

Agenda Report

August 3, 2020

TO: Honorable Mayor and City Council
FROM: Planning & Community Development Department
SUBJECT: PREDEVELOPMENT PLAN REVIEW OF A 105-UNIT MULTI-FAMILY PROJECT AT 270-282 NORTH LOS ROBLES AVENUE

RECOMMENDATION:

This report is intended to provide information to the City Council; no action is required.

BACKGROUND:

The applicant, CDB Investments LP, has submitted a PPR application to redevelop contiguous properties at 270 North Los Robles Avenue (AIN 5723-005-029) and 282 North Los Robles Avenue (AIN 5723-005-044) with a 105-unit multi-family rental apartment project. The site is located at the southwest corner of North Los Robles Avenue and East Corson Street, totals 39,181 square feet (0.90 acres) in area, and is zoned CD-3 (Central District Specific Plan, Walnut Housing subdistrict). Currently, the northern property (282 N. Los Robles Avenue) is developed with a surface parking lot, while the southern property (270 N. Los Robles Avenue) is vacant.

Although the City is obligated to bring this PPR forward, the project is located within the Fuller Theological Seminary Master Plan, and related Development Agreement, and cannot be processed further until such time as the Master Plan and Development Agreement are amended.

Pursuant to Zoning Code Section 17.60.040.C.2.a.(4) (Application Preparation and Filing – Predevelopment Plan Review – Applicability – Mandatory review) a PPR is required for multi-family projects consisting of ten or more dwelling units. The purpose of the PPR is to achieve better projects through early consultation between City staff and applicants. The intent is to coordinate the review of projects among City staff and City departments, familiarize applicants with regulations and procedures that apply to the project, and avoid significant investment in the design of a project without preliminary input from City staff. In addition, the purpose is to identify issues that may arise during review of the project and provide opportunities for discussion about the project and an exchange of information on potential issues between the City staff and applicants.

Further, projects that qualify as a 'project of community-wide significance' are presented to the City Council in order to inform it and the public of proposed development. A project is categorized as a project of communitywide significance if it consists of: 1) more than 50,000 square feet of gross floor area with one discretionary action; or 2) 50 or more housing units; or 3) any project determined by the Planning Director to be of major importance to the City. Projects of communitywide significance are presented to the City Council for informational purposes. The proposed project involves the construction of 105 housing units and therefore qualifies as a project of communitywide significance.

This report provides a project description, identifies the anticipated entitlement and environmental review processes, and summarizes key areas of concern regarding Zoning Code and General Plan compliance.

PROJECT SUMMARY:

The applicant's proposal includes the following:

- Demolition of existing on-site improvements;
- Construction of 105 multi-family rental units, including eight very-low income affordable on-site units, consisting of:
 - A 111,879 square-foot, six-story residential building
 - 162 parking spaces (70 at-grade and 92 in one subterranean level)
 - 32.5 percent density bonus
 - Floor area ratio of 2.86 (maximum allowed 2.25)

