DEVELOPMENT AGREEMENT DA2016-0004

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LOCATION MAP



BACKGROUND

Site Description

The subject site is approximately 7.6 gross acres of a conceptual master planned area located on the north east corner of the intersection of Condit Road and San Pedro Avenue. The project site is adjacent to a future townhome style condominium and single family home development to the east (currently vacant), vacant commercially designated property to the north, commercial retail auto related uses to the west (NorCal Kenworth and See Mo Cars), and the Outdoor Sports Complex to the south across San Pedro Avenue.

Prior Actions

In 2006, the project site was annexed into the City as part of an "Island annexation" program sponsored by the Local Agency Formation Commission (LAFCO).

In 2014, the applicant, Presidio-Evergreen LLC applied to convert the General Plan and Zoning designations for two parcels totaling 18.2 acres from commercial to residential. This request was originally scheduled for Planning Commission consideration in November 2014. Staff was not recommending approval of the request for a number of reasons discussed in a report to the Planning Commission on January 13, 2015 (Attachment 3). The applicant requested that the project be deferred in order to allow time for staff and the applicant to work together to address the concerns identified. That work yielded a proposed Conceptual Plan (Attachment 4) which included additional parcels to the north of the site and a Memorandum of Understanding (MOU) (Attachment 5) mapping out a series of activities that would be required to approve development as proposed on these properties.

The Concept Plan and MOU demonstrated the applicants' intent to develop the property in a manner that would adequately address concerns and substantially meet other City goals, including the provision of attractive, multi-family rental housing. The MOU outlines that mutual

understanding between the applicant and the City for the processing of a series of applications relating to the development of the project, culminating with a Development Agreement. On January 13, 2015, the Planning Commission reviewed a Conceptual Plan, which included the adjacent parcel to the north, and the MOU for the properties north of the Outdoor Sports Complex across from San Pedro Avenue. The Conceptual Plan area included a condominium project on the southeast property and an apartment project on the southwest property (project site) with a large pedestrian paseo connecting the two projects to the future commercial property to the north and the Sports Complex to the south. Based upon the concept plan and related documents, the Planning Commission recommended certification of the Final EIR and approval of a General Plan Amendment for the two properties north of San Pedro Avenue, between Murphy Avenue and Condit Road from Commercial to Multi-Family Medium (west parcel) and Multi Family Low (east parcel).

Upon the recommendation of the Planning Commission, the City Council certified the Final EIR, approved the General Plan Amendment and entered into a MOU with the applicant, Presidio - Evergreen, LLC on February 4, 2015. The MOU outlined the intent of the parties to develop a Master Plan for the entire area, including the 12 acre commercial parcel not controlled by the applicant, and a refined project description with greater design details for the two properties proposed for residential development totaling in approximately 18.2 acres (see location map above).

The Planning Commission reviewed and recommended approval of a Zoning Amendment for the subject site and the adjacent condominium site at the July 14, 2015 hearing to amend the zoning from CG- General Commercial District to the R-3 Medium- Density Residential District to conform to the approved General Plan land use designations. The City Council approved the amendment at the August 5, 2015 hearing.

In September of 2015, the two residential projects which were the subject of the MOU submitted for the Residential Development Control System (RDCS) competition. The Planning Commission reviewed the two related RDCS applications for the residential properties north of San Pedro Road; the easterly parcel, a multi-family apartment project and the westerly parcel a multi-family townhome style condominium project. The project submittal for apartments was one of the highest scoring projects and was awarded 80 units for FY 2017-2018 and 85 units for FY 2018-2019 for a total of 165 units at the January 13, 2016 Planning Commission meeting.

Project Description

The application request is for a Development Agreement for 165 units of an apartment project on a 7.6 acre site.

ANALYSIS:

Development Agreement

The Presidio - Evergreen LLC project, entered the City's planning process over two years ago. Initially, the property owners on two southern parcels, sought development approval for a residential mixed density project concept. Because of the size of the project, and unique development characteristics and use interface at this geographical location, the City requested that the property owners take part in a Master Plan effort which included their two parcels as well as a third, commercially zoned area to the north. The total Master Plan site comprises nearly 32 acres.

The Master Plan process, directed by an MOU, sought to understand and determine the master on-site and off-site improvements, public space locations, circulation and streets issues/impacts and common design elements which would direct and inform the logical and successful integration of uniform major design and connectively elements on the separate properties.

