

SAN DIEGO UNIFIED PORT DISTRICT

DATE: June 7, 2009

SUBJECT: NORTH EMBARCADERO VISIONARY PLAN PHASE 1 COASTAL ACCESS FEATURES PROJECT:

- A) CONDUCT A PUBLIC HEARING AND ADOPT RESOLUTION FINDING THAT THE NORTH EMBARCADERO VISIONARY PLAN PHASE 1 COASTAL ACCESS FEATURES PROJECT IS WITHIN THE SCOPE OF THE NORTH EMBARCADERO VISIONARY PLAN MASTER ENVIRONMENTAL IMPACT REPORT**
- B) CONDUCT A PUBLIC HEARING AND ADOPT RESOLUTION AUTHORIZING ISSUANCE OF AN APPEALABLE COASTAL DEVELOPMENT PERMIT**

EXECUTIVE SUMMARY:

The North Embarcadero Visionary Plan Phase 1 Coastal Access Features Project (Proposed Project) consists of realigning a portion of North Harbor Drive to enable construction of a new Esplanade with enhanced public access and amenities along North Harbor Drive and median and street improvements to West Broadway. An evaluation has been prepared consistent with the California Environmental Quality Act that addresses all the components along North Harbor Drive and West Broadway both within District and City of San Diego jurisdiction. A draft Coastal Development Permit has been prepared that covers only the project components within the District's jurisdiction, which excludes improvements to the segment of West Broadway between Pacific Highway and the rail road tracks.

Staff has determined that the Proposed Project is within the scope of the Master Environmental Impact Report for the North Embarcadero Visionary Plan and has completed an Initial Study consistent with the streamlined requirements provided for in the California Environmental Quality Act. An Addendum to the North Embarcadero Visionary Plan Master Environmental Impact Report has also been prepared to incorporate the updated and refined project description into the Master Environmental Impact Report. The Initial Study and Addendum were circulated for a 45-day public review period ending March 23, 2009; comments were submitted and have been responded to by staff. California Coastal Commission staff submitted comments on the California Environmental Quality Act documents and draft Coastal Development Permit. District staff has met with California Coastal Commission staff to discuss the issues identified in their letter. Staff also met with community stakeholders regarding their comments.

Staff has determined that the Proposed Project components located within the District's jurisdiction are consistent with the certified Port Master Plan and therefore the Board can authorize issuance of a Coastal Development Permit.

RECOMMENDATION:

North Embarcadero Visionary Plan Phase 1 Coastal Access Features Project:

- A) Conduct a public hearing and adopt resolution finding that the North Embarcadero Visionary Plan Phase 1 Coastal Access Features Project is within the scope of the North Embarcadero Visionary Plan Master Environmental Impact Report
- B) Conduct a public hearing and adopt resolution authorizing issuance of an appealable Coastal Development Permit

FISCAL IMPACT:

This agenda item has no direct fiscal impact.

COMPASS STRATEGIC GOALS:

The completion of the North Embarcadero Visionary Plan Phase 1 Coastal Access Features Project will help to bring to fruition a long-awaited vision to develop a world-class waterfront that will benefit the citizens of San Diego and the region. The proposed redevelopment of the Embarcadero will enhance public access and provide activating uses along the waterfront. Securing entitlements for the project will serve as an attraction for future developers and businesses, which will ultimately result in increased revenues that will strengthen the Port's performance.

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.

DISCUSSION:**Background**

In 1997, a multiple-jurisdiction alliance was formed to create a unified vision for future development of the North Embarcadero area. This alliance consisted of the District, the City of San Diego, the Redevelopment Agency of San Diego acting through Centre City Development Corporation, the County of San Diego, and the U.S. Navy. The coordinated efforts of this alliance and local stakeholders resulted in the creation of the North Embarcadero Visionary Plan. Since the North Embarcadero Visionary Plan's inception, over 100 public and stakeholder outreach meetings have been held concerning the public infrastructure improvements, design issues, and subsequent projects described in the North Embarcadero Visionary Plan.

