

Agenda Report

March 9, 2020

TO: Honorable Mayor and City Council

FROM: Planning & Community Development Department

SUBJECT: PREDEVELOPMENT PLAN REVIEW OF A NEW PLANNED DEVELOPMENT PROPOSING A 206-UNIT MULTI-FAMILY PROJECT AT 444 NORTH FAIR OAKS AVENUE AND 425 NORTH RAYMOND AVENUE

RECOMMENDATION:

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

BACKGROUND:

The applicant, Summerhill Apartment Community Investments, LLC, has submitted a Predevelopment Plan Review (PPR) application to redevelop contiguous properties at 444 North Fair Oaks Avenue (AIN 5725-003-058) and 425 North Raymond Avenue (AIN 5725-003-031) with a 206-unit multi-family project. The aggregate site area is 90,977 square feet (2.09 acres). The 81,035 square-foot western parcel (-058) is located at the southeast corner of Fair Oaks Avenue and Villa Street. This parcel is zoned FGSP-C-3b (Fair Oaks/Orange Grove Specific Plan - Limited Commercial District 3, Subdistrict "b") and is used by the George L. Throop Company building material and hardware center. It consists of a retail building, a series of covered open-air storage structures, and outdoor material storage areas. The 9,942 square-foot eastern parcel (-031) is an interior lot that fronts onto Raymond Avenue. This parcel is zoned RM-12 (Multi-Family Residential, Two Units Per Lot) and is improved with a three-story, seven-unit apartment building.

The proposed multi-family project would replace all existing improvements on-site with a 226,411 square-foot, four- to five-story residential building consisting of 199 units on the property fronting Fair Oaks Avenue, and a separate 12,432 square-foot, four-story residential building with seven units on the property fronting Raymond Avenue. A combination of at-grade and two levels of subterranean parking would provide up to 245 parking spaces for the project. To facilitate the multi-family development, the applicant is proposing to rezone the project site to a Planned Development (PD) zoning district.

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, provide opportunities for discussion about the project and an exchange of information on potential issues between the City staff and applicants, and inform the City Council and the public of proposed development projects defined in the administrative guidelines to be of communitywide significance.

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 206 housing units and 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;
- Creation of a Planned Development zoning district that would rezone associated parcels from FGSP-C-3b and RM-12 to PD;
- Construction of 206 multi-family rental units including 32 affordable on-site units (22 very low income and 10 workforce units) consisting of:
 - A 226,411 square-foot, four- to five-story residential building with 199 units
 - A 12,432 square-foot, four-story residential building with seven units
 - 245 parking spaces (at-grade and two subterranean levels)
 - 35 percent density bonus (added to proposed project density of 73 du/acre)

The PD zoning district is intended for sites where an applicant proposes and the City desires to achieve a particular mix of uses, appearance, land use compatibility, or special sensitivity to neighborhood character. The rezoning of a site to the PD district requires simultaneous approval of a PD Plan. The plan would prescribe development standards and allowed or conditionally allowed uses in the PD. The 73 dwelling unit per acre base density proposed (before application of density bonus) exceeds the residential density allowed on the Land Use Diagram for portions of the project site. The General Plan Land Use Diagram establishes a maximum density of 87 dwelling units per acre for the portion of the project site zoned FGSP-C-3b (444 N. Fair Oaks Avenue)

and a maximum density of 12 dwelling units per acre, but no more than two units per property/lot, for the portion zoned RM-12 (425 N. Raymond Avenue). Creation of a PD is a legislative action and the City Council has discretion when considering such a request.

