



# City of Morgan Hill

## Legislation Text

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## **CITY COUNCIL STAFF REPORT**

### **MEETING DATE: SEPTEMBER 21, 2016**

PREPARED BY: Tiffany Brown, Associate Planner/Community Development  
APPROVED BY: City Manager

### **DEVELOPMENT AGREEMENT, DA2016-004: CONDIR-MANA: A 165 - UNIT APARTMENT PROJECT LOCATED ON THE NORTHEAST SIDE OF SAN PEDRO AVENUE AND MURPHY AVENUE (APN 817-12-006)**

#### **RECOMMENDATION(S)**

1. Open/close public hearing;
2. Waive the first and second reading of the Development Agreement Ordinance; and
3. Introduce Development Agreement Ordinance.

#### **COUNCIL PRIORITIES, GOALS & STRATEGIES:**

##### **Ongoing Priorities**

Protecting the environment  
Maintaining fiscal responsibility

##### **2016 Focus Areas**

Developing Our Community

#### **REPORT NARRATIVE:**

The applicant, Presidio-Evergreen LLC, is requesting approval of a Development Agreement to formalize commitments made during the Residential Development Control System (RDCS) process. The Development Agreement will allow the development of 165 apartments with private streets, alleyways, and common open space areas. The project site is approximately 7.6 acres in size in the R3 - Medium Density Residential District, located on the north side of San Pedro Avenue, along the east side of Condit Road. The General Plan land use designation for this site is Residential Attached Medium (16-24 units /acre).

The proposed Development Agreement would formalize the project's RDCS commitments, establish a development schedule for the project including a commencement of construction deadline, and include other standard City requirements. The project took part in the City's 2015 RDCS competition and was awarded 80 allotments for Fiscal Year 2017-2018 and 85 allotments for Fiscal Year 2018-2019. The project applicant will be seeking to obtain additional allotments through future RDCS competitions.

The Development Agreement was reviewed by the Planning Commission at its August 23, 2016 meeting where the Commission held a public hearing and had further discussion. Planning staff explained that the project has been designed to conform to the base zone district and that a Planned Development is not required for the project. The project will require Administrative Design Review prior to issuance of a building permit. The Planning Commission provided design feedback to the applicant, was supportive of replacing the ancillary commercial component of the project with a programmable park and recommended approval of the Development Agreement to the City Council.

**COMMUNITY ENGAGEMENT: Inform**

The community was informed about this project through public notification including site signage, newspaper notice, and direct mail to property owners within 300 feet.

**ALTERNATIVE ACTIONS:**

In addition to denial of the Development Agreement, the City Council could direct staff to make changes to the Development Agreement.

**PRIOR CITY COUNCIL AND COMMISSION ACTIONS:**

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

In January 2015, a Conceptual Master Plan for approximately 30 acres was presented to the Planning Commission which included a General Plan Amendment request for 18.2 acres of the Master Planned area. The Commission recommended certification of the Final EIR, approval of a General Plan Amendment for the 18.2 acres (of which 7.6 acres includes the project site), amending the land use designation of the site from Commercial to Residential Attached Medium, and a Memorandum of Understanding (MOU) supporting a Conceptual Master Plan.

The City Council certified the Final EIR, approved the General Plan Amendment and the MOU at its February 4, 2015 meeting.

The Planning Commission reviewed and recommended approval of a Zoning Amendment for the 18.2 acre site at the July 14, 2015 meeting. The City Council reviewed and approved the Zoning Amendment at its August 5, 2015 meeting, amending the zoning from CG - General Commercial to R3 - Medium Density Residential District to conform to the Residential Attached Medium and Residential Attached Low General Plan Land Use designations.

On January 12, 2016, the Planning Commission awarded the project 80 allotments for Fiscal Year 2017-2018 and 85 allotments for Fiscal Year 2018-2019 pursuant to the RDCS.

On August 23, 2016, the Planning Commission voted (6-0-0-1), with Commissioner Tombs absent, to approve Subdivision Map SD2016-0006. In addition, the Planning Commission voted (5-0-1-1), with Commission Spring abstaining and Commission Tombs absent, to recommend that the City Council approve Development Agreement DA2016-0004.

**FISCAL AND RESOURCE IMPACT:**

No budget amendment is proposed. The City has collected application fees to cover costs

associated with the project.

**CEQA (California Environmental Quality Act):**

Project, Description of CEQA requirements

An addendum to an approved Initial Study (IS)/ Environmental Impact Report (EIR) was prepared.

**LINKS/ATTACHMENTS:**

1. Development Agreement Ordinance
2. Development Agreement
3. Conceptual Master Plan
4. Site Plans
5. August 23, 2016 Planning Commission Staff report