



A. Industrial Land Use

Goals

- ◆ A diversified economy with a focus on providing quality employment opportunities and self-sufficient wages for all San Diegans.
- ◆ A city with sufficient land capacity for base sector industries to sustain a strong economic base.
- ◆ Efficient use of existing employment lands.

Discussion

The Availability of Industrial Land

The supply and type of employment land uses in the City are significant factors in determining the ability of the City to meet the needs of a rapidly changing economy. As of 2006, only one-fourth of all designated industrial land was still vacant in the City. More than two-thirds of the total vacant industrial land in the City is located in the community of Otay Mesa. The majority of the remaining vacant industrial land within the City is located within the other Subregional Employment Areas (see Figure EP-2, Regional Center and Subregional Employment Areas). Regionally, there is adequate long-term availability of employment land, but there is a shortage of available land within the City close to housing, transportation, public transit, and other infrastructure. This diminishing supply of industrial land is a potential challenge to the growth and retention of base sector industries providing middle-income job opportunities in the City.

Adopted community plans vary in their treatment of industrially designated land. Some community plans discourage or prohibit non-industrial uses, some plans identify areas to locate industrial support uses, and others contain industrial land that clearly anticipates a mix of non-industrial uses. The General Plan recognizes that industrial areas play a role in both the community and the San Diego region. Therefore, the General Plan accounts for the various roles of adopted land use designations in community plans and provide a policy framework for evaluating the future role of currently designated industrial land through the community plan update process. The focus is on a strategy to evaluate and preserve critically-located base sector areas but to allow, through comprehensive analysis, consideration of conversion or mixed-use of industrial land if it is not critical to the City's or region's base sector employment goals.



Economic Base Sector Industrial Uses

Economic base sector industries create wealth for a local jurisdiction by exporting products and services primarily to national and international markets outside of the local area. As such, base sector industries drive regional prosperity, are a source of competitiveness and innovation, and are the primary source of new businesses in the region. San Diego's economic base is primarily composed of manufacturing industries (including research and development), certain professional services, visitor industries, and industries related to national security and international affairs. High technology manufacturing, and research and development are the most significant because they support middle-income employment that is essential to preserve a healthy economic base. In San Diego, these uses are growing and becoming more internationally competitive. The retention of these uses also preserves the City's ability to maintain a stable tax base and support higher levels of municipal services for a growing population. Base sector industries primarily include the functions of manufacturing, research and development, assembly, corporate headquarters, warehousing, distribution, marketing, and certain related professional and administrative functions associated with product/process conception, development, sales, and distribution.

Increasing globalization will continue to result in the loss of some traditional manufacturing operations that support middle-income employment both nationally and in the City. Maintaining areas for base sector industries with existing infrastructure is the principal way that the General Plan and community plans can influence the economic health of the City. Protection of these areas from encroachment by non-base



sector uses that have alternative site opportunities within the City, such as commercial retail and services, residential, and some institutional uses, creates opportunities for existing users to expand rather than relocate out of the City. Community plan land use designations which are sufficiently refined to protect key industrial areas can create conditions which do not further exacerbate the local impacts of these global trends and, where possible, facilitate the development and expansion of base sector manufacturing, research and development, and support industries in the City.

Long-term changes in the economy have increasingly favored San Diego as a location for research and development functions, which can be performed in an office setting or flexible industrial space. Although current industrial development standards allow for adequate intensification of all types of industrial and office uses today, over the long term the City needs to continue to strengthen policies that support higher-intensity industrial development in particular locations that accommodate these research and development uses, supportive professional services, and corporate headquarters. Higher-intensity development also uses the City's limited land supply more efficiently.

Non-Base Sector Employment Uses

Non-base sector employment provides goods and services to base sector businesses and their employees. The significant growth of non-base service sector employment in San Diego has created a demand for multi-tenant and other commercial service office buildings. There is an adequate supply of land for these uses due to their ability to locate in a wider variety of commercial, mixed-use, and business park areas throughout the City. Intensification of these uses should be encouraged in appropriate locations, particularly in central locations within the City that are served well by transit, such as neighborhood, community, and urban villages and transit corridors. These uses also have greater compatibility with residential developments and should be encouraged as part of diverse village or other mixed-use developments.

