

ORDINANCE NUMBER O-_____ (NEW SERIES)

DATE OF FINAL PASSAGE _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF
SAN DIEGO APPROVING THE SITE DEVELOPMENT PERMIT NO. 1579191
AND THE NEIGHBORHOOD DEVELOPMENT PERMIT NO. 1579192 FOR
THE NEW ONE PASEO AND WAIVING THE REQUIREMENT OF A
PLANNING COMMISSION HEARING AND RECOMMENDATION PRIOR TO
THE PASSAGE OF THIS ORDINANCE – PROJECT NO. 451328.

WHEREAS, Kilroy Realty Corporation, Owner/Permittee, filed an application with the City of San Diego pursuant to San Diego Municipal Code (SDMC) Sections 126.0402(d) and 153.0201(a) for Site Development Permit No. 1579191 and Neighborhood Development Permit No. 1579192 to construct a mixed-use development consisting of multi-family residential, commercial retail and commercial office known as the New One Paseo project. The 23.6-acre site is located at the southwest corner of the intersection of Del Mar Heights Road and El Camino Real within the CVPD-MC Zone, the Carmel Valley Community Plan and the Carmel Valley Employment Center Precise Plan. The project site is legally described as Parcels 1 and 2 of Parcel Map Nos. 15061 and 19130; and

WHEREAS, due to recusals, the Planning Commission of the City of San Diego was unable to obtain a quorum to hear and provide a recommendation on the New One Paseo project; and

WHEREAS, under Charter section 280(a)(2), this ordinance is not subject to veto by the Mayor because this matter requires the City Council to act as a quasi-judicial body and where a public hearing was required by law implicating due process rights of individuals affected by the decision and where the Council was required by law to consider evidence at the hearing and to make legal findings based on the evidence presented; NOW, THEREFORE,

WHEREAS, the matter was set for public hearing on _____, testimony having been heard, evidence having been submitted, and the City Council having fully considered the matter and being fully advised concerning the same; NOW, THEREFORE,

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

Section 1. That it adopts the following findings with respect to Site Development Permit No. 1579191:

Site Development Permit - Section 126.0504

1. The proposed development will not adversely affect the applicable land use plan.

The project site is located south of Del Mar Heights Road between El Camino Real and High Bluff Drive. The project includes amendments to the General Plan, Carmel Valley Community Plan, and the Carmel Valley Employment Center Development Unit Number Two Precise Plan (Precise Plan), a Municipal Code amendment, a Vesting Tentative Map (including public right-of-way and easement vacations), a Site Development Permit, and a Neighborhood Development Permit for the development of a mixed-use project. The project contains approximately 1,175,871 square-feet (sf) consisting of approximately, 280,000 sf of commercial office, 95,871 sf of commercial retail and 608 (800,000 sf) multi-family residential units. Ten percent of the on-site housing would be affordable to households earning 65% or less of the Area Median Income.

The City's General Plan identifies specific communities as distinct planning areas. The project site is within the Carmel Valley Community Planning Area which comprises approximately 4,300 acres east of the I-5 freeway and the Torrey Pines Community, west of the communities of Pacific Highlands Ranch and Del Mar Mesa, south of the San Dieguito River Valley and north of Los Penasquitos Canyon and the Torrey Hills Community.

The community plan defers to neighborhood Precise Plans for specific land use recommendations. The Carmel Valley Employment Center Development Unit Number Two Precise Plan was adopted in 1981 and covers the existing 118-acre business park located between the I-5 freeway and El Camino Real and south of Del Mar Heights Road, which includes the project site. The Community Plan and Precise Plan designate the project site for use and development of an Employment Center. The site was previously rezoned to the Carmel Valley Planned District Mixed-Use Center (MC) zone. This MC zone is intended to create a community village which is compact, multi-functional, and pedestrian-oriented. The MC zone permits a diversity of uses, including residential multiple dwelling units, retail sales, offices and commercial services.

Approval of the development project and related permits also requires approval of land use plan amendments to bring the General Plan and the land use plan into consistency with the underlying zone applied to the site and for the proposed project to be consistent with the community plan land use.

In addition, a Municipal Code amendment is being processed to the MC zone applied to the site to reduce the allowable height for the office use, modify the minimum land use mix table and reduce the floor area ration. The land use plan and code amendments and the development project are being processed concurrently.

Amendments are proposed to the Precise Plan to redesignate the site from *Employment Center* to *Community Village* and incorporate project design guidelines, implementation measures, and other details related to the project. The Precise Plan amendment also constitutes amendments to the Carmel Valley Community Plan and to the General Plan. The Precise Plan amendment would change the General Plan land use designation from *Industrial Employment* to *Multiple Use* and change the Carmel Valley Community Plan land use designation from *Employment Center* to *Community Village*.

