



# CITY COUNCIL AGENDA STATEMENT



**December 8, 2020**

**File ID: 20-0475**

## **TITLE**

CONSIDERATION OF A RECOMMENDATION FROM THE PLANNING COMMISSION TO APPROVE A 141-UNIT CONDOMINIUM PROJECT OFF MOSS STREET, BETWEEN INDUSTRIAL BOULEVARD AND BROADWAY

- A. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA ADOPTING MITIGATED NEGATIVE DECLARATION AND ASSOCIATED MITIGATION, MONITORING AND REPORTING PROGRAM IS18-0004 AND APPROVING AN AMENDMENT TO THE CHULA VISTA GENERAL PLAN INCLUDING ASSOCIATED TEXT, MAPS AND TABLES TO REFLECT A LAND USE CHANGE FROM LIMITED INDUSTRIAL TO RESIDENTIAL HIGH FOR APPROXIMATELY 6.9 ACRES AT 676 MOSS STREET
- B. ORDINANCE OF THE CITY OF CHULA VISTA APPROVING A REZONE FOR A 6.94-ACRE SITE LOCATED AT 676 MOSS STREET (FIRST READING)
- C. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING TENTATIVE SUBDIVISION MAP PCS18-0006 TO CONSOLIDATE A 7.29-ACRE SITE FROM THREE (3) PARCELS INTO ONE 6.94-ACRE SITE FOR (141) MULTIFAMILY RESIDENTIAL UNITS, FOR INDIVIDUAL OWNERSHIP AT 676 MOSS STREET
- D. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING DESIGN REVIEW PERMIT DR18-0028 TO CONSTRUCT 18 THREE-STORY BUILDINGS TOTALING 104,416 SQUARE FEET, CONSISTING OF 141 TOWNHOMES ON A 6.94 ACRE SITE LOCATED AT 676 MOSS STREET, WEST OF BROADWAY AND EAST OF INDUSTRIAL BOULEVARD
- E. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING A VARIANCE, ZAV18-0001 TO DEVIATE THE FRONT SETBACK FROM 15 TO 10 FEET TO ALLOW AN EXISTING DOUBLE-BARRELED CULVERT TO REMAIN IN ITS CURRENT LOCATION ON A 6.94-ACRE SITE LOCATED AT 676 MOSS STREET

## **RECOMMENDED ACTION**

Council conduct the public hearing, adopt the resolutions and place the ordinance on first reading.

## **SUMMARY**

On December 7, 2018, Shopoff Realty Investments, LLC (“Applicant” or “Developer”) submitted a Major Planning Application for a General Plan Amendment (MPA18-0015), a Rezone (PCZ18-0001), Tentative Map

(PCS18-0006), Design Review (DR18-0028), Variance (ZAV18-0001) and (IS18-0004) Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for approval of a 141-Unit Condominium project. The use, as proposed, will serve a regional housing market demand in addition to the already established demand of patrons and visitors to the Chula Vista area. The site is currently operating with four businesses and a maximum of 40 employees. The site is currently zoned industrial and each business operates in one or more of the following services: industrial repair, fabrication, and salvage. (see Locator Map, Attachment 1).

On July 22, 2020, via a virtual Planning Commission meeting, the Planning Commission considered and approved the project for recommendation to the Chula Vista City Council. The Planning Commission's approval Motion passed by a vote of 6 – Yes to 0 – No. Letters of opposition and in support of the project (including electronic comments) were received and are provided as Attachment 5.

The Project design originally presented to the Planning Commission reflected a wastewater system with two sewer mains connecting to both Industrial Boulevard and Moss Street in order to avoid the Telegraph Canyon Drainage Channel. This design was dependent on two outside agencies (MTS and Sweetwater Authority) approving easements across their properties to connect to the sewer main in Industrial Boulevard. Due to both agencies denying approval of the required easements, revision to the Project's onsite wastewater system was necessary. The onsite wastewater utilities will now include a subterranean private pump system to serve approximately 86 units or 61 percent of the project. All of the units to be served by the pump system are located north of the Telegraph Canyon Channel box culvert drainage facility. In order to accommodate on-site equipment associated with the pump system, the applicant removed 10 guest parking spaces from the Project as originally presented to the Planning Commission. Proposed on-site parking continues to exceed minimum requirements.

Staff now presents the project for City Council consideration and action. The approval at issue is the Major Planning Application for a General Plan Amendment (MPA18-0015), a Rezone (PCZ18-0001), Tentative Map (PCS18-0006), Design Review (DR18-0028), Variance (ZAV18-0001) and (IS18-0004) Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program.

## **ENVIRONMENTAL REVIEW**

The Director of Development Services has reviewed the proposed Project for compliance with the California Environmental Quality Act and has conducted an Initial Study, IS18-0004 in accordance with the California Environmental Quality Act (CEQA). Based upon the results of the Initial Study, the Director of Development Services has determined that the Project could result in significant effects on the environment. However, revisions to the Project made by or agreed to by the Applicant would avoid the effects or mitigate the effects to a point where clearly no significant effects would occur; therefore, the Director of Development Services has caused the preparation of a Mitigated Negative Declaration, IS18-0004 and associated Mitigation, Monitoring and Reporting Program.

Pursuant to the CEQA Initial Study (IS18-0004) conducted, the Project could result in significant effects on the environment regarding Biology, Air Quality, Cultural Resources, Noise, Greenhouse Gas, Hazardous Materials, and Geology. However, revisions to the Project made by or agreed to by the Applicant as presented

in the MND would avoid the effects or mitigate the effects to a point where clearly no significant effects would occur. The MND IS18-0004 and Mitigation, Monitoring and Reporting Program (MMRP) were circulated for public review from April 27, 2020 through May 27, 2020. Approximately 4 comments were received. In accordance with CEQA Guidelines Sections 15088 and 15204, the City has independently evaluated the comments and prepared written responses describing the disposition of any significant environmental issues raised. The Response to Comments (RTC's), MND and MMRP are included as Attachments (See Attachment 2).

Following the Planning Commission approval and recommendation to City Council there was a change to the proposed wastewater system in the Project causing for a revised and updated Errata. The proposal would not result in any new significant environmental effects or a substantial increase in the severity of previously identified significant effects. The new information added to the Draft IS/ MND is not significant, and recirculation is not required in accordance with Section 15073.5(c). In conformance with Section 15074 of the CEQA Guidelines, the Draft IS/MND, technical appendices and reports, updates as referenced herein, together with the Errata, comprise the Final MND and are intended to serve as documents that will inform the decision-makers and the public of the environmental effects of this Project. Additional details of the proposed private sewer pump station are provided in the Sewer Feasibility and Technical Report (Attachment 10), prepared by Michael Baker International, dated November 11, 2020, attached hereto and incorporated into the IS/MND.