In sum, maintaining an adequate supply of a variety of employment land types contributes to the economic health of San Diego in two major ways – accommodating a wide range of jobs for the City's residents, and importing dollars from outside the area. Economic diversity is crucial to a region's ability to weather economic cycles and to perpetuate the continuous generation of new industries and businesses. While traditional industrial park development may still be required in the future, the City will follow the trend toward increasingly vertical work places. Community plan land use designations for the Industrial Land Use category have been created with the goal of providing communities a menu of potential categories to fit individual conditions and community plan objectives while advancing citywide economic prosperity goals (see also Land Use and Community Planning Element, Table LU-4, General Plan and Community Plan Land Use Categories).

Industrial and Prime Industrial Land

Prime industrial land as depicted on Figure EP-1 identifies areas that support export-



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oriented base sector activities such as warehouse distribution, heavy or light manufacturing, research and development uses. These areas are part of even larger areas that provide a significant benefit to the regional economy and meet General Plan goals and objectives to encourage a strong economic base. There are six criteria to analyze to determine whether a particular area should be identified as prime industrial land (see Appendix C, EP-1). While not a selection criterion, some of the areas depicted on the map include supportive business uses.

It is anticipated that the Industrial and Prime Industrial Land Map will be revised over time, particularly as appropriate land uses are evaluated during comprehensive community plan updates. Land identified as Prime Industrial will undergo additional scrutiny if land use amendments are proposed that could diminish their potential role for base sector and related employment uses either before or after comprehensive community plan updates. The identification of prime industrial lands is intended to protect valuable employment land for base sector industries. The identification of land as Prime Industrial does not change the land use designation or zoning of a property, nor influence the processing of ministerial permits.

The Industrial and Prime Industrial Land Map also identifies all industrially designated land in the applicable community plan. Some of the industrial areas ~~outside of Prime Industrial lands~~ could convert to other non-industrial uses, such as commercial or residential uses, after an analysis of relevant factors to determine if the property could still feasibly support industrial uses and is appropriate for the use requested. Land identified as Prime Industrial Land – Flex allow for employment-oriented mixed-use with potential residential uses to support the innovation economy. In many ~~older~~ industrial areas containing obsolete industrial, ~~and many~~ non-industrial uses (such as office and commercial uses), and high concentration of knowledge-based jobs near transit, conversion to other uses, such as allowing mixed-use development, could contribute significantly to community enhancement and revitalization.

The City's industrial land availability has been impacted by the intrusion of sensitive receptors such as childcare facilities and schools (see the Glossary for "sensitive receptor" description). These uses require separation from certain commercial and industrial operations. Their location in industrial areas may limit the ability of the permitted industrial uses to expand. In addition, prime industrial lands, often characterized by large level lots, have been increasingly utilized by land-intensive uses which have been preempted in higher-cost commercial areas.



In order to maintain an adequate supply of land to accommodate base sector employment uses, residential, and some commercial and institutional uses should be limited in prime industrial areas until, or unless, a comprehensive study is performed to demonstrate the preservation of land for industrial and other base sector activities is no longer needed, in accordance with policies EP-A.12 through EP-A.15. The identification of prime industrial land does not preclude the future application of any of the industrial community plan land use designations provided that residential is not included.

Residential and Industrial Collocation and Conversion

The lack of affordable housing in San Diego negatively affects the local economy by limiting the ability of an industry to compete nationally for the necessary workforce. Additionally, the lack of housing near employment nodes has led to a strain on the City's roads, freeways, infrastructure, and environment, and affects the quality of life for all San Diegans by increasing the household cost of transportation. Policies aimed at increasing the supply of low- to moderate-income housing for the workforce are contained in the Housing Element.

As community plans are updated, opportunities for employment uses, as well as areas appropriate for locating workforce-housing opportunities near job centers, will be identified. In the interim, as community plan amendments are requested for collocation or conversion, there needs to be a means to minimize land use conflicts and preserve the most important types of industrial land, or prime industrial land, from residential, public assembly, and other sensitive receptor land uses.

Prime Industrial Land-Flex

Identification of potential locations for workforce-housing opportunities near job centers occurs during a comprehensive community plan update or focused community plan amendment via evaluation of appropriate land uses. Location with a concentration of knowledge-based jobs and proximity to transit can benefit from new amenities, homes, and services while minimizing potential land use conflicts.

