



## Agenda Report

18-425

Agenda Date: 5/22/2018

### REPORT TO COUNCIL

#### SUBJECT

Public Hearing: Action on Catalina Residential Project located at 1375 El Camino Real

#### BACKGROUND

The subject application would allow rezoning of a 2.23 acre site located at 1375, 1385, and 1399 El Camino Real from Thoroughfare Commercial (CT) to Planned Development (PD) and approval of a Vesting Tentative Subdivision Map to subdivide three existing lots into 10 lots (PLN2017-12726 and PLN2017-12728) to facilitate development of 54 townhouse units.

The project site is on the north side of El Camino Real between Lincoln Street and Monroe Street (1375, 1385 and 1399 El Camino Real) and was previously developed with four commercial buildings occupied with automotive related businesses. The City recently approved demolition of the commercial structures to avoid potential nuisance concerns. Multi-family residential land uses are located to the north of the site across Civic Center Drive and to the south across El Camino Real. Commercial land uses are located to east and west of the site.

The project would consist of six three-story buildings each containing nine townhouse units. Each unit would include a two-car private garage and an additional 14 guest spaces would be provided as uncovered parking. Eight of the 18 units that would front on El Camino Real are proposed as live/work units. In addition, a 2,068 square-foot common open space area is proposed.

The Planning Commission considered the project on May 9, 2018 and forwarded a recommendation to the City Council to approve a modified version of the requested rezoning and tentative map and subject to additional Conditions of Approval, as described below. The staff report with previous attachments and excerpt minutes from the Planning Commission meeting of May 9, 2018 are included in this report.

#### DISCUSSION

At the May 9 Planning Commission meeting, staff provided a presentation of the proposed project and explained the staff recommendation that the project be reduced to 52 units in order to increase the size of the common open space area to align with the open space and recreation policies in the General Plan. While as part of the City's review process and in response to comments provided by the third party design consultant retained by the City the open space area was expanded, the proposed common area square footage was still found to be insufficient to meet the intent of the General Plan. The reduction of two units would allow the project to provide additional open space and also meet the density requirements of the Medium Density Residential General Plan designation.

The applicant's presentation focused on the overall community benefit the project would provide, including housing ownership opportunities (including five below market rate units), payment of park in

-lieu fees, and general enhancement of the site. No members of the public spoke at the Planning Commission hearing.

During the Planning Commission deliberation, the following issues were discussed:

- Loss of commercial square-footage and potential conversion of live/work units to strictly residential use
- Review of the project in advance of the El Camino Real Specific Plan
- Overall height of the structures
- Tandem garages and potential for parking spillover into the neighborhood
- Lack of guest parking for the live/work units
- Increasing the number of below market rate units rather than increasing the amount of open space

Based on this discussion, the Planning Commission recommended that the City Council approve the requested rezoning from CT to PD for 53 units (a reduction of one unit from the applicant's proposal), an increased number of below market rate units to a total of six affordable units, and increased common open space area to a total of approximately 3,000 square feet. The Planning Commission also recommended the addition of the following four conditions to the project approval:

1. Provide overhead storage in each of the garages.
2. Provide one of the guest parking spaces as a dedicated rideshare parking space, equipped for vehicle charging.
3. Require a Planned Development Amendment for façade modifications to the live/work units.
4. Utilize signage for the parking spaces closest to the live/work units for business patrons.

The applicant agreed following the Planning Commission hearing to accept these additional conditions of approval with minor changes. The new conditions have been added as C22-C25 in the attached Conditions of Approvals.

Approval of the project would provide an opportunity to locate a residential development in a designated Priority Development Area (PDA) in Santa Clara. The rezoning to PD would allow a project that is consistent with the vision of the General Plan for the Community Mixed Use designation and the current land use principles for the El Camino Real Focus Area. The requested PD zoning is required to implement the General Plan designation and policies applicable to the project site that support new mixed-use development including commercial and residential land uses.

