



City of Morgan Hill

Legislation Text

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CITY COUNCIL STAFF REPORT

MEETING DATE: MARCH 2, 2016

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APPROVED BY: City Manager

ZONING AMENDMENT, SUBDIVISION, AND DEVELOPMENT AGREEMENT APPLICATIONS, ZA-14-23/SD-14-12/DA-14-10: EAST DUNNE-BUSK RECOMMENDATION(S)

1. Open/close Public Hearing;
2. Waive the First and Second Reading of an Ordinance establishing a Planned Development Zoning District incorporating a Precise Development Plan;
3. Introduce the Ordinance;
4. Waive the First and Second Reading of Ordinance approving the Development Agreement;and
5. Introduce Ordinance;

COUNCIL PRIORITIES, GOALS & STRATEGIES:

Ongoing Priorities

Protecting the environment

2016 Focus Areas

Developing our Community

REPORT NARRATIVE:

The applicant is requesting approval of a zoning amendment to establish a planned development overlay and precise plan for the construction of 12 single-family homes on a 3.65 acre site (2.45 net acres excluding street area). The project includes two existing single family homes that will be retained along with the new development. The applicant is also requesting approval of a development agreement to formalize the project's Residential Development Control System (RDCS) requirements.

The project site is located on the southeast corner of the East Dunne Avenue and Murphy Avenue intersection. The project site has a General Plan designation of Single Family Medium (3-6 du/ac) and is zoned R-1 7,000/RPD. Surrounding land uses include Nordstrom Park to the north, Advent Lutheran Church to the south, single-family detached homes to the east and vacant commercial land to the west.

General Plan Consistency

As discussed in the attached Planning Commission staff report, the proposed project would implement the City's General Plan land use diagram designation of Single-Family Medium (3-6 units per acre) and General Plan policies related to the provision of housing units.

Zoning Amendment

The Planned Development Zoning is required because the project includes design components that do not conform to the base standards of the R-1 7,000 zoning district. Specifically six lots (1, 5, 8, 10, 11 & 12) do not meet the minimum **front setback** of 25 feet for the first story and/or 30 feet for the second. Three of the six instances (lots one, ten and twelve) require exceptions greater than the 25 percent PD flexibility guideline. Two lots (3 & 6) do not meet the first and second floor minimum (11 feet for R-1 4,500/12.5 for R-1 7,000) **side yard** setback requirements.

The City traditionally has allowed use of PD overlay zones to allow flexibility from the City's site development standards in exchange for the provision of open space areas, affordable housing units, and enhanced site design. Standard practice with planned developments has been to limit the degree of exception for each to within 25% of the base development standards, and to limit the frequency of occurrence of an exception to 25% of the units as well. The proposed PD Zoning generally meets that standard with the exception of the front setbacks on lots 1, 10 and 12 and the side setback on lot 6 where the magnitude of exception is greater than 25 percent. In addition to the setback exceptions, flexibility is also requested with a City street standard. The streets labeled on the plan as "private" meet the City's public street standards with the exception of the 32 foot radius of the cul-de-sac bulbs. The City's minimum radius requirement is 36 feet. Enlarging the radius of the cul-de-sac bulbs would result in the need for additional exceptions to the base zoning standards. Public Works considers this street design acceptable for private streets.

The most significant front setback exceptions (36% and 40% reductions) are proposed to accommodate preservation of the two existing homes (lots 1 and 10). The applicant made an extensive effort, developing over 10 alternative designs, to eliminate or lessen the magnitude of the setback reductions and street exceptions, but the alternative plans all resulted in a greater number of exceptions or magnitude of exception to other standards on other surrounding lots. As part of the design process, the applicant reduced the proposed number of units from 15 to 14 so that fewer setback exceptions would be needed. Design options for the site were also constrained by the requirement from Public Works to limit access to the portion of the site furthest south on Murphy Avenue to avoid potential traffic movement conflicts with the intersection of Murphy Avenue and East Dunne Avenue and to avoid access from Dunne Avenue to discourage cut-through traffic attempting to avoid the intersection. Staff also asked that the project circulation accommodate a secondary access point for the adjacent church.

