

**CALIFORNIA COASTAL COMMISSION**

SAN DIEGO AREA  
7575 METROPOLITAN DRIVE, SUITE 103  
SAN DIEGO, CA 92108-4421  
(619) 767-2370



# W19a

**DATE:** July 21, 2017

**TO:** Commissioners and Interested Persons

**FROM:** Karl Schwing, Deputy Director, San Diego Coast District  
Deborah Lee, District Manager, San Diego Coast District  
Kanani Brown, Coastal Program Analyst III, San Diego Coast District  
Melody Lasiter, Coastal Program Analyst, San Diego Coast District

**SUBJECT:** **Staff Recommendation on San Diego Unified Port District Port Master Plan Amendment No. PMP-6-PSD-17-0001-1 (National City Street Closures)** for Commission Meeting of August 9, 2017

---

## **SUMMARY OF STAFF RECOMMENDATION**

Staff is recommending approval of the proposed Port Master Plan Amendment (PMPA), as submitted. The subject amendment is a project-driven PMPA that would modify the text, figures, and project list of the National City Bayfront Planning District 5 in the Port Master Plan (PMP) to allow for the closure of portions of three streets: West 32<sup>nd</sup> Street, West 28<sup>th</sup> Street and Quay Avenue. The street closure segments will be used for the import, export, handling and storage of motor vehicles and cargo, consolidating and expanding Pasha Automotive Services (Pasha) operations.

Specifically, the amendment would reduce the "Streets" designation by 5.1 acres and increase the "Marine Related Industrial" designation by 5.1 acres. The reduction in Streets designation would result in the removal of 182 public parking spaces in the National City Bayfront. Of these parking spaces, the removal of 32 spaces on West 32<sup>nd</sup> Street near Pepper Park and the Pier 32 Marina could potentially impact the public's ability to park and access the bay. The remaining 150 spaces are located more centrally inside Pasha's existing operations and are unlikely to be used by the public.

To mitigate the for the loss of on-street public parking, the project Environmental Impact Report (EIR) requires Pasha to restripe an existing parking lot, currently used for Pasha's operations, to provide 455 parking spaces for employees, which is anticipated to accommodate current and future employee parking needs. However, because this parking lot is located approximately a mile from West 32<sup>nd</sup> Street, Pasha has also committed to providing 75 employee parking spaces near Pepper Park and the southern entrance to Pasha, to ensure that the closure of 32nd Street and the removal of the associated parking does not cause additional marine terminal employees to utilize parking spaces that would otherwise be used by the public to access the park and marina. In addition, Pasha has committed to implementing a Transportation Demand Management

(TDM) Program to encourage alternative forms of transportation than the single occupancy vehicle to decrease the amount of employee vehicles parked in public street parking.

Although the San Diego Unified Port District (Port) is the applicant for the subject amendment, Pasha is the project proponent. After the proposed PMPA is certified, the Port will process a Coastal Development Permit (CDP) for the project. The Port-issued CDP will not be appealable to the Commission.

The appropriate motion and resolution can be found on Page 3. The findings for approval of the amendment as submitted begin on Page 4.

### **ADDITIONAL INFORMATION**

Further information on the subject PMPA may be obtained from Melody Lasiter, Coastal Program Analyst, at (619) 767-2370.

---

**Port Master Plan Amendment Procedure.** California Code of Regulations, Title 14, Section 13636 calls for port master plan amendments to be certified in the same manner as provided in Section 30714 of the Coastal Act for certification of port master plans. Section 13628 of the Regulations states that, upon the determination of the Executive Director that the master plan amendment and accompanying materials required by Section 13628(a) are sufficient, the master plan amendment shall be deemed submitted to the Commission for purposes of Section 30714 of the Coastal Act.

The subject amendment was submitted on February 13, 2017 and deemed complete on July 5, 2017. Within 90 days after this date, the Commission, after public hearing, shall certify or reject the amendment, in whole or in part. If the Commission fails to take action on the amendment submittal within the 90-day period, the proposed amendment is deemed certified. The date by which the Commission must take action, absent a waiver by the Port District of the 90-day period, is October 3, 2017.

