



CITY COUNCIL AGENDA REPORT

City of Anaheim PLANNING AND BUILDING DEPARTMENT

DATE: JANUARY 14, 2020
FROM: PLANNING AND BUILDING DEPARTMENT
SUBJECT: ENVIRONMENTAL IMPACT REPORT NO. 2018-00351
GENERAL PLAN AMENDMENT NO. 2017-00515
RECLASSIFICATION NO. 2017-00309
CONDITIONAL USE PERMIT NO. 2017-05931
MISCELLANEOUS CASE NO. 2017-00654
VESTING TENTATIVE TRACT MAP NO. 18104 AND
SPECIMEN TREE REMOVAL PERMIT NO. 2018-00006

ATTACHMENT (Y/N): YES **ITEM # 30**

RECOMMENDATION:

That the City Council, by Resolution, take one of the following actions related to the appeal of the Planning Commission's denial of a 58-unit, attached single-family residential project at the northeast corner of Serrano Avenue and Nohl Ranch Road:

Uphold the Planning Commission's denial of General Plan Amendment No. 2017-00515 to amend the Land Use Element of the General Plan to change the property's land use designation from Neighborhood Center to Low-Medium Density Residential, thereby resulting in the denial of the Project;

Or;

Approve the following zoning entitlements:

- 1) An Environmental Impact Report in compliance with the California Environmental Quality Act, determining that the project, with implementation of the mitigation measures contained in Mitigation Monitoring Program No. 359, will have a less than significant impact on the environment;
- 2) A General Plan Amendment to amend the land use designation from Neighborhood Center to Low-Medium Density Residential;
- 3) A Zoning Reclassification from the C-G (General Commercial) zone to the RM-3 (Multiple-Family Residential) zone;
- 4) A Conditional Use Permit (CUP) to allow for the construction of a 58-unit, attached single family residential project with modified development standards;

- 5) A Density Bonus to permit Tier II Density Bonus incentives;
- 6) A Vesting Tentative Tract Map to permit a 1-lot, 58 unit subdivision for condominium purposes; and
- 7) A Specimen Tree Removal Permit to remove Pepper Trees in the Scenic Corridor (SC) Overlay Zone.

DISCUSSION:

On October 28, 2019, the Planning Commission unanimously denied the subject General Plan Amendment, thereby denying the project. A total of 35 local residents spoke at the Planning Commission public hearing with more than 100 persons in attendance. A majority of the public comments provided at the hearing were in opposition to the project, relating to the following concerns: traffic and emergency evacuation, loss of the existing commercial center, density and land use compatibility, potential geologic instability in the area, view impacts, and parking. The Planning Commission denied the General Plan Amendment, finding that the proposed elimination of a neighborhood-serving commercial center, and the proposed residential density would not be compatible with the neighborhood. A copy of the Planning Commission staff report, which includes additional project details, is included as Attachment No. 8 to this report.

This 3.03-acre property is located in the “C-G” General Commercial zone and is developed with a commercial center that consists of seven one story buildings with neighborhood commercial uses. The site is designated for Neighborhood Center land uses by the General Plan. Surrounding uses include single-family residential to the north, south (across Serrano Avenue), and east; Anaheim Hills Elementary School to the southwest of the intersection of Nohl Ranch Road and Serrano Avenue; and vacant property with steep slopes below single family residences to the west, across Nohl Ranch Road.

General Plan Amendment and Reclassification

This project requires City Council approval of an amendment to the General Plan to change the land use designation from Neighborhood Center to Low-Medium Density Residential. The proposed Low-Medium Density Residential designation would allow up to 18 dwelling units per gross acre. The proposed project would have a density of 19.1 dwelling units per acre, achieved through a density bonus. The Planning Commission denied the amendment described above because the proposed change to the General Plan would result in the loss of a neighborhood commercial center and create a residential density that would be incompatible with the surrounding neighborhood.

The property is zoned General Commercial “C-G,” which is consistent with the existing general plan land use designation. The applicant proposes to rezone the property to the Multiple-Family Residential “RM-3” Zone, consistent with the proposed Low-Medium Density Residential land use designation.

Conditional Use Permit

The units would be constructed in eight, 2 and 3-story buildings, consisting of 35 two-bedroom units and 23 three-bedroom units. The unit types would include flats, townhomes, and carriage townhomes, as described later in the report. All units would have two-car garages with varying configurations: single-car garages, side-by-side garages, tandem garages, and garages with perpendicular entrances. Vehicular ingress and egress would be provided from driveways on Nohl Ranch Road and Serrano Avenue.



Site Plan

A total of 20,684 square feet of recreational area is proposed in the common area where 20,300 square feet is required. Common area improvements include an outdoor dining area with a shade structure and barbecue, outdoor lounges with furniture and enhanced paving, and an artificial turf game lawn with seating.

Modified Setbacks

The project complies with all development standards of the RM-3 zone with the exception of certain setback requirements. The applicant is requesting to modify the interior landscape setback to allow parking spaces to encroach into the required landscape setback and building-to-building setbacks where 40 feet is required and 32 feet is proposed. Setbacks for projects in the RM-3 zone may be modified in conjunction with a conditional use permit.