Areas depicted as Prime Industrial Land-Flex on Figure EP-1 support the innovation economy - such as science and technology sectors - through the creation of vibrant, walkable, employment-oriented mixed-use villages to attract and retain talent to support a strong economy.

The addition of workforce-housing in a job-rich area meets the demands of both residents and employees by creating an option to walk, bike, and take transit to work - contributing to reductions in vehicles miles traveled, automobile dependency, traffic, and household transportation costs - and helps implement the City's Climate Action Plan.



Policies

Base Sector Industrial Uses

- EP-A.1. Protect base sector uses that provide quality job opportunities including middle-income jobs; provide for secondary employment and supporting uses; and maintain areas where smaller emerging industrial uses can locate in a multi-tenant setting. When updating community plans or considering plan amendments, the industrial land use designations contained in the Land Use and Community Planning Element should be appropriately applied to protect viable sites for base sector and related employment uses.
- EP-A.2. Encourage a broader geographic distribution of high technology businesses throughout the City.
- EP-A.3. Encourage large regional employers to locate and expand in the Regional Center or Subregional Employment Areas.
- EP-A.4. Include base sector uses appropriate to an office setting in Urban Village and Community Village Centers.



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- EP-A.5. Consider the redesignation of non-industrial properties to industrial use where land use conflicts can be minimized. Evaluate the extent to which the proposed designation and subsequent industrial development would:
- Accommodate the expansion of existing industrial uses to facilitate their retention in the area in which they are located.
 - Not intrude into existing residential neighborhoods or disrupt existing commercial activities and other uses.
 - Mitigate any environmental impacts (traffic, noise, lighting, air pollution, and odor) to adjacent land.
 - Be adequately served by existing and planned infrastructure.

Non-Base Sector Employment Uses

- EP-A.6. Provide for the establishment or retention of non-base sector employment uses to serve base sector industries and community needs and encourage the development of small businesses. To the extent possible, consider locating these types of employment uses near housing. When updating community plans or considering plan amendments, land use designations contained in the Land Use and Community Planning Element should be appropriately applied to provide for non-base sector employment uses.
- EP-A.7. Increase the allowable intensity of employment uses in Subregional Employment Areas and Urban Village Centers where transportation and transit infrastructure exist. The role of transit and other alternative modes of transportation on development project review are further specified in the Mobility Element, Policies ME-C.8 through ME-C.10.
- EP-A.8. Concentrate more intense office development in Subregional Employment Areas and in Urban Villages with transit access.
- EP-A.9. Efficiently utilize employment lands through increased intensity in “urban villages” and Subregional Employment Areas.
- EP-A.10. Locate compatible employment uses on infill industrial sites and establish incentives to support job growth in existing urban areas.
- EP-A.11. Encourage the provision of workforce housing within employment areas not identified as Prime Industrial Land that is compatible with wage structures associated with existing and forecasted employment.



Prime Industrial Land

- EP-A.12. Protect Prime Industrial Land as shown on the Industrial and Prime Industrial Land Map, Figure EP-1. As community plans are updated, the applicability of the Prime Industrial Land Map will be revisited and changes considered.
- a. Amend the boundaries of Figure EP-1 if community plan updates or community plan amendments lead to an addition of Prime Industrial Lands, or conversely, a conversion of Prime Industrial Land uses to other uses that would necessitate the removal of properties from the Prime Industrial Land identification.
 - b. Amend the boundaries of Figure EP-1 if community plan updates or community plan amendments/rezones lead to a collocation (the geographic integration of residential uses and other non-industrial uses into industrial uses located on the same premises) of uses.
 - c. Justification for a land use change must be supported by an evaluation of the prime industrial land criteria in Appendix C, EP-1, the collocation/conversion suitability factors in Appendix C, EP-2, and the potential contribution of the area to the local and regional economy.
- EP-A.13. In areas identified as Prime Industrial Land as shown on Figure EP-1, do not permit discretionary use permits for public assembly or sensitive receptor land uses.
- EP-A.14. In areas identified as Prime Industrial Land as shown on Figure EP-1, the following uses may be considered:
- a. Child care facilities for employees' children, as an ancillary use to industrial uses on a site, when they are sited at a demonstrably adequate distance from the property line, so as not to limit the current or future operations of any adjacent industrially-designated property; can assure that health and safety requirements are met in compliance with required permits; and are not precluded by the applicable Airport Land Use Compatibility Plan.
 - b. Existing hospitals previously approved through Conditional Use Permits (CUPs), provided that no new child care or long-term care facilities are established.