Section 30700 of the Coastal Act states that Chapter 8 shall govern those portions of the San Diego Unified Port District located within the coastal zone, excluding any wetland, estuary, or existing recreation area indicated in Part IV of the Coastal Plan. The entire water area under the jurisdiction of the Port of San Diego is governed by Chapter 3 policies because San Diego Bay is mapped as an estuary and wetland in Part IV of the Coastal Plan, and on the maps adopted by the Commission pursuant to Section 30710 of the Act. The proposed amendment would modify only the land use designations in the National City Planning District of the PMP. Therefore, the policies of Chapter 8 of the Coastal Act are the standard of review for the proposed amendment.

**STAFF RECOMMENDATION:**

**I. PORT MASTER PLAN SUBMITTAL - RESOLUTION**

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

Resolution to approve certification of San Diego Unified Port District Port Master Plan Amendment No. PMP-6-PSD-17-0001-1.

**MOTION**

I move that the Commission certify the Port Master Plan Amendment No. PMP-6-PSD-17-0001-1 as submitted by the San Diego Unified Port District.

**Staff Recommendation**

Staff recommends a **YES** vote. Passage of this motion will result in certification of the Port Master Plan Amendment and adoption of the following resolution and findings. The motion to certify passes only upon an affirmative vote by a majority of the Commissioners present.

**RESOLUTION**

**Certification of Amendment**

The Commission hereby certifies San Diego Unified Port District Master Plan Amendment No. PMP-6-PSD-17-0001-1, and finds, for the reasons discussed below, that the amended Port Master Plan conforms with and carries out the policies of Chapter 8 of the Coastal Act. Certification of the amendment complies with the California Environmental Quality Act (CEQA) because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the amendment on the environment, or 2) there are no further feasible alternatives and mitigation measures that would substantially lessen any significant adverse impacts on the environment that will result from certification of the port master plan amendment.

## **II. FINDINGS AND DECLARATIONS.**

The Commission finds and declares as follows:

**A. Previous Commission Action.** The Commission certified the San Diego Unified Port District Master Plan on October 14, 1980. The Commission has reviewed 49 amendments since that date. The subject PMPA would be Amendment #50.

**B. Contents of Port Master Plan Amendments.** California Code of Regulations Title 14, Section 13636 calls for port master plan amendments to be certified in the same manner as port master plans. Section 30711 of the Coastal Act states, in part, that a port master plan shall include all the following:

- (1) The proposed uses of land and water areas, where known.
- (2) The proposed design and location of port land areas, water areas, berthing, and navigation ways and systems intended to serve commercial traffic within the area of jurisdiction of the port governing body.
- (3) An estimate of the effect of development on habitat areas and the marine environment, a review of existing water quality, habitat areas, and quantitative and qualitative biological inventories, and proposals to minimize and mitigate any substantial adverse impact.
- (4) Proposed projects listed as appealable in Section 30715 in sufficient detail to be able to determine their consistency with the policies of Chapter 3 (commencing with Section 30200) of this division.
- (5) Provisions for adequate public hearings and public participation in port planning and development decisions.

The Commission finds that the proposed port master plan amendment conforms to the provisions of Section 30711 of the Coastal Act. The proposed changes in land uses are outlined in sufficient detail in the PMPA submittal for the Commission to make a determination of the proposed amendment's consistency with the Chapter 8 policies of the Coastal Act.

The proposed amendment was the subject of an Environmental Impact Report under the California Environmental Quality Act. The Environmental Impact Report associated with the plan amendment was subject to public review and hearing and was adopted by the Board of Port Commissioners on September 8, 2016 as Resolution 2016-140. A public hearing on the proposed master plan amendment was held on September 8, 2016

and the amendment was adopted by the Board of Port Commissioners as Resolution 2016-141.

**C. Standard of Review.** Section 30700 states that Chapter 8 shall govern those portions of the San Diego Unified Port District, excluding any wetland, estuary, or existing recreation area indicated in Part IV of the Coastal Plan. The proposed project would be located entirely on land. Therefore, the policies of Chapter 8 of the Coastal Act are the standard of review for the proposed amendment.

