



City of Del Mar Staff Report



TO: Honorable Mayor and City Council Members

FROM: Kathleen A. Garcia, Planning and Community Development Director
Via Scott W. Huth, City Manager

DATE: July 21, 2014

SUBJECT: Authorization of the Specific Plan Process for the Watermark Development

REQUESTED ACTION/RECOMMENDATION:

Staff recommends that the City Council adopt the proposed resolution, authorizing the Specific Plan process and its extended community outreach process for the Watermark project.

DISCUSSION/ANALYSIS:

San Dieguito Land Partners, LLC, the current owners of the properties commonly known as, "Watermark" at the southeast corner of Jimmy Durante Boulevard and San Dieguito Road (APNs: 299-100-47,48), have indicated their desire to construct a multi-family residential project on the properties. The properties are currently in the North Commercial (NC) Zone. In discussion with the potential applicant, staff has outlined a proposed process for land use modifications necessary to accommodate multi-family residential, including legislative changes and discretionary permits.

The legislative changes necessary for such a development include: 1) a Community (General Plan) amendment (GPA); 2) a new zoning map designation (Rezone); and 3) a Local Coastal Program amendment (LCPA) to assign a residential use designation, rather than the North Commercial - NC Zone designation on the LCP Land Use Plan and Implementing Ordinance Maps. The three legislative actions listed above require action by the Planning Commission and the City Council and Coastal Commission review of the LCAs at noticed public hearings. These legislative acts would be subject to environmental review pursuant to the California Environmental Quality Act (CEQA).

In addition to the legislative changes, the project would also require discretionary actions. The proposed construction would be subject to receipt of a Design Review Permit (DRB) and a Land Conservation (LC) Permit, each issued by the Design Review Board at a noticed Public Hearing. In addition, the project is located in the Bluff, Slope

City Council Action:

and Canyon Overlay and the Lagoon Overlay Zones and would currently trigger the receipt of a Conditional Use Permit, reviewed by the Planning Commission at a noticed public hearing. A Coastal Development Permit (CDP) and a Floodplain Development Permit (FDP) would also be required. The site is located within the Coastal Commission Appeals Zone, and the City's final action on the CDP would be appealable to the Coastal Commission. As with the legislative actions, the discretionary permits and authorizations would be subject to environmental review per CEQA.

Sequential vs. Specific Plan Approach for Processing Land Use Modifications

There are two alternative approaches for processing the three legislative changes required for land use modifications. A sequential process for the legislative actions would initially create a new zoning Chapter in the Municipal Code, which could not contain any project-specific deviations, if needed, or project-specific public benefits. Following final approval of the three legislative actions, applications could be submitted for the necessary discretionary development permits. This process does not allow for the balance of project specific public benefits to be assessed with the legislative action.

As an alternative to the sequential method for the review of the legislative and discretionary acts described above, the overall development proposal could be reviewed and processed under an instrument known as a Specific Plan. Del Mar initiated a similar type of process with the Carmel Valley Precise Plan (1980), a residential development at the south end of Del Mar, when specific community benefits were gained as part of the residential approvals.

The preparation of a Specific Plan is regulated by Government Code §65450. A Specific Plan is defined as a special set of development standards that apply to a particular geographical area. The Specific Plan would encompass the legislative actions to assign a new Community Plan, Zoning Map and LCP designation to the properties, along with accompanying regulatory development parameters. In essence, it would create a land use designation and zone for the property. In addition to laying out the zoning parameters, the Specific Plan would address such issues as the public benefits that would be derived from the project, a description of any deviations from the otherwise applicable (existing) zoning regulations and community-protection measures. The Specific Plan would include exhibits of the proposed development, the structural massing and site, and area right-of-way improvements. These components are a key advantage to the Specific Plan approach; the process allows the community and the decision makers the ability to "see" what the ultimate results of the land use changes would be. Under the sequential approach, those descriptions and visual aids are lacking and the community and the decision makers are left relying simply on text to make a determination if the land use changes are best for the community. The applicant would be responsible for preparing the Specific Plan.

The formal approvals on the Specific Plan would involve a review by the Planning Commission which would make a recommendation to the City Council, by resolution.

The City Council would review the document and take action by ordinance to amend the Community Plan and by resolution to amend the LCP. The action on the LCP would include direction to forward it to the Coastal Commission for review and certification. The Specific Plan would not be subject to Measure B requirements and a public vote since it is not located within the City's Central Core district. Preliminary DRB discretionary review would occur during the Specific Plan process, with final DRB approval after Specific Plan adoption.

Community Participation

The Specific Plan process, pursuant to §65351, requires that opportunities for the involvement of citizens, public agencies, public utilities, civic education, and other community groups must be provided. The proposal is for both informal and formal methods of outreach and participation, as identified in the applicant's letter in Attachment B. Informal methods of outreach and participation include: an interactive website; a list serve for interested parties; meetings with neighbors and stakeholders; an internal advisory group; and meetings with Coastal Commission staff. These have been proposed by the applicant to go beyond the required, formal process.