The proposed development will not adversely affect the applicable land use plans upon approval of the required land use plan amendments described above. The change to the land use plans will also bring them into alignment with the underlying MC zone. The proposed development would also further several goals of the General Plan and Community Plan as described below.

A goal of the Precise Plan amendment is to provide a mixed-use community village for Carmel Valley. The General Plan describes a series of village types of varying parameters and intensities, with neighborhood

and community village centers ranging from just a few acres to more than 100 acres. Therefore, the 23.6-acre site would be sufficient to achieve this goal, as it is a relatively large, vacant, centrally located site within this community.

The project with the proposed land use plan amendments would achieve the goals related to a mixed-use community village for Carmel Valley by providing residential, retail, commercial office and public space uses with a pedestrian-friendly design.

The project has been designed to implement the vision and goals of the General Plan's Strategic Framework Element, particularly the City of Villages Strategy. The City of Villages Strategy is a departure from the suburban development model employed for many areas of the City by the 1979 General Plan. The General Plan states that "over the last two centuries, San Diego has grown by expanding outward onto land still in its natural state. This is the first General Plan in the City's continuing history that must address most future growth without expansion onto its open lands. It establishes the strategic framework for how the City grows while maintaining the qualities that best define San Diego." Therefore, the General Plan's direction is to efficiently use the remaining developable land in the City consistent with the new policies of the Strategic Framework. As described above the project proposes a mixed-use development of commercial office, retail and multi-family residential and several plazas for community gathering.

The Strategic Framework Element recommends mixed-use villages as a desirable development pattern, stating that "new policies have been created to support changes in development patterns to emphasize combining housing, shopping, employment uses, schools, and civic uses, at different scales, in village centers. By directing growth primarily toward village centers, the strategy works to preserve established residential neighborhoods and open space, and to manage the City's continued growth over the long term." Growth is to be focused into mixed-use activity centers that are pedestrian-friendly districts linked to an improved regional transit system.

The project site is located in a transitional area between the office/industrial development of the Carmel Valley Employment Center, the community's existing town center across El Camino Real and residential neighborhoods to the north and northeast. As a relatively large, vacant property, the project site provides an infill development opportunity of a unique and distinctive, unifying, mixed-use village center for Carmel Valley. The project proposes to combine housing, shopping, employment and civic uses into a pedestrian-friendly community village that implements the vision of the General Plan.

A main goal of the Carmel Valley Community Plan is to establish a physical, social, and economically balanced community. The balanced community concept is met through identification of a specific amount of single-family and multi-family housing for a range of incomes, the provision of a relatively large employment center, and a town center neighborhood intended to serve as a community core with a mix of retail, office, higher density residential uses and an array of public uses. Each residential neighborhood is to contain a focal point that includes a school and/or neighborhood shopping center linked by pedestrian and bicycle trails. The Community Plan provides a framework for development and adoption of neighborhood plans through a precise plan process, including the timely provision of public facilities.

The project would further the goal of a physically, socially, and economically balanced community by combining residential, commercial, and civic uses within a centrally-located village center. The Carmel Valley community is underserved by retail space so there is a market demand for additional retail. The project would provide additional commercial retail and service uses in the core of the community where they can be more easily accessed via multiple transportation modes. This would allow capture of more shopping and entertainment trips within the community. The addition of multi-family housing and onsite affordable housing within a mixed-use village-type format provides an additional housing choice within the community. Potential impacts to public facilities and services would be offset by payment of the Development Impact fees.

In addition to the mixed-use land use plan, multiple design elements of the project's site plan and building program contribute to a pedestrian-friendly design that would implement the General Plan urban design policies related to the City of Villages Strategy. The overall circulation network for the project has been planned to achieve a high degree of compatibility between pedestrians, bicyclists and vehicles. Connection to the existing community will encourage forms of mobility other than automobiles. The project has been designed with multiple pedestrian connections to the existing street network, while walking and biking from off-site areas is encouraged through a pedestrian-oriented design at site perimeters, and exclusive areas for pedestrian entry. The project would provide for pedestrian and bicycle access throughout the site by a network of passes, sidewalks, pathways, plazas, and public spaces. Class III bicycle routes would be provided within the project site and would connect to existing Class II bicycle lanes along Del Mar Heights Road and El Camino Real.

The project is planned as a "park once" environment, where people are encouraged to park in one place and then make trips on foot, rather than driving from one destination to another, creating the type of environment where it is easy for people to walk between destinations through the paseos and plazas. This is consistent with General Plan guidance to retrofit existing large-scale development patterns, such as "superblocks" or "campus-style" developments, to provide more and improved linkages among uses. The "Paseo" design and centrally located main plazas would provide walking opportunities and gathering spaces to promote social interaction and a sense of community.

