



# CITY COUNCIL AGENDA STATEMENT



January 19, 2021

File ID: 20-0538

## **TITLE**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING A GENERAL PLAN AMENDMENT INITIATION REQUEST (MPA20-0020) AND DIRECTING STAFF TO PROCEED WITH THE PROCESSING OF A GENERAL PLAN AMENDMENT ONCE FORMALLY SUBMITTED BY THE APPLICANT FOR A 73.35-ACRE PORTION OF THE OTAY RANCH TOWN CENTER SHOPPING MALL

## **RECOMMENDED ACTION**

Council conduct the public hearing and adopt the resolution.

## **SUMMARY**

Brookfield Properties (the "Applicant") is requesting a General Plan Amendment Initiation Request to get early input from the City Council regarding a proposed General Plan Amendment to change the land use designation for a 73.35-acre portion of the Otay Ranch Town Center Shopping Mall (excluding the 8.96-acres Macys property) from Commercial Retail (CR) to Mixed-Use Transit Focus Area (TFA). Should the future General Plan Amendment be approved, the Applicant proposes to develop approximately 900 multi-family condominium apartments on the site.

## **ENVIRONMENTAL REVIEW**

Because this activity will not result in any approval or denial of said proposed potential land use plan amendments or rezoning actions and because the City Council will later conduct a complete review of said amendments or rezoning actions, including any required environmental analysis, along with the merits of an accompanying proposed project, the Director of Development Services has determined that the activity is not a "Project" as defined under Section 15378 of the California Environmental Quality Act (CEQA) Guidelines because it will not result in a physical change in the environment; therefore, pursuant to Section 15060(c)(3) of the CEQA Guidelines, the activity is not subject to CEQA. In addition, notwithstanding the foregoing, the Director of Development Services has also determined that the activity qualifies for an Exemption pursuant to Section 15061(b)(3) of the CEQA Guidelines. Thus, no environmental review is required.

## **BOARD/COMMISSION/COMMITTEE RECOMMENDATION**

Not Applicable.

## **DISCUSSION**

### Existing Site Characteristics

The Otay Ranch Town Center (ORTC) Shopping Mall is an 84.65-acre site located between Birch Road and Olympic Parkway east of the SR-125 Tollway. The site consists of commercial retail buildings and large paved parking lots on all sides. 73.35-acres are owned by Brookfield Properties, and 8.96-acres are owned by Macy's Properties. The remaining 2.34-acres are owned by the City and SANDAG for the Bus Rapid Transit (BRT) guideway. Vehicular access driveways to the site are located along Birch Road to the south, Eastlake Parkway to the east and Town Center Drive to the north.

### Background

An initiation of a land use plan amendment or rezone (Initiation Request) process was approved by City Council on May 23, 2017. Chula Vista Municipal Code (CVMC) Section 19.14.840 outlines criteria by which the Planning Commission or City Council may approve an Initiation Request prior to formal submittal of an amendment requests to the General Plan, Sectional Planning Area Plans, General Development Plans, Specific Plans, and Precise Plans or rezoning of any property within the City of Chula Vista.

The Applicant has submitted a request for early input on a proposed General Plan Amendment to change the existing land use designation for the Brookfield owned 73.35-acre portion of the ORTC Shopping Mall from Commercial Retail (CR) to Mixed-Use Transit Focus Area (TFA). The Applicant proposes to develop the site with approximately 900 multi-family condominium apartments.

### Entitlement Process

The Applicant's plan to construct approximately 900 multi-family condominium apartments on the 73.35-acre site requires an amendment to the 2005 General Plan Land Use Designation from Commercial Retail (CR) to Mixed-Use Transit Focus Area (TFA). In addition, the Freeway Commercial (FWC) Sectional Planning Area (SPA) Plan will require an amendment to the Planned Community District Regulations (PCDR) zoning ordinance to allow multi-family residential uses within the Freeway Commercial One (FC-1) Zone.

### Findings for Approval of an Initiation of Amendments to Land Use Plans

CVMC Section 19.14.840 allows for City Council approval of an Initiation Request subject to all the following criteria being met:

1. The proposed Land Use Amendment is consistent with the goals and policies of the General Plan; and
2. The proposed Land Use Plan Amendment provides equal or greater public benefit to the community as compared to the existing land use designation, density/intensity range, or plan policy; and
3. Public Facilities are available to serve the proposed change in land use designation density/intensity, or their provision will be addressed as a component of the Land Use Plan.

If approved in the future, the General Plan Amendment would allow for multi-family residential development to occur adjacent to a commercial shopping center and near a Bus Rapid Transit (BRT) station. General Plan Land Use Transportation (LUT) Objective 2 states that the highest intensities and densities should be in key urban activity centers that are well served by transit. Specifically, LUT Policy 2.1 states that Mixed-Use

Transit Focus Areas should be located where major transit stations exist. Based on these objectives and policies, the Mixed-Use Transit Focus Area (TFA) Land Use Designation is consistent with the General Plan.

The Fiscal Impact Analysis (FIA) submitted by the Applicant indicates a net annual positive impact to the City's General Fund as a result of the proposed project at buildout. If approved in the future, an updated analysis employing the City's FIA will be required, along with a comparison of the proposed project and a buildout scenario for the existing land uses, to ensure the project provides equal or greater public benefit to the community as compared to the existing land use designation, density/intensity range, or plan policy.

Fire Station 10 is located nearby in the Millenia/Eastern Urban Center. Other required residential public services and facilities such as a neighborhood park, a community purpose facility (CPF), and access to nearby schools, and the need for more affordable housing will be addressed during the entitlement process. A Fiscal Impact Analysis (FIA) has been prepared and is provided as Attachment 3. The FIA submitted by the Applicant does not employ the City's standard model for analyzing fiscal impacts. Should the project proceed, additional fiscal analysis would be required.

#### **DECISION-MAKER CONFLICT**

Staff has reviewed the property holdings of the City Council members and has found no property holdings within 1000 feet of the boundaries of the property which is the subject of this action. Consequently, this item does not present a disqualifying real property-related financial conflict of interest under California Code of Regulations Title 2, section 18702.2(a) (7) or (8), for purposes of the Political Reform Act (Cal. Gov't Code §87100, *et seq.*). Staff is not independently aware and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision maker conflict of interest in this matter.

#### **CURRENT-YEAR FISCAL IMPACT**

The application fees and processing cost have been paid for by the Applicant. There is no impact to the general fund.

#### **ONGOING FISCAL IMPACT**

The FIA submitted by the Applicant assumes the construction of 904 apartment units, including 814 market rate units and 90 affordable units. The analysis submitted indicates a net annual positive impact to the City's General Fund as a result of the proposed project at buildout of \$413,428, exclusive of sales tax Measures A & P. This increase is largely attributable to increased property tax revenues as a result adding more than \$354 million to the project's total valuation (generates approx. \$664,400 annually at buildout), offset by increased demand for public services. As previously noted, the FIA submitted by the Applicant does not employ the City's standard FIA model. Should processing of the project proceed, an updated analysis employing the City's FIA will be required, along with a comparison of the proposed project and a buildout scenario for the existing land uses.

#### **ATTACHMENTS**

1. Site Maps
2. Applicant Project Description
3. Applicant Fiscal Impact Analysis

*Staff Contact: Harold Phelps, AICP Associate Planner*