

SAN DIEGO UNIFIED PORT DISTRICT

DATE: October 6, 2009

**SUBJECT: NORTH EMBARCADERO PORT MASTER PLAN AMENDMENT:
RESOLUTION AUTHORIZING COMMENCEMENT OF
ENVIRONMENTAL REVIEW FOR PORT MASTER PLAN AMENDMENT
PROCESS TO MODIFY BOUNDARY, LAND USES AND PRECISE
PLAN TEXT OF PLANNING DISTRICT 3, CENTRE CITY
EMBARCADERO**

EXECUTIVE SUMMARY:

In 2001, the California Coastal Commission ("Coastal Commission") certified a Port Master Plan Amendment (PMPA) for Planning District 3, Centre City Embarcadero, which incorporated specific recommendations from the North Embarcadero Visionary Plan (NEVP). Since then, modifications to project designs, jurisdiction, and regulatory requirements have occurred. Staff believes that now is an appropriate time to amend some portions of the Port Master Plan that reference developments within the North Embarcadero, including the District's acquisition of the Navy Pier. Staff has consulted with Coastal Commission staff on numerous occasions and believes that initiating a PMPA at this time would help facilitate development of the NEVP Phase 1 Coastal Access Features Project ("NEVP Phase 1 Project") which is currently under appeal at the Coastal Commission. A PMPA would also help further refine and facilitate future projects in the North Embarcadero area. Through this Board action, staff would commence environmental review of a North Embarcadero PMPA. This process would include stakeholder outreach, identification and analysis of alternatives, and feasibility studies. Staff's goal is to integrate environmental analysis early in the planning process to produce a more comprehensive PMPA. The process would culminate in a Final Environmental Impact Report and a PMPA, which would require Board approval and Coastal Commission certification.

RECOMMENDATION:

Adopt a Resolution authorizing staff to commence environmental review for a Port Master Plan Amendment process to modify the boundary, land uses and precise plan text for Planning District 3, Centre City Embarcadero.

FISCAL IMPACT:

This agenda item has no direct fiscal impact; however, the estimated cost for this effort will depend on the scope of work, which is not yet defined, and could range between \$200,000 and \$300,000 based on prior efforts. This expenditure was not anticipated during the development of the FY 09/10 Operating Budget and a funding source has not yet been identified. Staff will return to the Board at a future date for authorization

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to execute a consulting agreement for the proposed PMPA and associated environmental review and will present the costs and the funding source at that time.

COMPASS STRATEGIC GOALS:

This agenda item supports the following Strategic Goal(s).

- Promote the Port's maritime industries to stimulate regional economic vitality.
- Enhance and sustain a dynamic and diverse waterfront.
- Protect and improve the environmental conditions of San Diego Bay and the Tidelands.
- Ensure a safe and secure environment for people, property and cargo.
- Develop and maintain a high level of public understanding that builds confidence and trust in the Port.
- Develop a high-performing organization through alignment of people, process and systems.
- Strengthen the Port's financial performance.
- Not applicable.

The Port Master Plan is intended to serve as the District's official planning policy document, consistent with a general statewide purpose, for the physical development of both the tidelands and submerged lands granted in trust to the District. The California Coastal Act requires that all tenant and District development must be consistent with the Port Master Plan. Periodic amendments to the Port Master Plan are necessary to modify development goals and objectives in light of current conditions, needs and forecasts. Therefore, the proposed PMPA would enable the District to facilitate these developments for enhancing and sustaining a dynamic and diverse waterfront.

DISCUSSION:

In 2001, the Coastal Commission certified the PMPA for the North Embarcadero area of Planning District 3. It incorporated specific recommendations of the NEVP and established development standards in the North Embarcadero area. While the 1998 NEVP is referenced as a guide to future planning, the NEVP itself was not incorporated into the Port Master Plan. The PMPA also entitled major development projects including berthing of the USS Midway, Lane Field development, redevelopment/modernization of the B Street Cruise Ship Terminal, and a waterfront esplanade/embarcadero extending from the G Street Mole to Laurel Street. The Navy Pier was at that time owned by the Navy and was not included in the PMPA with any land use designations and remains a "white hole" in the PMP. The PMPA text stated that conversion of the Navy Pier to a memorial park once Navy relinquished ownership is a specific planning goal of the Port.

Since adoption of the 2001 PMPA, modifications to project designs, jurisdiction, and regulatory requirements have occurred that warrant this latest proposed PMPA. These issues have come to the forefront through staff's interactions with Coastal Commission staff regarding the NEVP Phase 1 Project. Coastal Commission staff has stated that the District needs to fulfill its obligations to bring the Navy Pier into the District's coastal jurisdiction and develop it with a memorial park. District staff believes that we can comply with this obligation and concurrently revisit and "clean up" other land and water use issues in the North Embarcadero through a new revision to the PMP. This would help ensure that future development in the North Embarcadero would be more closely aligned with current conditions and requirements.

The proposed amendments to the Port Master Plan include the following:

- Adjust the District's Master Plan boundary to incorporate the Navy Pier;
- Assign land use designation(s) and future projects to the Navy Pier including a park;
- Remove references and graphic providing a new curvilinear pier at Grape Street;
- Change Commercial Recreation use on B Street Pier to Marine Terminal;
- Incorporate the constraints of homeland security requirements on maritime facilities and public access;
- Incorporate a Bayfront shuttle;
- Incorporate a new youth hostel as a permitted use;
- Specify excursion facility locations;
- Recognize the G Street Mole park as a memorial park;
- Assign development parameters and standards to 1220 Pacific Highway;
- Incorporate Port Geographic Information Systems (GIS) into the delineation and area calculations throughout Planning District 3;
- Incorporate other PMP text, land use and graphic modifications as needed.

Based on staff's experience, achieving Coastal Commission's certification of a PMPA is a complex, multi-layered process that includes opportunities for coordinating with our member cities, conducting public and stakeholder outreach, analyzing financial feasibility, and considering alternatives. Staff will seek Board direction and input throughout this process and will continue to coordinate with Coastal Commission staff. Staff anticipates that the time to complete the PMPA through Coastal Commission certification may be 18 to 24 months from the start of environmental review.

Port Attorney's Comments:

Not applicable.

Environmental Review:

This proposed Board action initiates the California Environmental Quality Act (CEQA) process, and is not subject to the CEQA.

Equal Opportunity Program:

Not applicable.

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