The General Plan calls for villages to be connected by "high quality transit," but does not contain a precise definition for the term. Carmel Valley is not currently served by public transit. The nearest bus line connects North County coastal communities with the University community along Highway 101. There are also Coaster rail stations in Sorrento Valley and nearby Solana Beach. The Solana Beach Coaster station also serves as a regional hub that has state-wide Amtrak service. The 2050 Regional Transportation Plan prepared by the San Diego Association of Governments (SANDAG) identifies several future bus routes that would provide local and regional high frequency service to Carmel Valley with potential stops at the project site. Of these, a rapid bus route would connect Oceanside and University Town Center with potential stops within Carmel Valley and the Sorrento Valley Coaster station in the year 2030. The timing between anticipated completion of the project in 2020 and planned provision of public transit represents a considerable period of time in which the project would not be served by public transit.

To address the lack of current public transit service, the proposed development would include a Transportation Demand Management (TDM) program including a shuttle service between the project and the Solana Beach Coaster station through the Carmel Valley Employment center. Northbound and southbound trains arrive at the station at approximate 30-minute intervals during AM and PM peak periods. As an example, morning southbound Coaster trains arrive at the Solana Beach Station at 5:35, 6:23, 7:00, 7:40, and 8:05 and northbound Coaster trains arrive at 7:04 and 8:24. The private shuttles would arrive every 30 minutes at the station and would be timed in such a way as to minimize the amount of wait-time for passengers traveling in either direction. The shuttle would operate during AM, mid-day, and PM peak periods as further described in Condition Nos. 55 and 56 of the permit. The project's proposed densities would help justify the provision of future transit services. A TDM plan and a long-term commitment to a private shuttle system are essential project features to bridge the gap between existing conditions and the future public transit services.

2. The proposed development will not be detrimental to the public health, safety, and welfare.

The previously certified Environmental Impact Report (EIR) analyzed the environmental impacts of the approved One Paseo project, Project No. 193036. Implementation of the proposed Mitigation, Monitoring and Reporting Program (MMRP) would reduce, to a level of insignificance, most potential impacts identified in the environmental review process. The Addendum to the previously certified EIR demonstrates that the New One Paseo, Project No. 451328 will not result in any new or more severe

significant impacts than the previously identified direct project-level significant, unavoidable impacts within the area of Visual Effects and Neighborhood Character and Transportation/Circulation/Parking.

All Uniform Building, Fire, Plumbing, Electrical and Mechanical Codes governing the construction and continued operation of the development apply to this project to prevent adverse effects to those persons or properties in the vicinity of the project. The project has been designed with adequate storm water controls during construction and operation to comply with the City of San Diego storm water regulations. This will result in better on-site and downstream water quality and therefore protects and preserves the public health and safety.

The overall circulation network for the project has been planned to balance compatibility between pedestrians, bicycles, and motor vehicles, while separating them for enhanced public safety purposes. The project is planned as a "park once" environment, where people are encouraged to park in one place and then make stops on foot, rather than driving from one destination to another. This creates the type of environment where people can easily walk or bike between destinations and reinforces a safe pedestrian and bicycle experience.

The project will contribute to the Development Impact fees, which will go toward the provision of public services such as roads and open space that will be beneficial to health and welfare of the community.

The permits for the project contains specific conditions addressing project compliance with the City's codes, policies, regulations and other regional, State and federal regulations to prevent detrimental impacts to the health, safety and general welfare of persons residing and/or working in the area. Therefore, the proposed development will not be detrimental to the public health, safety, and welfare.

3. The proposed development will comply with the regulations of the Land Development Code including any allowable deviations pursuant to the Land Development Code.

The project is located within the CVPD-MC zone and allows a diversity of uses, including residential, retail, restaurants, hospitality, workplace, and civic activities. The intent of the CVPD-MC Zone is to create a compact, multi-functional, mixed-use community village. Use and development regulations of the CVPD-MC Zone are based on the City-wide CC-5-5 Zone with some exceptions to setbacks, height and floor area ratio. Allowable uses within the proposed zone would be the same as those for the CC-5-5 Zone classification (Table 131-05B in Section 131.0552 of the Municipal Code). The proposed residential, commercial retail, and office uses would be allowable uses per the zone. The Precise Plan amendment, which will be concurrently adopted with the project, provides additional design and implementation regulations consistent with the requirements of the Land Development Code (LDC). The project will therefore comply with all the applicable regulations of the LDC, as amended by the project approvals, and no deviations are requested.