As part of the formal process, the applicant will conduct a Citizens' Participation Program (CPP) as required by the Del Mar Municipal Code (DMCC). Because of the complexity of the issues, the applicant has agreed to conduct three additional public workshops for community engagement on key issues during the process. In addition to the public hearings, Planning Commission and Design Review Board interim presentations are proposed to elicit early feedback during the process. The formal approvals will be maintained, with Planning Commission, Design Review and City Council hearings at the process' conclusion. The final action of Specific Plan approval rests with the City Council. The final action of Local Coastal Program Amendment rests with the Coastal Commission.

Staff and the applicant concur that a Specific Plan process with the stated community participation program would have greater community benefit than a standard zoning change and request City Council's direction, acceptance, or modification of the stated Specific Plan process through the adoption of the attached resolution.

FISCAL IMPACT:

The costs of the Specific Plan, its associated discretionary permits, CEQA documentation and the community participation program are borne by the applicant.

ATTACHMENTS:

Attachment A – Proposed Resolution

Attachment B – Applicant's Correspondence regarding entitlements processing

RESOLUTION NO. 2014 - _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL MAR, CALIFORNIA, AFFIRMING THE USE OF A SPECIFIC PLAN FOR THE PROCESSING OF A PROPOSED DEVELOPMENT LOCATED AT THE SOUTHEAST CORNER OF JIMMY DURANTE BOULEVARD AND SAN DIEGUITO ROAD (APNs: 299-100-47,48)

WHEREAS, the City of Del Mar has received an intention for application for a proposed multi-family residential development at the properties located at the southeast corner of Jimmy Durante Boulevard and San Dieguito Road (APNs: 299-100-47,48) (The Properties); and

WHEREAS, the applicant is proposing to rezone the property from North Commercial (NC) to a new residential zone in order to develop a multi-family residential development with an affordable housing component; and

WHEREAS, the City of Del Mar's adopted and certified Housing Element (2013-2020) explicitly states the goal to provide affordable housing opportunities within the City and identifies the North Commercial Zone as a potential location for the siting of such housing; and

WHEREAS, implementation of such project would require both legislative changes (Community Plan Amendment, new zoning map designation, and Local Coastal Program Amendment) and discretionary actions (Design Review Permit, Land Conservation Permit, permits pursuant to the Bluff, Slope and Canyon Overlay Zone and the Lagoon Overlay Zone, a Coastal Development Permit and a Floodplain Development Permit); and

WHEREAS, the legislative and discretionary actions would be subject to environmental review pursuant to the California Environmental Quality Act (CEQA); and

WHEREAS, the City Council has reviewed the advantages and disadvantages of using a sequential method of a zoning code amendment to accomplish the legislative actions versus a comprehensive Specific Plan process; and

WHEREAS, the City Council recognizes the benefits of a Specific Plan process to comprehensively address and define the legislative and discretionary actions as well as the community benefits offered by such a project; and

WHEREAS, at the City Council's July 21, 2014 meeting, a process for conducting the public outreach of the Specific Plan was reviewed and accepted by the City Council.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Del Mar, California, that the Specific Plan process with both an informal and a formal process for community participation is hereby affirmed to proceed upon receipt of a project application.

BE IT FURTHER RESOLVED, that staff is hereby directed to proceed with the applicant to undertake the following process:

1. Preparation by the applicant of a Specific Plan for the Properties, subject to Government Code §65450 to encompass the legislative actions to assign a new Community Plan, Zoning Map and Local Coastal Program designations along with accompanying regulatory development parameters and accompanying CEQA documentation.
2. An informal process for community participation as proposed by the applicant in correspondence dated July 1, 2014, to include items such as an interactive website, a list-serve for interested parties, meetings with neighbors and stakeholders, an internal advisory group and meetings with Coastal Commission staff.
3. A formal community participation process which will include:
 - a. The implementation of the Citizens Participation Program per the Del Mar Municipal Code;
 - b. Three public workshops for community engagement;
 - c. Planning Commission and Design Review Board interim presentations and review; and
 - d. Public hearings at the Planning Commission, Design Review Board and City Council.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Del Mar, California, at a Regular Meeting held on the 21st day of July, 2014.

LEE HAYDU, Mayor
City of Del Mar

APPROVED AS TO FORM:

Leslie E. Devaney, City Attorney

City of Del Mar

ATTEST AND CERTIFICATION:

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO
CITY OF DEL MAR

I, ANDREW POTTER, Administrative Services Director/City Clerk of the City of Del Mar, California, DO HEREBY CERTIFY, that the foregoing is a true and correct copy of Resolution No. 2014-_____, adopted by the City Council of the City of Del Mar, California, at a Regular Meeting held the 21st day of July, 2014, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Andrew Potter, Administrative Services Director/City Clerk
City of Del Mar

1140 South Coast Hwy 101
Encinitas, CA 92024

tel 760-942-8505
fax 760-942-8515
www.coastlawgroup.com

July 1, 2014

Kathleen Garcia
Planning and Community Development Director
City of Del Mar
1050 Camino del Mar
Del Mar, CA 92014