#### **BOARD/COMMISSION/COMMITTEE RECOMMENDATION**

On July 22, 2020 the Planning Commission considered and recommended approval of the Project at a virtual meeting. A motion to recommend approval of the Project passed by a vote of 6 – Yes to 0 – No. The Planning Commission Resolution recommending approval is provided as Attachment 4. Public comments submitted to the Planning Commission are provided as Attachment 5 (including electronic comments).

#### **DISCUSSION**

The Applicant proposes a General Plan Amendment from Limited Industrial (IL) to Residential High (RH), a Rezone from Limited Industrial (ILP) to Apartment Residential (R-3), and a Tentative Subdivision Map (TM), Design Review (DR), and Variance (ZAV) for conversion of an existing industrial facility to 141-unit (2 & 3 bedroom) townhome project consisting of 18 three-story buildings with attached 2-car garages, tot lot and common open space on an approximately 6.94-acre lot. The request for a variance is due to an existing double barreled 10' x 12' box culvert within the Telegraph Canyon Channel which bisects the site from east to west and requires a 45-foot easement in a north to south direction to bisect the site. This naturally occurring hardship requires the applicant to propose a 5-foot encroachment into the front yard setback in order to shift building away from an existing culvert easement (the "Project"). On December 7, 2018 the Applicant filed applications to process all of the subject items.

The Project is on an approximately 6.94-acre lot located along the north side of Moss Street, east of an industrial building and rail line adjacent to Industrial Boulevard (the "Site"). The Site is located between existing multifamily residential apartments to the east, industrial uses to the west and north, and single-family residential across Moss Street to the south. The current General Plan designations and densities along the north side of Moss Street are Residential High (18-27 dwelling units per acre [du/acre]) and Urban Core (28-60 du/acre). East of the Site are two multifamily developments, the Villa Marina Apartments consisting

of 175 units on 6.0 acres with a density of 29 du/acre and the newest development along Moss Street and Broadway, Del Oro Apartments consisting of 80 units on 2.49 acres with a 32 du/acre density. The project Site will be consistent with the General Plan designation of Residential High (18-27 du/acre) and provide approximately 20 du/acre and remain consistent with the mass and scale of adjacent multifamily properties.

The Project requires Environmental Review and an amendment to the City’s General Plan, a Rezone, a Tentative Subdivision Map, a Design Review Permit and a Variance as listed below:

<u>Item</u>	<u>Permit</u>
Mitigated Negative Declaration	IS18-0004
General Plan Amendment	MPA18-0015
Rezone	PCZ18-0001
Tentative Map	PCS18-0006
Design Review	DR18-0028
Variance	ZAV18-0001

Because the project is consolidated in accordance with Section 19.14.050 of the Chula Vista Municipal Code (CVMC), all entitlements will be considered by the City Council. The Planning Commission recommendation to the City Council is limited to legislative actions (e.g., requested amendments to the General Plan).

**PUBLIC INPUT**

A meeting was held at the Chula Vista Library, South branch to inform the public regarding the proposed Project and receive input on September 4, 2019. Concerns raised by the public at the meeting included:

1. potential adverse parking impacts to the neighborhood and allowance for boats and recreational vehicles onsite;
2. traffic impacts to the area;
3. potential environmental impacts and California Environmental Quality Act determination in utilizing a Mitigated Negative Declaration (MND) vs. Environmental Impact Report (EIR);
4. pedestrian safety from poor condition of existing sidewalks;
5. potential job loss from the existing uses associated with the land use change from Industrial to Residential; and
6. the fiscal impact to the City’s General Fund and revenues.

Based on the concerns raised, the following Project features were revised and/or established in response:

1. The Project provides all required parking (2 spaces per unit) onsite in private garage spaces connected to each respective unit, as well as 64 surface parking spaces in excess of the municipal code requirements for visitors and tenants.
2. A Traffic Analysis was performed utilizing the Vehicle Miles Traveled (VMT) methodology based on the California Governor’s Office of Planning and Research (OPR) Technical Advisory (December 2018). The VMT analysis determined that the Project generates roughly 60% of the VMT of the average in the area, well below the 85% threshold and concluded that there would be no traffic impacts.

3. All potential significant environmental impacts can be mitigated; therefore, the City as the lead agency has determined that an MND prepared for this Project is consistent with California Environmental Quality Act provisions.
4. There are currently no sidewalks fronting the site. The Project will provide full street improvements including sidewalks, curb and gutter along the entire width of the frontage along Moss Street.
5. An Industrial Lands Analysis (ILA) was prepared to determine the potential impact of job loss as a result of this Project. The ILA indicates that the 2,145 acres of land currently designated for industrial uses in the City far exceeds the total projected demand for industrial land through 2050 (888 acres). There are currently 731 acres of industrial land in use and over 1,400 acres of unused or vacant industrial land available for future growth. It is projected that another 157 acres of industrial land will be required to meet the demand for industrial development through 2050. The 1,414 acres of currently available vacant industrial land is almost nine (9) times the projected demand of 157 acres through 2050. The Project would have a negligible effect on the City's employment capacity and will not affect the City's ability to meet projected industrial growth. The businesses on the project site currently employ up to 38 persons. The businesses will need to locate elsewhere. As noted, there are 2,145 acres of industrial land in Chula Vista (731 acres developed and 1,414 acres available for industrial development) to accommodate these businesses in Chula Vista. The primary tenant with 14 employees has reportedly already signed a lease to relocate nearby.
6. A Fiscal Impact Analysis (FIA) was prepared to determine the net fiscal impact of the existing (Industrial) and proposed (Residential) land uses on the City's General Fund. The FIA concluded that the proposed land use would result in a net positive fiscal impact to the City in the amount of \$311,000 over 20 years, compared to the existing land use which currently results in a net deficit of approximately (\$29,000) over the same time period. The FIA found that industrial redevelopment on the site is not feasible based on anticipated construction and potential project sales prices. The residual land value would be lower than the value of the existing land and improvements of the site by approximately \$1.4 to \$1.9 million.

Staff prepared a response to the issues raised by the residents. The response document is attached (see Attachment 3).

## **BACKGROUND**

The current General Plan land use designation for the 6.94-acre Project site is Limited Industrial (IL). The proposed Project requires amendments to the General Plan (GP), a Rezone, a Tentative Map, and requires approval through the processing of a Design Review Permit and a Variance. All are subject to review by the Planning Commission and approval by the City Council. The MND analyzes potential impacts to traffic, air quality, visual, global climate change, noise, land use, public services and utilities, and other environmental issue areas.

The property has been historically used for industrial purposes, specifically, industrial repair, fabrication, and salvage. It was occupied by four businesses, Rapid Prep (4-employees), Hawthorne Machinery (4-employees), Kleenblast (4-6 employees) and Southwest Mobile Storage (12-employees). Currently, Rapid Prep is no longer at the site and in the process of relocating. Hawthorne Machinery will be moving in to a

new building off Industrial Boulevard (“Fun-4-All” Site) and Kleenblast remains on a month-to-month lease and Southwest Mobile Storage will remain on-site until June 2021.