Figure 1: Aerial View Project Site



Figure 2: Proposed Ground Floor Plan

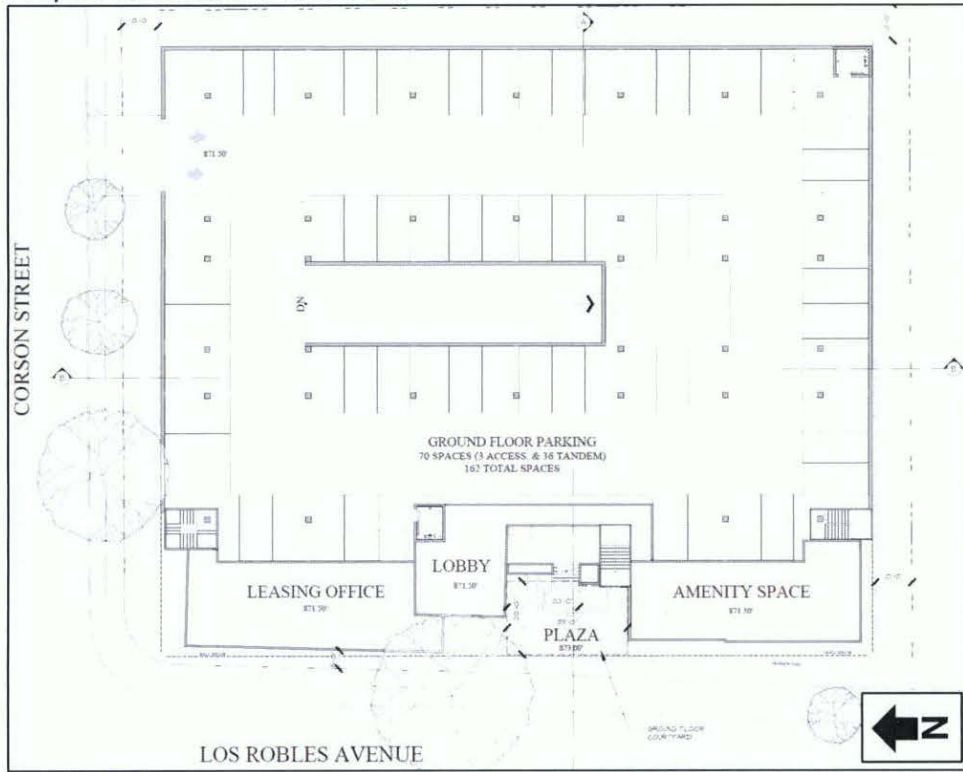


Figure 3: Proposed Second Floor Plan

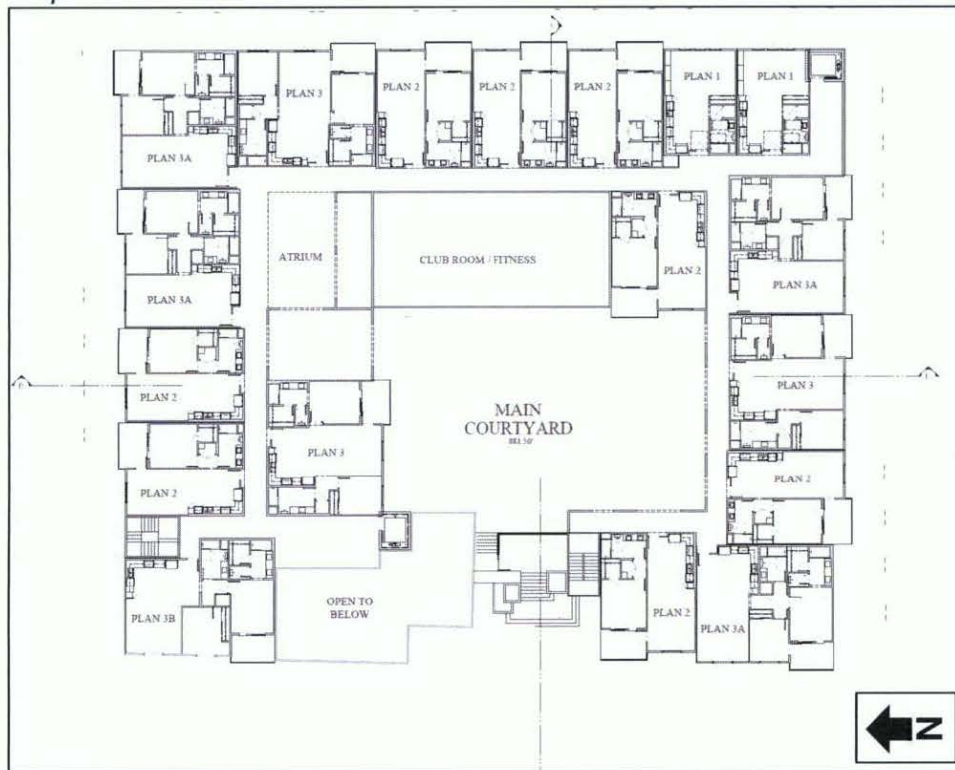


Figure 4: Elevations



PREDEVELOPMENT PLAN REVIEW ANALYSIS:

All applicable City departments reviewed the project as part of the PPR process and provided comments that are included in Attachment A. The City's Design Commission also conducted Preliminary Consultation on June 23, 2020 (these comments are included in Attachment B). Notable Planning-related comments are discussed below.

Fuller Seminary Master Plan

The project site is located within the 2006 Fuller Theological Seminary Master Plan, although only 282 N. Los Robles Avenue (parking lot) was owned by Fuller at the time of the approval of the Master Plan and related Development Agreement in December 2006. As such, only that property is subject to the regulations in the Master Plan and Development Agreement. Specifically, the site was envisioned to be developed in conjunction with the two properties to the immediate east (285 and 303 N. Oakland Avenue) with two buildings for student housing.

The Development Agreement calls for the provision of specific benefits to both the City and Fuller (e.g. Fuller-constructed parking to be made available for public use and construction of a 50,000 square-foot library addition). It also stipulated that any net new housing units in the Fuller Master Plan would be affordable and would be used exclusively by Fuller (e.g. students, faculty). No allowance for market-rate or non-Fuller

use of net new housing units was provided for in either the Master Plan or the Development Agreement.