An aerial map of the existing site and the proposed site plan and elevations follow:

Figure 1: Aerial View of Existing Condition





-  **FGSP-C-3b**
32 du/acre max (60 units) per Zoning Code
-  **RM-12**
2 units max per Zoning Code

Figure 2: Proposed Site Plan



Figure 3: Preliminary Massing

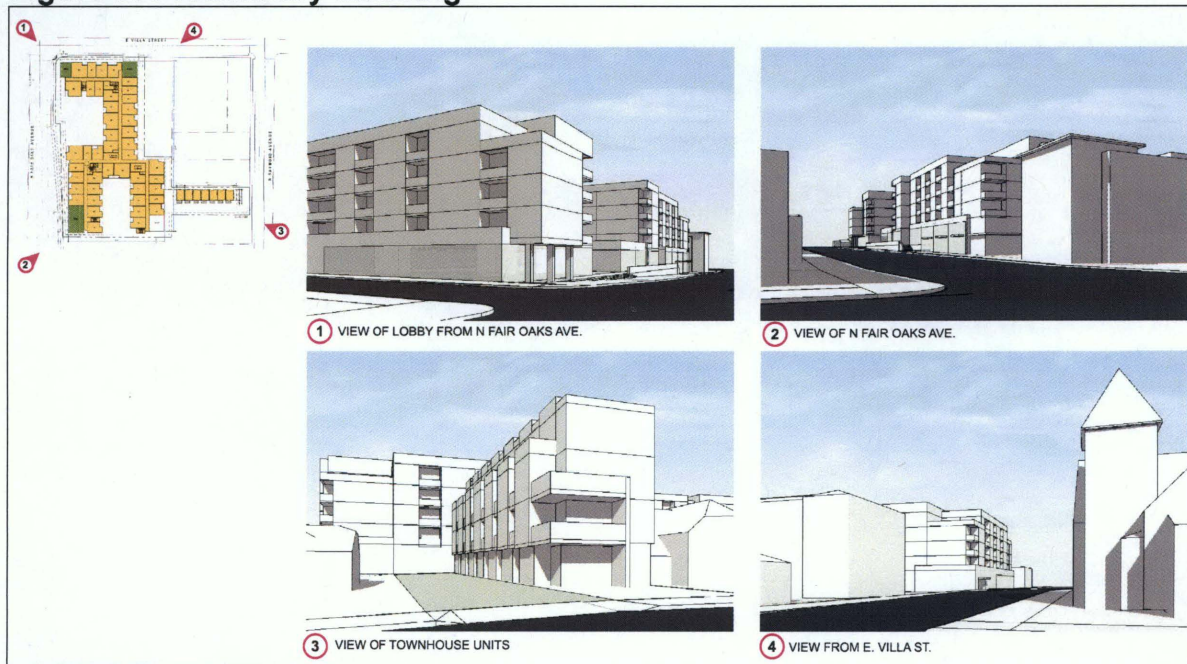
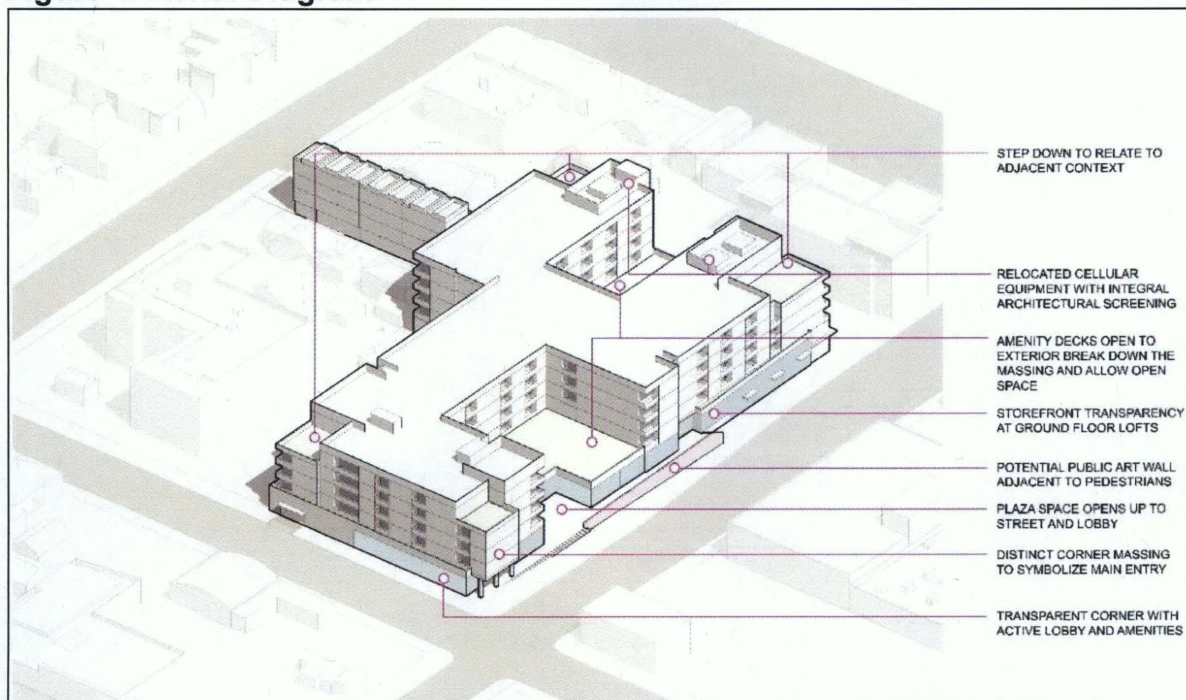