The project Site is located at 676 Moss Street within the Harborside Neighborhood of the City. The Site lies within the Southwest Planning Area and Montgomery Subarea, as defined in the General Plan (Section 8.2).

The Project will provide additional high-density housing to southwest Chula Vista. The Project is compatible with, complements, and strengthens the neighboring residential developments by removing a noxious industrial use from an otherwise predominantly residential environment along Moss Street. The proposed Residential High (RH) General Plan designation is compatible with the existing RH adjacent to the east, Limited Industrial designations to the north and west and provides an additional buffer between industrial uses to the north and single-family residential to the south. The Project would create an alignment of uses on both sides of Moss Street between Colorado Avenue and Broadway.

The proximity to other high-density housing, regional transit options, commercial businesses, and public facilities creates the opportunity to develop a pedestrian-friendly and transit-accessible housing project that aligns with the goals and policies of the General Plan. The development will increase housing opportunities and availability while reducing an overconcentration of low-income housing within the west side of Chula Vista as referenced in the Balanced Communities Policy Guidelines (Attachment 11).

## **DISCUSSION:**

### **1. Location, Existing Site Characteristics, and Ownership**

The approximately 6.94-acre Site lies near the corner of Moss Street and Industrial Boulevard within western Chula Vista. Currently, the Site is used by multiple industrial businesses for fabrication, repair, and salvage work. There are four permanent structures currently on the Site: three warehouses and one metal canopy. These structures were constructed during the 1960s and 1970s; no significant investment has occurred on the Site for decades. The Site frontage on Moss Street is unattractive, lacking sidewalks and landscaping. The frontage contains dirt and gravel, and the street curb is asphalt, either broken or missing. There are three large entrances with sliding chain link gates. The Site is enclosed by a chain link fence with razor wire, with temporary fabric signs and plastic tarps intermittently attached to the fence, a large back-flow preventer, graffiti, and visible industrial equipment storage.

The Site is approximately 650 feet east of Interstate 5 (I-5) and directly north of a single-family home neighborhood, designated as Residential Low Density (RLM) in the General Plan. It is bordered by industrial facilities to the north and southwest, designated as IL in the General Plan. A mobile home park, designated as Residential Medium Density (RM) in the General Plan, is located about 550 feet to the southwest, across Industrial Boulevard. Directly west is one small industrial building and rail tracks, designated as IL and Open Space (OS), respectively, in the General Plan. Further north is a large residential block, consisting of properties designated as RH, RLM, and RM. Directly to the east are high density residential apartments and a lightly used parking facility for the Sweetwater Union High School District. Further east is a mixed-use commercial corridor (MUR), part of the South Broadway Corridor District.

Direct access to the Site is currently provided on the north side of Moss Street. Regional access is provided by I-5 via the Industrial Boulevard exit to the west and I-805 via the L Street exit to the east. Public transit access is provided by the Palomar Street Trolley Station approximately 0.65 miles to the south and H Street Station approximately 1.3 miles to the north. A bus stop on Broadway and Moss (0.3 miles from the Site) is served by MTS 932, which provides north-south service and connections to different trolley stations. Current pedestrian access to the Site is limited, as there is no sidewalk along the frontage. The Chula Vista Pedestrian Master Plan (CVPMP) specifically calls for the construction of sidewalk along Moss Street in front of the Site (CVPMP, p. 159).

The Site contains a double barrel 10’x12’ box culvert for the end of the Telegraph Canyon drainage channel which bisects the Site. The Site also contains a short rail-spur and easement which will be relinquished prior to construction. The Site is entirely developed and consists of almost completely disturbed land cover. Existing vegetation is limited to a few small trees along the eastern edge and some minor scrub vegetation along the rail-spur. There are no natural watercourses or other features on the Site.

**2. Project Description**

The Project proposes an amendment to the General Plan to change the land use designation of the Project Site from Limited Industrial (IL) to High Density Residential (RH). The Project also proposes to rezone the Site from Limited Industrial Precise Plan (ILP) to Residential Apartments (R-3). The new land use would be limited exclusively to townhomes. Eighteen townhouse and courtyard-style buildings with 141 residential units would be constructed on the Site, achieving a density of approximately 20 dwelling units per acre (du/ac).

**3. Land Use and Zoning**

The table below shows the current and proposed General Plan, and zoning designations for the subject site and the surrounding sites:

	<b>Current Use</b>	<b>Existing General Plan</b>	<b>Proposed General Plan</b>	<b>Existing Zoning</b>	<b>Proposed Zoning</b>
<b>Site</b>	Multiple industrial businesses for fabrication, repair, and salvage work. There are four permanent structures currently on the site: three warehouses and one metal canopy.	Limited Industrial	Residential High (18-27 du/ac)	Limited Industrial	Residential Apartments (R-3)
<b>North</b>	Industrial facilities	Limited Industrial	N/A	Limited Industrial (IL)	N/A

	<b>Current Use</b>	<b>Existing General Plan</b>	<b>Proposed General Plan</b>	<b>Existing Zoning</b>	<b>Proposed Zoning</b>
<b>East</b>	High density residential apartments and a lightly used parking facility for the Sweetwater Union High School District. Further east is a mixed- use commercial corridor (MUR), part of the South Broadway Corridor District.	Limited Industrial Residential High	N/A	Limited Industrial	IL R-3
<b>South</b>	Single-Family Mobile-home park	Residential Low Medium (6-11 du/ac)	N/A	R-1	N/A
<b>West</b>	One small industrial building and rail tracks	Limited Industrial Open Space	N/A	Limited Industrial	N/A

#### 4. Proposed Amendments

Following is a brief summary of the proposed amendments to the General Plan and Rezone.

##### *Chula Vista General Plan:*

Amend Land Use & Transportation (LUT) Element’s applicable tables and exhibits to reflect change in land use designation of 6.9-acres from Limited Industrial to Residential High. (see Attachment 4).

##### *Chula Vista Municipal Code:*

Change the zone from Limited Industrial (IL) to Apartment Residential Zone (R-3).

#### 5. Consistency with Development Standards

The General Plan amendment from Limited Industrial to Residential High and corresponding Rezone from IL to R-3 will apply the development standards of the R-3 zone. The proposed Project complies with the R-3 zone standards with the exception of a variance request to allow encroachment into the front yard setback.

### **ANALYSIS:**

#### 1. General Plan Amendment

##### *Existing Conditions*



The Site is located north of Moss Street within the South Broadway District within the Southwest Planning Area, and currently designated as Limited Industrial. The Site is within an existing urbanized area with Limited Industrial, Residential High, and Mixed-Use Residential (MUR) designations north of Moss Street, between Industrial Boulevard and Broadway.