Therefore, in order to construct the proposed project, the restrictions on the site by the Fuller Master Plan and Development Agreement would need to be removed, either by removing the site from the Fuller Master Plan and Development Agreement or amending both documents to allow non-Fuller market rate housing at this site.

As part of the PPR application, the applicant has acknowledged that the project site is within the Fuller Master Plan and that it is their intent to work with Fuller Seminary to remove the site from the Master Plan, for which there are two options available:

- Submit applications to amend the Master Plan and Development Agreement for this project site; or
- Wait for Fuller Seminary to complete its own Master Plan and Development Agreement amendment process before proceeding with the proposed project. Fuller Seminary submitted such an application in March 2020 and the application process is currently underway.

Massing and Scale

The proposed project is six-stories in height, ranging from approximately 66 feet to approximately 75 feet. The majority of the ground floor is occupied by at-grade parking. Surrounding properties are developed with multi-family buildings of various sizes. To the immediate south is a three-story apartment building with multiple two-story apartment buildings to the east.

The maximum permitted FAR, pursuant to 17.30.040, Table 3-2, Figure 3-9 (Central District Maximum Floor Area Ratio) of the Zoning Code, is 2.25 and the proposed FAR of 2.86 exceeds the maximum by 27 percent. A concession through an Affordable Housing Concession Permit would be required to achieve the proposed FAR.

Density, Density Bonus, and Inclusionary Housing

This site allows a maximum residential density of 87 dwelling units per acre, which equals up to 79 units on this site. Under density bonus provisions in Zoning Code Chapter 17.43 (Density Bonus, Waivers and Incentives) and State Law, a project is eligible for a density bonus when a specified percentage of the base units are designated very-low income.

As proposed, eight very-low income units (ten percent of 79 units) would be provided, which would allow a 32.5 percent, or 26 units, density bonus, for a total of 105 units. By providing ten percent very-low income units, density bonus law also allows up to two concessions or other incentives. As noted above, the application materials indicate the project has been designed such that it would exceed the maximum allowable size (i.e.

floor area ratio, or FAR) of 2.25 with a FAR of 2.86. The applicable method by which to receive this concession is an Affordable Housing Concession Permit.

The applicant has been encouraged to examine the City's local Affordable Housing Concession Menu, whereby a project that complies with the Inclusionary Housing Requirement for on-site units may receive up to two pre-determined concessions without going through the Affordable Housing Concession Permit process. One of these concessions is a FAR increase of 0.50. The proposed increase is 0.61. As for Inclusionary Housing, the project as proposed does not satisfy the City's recently enacted 20 percent inclusionary requirement and would need to be revised to comply.

Development Capacities

The 2015 General Plan established caps for residential and non-residential development in each of the specific plan areas. The City's development caps do not apply to affordable housing units, except in the Fair Oaks-Orange Grove Specific Plan. Analysis of the effect of the proposed project on the adopted Development Capacities for the Central District Specific Plan is provided in the table below:

Central District Residential Unit Development Cap	
2015 General Plan Adopted Cap	4,272 units
Remaining Cap Before Project	2,551 units
Proposed Project - New Construction	105 units
Remaining Cap After Project	2,541 units

ENTITLEMENT PROCESS:

Were the applicant to pursue its own amendment to the Master Plan and Development Agreement, the Affordable Housing Concession Permit would be bundled with those applications and presented first to the Planning Commission for advisory comments on the applications and related environmental analysis, and then to the City Council for final decision. Both hearings would be noticed public hearings.

If the applicant opts to wait until Fuller Seminary successfully completes its own amendment process, which includes removing the project site from the Master Plan and Development Agreement, then the remaining entitlement, the Affordable Housing Concession Permit and related environmental analysis, would be heard by the Hearing Officer at a noticed public hearing.

In either case, the environmental review would be conducted in compliance with the California Environmental Quality Act (CEQA). Additional environmental studies, including an Initial Study, may be needed to determine what type of CEQA analysis is required for the project.

Following either scenario, the project could then proceed through Design Review, which in addition to the already-completed Preliminary Consultation (June 23, 2020), consists of Concept Design Reviews and Final Design Review.

FISCAL IMPACT:

This report is for information only and will not result in any fiscal impact.

Respectfully submitted,



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Attachments: (4)

- Attachment A – Predevelopment Plan Review Comments to Applicant
- Attachment B – Preliminary Consultation Design Review Comments
- Attachment C – Project Summary Table of Development Standards
- Attachment D – Predevelopment Plan Review Plans