On July 12, 2016 the Master Plan for all the properties was presented to the Planning Commission as a prelude to discretionary entitlement actions being requested to ready the residential portions of the site for the September 1, 2016 RDCS competition. RDCS previously awarded 165 allotments for the proposed rental portion of this Master Plan area and 30 allotments for the proposed ownership portion of the area. Presidio - Evergreen LLC does not own or control the commercial area which was subject to the Master Plan effort, even though, via testimony, the developer is highly interested in doing so, if possible. Through the Master Plan process, the zoning and development Conditions of Approval have been determined to anticipate the crossfunctionality of the independent parcels, so that they can be alternatively or concurrently developed in a way that links design features and circulation.

The expectations within the MOU, along with the RDCS commitments are articulated within the project Development Agreement.

The Conceptual Master Planned area provided a cohesive design that interconnects each of the project components/plan areas with the incorporation of a 39 foot wide pedestrian paseo that runs north/south in between the apartment and condominium project connecting the sports complex to the future commercial. Deviations from the RDCS commitments are required as part of the project and are summarized below.

Deviations from the RDCS commitments:

Section 18.78.250, Parks and Paths: 2. Privately owned and maintained amenities.

The applicant previously agreed to a dog park with washing station for three points. In exchange, the applicant will provide a half scale soccer field for three points.

Memorandum of Understanding

The applicant is proposing a residential village that will be part of a greater mixed-use neighborhood and therefore is meeting the expectations within the MOU. The expectations are formalized within the Development Agreement. Section b., Owner's Goals #7 states that the new homes will be setback 250 feet from the sports complex, which is beyond the 150 foot recommendation from the light leakage analysis provided within the Initial Study.

The applicant provided information on new LED lighting and efficiency of light leakage on other properties. In the City's efforts to move toward more efficient lighting, and the need to light the rest of the fields at the sports complex, the applicant will work with the City to improve more efficient lighting at the sports complex. This Development Agreement will implement Goals No. 7 of the Memorandum of Understanding and allow the applicant to build within the 250 foot setback by 15 feet, which would be 235 feet away from the sports complex and comply with the light leakage analysis.

Section 1.b.i. Owner's Goals

Section 1.b.i refers to a proposed commercial component to be constructed as part of the project. It states that the Owner will provide at least 10,000 square feet of commercial space within the property as long as it complies with the PD overlay and General Plan. After many discussions, comments from the Planning Commission and working closely with the applicant, this area is instead proposed to be a multi use half soccer field and programmable park. This type of use

meets the intent of the commercial space by providing a gathering place for the community. It is found that the presence of programmed activities or activity generators attract and increase positive use in a park. Depending on the location, size and features in a park environment such as electrical access, performance pads, temporary driveway access for loading and unloading, lighting, speaker ports, etc, programming can include: recreational offerings; exhibits; cultural festivals; small scale farmers market, or special events such as outdoor movie nights, music, dance or theatre. The presence of permanent or portable food concessions or a cafe is another key way to engage users. Programming and activity generators incorporated into a park environment reinforce the interconnection between use and safety. A programmable park amenity is consistent with both the General Plan and Zoning for the property.

All other expectations within the MOU that apply to the condominium portion of the project have been satisfied and formalized within the Development Agreement. The proposed Development Agreement is consistent with the City's standard form used to formalize RDCS commitments and establish a project schedule.

CEQA

An Environmental Impact Report (EIR) has been prepared and certified for the project site. An Addendum analyzing the project has been completed which has concluded that the project is consistent with the development project analyzed in the EIR for the project site.

Community Engagement

The proposed project was publicly noticed (mailing to property owners within 300 feet of the project) for the minimum 10-day period and a sign has been posted at the proposed business location per the Planning Division requirements. No public comments were received at the time of writing this report.

Conclusion

The Development Agreement memorializes the requirements of the RDCS and the MOU and is in conformance with all land use designations and standards. Staff recommends that the Planning Commission recommend approval of the Development Agreement to the City Council.

LINKS/ATTACHMENTS:

- 1. Resolution
- 2. Development Agreement
- 3. January 13, 2015 PC Staff Report
- 4. Conceptual Master Plan
- 5. MOU
- 6. RDCS Narrative
- 7. Project Plans