Onsite activities include multiple industrial businesses for equipment rental, storage, fabrication, repair, and salvage work. These businesses operate adjacent to the 175-unit Villa Marina apartments directly east, which are affected by noise, dust and odors from these existing businesses. Further east, adjacent to the Villa Marina apartments, at the corner of Moss Street and Broadway is the Villa Del Oro 80-unit mixed-use apartment complex. High-density residential are the predominant land uses along the north side of Moss Street between Broadway and Industrial Boulevard.

#### *General Plan Amendment Considerations*

The proposed General Plan Amendment (GPA) to change the land use designation from Limited Industrial (IL) to Residential High (RH 18-27 du/ac), in conjunction with other required entitlements, would allow for the future development of a 141-unit townhome development. The for-sale townhomes would help meet the need of the surrounding community for additional market-rate housing in an area lacking for-sale development. General Plan Objective LUT 1 calls for a balance of residential and non-residential development throughout the City. The provision of a higher-density housing project in proximity to transit, higher-density residential, commercial and industrial uses would promote this balance of uses. In addition, the proposed townhomes, which are immediately adjacent to an existing higher-density apartment complex directly east and smaller single-family residential to the south would be designed in such a manner that it would be consistent with Policy LUT 4.5 of the General Plan, which calls for maintaining the character and quality of the surrounding neighborhood.

Amending the General Plan to RH would allow the development of new townhomes that will support a current market demand identified by the Applicant for such housing in the area. The proposed new use would be similar to the adjacent and nearby housing mix which consists of multi- and single-family products, in order to ensure compatibility with the surrounding land uses.

#### *General Plan Consistency*

In terms of General Plan Consistency, the new RH land use designation would be compatible with the existing industrial (IL) and high density residential (RH) adjacent to the Site, as well as the single- family homes (RLM) located south of Moss Street.

The following are the major policies that implement the General Plan objective discussed above, and how the Project proposal complies with the same.

- *(LUT 1.6) Attract and maintain land uses that generate revenue for the City of Chula Vista, while maintaining a balance of other community needs, such as housing, jobs, open space, and public facilities.*

A Fiscal Impact Analysis prepared for the Project indicates an annual positive net fiscal impact to the City in perpetuity, with expected revenues of approximately \$311,000 over the 20-year analysis

period.

- *(LUT 1.7) Provide high-quality public facilities, services, and other amenities within close proximity to residents.*

The Project is located within walking distance to transit, public services, and amenities, including schools, parks, bus stops, and other public facilities. The Site is within a high-quality transit corridor.

- *(LUT 1.9) Provide opportunities for development of housing that respond to diverse community needs in terms of density, size, location, and cost.*

This Project provides a mix of unit types and sizes to accommodate diverse housing needs in the City. The variation in the number of bedrooms, bathrooms, options, and private open space all factor into providing a range of home prices and housing choices.

The development will increase housing opportunities and availability while reducing an overconcentration of low-income housing within the west side of Chula Vista as referenced in Exhibit 1 in the Balanced Communities Policy Guidelines (Attachment 11). The Balanced Communities Policy was adopted in 1981 as part of the Housing Element General Plan requiring affordable housing with developments greater than 50 units. The proposed project meets the policy exemption which grants a waiver to project site's within a census tract area defined as "Area of Low/Moderate Income Concentration." Due to this, the project will be waived of the requirement and add variation in housing availability and remain consistent with the intent of the General Plan.

- *(Policy LUT 1.10): Maintain an adequate supply of land designated and zoned for residential use at appropriate densities to meet housing needs, consistent with the objective of maintaining a balance of land uses.*

This Project creates new residential uses at densities compatible with the adjacent uses, strengthening the balance of land uses in the immediate surroundings. The RH designation is consistent with similar high-density land uses north of Moss Street and low-medium residential densities south of Moss Street. The additional high-density housing would further help the city in achieving its State mandated Regional Housing Needs Assessment (RHNA) requirements.

- *(Policy LUT 4.2): Protect existing, stable, single-family neighborhoods through zoning or other regulations that discourage the introduction of higher density residential or other incompatible or potentially disruptive land uses and/or activities.*

This Project is compatible with the adjacent predominantly higher-density housing north of Moss Street and does not add an incompatible or potentially disruptive land use. It is located across the street from a single-family neighborhood and would increase the integrity of the residential neighborhood by providing additional buffer from Industrial uses to the north and aligning residential uses on Moss Street.

- *(LUT 4.3) Require that new development, or redevelopment, through consideration of site and building design, and appropriate transition and edge treatments does not negatively affect the nature and character of nearby established neighborhoods or development.*

The Project will be developed on an existing parcel that is proximate to transit, I-5 Freeway and existing roadways and adjacent to multi- and single-family residential neighborhood(s), and designed with high-quality architecture and open space, which compliments the adjacent industrial and residential uses. Landscaping and fencing are provided to screen and buffer the residential from the industrial uses to the north and west.

- *(Objective - LUT 11): Ensure that buildings and related site improvements for public and private development are well-designed and compatible with surrounding properties and districts.*

This Project proposes modern architecture that will integrate well into the existing neighborhood. The provision of 336 parking spaces onsite ensures the neighboring single-family homes will not be impacted by parking, and the improved frontage will increase pedestrian accessibility and mobility for residents in the area. A total of 54 guest spaces and 282 private garage spaces are provided.

- *(LUT 17.2): Direct higher intensity and mixed-use developments to areas within walking distance of transit, including San Diego Trolley Stations along E, H, and Palomar Streets, and new stations along future transit lines, including Bus Rapid Transit.*

The Project is within 0.3 miles of an MTS 932 bus stop on Broadway and within 0.65 miles (15-20-minute walk) of the Palomar Street trolley station.

- *(LUT 42.11): Building heights on both sides of Broadway and along Industrial Boulevard in the South Broadway District shall be primarily low-rise buildings.*

This Project proposes three-story, low-rise buildings, similar to the adjacent apartment complexes. They are not mid-rise or high-rise. They do not front on Broadway or Industrial Boulevard.

- *(ED 1.3): Encourage the preservation and expansion of existing industrial uses in areas designated as industrial.*

This Project is not consistent with the policy to preserve and expand existing industrial uses because it removes approximately 7 acres of industrial land from southwest Chula Vista; however, based on the findings of the Industrial Land Analysis it will have no material impact on the ability of the City to meet future industrial growth. It meets the goals of the policy to ensure the long-term fiscal health and economic vitality of the City. The Project will:

- Remove an unattractive, blighted industrial use that diminishes the value of and investment in surrounding residential property.
- Clean up the Site, which would likely be economically infeasible for industrial reuse.

- Generate a positive fiscal impact to the City, projected to exceed \$311,000 over a 20-year timeframe, replacing an existing use that is projected to create a net deficit of \$29,000 for the City over the same period.
- Complete planned improvements including curb, sidewalks, and landscaping along Moss Street to the benefit of the entire neighborhood.

