC zones – allowing visitor accommodations, lowering the threshold for parking orientation regulations, and introducing the new Artisan Food and Beverage Producer Use – and the changes to the CN-1-3 zone prohibiting outdoor and roof patios next to residential uses, would affect properties in the coastal zone, but in a manner that can be found in conformance with the relevant land use plan policies. Likewise, the changes to the CC-3 zone – allowing museums and making drive-through dining establishments a conditional use – can be found in conformance with the policies of the certified land use plans that promote cultural and pedestrian developments in coastal communities.

The proposed changes to the CN and CC zone regulations will not adversely impact coastal resources or public access, as they simply allow existing commercial zones within the certified LCP to offer a wider variety of amenities and services to the public. The proposed changes will encourage expansion of priority uses such as visitor-serving retail and accommodations, along with cultural uses. Higher residential density and parking lot orientation would support concentration of development and pedestrian activation efforts. No specific rezoning in the coastal zone is being proposed; future application of these zones to new parts of the coastal zone would necessitate a separate LCP amendment related either to the community plan update or specific size rezoning, at which time the merits of the proposal and site-specific conditions would be assessed by the Commission. Thus, the proposed amendment can be found adequate to carry out the policies of the certified Land Use Plans in the City's certified LCP, and approved as submitted.

The appropriate resolutions and motions begin on Page 3. The findings for approval of the Implementation Plan Amendment as submitted begin on Page 5.

BACKGROUND

The City's first Implementation Plan (IP) was certified in 1988, and the City assumed permit authority shortly thereafter. The IP consisted of portions of the City's Municipal Code, along with a number of Planned District Ordinances (PDOs) and Council Policies. Late in 1999, the Commission effectively certified the City's Land Development Code (LDC) that includes Chapters 11 through 14 of the municipal code. It replaced the first IP in its entirety and went into effect in the coastal zone on January 1, 2000. The Commission has certified many IP amendments since 2000.

ADDITIONAL INFORMATION

Further information on the City of San Diego LCP Amendment No. LCP-6-SAN-17-0030-1 may be obtained from Alexander Llerandi, Coastal Planner, at (619) 767-2370.

PART I. OVERVIEW

A. LCP HISTORY

The City of San Diego has a long history of involvement with the community planning process; as a result, in 1977, the City requested that the Coastal Commission permit segmentation of its Land Use Plan (LUP) into twelve parts in order to have the LCP process conform, to the maximum extent feasible, with the City's various community plan boundaries. In the intervening years, the City has intermittently submitted all of its LUP segments, which are all presently certified, in whole or in part.

When the Commission approved segmentation of the LUP, it found that the implementation phase of the City's LCP would represent a single unifying element. This was achieved in January 1988, and the City of San Diego assumed permit authority on October 17, 1988 for the majority of its coastal zone. Several isolated areas of deferred certification remained at that time; some of these have been certified since through the LCP amendment process. Other areas of deferred certification remain today and the City is completing that planning; the Commission will consider those submittals in the future.

Since effective certification of the City's LCP, there have been numerous major and minor amendments processed. These have included everything from land use revisions in several segments, to the rezoning of single properties, to modifications of citywide ordinances. In November 1999, the Commission certified the City's Land Development Code (LDC), and associated documents, as the City's IP, replacing the original IP adopted in 1988. The LDC became effective in January 2000.

B. STANDARD OF REVIEW

Pursuant to Section 30513 of the Coastal Act, the Commission may only reject zoning ordinances or other implementing actions, as well as their amendments, on the grounds that they do not conform with, or are inadequate to carry out, the provisions of the certified land use plan. The Commission shall take action by a majority vote of the Commissioners present.

C. PUBLIC PARTICIPATION

Section 30503 of the Coastal Act requires local governments to provide the public with maximum opportunities to participate in the development of the LCP amendment prior to its submittal to the Commission for review. The City has held Planning Commission and City Council meetings with regard to the subject amendment request. All of those local hearings were duly noticed to the public. Notice of the subject amendment has been distributed to all known interested parties.

