



# AGENDA REPORT

**Department:** Planning  
**Prepared by:** Martin Reeder, AICP – Planning Manager  
**Meeting Date:** Tuesday, March 21, 2023  
**Approved by:** Brad Raulston, City Manager

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## **SUBJECT:**

Approval of Amendment to City's Local Coastal Program reflecting jurisdictional boundary changes affected by the Port of SD - National City Balanced Plan and expansion of the Bayshore Bikeway

## **RECOMMENDATION:**

Adopt the Resolution entitled, "Resolution of the City Council of the City of National City, California, Approving a Local Coastal Program (LCP) Amendment to Reflect Jurisdictional Boundary Changes Affected by the Port of San Diego's National City Balanced Plan and Expansion of the Bayshore Bikeway.

## **BOARD/COMMISSION/COMMITTEE PRIOR ACTION:**

The Planning Commission recommended approval of the Amendment.

## **EXPLANATION:**

### Executive Summary

The City of National City (City), in conjunction with the San Diego Unified Port District (District), GB Capital Holdings (GB Capital), and Pasha Automotive Services (Pasha) have been working together to propose a mixed-use recreational and maritime industrial project that includes both landside and waterside development components on approximately 58 landside acres and 19 waterside acres in the City's waterfront area. This project is collectively referred to as the "Balanced Plan" and is intended to be mutually beneficial to the region and is geographically located within the jurisdictional boundaries of the City and the District. The LCPA includes changes to the text and updated maps to reflect adoption of the Balanced Plan. The Planning Commission recommended approval of the Amendment to the City Council.

### Balanced Plan Proposal

The City of National City (City), in conjunction with the San Diego Unified Port District (District), GB Capital Holdings (GB Capital), District tenants, and Pasha Automotive Services (Pasha) have been working together to propose a mixed-use recreational and maritime industrial project that includes both landside and waterside development components on approximately 58 landside acres and 19 waterside acres in the City's waterfront area. This project is collectively referred to as the "Balanced Plan" and is intended to be mutually beneficial to the region. It is geographically located within the jurisdictional boundaries of the City and the District.

Specifically, the Balanced Plan includes the following main components within the City's jurisdiction, which are addressed in detail later in this section:

- Amendments to the City's LCP that would include changes to the City's and District's jurisdictional boundaries due to District land purchases; changes to subarea boundaries; and proposed changes to land use, specific plan, and zone designations subject to future City Council action.
- Removal of approximately 12.4 acres within the Balanced Plan area, located mostly on the GB Capital site east of the mean high tide line and owned in fee by the District, from the City's General Plan, LCP, and Land Use Code (LUC) to reflect changes in jurisdictional authority.
- Construction and operation of a new segment of the Bayshore Bikeway, in coordination with the District's portion of the Bayshore Bikeway.

A resolution authorizing approval of the LCP amendments is included in Attachment 4.

### Zone Change

The City Program proposes future zoning changes for five vacant City-owned parcels located north of Bay Marina Drive. See Attachment 4. The City currently owns seven parcels that comprise two complete blocks between Bay Marina Drive to the south, West 23rd Street to the north, Harrison Avenue (vacated) to the west, and I-5 to the east. The City also owns Parcel 7 adjacent to the railroad tracks, which contains the National City Santa Fe Depot and includes the historic train station and several historic rail cars on display.

The City proposes to rezone Parcels 1, 2, 3, 5, and 6 from MM (Medium Manufacturing) to CT (Tourist Commercial) which could allow these parcels to be developed with hotel, restaurant, retail, and/or some combination of tourist/visitor-serving commercial uses. The CT zone currently allows a floor area ratio (FAR) of up to 1.0 (1.0 multiplied by the lot size), with no height limit; however, as part of the Balanced Plan, the FAR will increase to 2.0 (twice the lot size). The maximum allowable development with a FAR of 2.0 would be approximately 254,782 square feet of floor area. The proposed 2.0 FAR would allow for the development of desired land uses that require substantial floor areas, such as hotels, which would be of economic benefit to the City and provide opportunities for increased public access to the City's marina area. Development standards, such as the parking requirement and landscaping, would be based on the specific uses permitted in the CT zone at such time as future development is proposed. Parcels 4 and 7 are currently zoned CT and will remain so. No other City land use changes or development are currently proposed as part of the Balanced Plan. While this proposed zoning change is described in the LCP text, the implementation of this zoning change will be subject to future City action.