Figure 4: Aerial Diagram



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 November 12, 2019 (these comments are included in Attachment B). Notable Planning-related comments are discussed below.

Context and Compatibility

Through the PD Plan, an applicant can prescribe its own development standards. Staff evaluates these proposed development standards in consideration of the existing development standards that apply to the base zoning districts; the existing development standards are in place to implement a vision for the area and to ensure compatibility between sites. As proposed, the project exceeds the following key development standards in the Zoning Code:

Standard	Proposed	Requirement
Height	FGSP-C-3b: 76’ RM-12: 48’	FGSP-C-3b: 36’ RM-12: 28’
Density	73 du/acre*	FGSP-C-3b: 32 du/acre RM-12: 2 units per lot maximum

*Base density proposed for project site before application of density bonus

Within the vicinity of the project site along Fair Oaks Avenue the existing context consists of low-rise nonresidential developments. These existing improvements

generally transition to lower density residential developments moving east and northeast towards Raymond Avenue and subsequent streets.

Within this context, the proposed project has limited architectural relationship to its surroundings, to the City as a whole, as well as to the use of the building as a residential structure. In general, the residential use must be more clearly expressed in the design, as it currently has an institutional appearance. The proposed Raymond Avenue component is particularly incompatible with the lower scale and density of adjacent properties and the Raymond-Summit Historic District on the opposite (east) side of the street.

Massing and Scale

As proposed, the project does not reflect the scale of the immediate area. The massing of the proposed Fair Oaks Avenue building, although broken up by large second-level courtyards along its west and south sides, is substantially larger and bulkier than immediately adjacent surrounding properties, particularly at the southern end of the Fair Oaks Avenue frontage and along Villa Street. Building height is disproportionate to surrounding developments and is more than twice what is allowed under the applicable zoning district. The site is located within an area that has an established height limit of 36 feet. The project proposes a height up to 76 feet.

The massing of the proposed Raymond Avenue building is substantially taller and less articulated than other buildings along that street, with the exception of the Villa Raymond at the southwest corner of Raymond Avenue and Villa Street. The character and design of the buildings present a sense of “blocky” and undifferentiated building mass that do not ensure sensitive transitions in building scale between lower scale buildings to the north, east, and south. Open space usable by residents, whether in common or by individual units is not well integrated. Heights are proposed at nearly twice what is allowed under the applicable zoning district and are disproportionate to surrounding developments. The site is located within an area that has an established height limit of 28 feet. The project proposes a height up to 48 feet.