The Site is very small (0.32 percent) in terms of total allocated industrial lands in the City (2,145 acres). The approximately 7-acre site accounts for roughly 1.5 percent of the industrial lands in the Interstate 5/Industrial Boulevard Corridor (470 acres). The Project does not propose or encourage the conversion of adjacent industrial uses.

The re-designation of the subject industrial land to high-density residential is beneficial because it creates a clearer, logical, and natural land use profile on Moss Street, provides additional buffering and protection of the existing single-family neighborhood, and supports the mixed uses in the South Broadway Corridor. Undeveloped industrial lands are designated around the Otay Landfill and Chula Vista Bayfront, and those will help absorb industrial demand in the City. Per the ILA, there are 1,414 unused acres of land designated as industrial in the City's General Plan, nearly nine (9) times the amount needed to meet the projected demand of 157 acres through 2050.

- *(ED 1.5): Consider fiscal implications of General Plan amendments that propose changes to industrial and commercial lands.*

As mentioned above, the Project is anticipated to generate a net positive fiscal impact to the city in perpetuity, totaling over \$311,000 in the first 20 years of the Project, compared to the existing industrial use that creates an annual net deficit in perpetuity, projected to total more than \$29,000 over the same period.

The Project is consistent with GP policies listed above providing appropriate transitions between land uses, maintaining the integrity of stable residential neighborhoods, directing higher density housing within areas served by transit, preserving adequate amount of industrial and commercial lands, and fiscal impacts of proposals to reduce such lands. As stated above, the Project will be buffered from adjacent existing industrial uses to the north by providing landscaping, walls, and setbacks. The Project would also provide additional buffer between the industrial uses to the north and existing single-family residential on the south side of Moss Street that reinforce the importance of maintaining the integrity of stable residential neighborhoods. The fiscal impact to the City is projected to be a net positive, with the Project anticipated to generate over \$311,000 over the first 20 years, compared to the existing industrial use of generating a fiscal deficit of \$29,000 over the same time period. The Project would therefore result in a net fiscal benefit to the City of approximately \$340,000 over 20 years.

#### *Fiscal Impact Analysis and Public Facilities Financing Plan*

As a part of the Project, Kosmont Companies on behalf of the Applicant conducted a Fiscal Impact Analysis (FIA). The FIA was prepared using the City's approved framework to provide a consistent evaluation of all Chula Vista projects. The high-density and for sale nature of the residential units are expected to create

frequent sales and reassessments, generating net revenue for the City. The FIA also analyzes the existing industrial uses located on the property. Based on the City's model, the existing industrial uses create annual net deficits. The FIA indicates that the Project will generate net positive revenues in perpetuity (over \$311,000 in 20 years), while the existing industrial uses are anticipated to create fiscal deficits in perpetuity (-\$29,000 in 20 years).

Additionally, the FIA studied the potential industrial redevelopment of the property. The analysis found that even with highly conservative assumptions and low projected development costs, the potential industrial redevelopment would have a residual land value substantially less than the current value of the property (approximately \$5.1 million versus \$6.5 to 7 million dollars). The residual land value is at least \$1.4 million lower than the likely value of the property. Therefore, industrial redevelopment would not be feasible in the foreseeable future.

The Public Facilities Financing Plan (PFFP) prepared for the City by Michael Baker International, addresses all of the public facility needs associated with the proposed residential development on the 6.94-acre site. The PFFP has been prepared under the requirements of the City of Chula Vista's Growth Management Program (GMP) and Growth Management Ordinance (GMO) (CVMC 19.09). The preparation of the PFFP is required in conjunction with the preparation of the Tentative Map to ensure that the development is consistent with the goals and policies of the City's General Plan, GMP and GMO.

The PFFP for this Project analyzes the proposed 141-unit addition, any potential impacts on public facilities and services, and identifies the facilities, phasing and timing triggers for the provision of facilities and services to serve the Project, consistent with the City's Quality of Life Threshold Standards. The Project does not require the provision of any off-site public improvements; all impacts to public facilities can be effectively mitigated through the payment of development impact fees (DIFs). The only public improvements required for the Project is the provision of a new sidewalk, curb and gutter, and landscaping along the Project frontage on Moss Street. The enhanced frontage will be constructed concurrently with the Project and will not be phased.

#### *Industrial Market Considerations & Industrial Lands Analysis (ILA)*

The Applicant prepared an Industrial Lands Analysis (ILA) to study the potential impacts of the proposed approximately 7-acre reduction of the industrial-designated property on the City's supply of existing and planned industrial inventory (See Attachment 3). The study evaluated the demand and supply of industrial lands in the year 2035 and 2050 Horizon, and the significance of said 7-acre reduction.

The key findings are as follows:

- The City's Industrial Lands capacity is 2,145 acres based on the current General Plan.
- Approximately 731 acres of industrial lands were utilized as of 2010. There are 1,414 acres of designated industrial lands that are not in use.
- The proposed 7-acre industrial lands reduction represents less than 1 percent (0.32 percent) of the total 2,145 acres of industrial land in the City's General Plan.
- The overall required industrial land to meet the demand is 807 acres in 2035, and 888 acres in 2050, which is inclusive of the 731 acres already in use.

- The incremental demand for industrial land is 76 acres by 2035, and 157 acres by 2050. The available supply in 2035 (1,414 acres) to meet the additional demand (76 acres) represents an excess of available land of 18.4 times the demand. The available supply in 2050 (1,414 acres of vacant industrial land) represents approximately 8.9 times the acreage of the demand (157 acres).

As indicated above, the City’s currently designated industrial land significantly exceeds the projected demand for industrial lands through a Year 2050 horizon and would be able to accommodate the proposed reduction of 7 acres without adversely affecting the City’s employment or industrial capacity. As demonstrated by the FIA referenced above, redevelopment of the Site for industrial uses is not financially viable based on anticipated costs and the projected resultant residual land value.

## 2. Rezone

The proposed use is located in a Limited Industrial (ILP) zone with a General Plan designation of Limited Industrial (IL) that has been amended to Residential High. The Limited Industrial (ILP) zone requires a corresponding rezone to the Apartment Residential (R3) to allow 141-unit townhomes to be approved. The approvals to allow 141-unit townhomes will be determined by City Council through a consolidated hearing (see Attachment 6, Project Plans). In addition to the Rezone and Design Review permit, the City Council will also be reviewing a Tentative Map and Variance applications associated with this Project.

The amended General Plan designation of Residential High allows 18-27 dwelling units per acre, and the R3 zone is appropriate for this type of use. The density for the 141-unit townhomes is approximately 20 du/ac. Therefore, the proposed zoning designation of R3 is consistent with the General Plan.