RE: Processing Options for Watermark Del Mar Proposal

Dear Ms. Garcia:

Please consider this correspondence on behalf of Watermark DM, L.P. (WDMLP) as a response to our recent meetings to discuss issues related to the options for processing entitlements for the Watermark Del Mar project. Our amended processing proposal for consideration by the City Council is as follows:

- I. Confirmation regarding non-applicability of Measure B.
- II. Confirmation of benefits of utilizing a Specific Plan as the vehicle to establish a new zone and amend the zoning map (and amend the City's LCP), rather than a zoning code amendment. City Council affirmation of the use of the Specific Plan to most efficiently address development issues and concerns.
- III. Informal Process: Project Design and Alternatives Development
(Timeline: approx. 4-6 months)
 - A. Interactive website developed and launched. Website will include schedule of meeting notices; links to substantive documents (e.g. specific plan, EIR, technical appendices, architectural renderings, etc.); frequently asked questions; and opportunity for the public to provide comments throughout project processing.
 - B. Creation of list serve. WDMLP will create an extensive database of interested parties to be used for direct noticing of meetings, workshops, availability of documents, etc. The list serve will supplement formal notices that must be mailed.
 - C. Meetings with neighbors and other interested stakeholders. WDMLP will canvas the neighborhoods in immediate proximity to the project site and hold individual or small group meetings to gauge concerns regarding specific project components, obtain feedback specific to individual property owners/residents, and to help determine the scope of alternatives analysis for future environmental review and general project components.
 - D. Creation of Watermark Internal Advisory Group (WIAG): WDMLP will convene an internal advisory group of interested individuals who will meet at prescribed intervals to advise WDMLP throughout the processing of entitlements. At this time, it is anticipated

such meetings would occur bi-monthly. WDMLP will select WIAG members to represent the following broad categories of interests: Neighborhood, Commercial, Affordable Housing, Environmental, and At-Large.

- E. Coastal Commission meeting #1. WDMLP will conduct an on-site pre-application meeting with Coastal Commission staff to discuss issues related to bluffs, development standards in the specific plan, and aspects of the LCP amendment. City staff will be invited to attend.

IV. Formal Process: Project Processing

(Timeline: begins at approx. 6 months, lasts approx. 12-24 months)

- A. Citizens' Participation Program. Consistent with the City of Del Mar Municipal Code, WDMLP will conduct a Citizens Participation Program ("CPP") prior to submission of its Design Review Application. (Note, the CPP meeting(s) will occur prior to the estimated 6 month period for initiation of formal processing).
- B. CEQA Scoping Meeting: Consistent with City and State law, City will host a noticed CEQA scoping meeting at a convenient time and location once the WDMLP's application is deemed complete and alternatives have been delineated.
- C. Planning Commission and Design Review Board Presentations: At some point after the Scoping Meeting, WDMLP will participate in one informational presentation before the Planning Commission and one public workshop before the Design Review Board.
- D. Public Workshops: Following the meetings with the Planning Commission and Design Review Board, and after consideration of comments raised there, WDMLP will coordinate three public workshops (with invitations to City Council members) to provide focused information and an opportunity for public comment and discussion. WDMLP will provide project updates at each workshop, including highlights of changes or issues addressed as the project evolves. While not required by law, the workshops will provide a meaningful forum for the public to engage directly with WDMLP while project processing is underway. WDMLP will remain flexible regarding appropriate topics for the workshops will, but at this time proposes each meeting address specific project components as follows:
1. Workshop 1: Density, Affordable Housing, Aesthetics (including those issues to be of concern to the Design Review Board).
 2. Workshop 2: Traffic, Pedestrian Access and Connectivity, Parking.
 3. Workshop 3: Environmental Issues (wetland protection, SWPPP, Night Sky, Bluffs, Noise).
- E. Specific Plan/CEQA Document. The Specific Plan and the CEQA document would be drafted and edited throughout the formal processing period, taking into account feedback from the public through WDMLP's website and emails, City Council Workshops, and informational presentations to the Planning Commission and Design Review Board. WDMLP will provide regular updates to City staff and Council to ensure

sufficient and appropriate information is readily available to respond to questions directed to the City by the community.

- F. Coastal Commission Meeting #2. A second meeting with Coastal Commission staff would be requested to ensure staff support for project elements and the LCP amendment. City staff will be invited to attend.
- G. Design Review Board, Planning Commission and City Council Hearings. The legislative approvals and CEQA document would be brought as a package to the Design Review Board, Planning Commission and City Council as required, and subsequently to the Coastal Commission.
- H. Discretionary Permits. Upon approval and expiration of appeal periods as required under the Municipal Code, the project's discretionary permits (Design Review Permit, Land Conservation Permit, and Coastal Development Permit) would be brought to the Design Review Board and subject to appeal as provided by law.
- I. Development Agreement. A development agreement will be prepared to memorialize and vest the rights embodied in the specific plan after approval.

Please do not hesitate to contact me with any questions or concerns.

Sincerely,

COAST LAW GROUP LLP



Marco A. Gonzalez

cc: Client