Density, Density Bonus, and Inclusionary Housing

The portion of the project site zoned FGSP-C-3b is designated Medium Mixed Use in the General Plan Land Use Diagram, which establishes a maximum density of 87 dwelling units per acre. The portion of the project site zoned RM-12 is designated Low Medium Density Residential in the General Plan Land Use Diagram, which establishes a maximum of 12 dwelling units per acre, but no more than two units per property/lot. As noted earlier, 73 dwelling units per acre is proposed across the PD site plus a 35 percent density bonus. Under density bonus provisions in Zoning Code Chapter 17.43 (Density Bonus, Waivers and Incentives) and State Law, a project is eligible for a 35 percent density bonus when a minimum of 11 percent of the base units are designated very low income. The proposal specifies that 22 units on-site would be devoted to very low income households. The 22 very low income units proposed represents more than 11 percent of the base units (approximately 153 units) and is sufficient to qualify for the

35 percent density bonus. However, the number of inclusionary units proposed does not yet satisfy the City's recently enacted 20 percent inclusionary requirement. Workforce units do not apply towards the density bonus or inclusionary housing requirements.

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. The main portion of the proposed project located at 444 North Fair Oaks Avenue is within the Fair Oaks-Orange Grove Specific Plan area. Analysis of the effect of the proposed project on the adopted Development Capacities for the Fair Oaks-Orange Grove Specific Plan is provided in the table below:

Fair Oaks-Orange Grove Residential Unit Development Cap	
2015 General Plan Adopted Cap	325 units
Remaining Cap Before Project	283 units
Proposed Project - New Construction	199 units
Remaining Cap After Project	84 units

PLANNED DEVELOPMENT ENTITLEMENT PROCESS:

The applicant has indicated that they intend to pursue entitlement of a Planned Development (PD). The scope of the proposed project would require the following reviews:

Planned Development -

- 1. Architectural determination of contextual and of high quality:** The Design Commission shall advise the Planning Commission and the City Council as to whether the architectural design of the proposed PD is contextual and of high quality. This review is required so long as the project continues to exceed the density on the Land Use Diagram.
- 2. Planning Commission:** The Planning Commission shall consider the application for reclassification to a PD zoning district and shall, at the same time, consider the proposed PD plan accompanying the application. The Commission shall make a written recommendation to the City Council whether to approve, approve in modified form, or disapprove the proposed amendment.
- 3. City Council:** Planned Developments are heard by the City Council. Upon receipt of the Commission's recommendation, the City Council shall, approve, approve in modified form, or disapprove the proposed amendment

This project will be subject to the provisions of 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.

Design Review -

- 1. Preliminary Consultation-Design Review:** This project must be reviewed by the Design Commission through the Preliminary Consultation process for preliminary advisory comments. This occurred on November 12, 2019.
- 2. Concept & Final-Design Review:** This project must be reviewed by the Design Commission through the Concept and Final Design Review process.

At minimum, public hearings before the Planning Commission and City Council are required for the Planned Development application, with the Planning Commissions acting as a recommendation body and the City Council as an approval body. Upon submittal of an official application, the steps included in the review process are as follows:

- Applicant submits Planned Development application;
- Conduct environmental review per CEQA;
- Conduct a noticed public hearing before the Design Commission (if applicable);
- Conduct a noticed public hearing before the Planning Commission;
- Conduct a noticed public hearing before the City Council for: (1) review and approval of the PD district and the PD plan; and (2) consideration of adoption of the environmental determination;
- Conduct a noticed public hearing before the Design Commission for Concept/Final design approvals.

FISCAL IMPACT:

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

Respectfully submitted,



DAVID M. REYES
Director of Planning & Community
Development

Prepared by:



Jason Van Patten
Planner

Concurred by:



Talya Mirzakhian
Planning Manager

Approved by:



STEVE MERMELL
City Manager

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