### *Conformance with Chapter 19.80 (Controlled Residential Development) of the Chula Vista Municipal Code*

CVMC Chapter 19.80 requires that the following be analyzed when a property is rezoned:

#### *19.80.070 Chula Vista Zoning Code Modification*

*A. Rezoning of property designated for residential development under the City’s zoning code shall be permitted only to the next highest residential density category in any two year period according to the following schedule:*

- A Agricultural Zone*
- RE Residential Estates Zones*
- R-1 Single Family Residential*
- R-2 One and Two-Family Residential Zone*
- R-3 Apartment Residential Zone*

The property is being rezoned from an industrial zone to a residential zone. The above provision addresses property that is being rezoned from residential to residential; and therefore, this provision is only applicable in relation to traffic generation.

*B. Any annexation of lands within the City's sphere of influence shall conform to the purposes, intent and requirements of this ordinance.*

This proposal does not involve the annexation of any lands.

*C. After property is annexed by the City, the rezoning approved for the subject property cannot be amended or changed in any way for a two year period. The provision shall apply only to rezones approved after the effective date of this ordinance.*

This proposal does not involve the annexation of any lands.

*D. Rezoning commercial or industrial property to a residential zone shall be permitted only to the maximum residential density corresponding to the potential traffic generation that was applicable prior to the rezoning to residential. In addition, property which is rezoned from residential to commercial or industrial may not be rezoned to a residential category of higher density than that which was applicable prior to the rezoning to commercial or industrial.*

The subject property is currently designated ILP. The first sentence of the above language is what applies to this proposed rezone from an industrial to a residential category. The rezone of the property will only be rezoned to the maximum residential density, which is R-3, which complies with CVMC Section 19.80.070D.

Pursuant to the SANDAG Trip Generation Guidelines, the 6.9 acre Site could generate up to 1,380 average daily trips (ADT's) under the existing Limited Industrial (IL) zoning. A total of 1,128 trips could be generated under the Apartment Residential (R3) zoning. Therefore, the multifamily residential use will generate fewer trips than an industrial or commercial use, and the rezone is therefore consistent with CVMC Chapter 19.80.

Additionally, an analysis was prepared entitled *Transportation Impact Analysis – Vehicle Miles Traveled (VMT)* – by Linscott, Law & Greenspan, Engineers (LLG), dated 2020. The transportation impact analysis was prepared under the guidance of City Staff, utilizing methodologies presented within the Governor's Office of Planning and Research (OPR) Technical Advisory developed to assist with implementation of Senate Bill 743 (SB 743), which resulted in a shift in the measure of effectiveness for determining transportation impacts from Level of Service (LOS) and vehicular delay to VMT. VMT analyses are required for use in all CEQA documents as of July 1, 2020. Pursuant to SB743, Section 15065.3(c) states, "A lead agency may elect to be governed by the provisions of this section immediately." Projects considered after July 1, 2020 are prohibited from using LOS to determine transportation impacts and shall apply statewide.

The City use of OPR Technical Advisory guidance for its significance thresholds has determined that 15% or more reduction in VMT from the regional average, or 17.60 VMT per capita, is the threshold. Based on the screening map, the VMT per capita for the Project is 10.80 VMT per capita, which is 61.36% of the regional average. This is equivalent to 38.64% less than the regional average and is therefore presumed

not to be significant.

Thus, the Project is concluded to have no significant transportation impacts for the purposes of CEQA, and no VMT-related mitigation measures are required.

All off-site public streets required to serve the subdivision already exist. The on-site private streets are designed in accordance with the City design standards and/or requirements and provides for vehicular and pedestrian connections.

### 3. Tentative Map

The Tentative Map proposes to combine three existing parcels into one 6.9-acre condominium lot with 141 units.

#### *Project Access:*

Access to the Project is provided via one full access, unsignalized driveway on Moss Street. Emergency fire access is provided via a secondary Project driveway on Moss Street, with access controlled by removable bollards. The Project proposes private streets that will provide direct access to the units. Pedestrian access will be provided by a network of internal sidewalks that connect to Moss Street.

#### *Subdivision Design:*

The subdivision design consists of one lot for eighteen (18) row and courtyard townhome style residential buildings. The subdivision would include centrally located common open-space and surface parking spaces available to all residents.

#### *Grading:*

The Site is generally rectangular, with a quarter circle located directly north of 680 Moss Street and south of the Sweetwater Union High School property. The topography of the Site is relatively flat with elevations of approximately 36 feet above mean sea level (AMSL). The property will be graded to accommodate the proposed residential development. The conceptual grading plan proposes to import approximately 15,000 cubic yards of fill and raise the Site elevation to approximately 38 feet AMSL. The conceptual grading plan would direct drainage into newly constructed storm drains, which would ultimately flow into the existing box culvert on the Site. Stormwater flows would be treated using proprietary best management practices. The Applicant shall obtain a Land Development Permit prior to beginning any earthwork activities at the Site and before the issuance of building permits in accordance with CVMC Chapter 15.05. The Applicant shall also submit grading plans in conformance with the City's Subdivision Manual and the City's Development Storm Water Manual requirements.

#### *Utilities:*

Water and sewer service would be provided by an existing main on Moss Street. The proposed water and sewer lateral would be privately owned and maintained.



The Project is within the Sweetwater Authority service area. The Project proposes separated water and fire laterals to provide for the required water pressures. Both water and fire laterals will connect to the existing water main on Moss Street.

Sewer service is provided by the City of Chula Vista. The onsite wastewater utilities will include a subterranean private pump system to serve approximately 86 units or 61 percent of the project, all north of the Telegraph Canyon Channel box culvert drainage facility. The Project will construct one private eight-inch sewer lateral connecting to existing public utilities on Moss Street.

**4. Land Use Compatibility**

The existing industrial uses are incompatible with the adjacent residential neighbors. The Site directly abuts high-density residential apartments (Villa Marina Apartments) and is across the street from single family residential dwellings south of Moss Street. The Project will complement the adjacent apartment complex and single-family neighborhood and complete a logical continuum of residential land uses while preserving industrial uses west of Colorado Avenue, as specifically called for in the General Plan. In addition, the Project will provide a logical land use transition and buffer from the low/medium-density single-family residential south of Moss Street to the limited industrial north of the Site.

**5. Design Review**

*Compliance with Development Standards*

**R-3 Development Standards:**

The Applicant must demonstrate that they are in compliance with all development standards of the R-3 zone unless exceptions are provided for elsewhere in the CVMC. The Project is in compliance with all development standards with exception of the front yard setback, and is requesting a variance, which is discussed in Section 8 of this report.