Section 2. That it adopts the following findings with respect to the Neighborhood Development Permit No. 1579192:

Neighborhood Development Permit (NDP) - Section 126.0404

1. The proposed development will not adversely affect the applicable land use plan.

The project proposes commercial tandem parking within the mixed-use development. The San Diego Municipal Code (SDMC) requires the approval of a Neighborhood Development permit to allow for tandem parking for commercial uses.

The Carmel Valley and Employment Center Precise Plans do not specifically address interior parking arrangements for commercial developments. However, the General Plan encourages efficient parking arrangements and reduction in parking visibility. The proposed tandem parking arrangement would more efficiently use space by eliminating the need for additional drive aisles.

Tandem parking for commercial uses may be approved provided the tandem parking is limited to the assigned employee parking spaces and/or valet parking associated with restaurant use. Tandem parking is encouraged throughout the City in order to reduce the need for additional parking areas. The permit has been conditioned to allow a maximum of 100 (50 dual) tandem spaces and shall be dedicated to employee parking only. Therefore, the provision of tandem parking would not adversely affect the applicable land use plan.

2. The proposed development will not be detrimental to the public health, safety, and welfare.

The project proposes commercial tandem parking within the mixed-use development. The San Diego Municipal Code (SDMC) requires the approval of a Neighborhood Development permit to allow for tandem parking for commercial uses.

Tandem parking for commercial uses may be approved provided the tandem parking is limited to the assigned employee parking spaces and/or valet parking associated with restaurant use. Tandem parking is encouraged throughout the City in order to reduce the need for additional parking areas. The permit has been conditioned to allow a maximum of 100 (50 dual) tandem spaces and shall be dedicated to employee parking only.

The previously certified EIR analyzed the environmental impacts of the approved One Paseo project, Project No. 193036. Implementation of the proposed Mitigation, Monitoring, and Reporting Program (MMRP) would reduce, to a level of insignificance, most potential impacts identified in the environmental review process. The Addendum to the previously certified EIR, demonstrates that the New One Paseo Project, Project No. 451328 will not result in any new or more severe significant impacts than the previously identified direct project-level significant, unmitigable impacts within the area of Visual Effects and Neighborhood Character and Transportation/Circulation/Parking.

The project would provide 2,747 parking spaces throughout the site upon build out, where 2,587 parking spaces are required for a surplus of 160 parking spaces. The project would utilize a shared parking program and would be able to provide all the required parking and is not considered a significant impact.

All Uniform Building, Fire, Plumbing, Electrical and Mechanical Code governing the constructions and continued operation of the development apply to this project to prevent adverse effects to those persons or properties in the vicinity of the project. Therefore, the proposed tandem parking will not be detrimental to the public health, safety and welfare.

3. The proposed development will comply with the regulations of the Land Development Code including any allowable deviations pursuant to the Land Development Code.

The project proposes commercial tandem parking within the mixed-use development. The San Diego Municipal Code (SDMC) requires the approval of a Neighborhood Development permit to allow for tandem parking for commercial uses.

Tandem parking for commercial uses may be approved provided the tandem parking is limited to the assigned employee parking spaces and/or valet parking associated with restaurant use. Tandem parking is encouraged throughout the City in order to reduce the need for additional parking areas. The permit has been conditioned to allow a maximum of 100 (50 dual) tandem spaces and shall be dedicated to

employee parking only. The project, as amended by the project approvals, is not requesting any deviations; therefore it will comply with all the applicable regulations of the Land Development Code.

The above findings are supported by the minutes, maps and exhibits, all of which are incorporated herein by this reference.

Section 3. That, based on the findings hereinbefore adopted by the Council of the City of San Diego, Site Development Permit No. 1579191 and Neighborhood Development Permit No. 1579192 are granted to Kilroy Realty Corporation, Owner/Permittee, under the terms and conditions set forth in the attached permit, which is made a part of this ordinance, and contingent upon the passage of the amendments to the General Plan, Carmel Valley Community Plan, and Precise Plan.

Section 4. That, notwithstanding San Diego Municipal Code section 112.0509, which provides for a Planning Commission hearing or recommendation prior to certain City Council actions, no Planning Commission hearing or recommendation is required related to the actions being authorized pursuant to this ordinance.

Section 5. That a full reading of this ordinance is dispensed with prior to passage, a written copy having been made available to the Council and the public prior to the day of its passage.

Section 6. That this ordinance shall take effect and be in force on the thirtieth day from and after its final passage.

APPROVED: JAN I. GOLDSMITH, City Attorney

By _____
Corrine L. Neuffer
Deputy City Attorney

CLN:dkr
May 5, 2016
Or.Dept:DSD
Doc. No.: 1261942