In succeeding years, the North Embarcadero Visionary Plan has been incorporated by the members of the alliance into their respective planning documents. In 2001, the District, acting as Lead Agency under the California Environmental Quality Act, prepared the North Embarcadero Visionary Plan Master Environmental Impact Report. The Master Environmental Impact Report Project Description (Chapter 3.3, Pages 3-4 through 3-7) includes a general description of those Coastal Access Features planned as a part of the North Embarcadero Visionary Plan within the project area covered by the Addendum and Initial Study.

On October 11, 2005, the Centre City Development Corporation Board and the Board of Port Commissioners approved the Schematic Design for the public infrastructure improvements of the North Embarcadero Visionary Plan. The Schematic Design laid the foundation for a phased approach to future design and construction. On April 9, 2007, the City of San Diego, the Redevelopment Agency acting through Centre City Development Corporation, and the District created the "North Embarcadero Alliance Joint Powers Authority" for the purposes of designing, funding, and constructing the *Proposed Project now called Phase 1 of the North Embarcadero Visionary Plan*.

The public has had multiple opportunities to participate in the design process. The public has been engaged through several design charrettes, public workshops, and North Embarcadero Visionary Plan Joint Powers Authority Board meetings. Most recently, a public design update meeting was held on March 2, 2009 at which comments on both the design and California Environmental Quality Act documentation were facilitated.

The Proposed Project

The Proposed Project would realign the section of North Harbor Drive between "B" Street Pier and Broadway Pier, eastward of its present location to enable construction of an approximately 105-foot wide Esplanade. The Esplanade would include a continuous bayfront promenade along the water's edge, a storm water treatment system, a running/walking path, improved landscaping and pavilions, and a public plaza at the foot of West Broadway flanked by formal gardens. On the eastern portion of the Esplanade, ticket kiosks, an information building, and a walk-up café would be installed under two open shade pavilions. In addition, a new public restroom would be constructed on the eastern portion of the Esplanade south of the future C Street view corridor. To enhance visual access to the Bay, West Broadway between North Harbor Drive and the railroad right-of-way would be reconstructed by removing an existing crest in the roadway and installing a landscaped median. Temporary sidewalks will be provided on both sides of West Broadway as the developers of the adjacent parcels will be required to install the final North Embarcadero Visionary Plan improvements behind the curb. The Proposed Project also includes restriping an additional left turn lane and traffic signal improvements at the intersection of North Harbor Drive and Grape Street. The project incorporates water conservation measures including purple-pipe infrastructure to minimize water use.

Master Environmental Impact Report and Subsequent Project Review

The North Embarcadero Visionary Plan Master Environmental Impact Report was intended to provide a level of certainty for the programmatic elements of the entire North Embarcadero Visionary Plan project and to minimize the need for, and reduce the scope of, environmental review for subsequent projects.

Pursuant to the California Environmental Quality Act, the Board adopted Resolution 2006-131 on August 8, 2006 with the finding that: (1) no substantial changes have occurred with respect to the circumstances under which the Master Environmental Impact Report was certified; (2) the Master Environmental Impact Report is adequate for use in the review of subsequent projects; and, (3) the mitigation measures contained in the Master Environmental Impact Report and Mitigation Monitoring and Reporting Program adopted by the Board under Resolution 2000-82 remain in effect and are applicable for subsequent projects described in the Master Environmental Impact Report.

The California Environmental Quality Act requires that the Lead Agency prepare an Initial Study to analyze whether the subsequent project would cause additional significant environmental effects not previously examined in the Master Environmental Impact Report prior to approving projects within the scope of the Master Environmental Impact Report. Staff completed an Initial Study for the Proposed Project, and determined that: (1) the Proposed Project is within the scope of the Master Environmental Impact Report; (2) there would be no new significant impacts or required

mitigation measures not previously identified in the North Embarcadero Visionary Plan Master Environmental Impact Report and Mitigation Monitoring and Reporting Program previously adopted by the Board; and, (3) no additional environmental review is required.

An Addendum to the North Embarcadero Visionary Plan Master Environmental Impact Report has also been prepared to incorporate the updated and refined project description into the Master Environmental Impact Report for the Board to consider. The Addendum and Initial Study were bound together and released for a 45-day public review period that ended on March 23, 2009. Public comments were received in regards to the Addendum and Initial Study, to which staff have prepared responses. The Addendum and Initial Study, as well as public comments and staff responses to those comments, are included with this Agenda Sheet as Attachments 1 and 2.