Affordable Housing

At the August 14, 2018 meeting, the City Council adopted a resolution affirming that affordable housing is a priority in the city of Anaheim. The resolution states that housing is a priority and encourages affordable development to address the city's affordable housing needs, as set forth in the Housing Element of the city's General Plan. The applicant proposes 20% of the units to be sold at a cost considered to be affordable to moderate income buyers, as provided in partnership with the Community and Economic Development Department. The Density Bonus Ordinance requires the applicant to enter into a density bonus housing agreement with the city in recordable form to ensure compliance with the Density Bonus Ordinance.

Density Bonus

The applicant proposes 20% of the units as affordable units to moderate income buyers. Based on the percentage of affordable units, the project is entitled to 1) a 35% density bonus, 2) reduced parking standards, and 3) two Tier 2 Density Bonus incentives per State Law and the city's Density Bonus ordinance. The applicant requests a 6% density bonus to construct 58 units where the general plan would allow a maximum of 54 units. The project would comply with the city's Multiple-family residential parking standards and no reduced parking standards are requested with the project. Two Tier 2 Density Bonus incentives are requested for the project. The incentives include 1) a reduction in the minimum lot size requirement for multiple-family residential projects in the Scenic Corridor to allow a 3-acre minimum lot size where a 5-acre minimum lot size is required, and 2) a reduction of the required 50-foot street setback along Nohl Ranch Road and Serrano Avenue to a minimum of 14 feet.

Under State law and local ordinance, the requested incentives shall be granted if the proposed housing development is in conformance with the requirements of Code, unless specific findings can be made for denial. The City Council may only deny requested incentives if it finds that the incentives are not required in order to provide affordable housing costs or rents, or if the Council determines that the granting of incentives would create specific adverse impact upon public health and safety or on the physical environment, or on any real property that is listed in the California Register of Historical Resources, and for which there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact without rendering the development unaffordable to, in this case, moderate income households.

Vesting Tentative Tract Map

A tentative tract map is proposed to create a one-lot condominium subdivision for the 58 "airspace" condominium units. All common areas, including driveways, recreational areas, paseos and on-site sidewalks would be owned and maintained by the homeowner's association. The tentative tract map complies with all subdivision regulations.

Specimen Tree Removal Permit:

The project includes the removal of three Brazilian Pepper trees that currently exist on the property. A discretionary Specimen Tree Removal Permit is required because these trees are designated as “specimen trees” in the Zoning Code. The applicant proposes to plant nine replacement specimen trees, in compliance with the city’s 3:1 replacement tree ratio, in conjunction with a comprehensive landscape plan that would meet or exceed minimum landscape requirements.

CEQA Environmental Determination

A Draft EIR was prepared and analyzed according to the standards and processes contained in the California Environmental Quality Act (CEQA). The city, acting as the Lead Agency, has analyzed the proposed project in accordance with the requirements of CEQA and determined that the proposed project will not result in a significant effect on the environment with implementation of Mitigation Monitoring Program No. 359. During the public review period, the City received comments from one responsible agency and 197 residents and/or interested parties. Staff found that none of the comments raised would require recirculation of the Draft EIR. If the appeal is upheld, certification of the EIR would not be required.

Community Comments

The applicant hosted a community meeting on January 10, 2018. City staff also hosted a Scoping Meeting for the Draft EIR on January 7, 2019. In addition, two project notification signs were posted in accordance with the City’s Sunshine Ordinance. City staff also maintained an email list for interested parties requesting to be informed about the project, which includes 308 email addresses to date.

In response to the community’s concern regarding the loss of the existing commercial center, the applicant provided a “Strategic Retail Market Viability and Sustainability Analysis” study. The study concludes that commercial land uses would not be feasible on the site due to “low demand, low supportability, and difficulty retaining and acquiring tenants”. Keyser Marsten Associates (KMA) was retained by the city to peer review the analysis. KMA concurred with several conclusions made in the applicant’s market study, but also had some contradictory opinions. According to KMA, the site could possibly accommodate mixed use and/or food service uses; the mixed use could include a combination of retail and residential uses on the site. Though not a potential environmental impact, a change in land use from commercial to residential represents a policy decision that is at the discretion of the City Council.

CONCLUSION:

The Planning Commission considered the application and received extensive input from the community and found that the proposed change to the General Plan would be inconsistent with the applicable goals and policies of the General Plan, specifically that the project would result in a land use that is incompatible with the surrounding single-family residential neighborhoods. Therefore, the Planning Commission denied the proposed project. City Council’s denial of the applicant’s appeal would uphold the Planning Commission’s denial of the proposed project.

IMPACT ON BUDGET:

There is no budgetary impact. The costs associated with this hearing will be incurred by the project applicant.

Respectfully submitted,

Ted White
Planning and Building Director

Attachments:

1. Resolution - Denying General Plan Amendment
2. Resolution - Certifying EIR No. 2018-00351
3. Resolution - General Plan Amendment
4. Ordinance - Reclassification
5. Resolution - Conditional Use Permit and Miscellaneous
6. Resolution - Vesting Tentative Tract Map
7. Resolution - Specimen Tree Removal Permit
8. Development Summary
9. Appeal of the Planning Commission's Decision
10. Project Justification Letter
11. Draft EIR
12. Final EIR
13. Project Plans
14. October 28, 2019 Planning Commission Staff Report (without attachments)
15. October 28, 2019 Planning Commission Draft Minutes
16. Planning Commission Denial Resolution
17. Strategic Retail Market Viability and Sustainability Analysis
18. Peer Review of the Strategic Retail Market Viability and Sustainability Analysis
19. Correspondence
20. Correspondence from Applicant