The Planning Commission staff report references open space data for the project. To clarify, the project as proposed includes a total of 17,900 square feet of total landscape area, including 2,068 square feet of usable common open space. As currently designed, the project does not include adequate common open space area. Residential land use policies within the General Plan state the need for common open space in all developments and support clustering of development to maximize open space opportunities. Staff recommends that the project be reduced by two units, for a total of 52 units, in order to increase the project's common open space by approximately 1,475 square feet. This would be approximately equivalent to the footprint of two of the proposed townhouse units.

## **ENVIRONMENTAL REVIEW**

A Mitigated Negative Declaration (MND) was prepared and a Notice of Availability was circulated for a 30-day period from February 23, 2018 through March 27, 2018 in accordance with California

Environmental Quality Act (CEQA) requirements. The Community Development Department received three comment letters from Valley Transportation Authority, Caltrans, and the County of Santa Clara Department of Environmental Health. Responses to the comments are included in the final IS/MND.

The MND examined environmental impacts associated with the proposed project development and identified potential air quality, biological, cultural resources, and noise and vibration impacts. The MND also identified mitigation measures that would reduce all potential impacts to less than significant levels. A detailed discussion of the potential impacts and mitigation measures to be applied to the project are specified in the MND and would be implemented through project conditions of approval and the Mitigation Monitoring and Reporting Program for the proposed project.

The MND, MMRP, and response to comment letter is included in the April 11, 2018 Planning Commission report.

### **COORDINATION**

This report has been coordinated with the Finance Department and City Attorney's Office.

### **PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email [clerk@santaclaraca.gov](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

On April 25, 2018, a notice of the public hearing was published in the *Santa Clara Weekly*. On May 11, 2018, a notice of public hearing of this item was posted in three conspicuous locations within 1,000 feet of the project site and mailed to property owners within 1,000 feet of the project site. Comments received after May 17, 2018 will be provided at the City Council meeting of May 22, 2018 for consideration.

### **ALTERNATIVES**

1. Adopt the Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program for the Catalina Residential Development Project.
2. Adopt the project, as proposed by the applicant, to rezone the property from Thoroughfare Commercial (CT) to Planned Development (PD) to allow development of 54 townhouse units, including 8 live-work units, and approve a Vesting Tentative Subdivision Map to subdivide three existing lots into 10 lots.
3. Adopt the staff recommendation and approve the rezoning from Thoroughfare Commercial (CT) to Planned Development (PD) to allow development of 52 townhouse units, including 8 live-work units, with an additional 1,475 square feet of amenity and open space and approve the Vesting Tentative Subdivision Map to subdivide one lot into 10 lots.
4. Adopt the Planning Commission recommendation and approve the rezoning from Thoroughfare Commercial (CT) to Planned Development (PD) to allow development of 53 townhouse units, including 8 live-work units and six below market rate units, with additional open space for a total of approximately 3,000 square feet, with the additional conditions of approval proposed by the Commission and listed in this report, and approve the Vesting Tentative Subdivision Map to subdivide one lot into 10 lots.

5. Deny the proposed rezoning and thereby maintain a commercial designation for the site.

**RECOMMENDATION**

Alternatives 1 & 3:

1. Adopt the Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program for the Catalina Residential Development Project.
3. Adopt the staff recommendation and approve the rezoning from Thoroughfare Commercial (CT) to Planned Development (PD) to allow development of 52 townhouse units, including 8 live-work units, with an additional 1,475 square feet of amenity and open space and approve the Vesting Tentative Subdivision Map to subdivide one lot into 10 lots.

Reviewed by: Andrew Crabtree, Director of Community Development

Approved by: Deanna J. Santana, City Manager

**ATTACHMENTS**

1. Planning Commission Report for May 9, 2018
2. Planning Commission Draft Excerpt Meeting Minutes of May 9, 2018
3. Resolution to Adopt the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program
4. Resolution to Approve the Rezoning
5. Resolution to Approve the Vesting Tentative Subdivision Map
6. Conditions of Approval for Rezoning
7. Conditions of Approval for Vesting Tentative Subdivision Map
8. Chamber of Commerce Letter of Support