**D. Summary of Proposed Plan Amendment/History.**

**Project Setting/History**

The subject PMPA will apply to the National City Bayfront located in eastern San Diego Bay, north of Chula Vista and south of the City of San Diego in National City ([Exhibit 1](#)). The National City Bayfront is included as Planning District 5 of the PMP. The majority of land in the planning district is designated as Marine Related Industrial or Marine Terminal Industrial, with smaller amounts of land, east of the Sweetwater Channel, designated as Open Space or Commercial Recreation ([Exhibit 3](#)).

Pasha Automotive Services (Pasha), a vehicle importer and exporter, currently has leaseholds or Tidelands Use and Occupancy Permits (TUOPs)/Temporary Use Permits (TUPs) for approximately 205 acres of the National City Bayfront ([Exhibit 3](#)); the subject PMPA would increase that amount by 5.1 acres. In 2013, Pasha processed 361,372 vehicles, 1,038 containers, and approximately 52,779 metric tons and 10,574 cubic meters of other breakbulk cargo at the National City Marine Terminal, with the majority of operations and land utilized for vehicle processing. A projected increase in future vehicle demand is driving the expansion of Pasha's operations.

In addition to the subject street closures, two additional project sites (the former Tank Farm site and the former Weyerhaeuser site) will be incorporated into Pasha's operation and were analyzed in the Port's Environmental Impact Report (EIR) for the project. The 5.17 acre former Tank Farm site is bounded by 28th Street and Quay Avenue and was previously a fuel farm operated by San Diego Gas & Electric. The fuel farm ceased operations in 1997; and, in 2009, soil excavation and remediation activities were performed to demolish and remove the remaining above-ground storage tanks and concrete rings and remediate to below 100 milligrams per kilogram. The former Tank Farm site will be graded, paved, and striped, and will include onsite drainage improvements. The 6.14 acre former Weyerhaeuser site is paved and contains two buildings which may be demolished in the future. Both sites are currently designated as Marine Related Industrial; as such, use of these sites by Pasha would be compatible with the existing designations and does not require a PMPA. The street closure segments and

former Tank Farm and Weyerhaeuser sites will be used for the import, export, handling and storage of motor vehicles and cargo, consolidating and expanding Pasha's operations.

Although the Port is the applicant for the subject amendment, Pasha is the project proponent. After the proposed PMPA is certified, the Port will process a Coastal Development Permit (CDP) for the project. The Port-issued CDP will not be appealable to the Commission.

### **Amendment Description**

As proposed, the PMPA would allow for the re-designation of 5.1 acres of "Streets" to "Marine Related Industrial." Specifically, three existing street segments would be closed including Quay Avenue, between Bay Marina Drive and 28<sup>th</sup> Street; 28<sup>th</sup> Street, west of Quay Avenue; and 32<sup>nd</sup> Street west of Tidelands Avenue. The text, Table 14 (Precise Plan Land and Water Use Allocation), Figure 15, and the Project List for the National City Bayfront Planning District 5 would also be modified to reflect the land use designation change from "Streets" to "Marine Related Industrial" ([Exhibit 2](#)).

### **Project Description**

The subject PMPA is project-driven and would include the closure of Quay Avenue between Bay Marina Drive and 28th Street, 28th Street west of Quay Avenue, and 32nd Street west of Tidelands Avenue ([Exhibit 4](#)). A portion of the excess soil from grading on the former Tank Farm would be diverted as export and used to raise the elevation of the portions of Quay Avenue and 28th Street that are proposed to be closed; Quay Avenue and 28th Street would then be repaved. Approximately 1,200 cubic yards of demolished concrete and asphalt from the roadways would be exported off site to an approved facility for recycling. The railroad tracks on the west side of Quay Avenue and the existing above-ground SDG&E distribution lines (i.e., utility poles) would remain in place and be incorporated into the paved area.

Closure of 32nd Street would require minor demolition and construction activities including the removal of 2,200 square feet of median, and 1,300 square feet of curbs and gutters; relocation of the backflow valve; 6,100 square feet of grading, repaving, and striping; and relocation of the guard shack to the east.