### City/District Boundary Adjustment

The Balanced Plan proposes the removal of approximately 12.4 acres of land area within the Balanced Plan area, located mostly on the current GB Capital leasehold east of the mean high tide line and on land now owned in fee by the District. This land will be removed from the LCP, City's General Plan, and LUC will be added to the District's PMP to reflect changes in jurisdictional authority. These changes will clarify the jurisdictional boundary between the City and the District and will be reflected on all City zoning and General Plan Maps. These lands are not currently regulated by the Port Master Plan and this jurisdictional amendment will ensure consistency with

the California Coastal Act and the Public Trust Doctrine. The District will amend its PMP map accordingly. See Attachment 3.

### Bayshore Bikeway

As a major goal of the City's original LCP submission, the Bayshore Bikeway is now being realized. The Bayshore Bikeway Segment 5 is generally located on a combination of existing roadways including Bay Marina Drive, Marina Way (formerly Harrison Avenue), Cleveland Avenue, McKinley Avenue, West 19th Street, Tidelands Avenue, West 14th Street, and Civic Center Drive. Most of the Bayshore Bikeway component is located within the City's jurisdiction and the southernmost portion is located within the District's jurisdiction. A small portion of the bikeway encroaches into the 100-foot buffer around the Sweetwater Marsh. Protection of the marsh will be assured through the adoption of Mitigation Measures Bio-1, Bio-3, Bio-4 and Bio-5 contained in the Mitigation Monitoring and Reporting Program (MMRP), which is part of in the Port of San Diego's Balanced Plan EIR<sup>1</sup>. City consultants are also coordinating with the California Coastal Commission and the California Department of Fish and Wildlife regarding details of marsh protection measures. These are also included in the MMRP. This new section of the Bayshore Bikeway is an important component of the 24-mile Bayshore Bikeway that circumnavigates San Diego Bay. The City is currently updating its Bicycle Master Plan to include the new Bayshore Bikeway segment.

### Harbor District Specific Area Plan (HDSAP)

The HDSAP is the area roughly south of Bay Marina Drive between Paradise Marsh and the National City Marine Terminal and was adopted by the City Council on July 28, 1998 and certified by the Coastal Commission on November 5, 1998. At that time, the HDSAP was intended to be a resource-based, environmental implementation plan to establish site-specific conservation and development standards in the OSR (Open Space Reserve), CT (Tourist Commercial), MM (Medium Manufacturing), and OS (Open Space) districts. No land use changes or specific development were included. Since 1998, the HDSAP has been implemented and is no longer relevant, given the changes in jurisdictional boundaries between the District and the City. Therefore, the HDSAP will be replaced by the Balanced Plan.

### Balanced Plan Components within the District's Jurisdiction

The Balanced Plan also includes a number of development components located within the jurisdiction of the District which are integral to the overall development and economic benefit of the waterfront and marina area. The District's Balanced Plan components are provided for informational purposes only and are not subject to any discretionary action by the City. Proposed changes within the District's jurisdiction include the following.

- Changes to land and water use designations in the District's Port Master Plan (PMP).
- Construction and operation of a recreational vehicle (RV) park, modular cabins, dry boat storage, an expanded marina, and up to four hotels, primarily within the District's jurisdiction within lands leased to GB Capital.
- The expansion of Pepper Park from 5.2 acres to 7.7 acres to increase park space and

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<sup>1</sup> <https://portofsandiego.legistar.com/LegislationDetail.aspx?ID=5938482&GUID=9FB18B0D-0E4C-4058-B5E3-67FE3ADD0148> (see 1. 2022-0360A Draft Resolution)

recreational opportunities for the community.

