

DISCUSSION:

On April 13, 2020, the Planning Commission recommended City Council approval of the above-listed actions by a 5-2 vote. Commissioners White and Mulleady were the dissenting votes, with Commissioner White raising concerns regarding lack of affordable housing and the project's proximity to the I-5 Freeway, while Commissioner Mulleady did not specify reasons for the dissent. A copy of the Planning Commission staff report, which includes additional project details, and the meeting minutes are included as Attachment Nos. 16 and 17 to this report, respectively.

This 7.17-acre site is comprised of four contiguous parcels. The westerly parcel along Euclid Street is a vacant city-owned parcel that was formerly a Caltrans right-of-way remnant parcel, and the easterly parcel along Lincoln Avenue is a Successor Agency (formerly Redevelopment Agency) owned parcel that is currently used as a vehicle staging area. The remaining two parcels, located between the above-mentioned city-owned parcels, are privately owned, where the parcel with Lincoln Avenue frontage is currently developed with a cement manufacturing warehouse and the other parcel is vacant. The city-owned parcel along Euclid Street and the adjacent privately-owned vacant parcel are located in the "T" Transition zone. The other privately owned parcel with existing industrial development is located in "I" Industrial zone, and the Successor Agency owned parcel along Lincoln Avenue is located in "C-G" General Commercial zone. The entire site is designated for General Commercial land uses by the General Plan. Surrounding uses include the Southern Pacific Railroad, the I-5 Freeway and industrial uses to the north, industrial and commercial uses to the west, across Euclid Street, commercial and industrial uses to the east, commercial uses to the south, directly adjacent to the project site, and commercial and multi-family residential uses to the south, across Lincoln Avenue.

Because the project site includes two city-owned parcels, the applicant and the city have negotiated a Disposition and Development Agreement (DDA) which will be presented to the City Council for consideration following its review of the proposed entitlements. The DDA outlines the terms for the sale of the two properties and a detailed scope of development and schedule for the construction of the project, along with the proposed voluntary financial contribution for the city's affordable housing programs and projects, which is further discussed under Affordable Housing section of this report.

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 General Commercial to Mid Density Residential. The current General Commercial land use designation does not allow residential development and the proposed Mid Density Residential designation would allow up to 27 dwelling units per gross acre. The proposed project would have a density of 16 dwelling units per acre. The Planning Commission carefully considered the amendment described above and found that the proposed amendment to the General Plan would be consistent with the applicable goals and policies that encourage developments that provide a quality living environment with design amenities, such as private and community open space or recreation areas and high quality architecture. The surrounding

neighborhood consists of complementary uses, which includes a variety of commercial uses (i.e. target store), along with existing multi-family residential uses, including another future development project at the southwest corner of Lincoln Avenue and Loara Street, which is pending the City Council review. As such, staff and the Planning Commission believe that approving this request is an appropriate response to the demands of the housing market while still maintaining the goals of the General Plan.

The project site is currently zoned “T” Transition, “I” Industrial, and General Commercial “C-G.” Since the project includes a General Plan Amendment to the Mid Density Residential land use designation as described above, the implementing zone would be Multiple-Family Residential “RM-3.5.” Accordingly, the applicant proposes to reclassify the property to RM-3.5 zoning designation. Staff and the Planning Commission recommend approval of this request because the proposed “RM-3.5” zone would comply with the proposed Mid Density Residential land use designation.

Conditional Use Permit

The proposed project would construct 115 attached, single-family residences. The development is comprised of 27 buildings with 3- to 5 units per building, consisting of 30 two-bedroom units and 85 three-bedroom units. All units include a two-car parking garage, located on the first floor of each unit. The proposed project includes a total of 323 parking spaces in compliance with the minimum parking required by the Anaheim Municipal Code (“Code”); 230 spaces would be in private garage spaces and 93 spaces would be in surface parking spaces that are dispersed throughout the development. In addition, 12 units would contain extended driveways, which can provide two additional parking spaces for the respective units. Vehicular ingress and egress would be provided from Lincoln Avenue through two gated driveways. The eastern driveway would be the primary entrance, allowing full access. The western entrance would serve as an access for emergency vehicles only. A 7-foot right-of-way dedication would be required to accommodate a new 5-foot parkway, 5-foot sidewalk and a future bike lane. Lincoln Avenue would be improved with a new median. The project site would be secured with new perimeter walls and fences, including an 8-foot high wall abutting adjacent commercial uses and a 10-foot high sound wall along the entire north property line adjacent to the railroad track.

A total of 49,078 square feet of recreational area would be provided, of which 33,978 square feet would be provided in the common area. The common recreational areas include a main courtyard area with a pool, spa, a club room, a barbeque area, and restroom/shower building, three pocket parks with freestanding BBQs, picnic tables, benches, lawn games and/or a fire-pit area, and a dog park with benches and pet stations. The Code requires a total recreational area of 31,625 square feet.



Site Plan

Modified Setbacks

The project complies with all development standards of the RM-3.5 zone with the exception of certain setback requirements. The applicant is requesting to modify the street, interior, and building-to-building setbacks at certain locations. Setbacks for projects in the RM-3.5 zone may be modified in conjunction with a conditional use permit when it is determined that the modifications promote increased pedestrian activity, provide for a unified street frontage, ensure privacy and light for residential uses, provide for public spaces, and promote compatibility with existing development. Staff and the Planning Commission recommend approval of the requested modifications because they would allow for sufficient vehicle circulation including emergency vehicles, allow the project site to be appropriately secured from a busy arterial street and railroad track, and because the modifications are consistent with other granted in the past for similar residential projects. A more detailed description of the requested modifications is provided in the Planning Commission staff report (Attachment No. 16).