**E. Conformance with the Coastal Act.** The proposed amendment would result in changes to basic land use categories and to the specific policies contained in Planning District 5. In order for the Commission to certify the proposed master plan amendment, the Commission must determine that the amendment conforms to the following applicable Chapter 8 policies of the Act:

## **1. Applicable Policies**

The following Coastal Act policies are relevant and applicable:

### **Section 30708**

All port-related developments shall be located, designed, and constructed so as to:

- (a) Minimize substantial adverse environmental impacts. [...]
- (c) Give highest priority to the use of existing land space within harbors for port purposes, including, but not limited to, navigational facilities, shipping industries, and necessary support and access facilities.
- (d) Provide for other beneficial uses consistent with the public trust, including, but not limited to, recreation and wildlife habitat uses, to the extent feasible. [...]

## **2. Findings for Consistency with Chapter 8 of the Coastal Act**

### **Public Access and Recreation**

The re-designation of 5.1 acres from “Streets” to “Marine Related Industrial” will result in the removal of 182 public parking spaces in the National City Bayfront. The subject streets are located between active terminal areas and the Port has indicated that, due to tenant consolidation and reconfiguration, the streets are no longer necessary for public access in this area. Since there is no existing coastal access at the project site, no direct impacts to public access or recreation would occur as a result of the proposed project. However, indirect impacts would occur if marine terminal employees who previously parked in these 182 spaces begin to park in the Pepper Park and Pier 32 Marina lots; this would impact the public’s ability to park and access Pepper Park, the Pier 32 Marina, and the shoreline nearby. Pepper Park and the Pier 32 Marina are located on the waterfront of the Sweetwater Channel adjacent to Pasha’s operations ([Exhibit 1](#)) and both Pepper Park and nearby streets offer free parking to the public.

The stretch of shoreline in the National City Bayfront is utilized primarily by industrial facilities that are either coastal-dependent or coastal-related ([Exhibit 3](#)). Pasha is the primary lessee that comprises the majority of the National City Bayfront, and does not currently provide employee parking; instead employees utilize the parking spaces on public streets. There are three other businesses that neighbor Pasha in the vicinity of the park and Pier 32 Marina, including the National City Distribution Center, Dixieline Lumber, and San Diego Cold Storage. It is unclear how many employees these businesses employ and whether the businesses have adequate parking. However, some marine terminal employees currently utilize the roadways proposed for closure for parking their personal vehicles during business hours. Nevertheless, these businesses are

not located adjacent to the park and marina so it is unlikely that employees of the businesses utilize the public street parking near the park or marina ([Exhibit 3](#)).

Of the 182 parking spaces that would be lost, the removal of 32 spaces on West 32nd Street near Pepper Park and the Pier 32 Marina would have the greatest potential to impact the public's ability to park and access the bay. The remaining 150 public parking spaces are located more centrally next to Pasha's existing operations and are unlikely to be used by the public. To mitigate for the loss of the on-street public parking, the project EIR requires Pasha to restripe an existing parking lot, the "I-Lot", currently used exclusively for operations, to accommodate 455 parking spaces for employees. This lot would be used across two non-overlapping shifts by 361 existing employees and would accommodate Pasha's planned increase of 212 employees for a future total of 573 employees.

A parking study was conducted as part of the EIR that found there would be a sufficient supply of parking at Pepper Park, Pier 32 Marina and nearby streets, even with the loss of the 32 public parking spaces at 32nd street. However, a subsequent survey conducted by the Port found that while the public does not utilize existing on-street parking to access the park and marina, terminal employees were observed parking in the Pepper Park and Pier 32 parking lots, as well as on 32nd Street, which are approximately 0.5 to 0.8 miles from the I-Lot. To ensure that the closure of 32nd Street and the removal of the associated parking does not cause additional marine terminal employees to utilize parking spaces that would otherwise be used by the public to access the park and marina, Pasha has committed to providing 75 employee parking spaces at a lot adjacent to Pasha's southern entrance, near Pepper Park.