- Construction and operation of a rail connector track and storage track within the District's jurisdiction to serve the Pasha Group's maritime operations at the National City Marine Terminal.
- Closure of Tidelands Avenue between Bay Marina Drive and 32nd Street, as well as West 28th Street between Tidelands Avenue and Quay Avenue, within the District's and City's jurisdictions, and re-designation of the area to Marine-Related Industrial in the District's PMP.
- Construction and operation of Segment 5 of the Bayshore Bikeway within the District's jurisdiction in coordination with the bikeway sections located within the City's jurisdiction.
- PMP Amendment (PMPA) to clarify jurisdictional land use authority, re-designate land uses, and balance commercial and maritime uses.

### Phased LCP Update Program

The LCP was originally certified by the Coastal Commission in 1988 and the Implementation Plan was first certified in 1990; both were last amended in 1997. The City is aware that these important documents are out of date and need to be updated. The purpose of the Balanced Plan described in this report was to implement many years of negotiation with the District, GB Capital, and Pasha to identify mutually beneficial land uses to optimize recreational, maritime, and commercial uses within the National City Marina District.

Through agreement with the Coastal Commission, the City will be embarking on a three-part phased and comprehensive LCP update. These three phases are:

1. Balanced Plan LCP Amendment as described herein.
2. Targeted amendments to the LCP to update General Plan and Zoning Code references, strengthen coastal resilience, and lay the groundwork for a comprehensive LCP update. The scope of work would include LCP Amendments to the LCP Land Use Plan (LUP) including the zoning change previously described and updates to the Implementation Plan (IP). The City has received grant funding from the Coastal Commission to undertake these tasks which are already underway.
3. Comprehensive LCP Amendment. This third phase would be a comprehensive update to the LCP, which was last amended in 1997. City staff will be applying for substantial Coastal Commission grant funding to pay for the effort, which is expected to begin in late 2023 to 2024.

### Local Coastal Program Consistency

Section 18.16.020 of the Land Use Code states that the purpose of the CT zone is to provide areas catering specifically to the needs of the automobile-oriented trade, such as transient accommodation and services, certain special retail outlets, and commercial amusement enterprises. Within the Coastal Zone, the purpose of the CT zone is to further accommodate tourist commercial, recreational and open space uses, consistent with the description of the LCP's Tourist Commercial designation and consistent with the policies of the Local Coastal Program, Land Use Plan, and the California Coastal Act. Therefore, the proposed rezoning of the City-owned properties from MM to CT is consistent with the LCP.

### Summary

The proposed Balanced Plan project will provide additional commercial opportunities for the City and the San Diego County region and generate revenue for the City through transient occupancy, sales and property tax. Further it will increase visitor-serving uses, public access and recreational activity in the City's waterfront. The project will produce new full and part time jobs and will help meet the City's revenue generation needs for the General Fund, which funds essential services throughout the City.

### **FINANCIAL STATEMENT:**

There is no budgetary impact at this time, but as described in the summary above, the project will have a positive impact in future years.

### **RELATED CITY COUNCIL 2020-2025 STRATEGIC PLAN GOAL:**

Balanced Budget and Economic Development

### **ENVIRONMENTAL REVIEW:**

This is a project under CEQA and requires full environmental review and the preparation of an environmental impact report. CCR 15362. The Balanced Plan Environmental Impact Report was certified by the San Diego Unified Port District in November 2022.

### **PUBLIC NOTIFICATION:**

Agenda Report posted within 72 hours of meeting date and time in accordance with Brown Act.

### **ORDINANCE:**

Not Applicable

### **EXHIBITS:**

1. Local Coastal Program (Land Use Plan) strikethrough/underline
2. City Owned Parcels to be rezoned
3. City/District Boundary Adjustment Map
4. Resolution