Coastal Consistency Analysis

The Proposed Project includes components located within the coastal permitting jurisdictions of both the District and the City of San Diego. The Proposed Project components located within the District's jurisdiction include improvements located within the Crescent Zone subarea (32) and Civic Zone subarea (33) of Planning District 3, Centre City Embarcadero, which are delineated on Figure 12 of the certified Port Master Plan.

The Proposed Project is consistent with the Centre City Embarcadero Precise Plan land use designations, text, and project table of the certified Port Master Plan. For example, the Proposed Project is consistent with the Centre City Embarcadero Precise Plan Map (Figure 11) of the Port Master Plan, which shows promenade and Park/Plaza land use designations along the entire waterfront of the Civic Zone, as it would realign North Harbor Drive from B Street Pier to Broadway Pier and transition the realigned roadway to the existing alignment north to Ash Street and south to the future extension of F Street. In addition, the Proposed Project would widen and enhance the Esplanade from the south edge of the B Street Pier to the north edge of Navy Pier. Therefore, the Proposed Project will not result in any changes to existing land uses.

In addition, the Port Master Plan text (page 63) describes the importance of a pedestrian-oriented Esplanade in the Civic Zone and identifies many components consistent with those proposed by this Project including an extended plaza at the foot of Broadway Pier, green spaces, a continuous 25-foot wide paved area adjacent to the water's edge, and keeping the wharf side clear of furnishings that would block Bay views. Additionally, stormwater runoff from Harbor Drive and the Esplanade will be treated in a new water quality band prior to discharging into the Bay.

Finally, the Proposed Project is specifically included on the Table 11 Project list for the Centre City Embarcadero Planning District: "4. North Embarcadero Redevelopment: (a) Visionary Plan public improvements, (b) esplanade, (c) street improvements, and (f) park and plaza areas." Therefore, staff has analyzed the Proposed Project and has determined that it is consistent with the certified Port Master Plan.

A draft Coastal Development Permit has been prepared that covers only the project components within the District's jurisdiction. Excluded from this Coastal Development Permit are improvements to the segment of West Broadway between Pacific Highway and the railroad tracks, which are in the jurisdiction of the City of San Diego. The Draft Coastal Development Permit is included with this Agenda Sheet (Attachment 3).

In accordance with the District's Coastal Development Permit Regulations (Document No. 19171), a notice of a public hearing regarding the appealable Coastal Development Permit for the Proposed Project was mailed to known interested parties, the Mayor of San Diego, all San Diego City Council members, adjacent property owners and the California Coastal Commission. In addition, the notice was published in both the San Diego Union Tribune and San Diego Daily Transcript on June 22, 2009.

This item was originally noticed and scheduled for the April 7, 2009 Board of Port Commissioners meeting but was continued in order to allow District staff to further engage the California Coastal Commission staff and community stakeholders regarding this project. Correspondence between District and California Coastal Commission staff, as well as accounts of those meetings, has been provided to the Board. Staff believes there is now a general consensus amongst stakeholders. As a result of the meetings with California Coastal Commission staff, revisions have been made to the conditions of the Coastal Development Permit and the Coastal Consistency Evaluation prepared by staff.

Port Attorney's Comments:

The Port Attorney's Office is working with staff to facilitate the appropriate level of environmental review and has advised as to the appropriate procedure for legal compliance.

Environmental Review:

Pursuant to the California Environmental Quality Act and its procedures for Master Environmental Impact Report subsequent projects, staff has prepared an Initial Study and Addendum for the Proposed Project. Staff therefore requests that the Board adopt a resolution finding that the North Embarcadero Visionary Plan Phase I Coastal Access Features Project is within the scope of the North Embarcadero Visionary Plan Master Environment Impact Report. Following Board approval, no further action is required pursuant to the California Environmental Quality Act.

Equal Opportunity Program:

Not Applicable.

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- Attachments:**
1. Addendum to the Master Environmental Impact Report and Initial Study, North Embarcadero Visionary Plan, Phase 1 Coastal Access Features Project
 2. Responses to Comments on the Addendum to the Master Environmental Impact Report and Initial Study, North Embarcadero Visionary Plan
 3. Draft Coastal Development Permit