	<b>Required for Project</b>	<b>Proposed for Project</b>
Building Height	45 feet & 3 ½ Stories	45 feet
Setbacks:		
Front	15 feet	10 feet*
Side Yard (interior)	5 feet	12 feet
Side Yard (exterior)	5 feet	12 feet
Rear yard	17 feet	15 feet (with 2-ft encroachment)**
Maximum lot coverage	50%	35%
Parking 2 spaces/unit	282	Covered: 282*** Open-Guest: 54 Accessible: 6-Cars
Total Parking Spaces Required=	282	Total Provided: 336

	Required for Project	Proposed for Project
Open Space:		
2-BR unit 400 square feet per unit; 32 units	12,800 square feet	Common Open Space: 36,864 square feet  Private Open Space: 38,247 square feet  Total Open Space: 75,111 square feet
3-BR unit 480 square feet per unit; 34 units	16,320 square feet	
4-BR unit 560 square feet per unit; 75 units	42,000 square feet	
Total required	71,120 square feet	
Minimum floor area per dwelling unit:		
2-BR Unit	650 square-feet	1,196 & 1,235 square-feet
3-BR Unit	750 square feet	1,652 & 1,838 square feet
4-BR Unit	850 square feet	1,758 & 2,002 square feet

1. \* CVMC 19.14.140 states the granting of a variance is an administrative act to allow a variation from the strict application of the regulations of the particular zone, and to provide a reasonable use for a parcel of property having unique characteristics by virtue of its size, location, design or topographical features, and its relationship to adjacent or surrounding properties and developments.
2. \*\*CVMC 19.28.070(A)(2) provides that in those cases where the rear yard abuts an R-3, commercial or industrial zone, the Planning Commission may grant up to a 10-foot reduction in the rear yard setback; provided, it is found that the affected open space has been transferred to a more beneficial location on the lot.
3. \*\*\*CVMC 19.62.020(E) states that tandem parking shall not qualify as required parking unless specifically approved by the Planning Commission.

*Site Planning, Compatibility and Scale*

The Project was analyzed based on the design guidelines established in the City of Chula Vista Design Manual. Following is a set of design standards applicable to the proposed Project followed by a statement indicating how the Project is consistent with those guidelines.

- *The arrangement of structures, parking and circulation areas, and open spaces should recognize the particular characteristics of the site and should relate to the surrounding built environment in pattern, function, scale, character and materials;*
- *Clustering of multifamily units should be a consistent site planning element. Large projects should be broken up into groups of structures. Combining elements of varying height in building clusters;*
- *The scale of multiple family projects should be considered in the context of their surroundings. Large projects should be broken up into groups of smaller structures and taller structures should provide increased setbacks so as not to dominate and impose on surrounding uses and the character of the neighborhood.*

The Project contains 141 townhomes divided into 18 separate buildings ranging in design and size from single row buildings consisting of 3-plex to 6-plex, and courtyard buildings starting at 11-plex to 13-plex townhome units. The overall building arrangement, parking, recreational and open space areas, and landscaping creates a balanced mix of compact buildings with ample spatial separation on-site. The Project orientation provides one entry off of Moss Street and one circulation loop for access to each building and guest parking. Each building is 3-stories with garage parking on the first level oriented behind the main entrance of each townhome. The building structures are evenly distributed along the site and have a centrally located common recreation area for residents.

The Project has been designed to integrate and blend with the context, character, and scale of the surrounding neighborhood. The Project will be a pedestrian friendly development intended to provide internal connectivity with open space, landscaping and residential units designed to be interior facing buildings.

The surrounding neighborhoods consist of a mix of building typologies, including 2 & 3-story multifamily buildings to the east, single family homes across Moss Street to the south and an adjacent industrial building to the west and north of the parcel. East of the Project, the newest multifamily development is within a distance of 900-ft and built at a height of 3-stories. Because the existing multifamily building to the east contains buildings of a similar size (3 stories) along the same street, staff believes that the proposed height of 45-feet is compatible with the existing adjacent land use and the R-3 Zone maximum height (45 feet). Other surrounding residential properties to the east are multifamily buildings with a compatible height of 2-stories, to the south are 1-story single-family residential properties with interior facing entrances oriented east to west not visually impaired by the Project development.

*Walls and Security:*

- *When security fencing is required, it should be a combination of solid walls with pilasters and decorative view segments, or short solid walls and wrought iron grill work combination. Large expanses of wall surfaces should be offset and architecturally designated to prevent monotony.*

Perimeter security fencing is proposed to be a 6.0-foot Concrete Masonry Unit (CMU) wall with a precision cap painted in earth tones to blend in with the surrounding landscape areas. Masonry

pilasters shall be located approximately every 100-feet along the fence line as well as at corner and entry transitions to break up long runs of fencing.

### Building Architecture

- *The architecture should consider the compatibility with surrounding character, including harmonious building style, form, size, color, material and roofline. In developed areas, the new project should meet or exceed the standards of quality which have been set by surrounding development.*
- *Heights and setbacks within the same building should be varied, and wall planes should be staggered both horizontally and vertically in order to create pockets of light and shadow and provide visual relief from monotonous, uninterrupted expanses of wall.*
- *Colors and materials should be complementary to the chosen architectural style and compatible with the character of surrounding development. Materials for multiple family projects should be durable and require low maintenance. They should be consistently applied and work harmoniously with adjacent materials. Piecemeal embellishments and frequent changes in materials should be avoided. Materials tend to appear substantial and integral when material changes occur at changes in planes.*
- *Colors and materials should be consistent with the chosen architectural style and compatible with the character of surrounding development. Sensitive alteration of colors and materials can produce diversity and enhance architectural form.*

There is no particular architectural style required for multifamily residential structures. However, high quality, innovative and imaginative architecture is encouraged. The Project has a modern design, incorporating stucco, horizontal lap sidings, and awnings. Colors and materials are white, light tan & brown with earth tone variations and red accents. Wall planes are staggered to create visual relief, and the roof lines are heightened at various points throughout the buildings to create visual interest. All wall surfaces visible to the public are architecturally enhanced and the buildings have offsets and architectural details, consistent with the Chula Vista Design Manual.

Setbacks for the building are met along the interior side yards in the CVMC but require a variance for the front and allowance for encroachment into the rear yard setback. The Applicant is requesting a Variance for front yard encroachment as a result of a physical site constraint and approval from City Council as recommended by Planning Commission under CVMC Section 19.28.070 for rear yard encroachment into the setback.

The proposed rear yard setback is 15 feet instead of 17 feet. The rear yard setback will not detrimentally affect the adjacent property or the future residents of the Project. The CVMC requires that projects add 2 feet of rear yard setback for every story over 25 feet, so the required rear yard setback of the Project is 17 feet. The CVMC specifically allows for the City Council to approve the recommendation of Planning Commission to grant a 10-foot reduction in the rear yard setback if the R-3 abuts a commercial or industrial property, provided that the open space has been transferred to a more beneficial location on the lot (CVMC 19.28.070.A.2). The Project proposes a 2-foot reduction

in the rear yard setback from 17 feet to 15 feet. The reduction of the rear yard setback is required due to the existing box culvert on site, because buildings cannot be constructed on top of or immediately adjacent to the culvert. Equivalent open space has been transferred to a location in the center of the Project Site, which is a more beneficial and accessible location.