Because the number of employees will increase, street parking will be reduced, and there are limited ingress and egress options into the project area, it is critical to implement trip and parking reduction strategies as part of the subject PMPA. Pasha has committed to implementation of a Transportation Demand Management (TDM) Program to encourage alternative forms of transportation and carpooling to decrease the demand for parking by employees ([Exhibit 5](#)). The TDM program includes strategies such as offering incentives for carpooling, providing bicycle storage, implementing a shuttle program to pick up and drop off employees at the MTS trolley station, and allowing telecommuting to select employees. Implementation of a TDM Program will also reduce reliance on the single occupancy vehicle, and in turn, reduce greenhouse gas emissions.

Section 30708 of the Coastal Act requires that beneficial uses consistent with the public trust, including, but not limited to, public recreation and wildlife habitat uses, are provided, to the extent feasible. In this case, the closure of 32nd Street will be properly mitigated; however, future projects in this planning district should ensure that existing levels of public access are maintained. Specifically, the Port has indicated that future proposals may include the closure of East 32nd Street and Marina Way, which are used



by the public to access the marina and park. These closures have the potential to adversely impact public access and public views and would likely not be approvable under Coastal Act policies.

Finally, Section 30708(c) of the Coastal Act gives the highest priority to the use of existing land space within harbors for port purposes, including, shipping industries and necessary support and access facilities. Pasha's operation complies with this policy because imports arrive by water through the National City Marine Terminal and its business supports port functions. Thus, in this case, the conversion of public streets to Marine Related Industrial uses for Pasha's vehicle import and export business is consistent with the Coastal Act.

In conclusion, the closure of 32nd Street has the potential to impact public access to Pepper Park and Pier 32 Marina should the displaced parking cause terminal workers to utilize parking spaces otherwise used by the public to access the shoreline. However, Pasha has committed to providing an additional 455 employee parking spaces at I-Lot and 75 employee parking spaces adjacent to Pepper Park. In addition, Pasha has committed to implementing a TDM program to encourage alternative forms of transportation and carpooling, which will reduce the demand for parking. Finally, port purposes, including shipping industries, are given the highest priority in port districts and the project proponent imports entirely by water. Therefore, as proposed, the amendment is consistent with Section 30708 of the Coastal Act.

### **Water Quality**

The proposed project is located adjacent to the San Diego Bay and Sweetwater Channel. The proposed street closures will replace 0.4 acres of permeable landscaped area, including shrubs and approximately 20 trees, with impervious pavement that will serve as a parking lot for imported vehicles. Although the majority of the vehicles stored onsite are new and in good working order, there is the potential for leakage of vehicle fluids, including oil and petrochemicals. Any leakage could build up over time on the impervious surfaces and impact water quality should runoff occur.

To treat runoff, a bio-filtration swale, designed to infiltrate the first flush of stormwater runoff, will be installed. Specifically, onsite runoff would flow into proposed ribbon gutters and into the bio-filtration swale, through pipes, to 28th Street and through an existing curb and gutter to the discharge location. The proposed project would also include new stormwater inlets and modification of existing stormwater inlets.

A stormwater quality management plan, containing stormwater best management practices (BMPs) to be implemented, was prepared for the project by Hunsaker & Associates. The Commission's water quality specialist has reviewed the plan and concurs that the proposed BMPs are adequate to protect against water quality impacts.

In conclusion, the project will increase impervious surfaces; however, adequate BMPs will be implemented to protect against water quality impacts. Therefore, as proposed, the amendment is consistent with Section 30708 of the Coastal Act.

**F. Consistency with the California Environmental Quality Act (CEQA).**

This is a project-driven amendment and the project was the subject of an Environmental Impact Report (EIR) under CEQA. The EIR was subject to public review and adopted by the Board of Port Commissioners on September 8, 2016 as Resolution 2016-140. As described above, the proposed amendment does not have the potential to result in significant adverse impacts to the environment of the Coastal Zone, including the potential to result in significant individual or cumulative impacts to water quality or public access and recreation. As proposed, there are no feasible alternatives or mitigation measures available which would substantially lessen any significant adverse impact which the amendment may have on the environment. Therefore, the Commission finds that the PMPA, as submitted, is consistent with the California Environmental Quality Act, as well as the applicable provisions of Chapter 8 of the Coastal Act.