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- c. Existing colleges and Universities, previously approved through CUPs, provided that the facilities are for adult education and do not include day care facilities.

EP-A.15. The identification of Prime Industrial Land on any property does not preclude the development or redevelopment of such property pursuant to the development regulations and permitted uses of the existing zone and community plan designation, nor does it limit the application of any of the Industrial Employment recommended community plan land use designations in Table LU-4, provided that residential use is not included.

Prime Industrial Land-Flex

EP-A.16. In area identified as Prime Industrial Land-Flex as shown on Figure EP-1, the following uses may be considered:

- a. Employment-oriented mixed-use development with residential uses.
- b. Opportunities for moderate income and affordable homes to reduce vehicle miles traveled.
- c. Shared on-site amenities, including useable public space.
- d. Adaptable building structures that can accommodate changes in housing and employment demand or innovations over time.

EP-A.17 Provide multiple mobility options for commuters and residents to better connect with high-frequency transit.

Other Industrial Land

EP-A.16. In industrial areas ~~not identified as Prime Industrial Lands~~ Other Industrial Land on Figure EP-1, the redesignation of industrial lands to non-industrial uses should evaluate the Area Characteristics factor in Appendix C, EP-2 to ensure that other viable industrial areas are protected.

EP-A.17. Analyze the collocation and conversion suitability factors listed in Appendix C, EP-2, when considering residential conversion or collocation in ~~non-prime~~ industrial land areas.

EP-A.18. Amend the Public Facilities Financing Plan concurrently to identify needed facilities if residential uses are proposed in industrially designated areas.



EP-A.19. Encourage child care facilities in employment areas not identified as prime industrial land where health and safety can be ensured and where not precluded by the applicable Airport Land Use Compatibility Plan.

All Industrial Areas

EP-A.20. Meet the following requirements in all industrial areas, except Prime Industrial Land-Flex, as a part of the discretionary review of projects involving residential, commercial, institutional, mixed-use, public assembly, or other sensitive receptor land uses:

- Analyze the Collocation/Conversion Suitability Factors in Appendix C, EP-2.
- Incorporate pedestrian design elements including pedestrian-oriented street and sidewalk connections to adjacent properties, activity centers, and transit.
- Require payment of the conversion/collocation project's fair share of community facilities required to serve the project (at the time of occupancy).



B. Commercial Land Use

Goals

- ◆ Commercial development which uses land efficiently, offers flexibility to changing resident and business shopping needs, and improves environmental quality.
- ◆ Economically healthy neighborhood and community commercial areas that are easily accessible to residents.
- ◆ New commercial development that contributes positively to the economic vitality of the community and provides opportunities for new business development.
- ◆ A city with land appropriately designated to sustain a robust commercial base.

Discussion

Commercial development provides important goods and services to City residents and businesses. Future commercial development in the City will take the form of redevelopment, expansion of existing underutilized commercial areas, and some new infill development. Changes in the retail market are accelerating and format types for shopping areas are in constant flux. As we look to the future, policies regarding commercial development must be flexible to meet the rapidly changing needs of the population and their methods of shopping, given changes in technology and delivery systems. Traditional shopping centers will be redesigned to accommodate new types of anchor stores, different tenant mixes, and include a wider variety of non-retail uses (such as housing, public spaces, civic uses, open space, and entertainment uses).

Long-term market conditions can also result in commercial development in some communities in excess of what the market area can support, which results in an inefficient use of land and potential blight. The re-designation of commercial land to residential or mixed-use, particularly in older, competitively-obsolete commercial strips, increases the market for remaining retail properties, thereby encouraging reinvestment and improvement in their quality.

The City of Villages strategy incorporates the growing need for convenience and good design to attract the consumer. Many of the new shopping centers of this coming era will be designed to resemble a community and will function like a Main Street. The provision of traditionally stand-alone commercial uses within mixed-use development is an important strategy in using the City's land more efficiently. The in-migration of