Tentative Tract Map

A tentative tract map is proposed to create a one-lot condominium subdivision for the 115 “airspace” condominium units. All common areas, including driveways, recreational areas, paseos and sidewalks would be owned and maintained by the homeowner’s association. The proposed density of 16 dwelling units per acre is permitted under the Mid Density Residential land use designation which allows up to 27 dwelling units per acre. The tentative tract map complies with all subdivision regulations.

Affordable Housing

In 2018, the Council adopted Resolution No. 2018-106, a policy statement that encourages a dialogue between city staff and residential developers to consider options and approaches for addressing the city’s affordable housing needs. Pursuant to the resolution, city staff and the applicant discussed potential options to support the creation of affordable housing. Although the applicant decided not to provide any on-site affordable units, the applicant has offered to provide a voluntary financial contribution in an amount of \$115,000 to assist in the city’s affordable housing programs and projects. Such funding would be used at the city’s discretion to support affordable housing programs and projects, such as the recently created Senior Safety Net program. Details of this voluntary financial contribution will be outlined in the DDA, which is scheduled to be presented to the City Council for consideration following its action on the requested zoning entitlements.

Community Outreach and Comments

The applicant reached out to the property owners of the commercial properties located within the immediate vicinity of the project site and the representatives of the Southern Pacific Railroad to discuss the proposed project. The applicant also mailed out a project information brochure to neighboring properties located within 500 feet of the project site on April 1, 2020. In addition, a project notification sign was posted in accordance with the city’s “Sunshine Ordinance.”

The city received a total of five written general public comments (Attachment 18), which included three letters in support of the project, one letter in opposition of the project, and one email requesting additional information. The letter in opposition was from the Kennedy Commission, which expressed concerns related to lack of sites to meet the city’s RHNA obligations, rezoning of a housing opportunity site, and compliance with the State’s Surplus Land Act. The Kennedy Commission also requested that 15 percent of the new residential units be affordable to lower income families or require in-lieu fees. For clarification, the project site is not a designated housing opportunity site and the proposed project is consistent with the goals and objectives of the city’s Housing Element. Also, although the project is not providing on-site affordable housing units, the applicant is contributing funds to assist the city’s affordable housing programs and projects, consistent with the intent of City Council Resolution No. 2018-106. Lastly, the city would be in compliance with the State’s Surplus Land Act.

CEQA Environmental Determination

An Initial Study in support of a Mitigated Negative Declaration (IS/MND) has been prepared to evaluate the environmental impacts of the proposed project and to identify necessary mitigation pursuant to the requirements of the California Environmental Quality Act. The IS/MND was circulated to public agencies and interested parties on February 20, 2020 for a 30-day comment period. Pursuant to Section 15073 (a) of the CEQA Guidelines, a 30-day comment period was required instead of a typical 20-day comment period because the proposed project requires coordination with one of state agencies (Department of Toxic Substances Control), which necessitates submittal of the IS/MND to the State Clearinghouse. Four comment letters were received as a result of the public notification; however, none of the comments received resulted in the need to recirculate the MND or to prepare an environmental impact report. Response to these comments, which includes copies of the four comment letters, is Attachment 13.

Mitigation measures have been identified in the IS/MND and Mitigation Monitoring Plan No. 365 (Exhibit B to Attachment 1). These mitigation measures are related to air quality, cultural resources, geology and soils, hazards and hazardous materials, transportation, and tribal cultural resources. The mitigation measures are being recommended to the City Council as conditions of approval in the attached draft resolution for the approval of the proposed project. With implementation of these measures, the IS/MND concluded that project impacts will be reduced to levels considered less than significant and there would be no remaining potentially significant adverse impacts related to the project.

In addition to the environmental analysis required under CEQA, a Health Risk Assessment (HRA) and a preliminary acoustical analysis were conducted to ensure that the future residents of the project would not be exposed to any significant health risk and/or experience significant noise impacts. Both the HRA and the preliminary acoustical analysis concluded that with implementation of certain measures (e.g. air filters with Minimum Efficiency Rating Value of 16 or higher, sound walls, windows and doors with certain Sound Transmission Class ratings, etc.), future residents would not be exposed to any significant health risks or experience a significant noise impacts. These recommended measures have been included in the conditions of approval.

CONCLUSION:

The Planning Commission and staff have carefully considered the proposed project and believe that it is designed in a manner that will provide a quality living environment for its future residents and is compatible with the surrounding land uses. In addition, the proposed project meets the goals of the General Plan to continue to provide a variety of quality housing opportunities to address the city's diverse housing needs. Staff and the Planning Commission recommend approval of the proposed request.

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. Mitigated Negative Declaration Resolution
2. General Plan Amendment Resolution
3. Conditional Use Permit Resolution
4. Tentative Tract Map Resolution
5. Reclassification Ordinance
6. Development Summary
7. Letter of Request
8. General Plan Amendment Justification Letter
9. Reclassification Justification Letter
10. Conditional Use Permit Justification Letter
11. Modification Justification Letter
12. Initial Study/Mitigated Negative Declaration
13. Response to Comments
14. Project Plans
15. Tentative Tract Map No. 19017
16. April 13, 2020 Planning Commission Staff Report (without attachments)
17. April 13, 2020 Planning Commission Draft Minutes
18. General Public Comments