PART II. LOCAL COASTAL PROGRAM SUBMITTAL - RESOLUTIONS

Following a public hearing, staff recommends the Commission adopt the following resolutions and findings. The appropriate motion to introduce the resolution and a staff recommendation are provided just prior to each resolution.

- I. **MOTION:** *I move that the Commission reject the Implementation Program Amendment for the City of San Diego LCP Amendment No. LCP-6-SAN-0030-1 as submitted.*

STAFF RECOMMENDATION OF CERTIFICATION AS SUBMITTED:

Staff recommends a **NO** vote. Failure of this motion will result in certification of the Implementation Program Amendment as submitted and the adoption of the following resolution and findings. The motion passes only by an affirmative vote of a majority of the Commissioners present.

RESOLUTION TO CERTIFY IMPLEMENTATION PROGRAM AMENDMENT AS SUBMITTED:

The Commission hereby certifies the Implementation Program Amendment for the City of San Diego as submitted and adopts the findings set forth below on grounds that the Implementation Program Amendment conforms with, and is adequate to carry out, the provisions of the certified City of San Diego Land Use Plans, and certification of the Implementation Program Amendment will meet the requirements of the California Environmental Quality Act, because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the Implementation Program Amendment on the environment, or 2) there are no further feasible alternatives or mitigation measures that would substantially lessen any significant adverse impacts on the environment that will result from certification of the Implementation Program, as amended.

PART III. FINDINGS FOR APPROVAL OF THE CITY OF SAN DIEGO IMPLEMENTATION PLAN AMENDMENT, AS SUBMITTED

A. AMENDMENT DESCRIPTION

The subject amendment to the City's certified Implementation Plan (IP) involves amendments to the city-wide Neighborhood Commercial (CN) and Community Commercial (CC) base zones to increase residential density (up to 73 dwelling units per acre) in certain CN zones, allow visitor accommodations in CN zones, prohibit outdoor patios and roof decks in certain CC-zoned properties adjacent to residentially zoned properties, allow museums in certain CC zones, change permissibility of dining establishments with a drive-through component in certain CC zones from a permitted use to one requiring a conditional use permit, lower the threshold for when the regulations governing the orientation of parking lot areas away from street frontages apply and apply

the lowered threshold to all CC zones, and introduce “Artisan Food and Beverage Producer” as a new separately regulated industrial use in the CN and CC zones.

B. FINDINGS FOR APPROVAL

The standard of review for LCP implementation submittals or amendments is their consistency with and ability to carry out the provisions of the certified LUP.

a) Purpose and Intent of the Ordinance.

The purpose of the proposed amendment is to update the Neighborhood Commercial (CN) and Community Commercial (CC) zone regulations in response to the changing pattern of development within communities that more closely integrate their residential, commercial, and cultural needs into a concentrated area, and allow commercial zones to keep pace with changing public needs while encouraging pedestrian-oriented growth in communities.

b) Major Provisions of the Ordinance.

The major provisions of the amendment modify certain city-wide commercial districts and introduce a new separately regulated use.

- Amend Section 131.0502 to modify the allowable density in the CN-1-5 zone from 1 dwelling unit per 800 square feet of lot area to 1 dwelling unit per 600 square feet of lot area, increasing allowable density in the CN-1-5 zone from 54 dwelling units per acre to 73 dwelling units per acre.
- Amend Section 131.0522; Table 131-05B to allow “visitor accommodations” in CN zones.
- Amend Section 131.0522; Table 131-05B to prohibit outdoor patios, seating areas, and roof top decks adjacent to residentially zoned properties in the CN-1-3 zone.
- Amend Section 131.0522; Table 131-05B to allow “museums” in CC-3 zones.
- Amend Section 131.0522; Table 131-05B to modify the CC-3 zones to change eating and drinking establishments with a drive-in or drive-through component from a permitted use by right to one requiring a conditional use permit.
- Amend Section 131-0556; Table 131-05E to revise parking lot orientation standards that apply to commercial base zones by lowering the gross floor area requirement for the applicability of the parking lot orientation regulation in the commercial base zones from 100,000 square feet to 50,000 square feet and revising the code to apply parking lot orientation standards to all CC zones. The

purpose of the standard is to minimize the establishment of parking areas along the primary street frontage, where parking could adversely affect pedestrian activation and movement.