The industrial uses to the north are screened and buffered from the residential units with a 6-foot wall and landscaping, including tree species specifically selected to create an effective vertical buffer along the Site boundary. The proposed setbacks and proper screening will protect nearby uses from noise, light intrusion, and other potentially objectionable influences incidental to residential use. The maximum allowable lot coverage is 50%, however, the Project proposes a total lot coverage of 35% percent.

### Landscaping & Screening

- *Landscape planting is to be used to frame, soften, and embellish the quality of the environment, to buffer units from noise or undesirable views, to break up large expanses of parking, and to separate frontage roads within a project from public streets. To accomplish these design objectives, landscape elements need vertical dimension. Trees and tall shrubs are needed in addition to grass and groundcover. Trees can also be used to provide shading and climatic cooling.*
- *Landscaping around the base of buildings is recommended to soften the edge between pavement and the structure. Entrances should be accented to provide focus. Trees should be located throughout the parking lot and not simply at the ends of parking aisles.*

The Project uses extensive landscaping to soften the edges of both the surrounding urban community and the modern architecture within the Project itself. The portion of the parcel fronting onto Moss Street is lined with a proposed mix of landscaping to include California Sycamore trees and Australian Willow and African Sumac along the perimeter of the Site to help shade front yards and provide an additional layer of visual interest at the edges. The plant palette emphasizes low water use plant material in order to comply with the Landscape Water Conservation Ordinance (CVMC Chapter 20.12).

A mix of trees, shrubs, and ground cover have been placed throughout the Site, with an emphasis on placement at the ends of buildings to soften the edge between pavement and structure. In addition, the interior landscaping along pedestrian-oriented walkways and interior courtyards is consistent with a pedestrian oriented design to soften pavement and structures.

### Open Space

- *Required common open space and recreation areas are expected to be centrally and conveniently located for all of the residents. Private open spaces should be contiguous to the units they serve and screened from public view.*

The Applicant is exceeding the minimum of 71,120 square-feet and providing a total of 75,111 square-feet of open space, which includes a large centrally located 18,336 square foot recreational area with the remainder in common and private open space areas. Private open space is provided contiguous to the units.

### Parking and Access

City of Chula Vista Off-Street Parking Regulations per CVMC 19.62.050(12) require that dwellings provide a garage or carport of 400 square-feet. The Applicant is providing a 2-car garage per dwelling unit and an additional 54 guest spaces. The 2-car garage will vary between tandem parking design and standard adjacent parking and depend on Planning Commission approval of tandem parking for the proposed Project. The Planning Commission recommended approval of the project with tandem parking.

The Project's main access is proposed strictly via Moss Street, a collector street on the south side of the Project.

### 6. Variance

Per CVMC Section 19.14.190A-D, the City Council may grant a variance in accordance with the variance findings, including establishing a hardship particular to the property that exists on the Site and was not created by any act of the owner.

A variance from the front-yard setback requirement is necessary due to the existence of the Telegraph Canyon Channel easement and a double barreled 10'x12' concrete box culvert that runs through the Site. The culvert bisects the Site, and all buildings must be set back from the culvert. No buildings can be constructed above or immediately adjacent to the culvert.

The proposed front-yard setback is 10 feet instead of 15 feet due to the need to shift buildings away from the culvert on both sides. The culvert imposes a burden that is not created by the owner and that provides a constraint on development. The box culvert is an existing condition inherently associated with the Site. The development potential of the Site is limited by the culvert because nothing can be constructed above or immediately adjacent to the culvert. The front-yard setback variances are requested so the development potential of the Site will not be reduced due to the necessary building setbacks from the culvert.

The 10-foot setback from the building to the right of way results in a frontage that is comparable and compatible with adjacent development. At the closest, the buildings are approximately 10.2 feet from the property line and 16.6 feet from the back of the sidewalk, which is similar to the nearby properties on Moss Street. The properties immediately adjacent to the Project have setbacks from the back of sidewalk to the buildings of approximately 20-25 feet; the single-family homes to the south have setbacks from the sidewalk of approximately 12-16 feet. A mixed-use apartment building at the corner of Moss Street and Broadway has a setback between 0 and 10 feet from the sidewalk. The Project frontage incorporates landscaping that enhances the pedestrian environment, with trees between the proposed buildings and the sidewalks. The front yard setback variance will not negatively affect the right of way or neighboring properties.

The authorizing of the setback variance will not detrimentally affect adjacent properties or impair the purposes of the public interest. The variance will not adversely affect the City's General Plan or other adopted plans.

## **CONCLUSION**

The proposed Project will result in the development of 141 high density townhome units on an existing industrial property on Moss Street. The Project will increase housing availability in an area with access to transit, public facilities, and commercial development. The Project will contribute to the revitalization of the South Broadway District by adding residential units and enhancing the streetscape on Moss Street to create a more pedestrian friendly environment. The Project has been designed to be consistent with the existing character and quality of the surrounding neighborhood, and it directly implements multiple General Plan goals and policies encouraging the stabilization and protection of existing residential neighborhoods.

## **DECISION-MAKER CONFLICTS**

Staff has reviewed the property holdings of the City Council members and has found no property holdings within 1,000 feet of the boundaries of the property which is the subject of this action. Consequently, this item does not present a disqualifying real property-related financial conflict of interest under California Code of Regulations Title 2, section 18705.2(a)(11), for purposes of the Political Reform Act (Cal. Gov't Code §87100, *et seq.*).

Staff is not independently aware, and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision maker conflict of interest in this matter.

## **CURRENT-YEAR FISCAL IMPACT**

All application fees and processing costs are borne by the Applicant, resulting in no net impact to the General Fund or the Development Services Fund.

## **ONGOING FISCAL IMPACT**

The FIA for the Project estimates that annual fiscal impacts are positive beginning in Year 1. In the first year there is a net fiscal surplus of approximately \$70,935, followed by surpluses of approximately \$19,756 in Year 2, \$14,348 in Year 3, \$10,425 in Year 4, and \$6,487 in Year 5. The net projected General Fund Impact based upon the proposed land use is projected to be positive, with approximately \$311,000 in net revenues over 20 years.

## **ATTACHMENTS**

1. Locator Map
2. Errata, Initial Study/Mitigated Negative Declaration and Response to Written Comments
3. General Plan Amendment, Justification Report, PFFP, FIA, ILA Binder
4. Planning Commission Resolution
5. Public Comments
6. Ownership Disclosure Form
7. Project Plans
8. Planning Commission Draft Minutes
9. Tentative Map
10. Sewer Study
11. Guidelines to the Balanced Communities Policy

*Staff Contact: Oscar Romero, Development Services Department*