Staff and Planning Commission recommend City Council approval of the proposed zoning amendment and precise development plan because they would provide the greatest amount of compliance with the applicable zoning regulations and the least amount of impact to the existing residents both within and surrounding the proposed development, while accommodating an appropriate number of units for the project (the project would result in a development density of 5.71 units per acre which falls within the General Plan land use designation range of 3-6 units per acre). An exception to the standard 25% deviation is thus recommended due to the design limitations of maintaining the two existing homes, the site's location adjacent to two arterials and the need to create a secondary access for the adjacent church. The exceptions are off-set by a project design that creates a safe circulation plan, provides a full public street that will greatly benefit the adjacent church and honors the wishes of the current property owner to continue to reside on the property.

Development Agreement

The applicant is requesting approval of the project development agreement. Project development agreements are required as a formal contract between the developer and the City. The development agreement formalizes the commitments made during the Measure C process and establishes the project milestone deadlines including the 'commence construction' date. The project specific commitments are identified in Exhibit C of the development agreement and the project milestone deadlines are contained in Exhibit B. As mentioned earlier in the report, the redesign of the project resulted in the loss of one unit so the number of allocations for FY 2016-17 has been reduced from 6 to 5 and is reflected in Exhibit B of the development agreement.

As a result of the project redesign, the project was re-evaluated for consistency with the RDCS commitments made in application MC 13-16: Dunne Ave.-MDMH Investors. The majority of the RDCS commitments are unchanged; however the project was no longer eligible for points under the Open Space Category criterion B1a and Lot Layout criteria B 3a and 3b.

To address the reduction in the point score, the applicant is willing to commit to alternate RDCS criteria. The new project layout allows for the applicant to commit to gridding the water system between East Dunne Avenue and Murphy Avenue (2 points), The project redesign eliminated fast through traffic and the street frontage made available to the adjacent church would allow for one (1) additional point to be awarded under Circulation criterion B1a and B1b. A sufficient transition in lot sizes is now provided with the proposed redesign allowing for the award of one point for meeting Lot Layout criterion B1e. In summary, the two points lost from the Open Space category and the Lot Layout category can be made up with a new commitment in the Public Facilities category and new points awarded under Lot Layout and Circulation due to project design changes. These new commitments can be found on pages two and five of Exhibit C of the proposed development agreement.

The numerous staff requests for redesign also delayed the processing of the project and completion of the CEQA document. As a result, a six month extension of the five fiscal year 2016-2017 building allocations was included within the proposed development agreement.

City Council approval of the development agreement application is recommended subject to the findings contained within of the attached ordinances.

COMMUNITY ENGAGEMENT: Inform

On February 9, 2016, the Planning Commission held a public hearing to consider the applications and unanimously voted (McKay and Toombs absent) to recommend City Council approval. The Commission also approved the corresponding subdivision (SD 14-12) application contingent upon the Council approving the zoning amendment request. A notice of public hearing was published in the February 19, 2016 edition of the Morgan Hill Times and notices were mailed to property owners within 300 feet of the application site.

ALTERNATIVE ACTIONS:

The Council could deny the application requests or continue the applications with direction.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

On February 25, 2014 the Planning Commission awarded RDCS allocations.

FISCAL AND RESOURCE IMPACT:

Application processing fees were submitted to cover the cost of processing the application requests

CEQA (California Environmental Quality Act):

Project, Description of CEQA requirements

An initial study has been completed which concluded that the currently proposed project would not result in any significant impacts that could not be addressed through mitigation measures. A copy of the initial study and appendix documents are available on the City web site

[<http://www.morgan-hill.ca.gov/DocumentCenter/View/17388>](http://www.morgan-hill.ca.gov/DocumentCenter/View/17388). Appropriate measures have been incorporated into the Mitigated Negative Declaration MND that will reduce potential impacts to a less than significant level. A Mitigation Monitoring and Reporting Program MMRP, has been prepared for the project, and it identifies the timeframe and responsibility for implementation of the mitigation measures. The project MND and MMRP were adopted by the Planning Commission on February 9, 2016 prior to the approval of subdivision application SD 14-12: E. Dunne-Busk.

LINKS: Initial Study: [<http://www.morgan-hill.ca.gov/DocumentCenter/View/17388>](http://www.morgan-hill.ca.gov/DocumentCenter/View/17388).

LINKS/ATTACHMENTS:

1. February 9, 2016 PC report
2. Project plans
3. MND
4. MMRP
5. Zoning Amendment Ordinance
6. Development Agreement Ordinance
7. Development Agreement
8. Vicinity Map