- Amend Sections 126.0203, 127.0109, 131.0222, 131.0112, 131.0522, Table 131-05B, 141.1001 through 141.1009, and 143.0111(a) to introduce a new separately regulated use – “Artisan Food and Beverage Producer – in CN and CC zones.

c) Adequacy of the Ordinance to Implement the Certified LUP Segments.

The standard of review for LCP implementation submittals or amendments is their consistency with and ability to carry out the provisions of the certified Land Use Plan(s). In the case of the City of San Diego, it has developed community planning areas based on its established neighborhoods and future urbanizing area. Predicated on those community planning areas, the City utilized the geographic segmentation provisions of the LCP regulations and developed its land use plan component covering twelve different communities (e.g., North City, La Jolla, Pacific Beach, Mission Beach, Ocean Beach, Peninsula, Otay-Mesa Nestor). Each community plan or LCP Land Use Plan contains policies that protect public views, scenic resources, public access, recreational opportunities and sensitive coastal resources including, but not limited to, beaches, bluffs, slopes, hillsides and environmentally sensitive lands in that community. The Commission’s review of the proposed changes to the Land Development Code must assure that development is approved only when consistent with the certified LUPs.

Listed below are representative policy excerpts contained in the certified Land Use Plan segments in the Coastal Overlay Zone for the City of San Diego.

La Jolla LCP Land Use Plan

- Maintain a diversified, yet balanced land use pattern which includes providing adequate levels of commercial retail services, residential development, and cultural opportunities within existing commercial areas, while limiting additional office use within commercial designated area.
- Promote mixed-use residential and commercial developments along transit corridors such as the commercial areas of La Jolla Boulevard, in order to encourage affordable housing opportunities.

Ocean Beach Community Plan

- Mixed-use projects should be developed in commercial areas in an integrated, compatible, and comprehensive manner.

- Encourage the City to adopt pilot programs aimed at creating incentives for sustainable, mixed-use development.
- Encourage the development of community-related institutions within the community to serve the residential and employment needs of residents and visitors.

Anticipating the growing population of the community and wishing to foster the further growth of many of the pedestrian-oriented features of the community, such as mixed-use developments and concentrating development along transit lines, the City is proposing to amend the CN and CC regulations to encourage the type of cultural, commercial, and mixed-use developments that promote concentrated development and lessen reliance on vehicle miles traveled, in accordance with the City's recently adopted Climate Action Plan.

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and accommodations, along with cultural uses. Higher residential density and parking lot orientation would support concentration of development and pedestrian activation efforts. No specific rezoning in the coastal zone is being proposed; future application of these zones to new parts of the coastal zone would necessitate a separate LCP amendment related either to the community plan update or specific size rezoning, at which time the merits of the proposal and site-specific conditions would be assessed by the Commission. Thus, the proposed amendment can be found adequate to carry out the policies of the certified Land Use Plans in the City's certified LCP, and should be approved as submitted.

PART IV. CONSISTENCY WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Section 21080.5 of the California Environmental Quality Act (CEQA) exempts local government from the requirement of preparing an environmental impact report (EIR) in connection with its local coastal program. The Commission's LCP review and approval program has been found by the Resources Agency to be functionally equivalent to the EIR process. Thus, under CEQA Section 21080.5, the Commission is relieved of the responsibility to prepare an EIR for each LCP.

For the City's action, an environmental impact report (EIR No. 96-0333) was completed for the original adoption of the Land Development Code and a Program EIR (No. 104495) was prepared and certified for the General Plan Update. The City has previously utilized these documents for CEQA compliance in association with other code amendments and has similarly found that no further CEQA analysis is needed for this amendment.

Nevertheless, the Commission is required in an LCP submittal or, as in this case, an LCP amendment submittal, to find that the LCP, or LCP as amended, does conform to CEQA provisions. In this particular case, the LCP amendment will not have any significant adverse effects on the environment and there are no feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact on the environment. The updated ordinance promotes pedestrian uses and concentration of development within currently developed areas. In summary, no adverse impacts to any coastal resources are anticipated.