



Agenda Item

City Council

Item #: 3.9.

5/9/2023

File #: 23-0305

TO: Honorable Mayor and Members of the City Council

THRU: Tom Kisela, City Manager

FROM: Russell Bunim, Community Development Director

1. SUBJECT

Resolution No.11453 denying Appeal No. 0562-23 and upholding Planning Commission approval of the Street Lights Mixed-Use Apartment Development, 840 The City Drive South, including adoption of Mitigated Negative Declaration No. 1875-21 and associated Mitigation Monitoring and Reporting Program.

2. SUMMARY

On April 11, 2023, the City Council denied Appeal No. 0562-23, upholding Planning Commission approval of Conditional Use Permit No. 3138-21, Major Site Plan Review No. 1040-21, Design Review No. 5030-21, Administrative Adjustment No. 0051-21, and Mitigated Negative Declaration No. 1875 and associated Mitigation Monitoring and Reporting Program; a proposal to demolish an existing multi-tenant retail building in order to construct a new 225-unit mixed-use apartment development with ground floor retail/restaurant area, subterranean parking, surface parking, residential amenities, open parking structure for the adjacent office complex use, site improvements, and a reduction of 48 parking spaces and 670 square feet of open space. The subject Resolution formalizes the City Council action.

3. RECOMMENDED ACTION

Adopt Resolution No. 11453. A Resolution of the City Council of the City of Orange denying Appeal No. 0562-23, and upholding the decision of the Planning Commission of the City of Orange approving Conditional Use Permit No. 3138-21, Major Site Plan Review No. 1040-21, Design Review No. 5030-21, Administrative Adjustment No. 0051-21, and Mitigated Negative Declaration No. 1875 to demolish an existing retail building in order to construct a new 255-unit mixed-use apartment development, open parking structure for the adjacent apartment complex use, related site improvements, and a reduction of 48 parking spaces and 670 square feet of open space, located at 840 The City Drive South.

4. FISCAL IMPACT

None.

5. STRATEGIC PLAN GOALS

Goal 3: Enhance and promote quality of life in the community.

c: Support and enhance attractive, diverse living environments.

6. DISCUSSION AND BACKGROUND

On February 23, 2023, the Planning Commission approved Conditional Use Permit No. 3138-21, Major Site Plan Review No. 1040-21, Design Review No. 5030-21, Administrative Adjustment No. 0051-21, and Mitigated Negative Declaration (MND) No. 1875 and associated Mitigation Monitoring and Reporting Program to allow for the demolition of an existing multi-tenant commercial building and surface parking lot in order to construct a new 225-unit mixed-use apartment development, including 9,000 square feet of ground level retail/restaurant area, a 421 space three-level subterranean parking structure beneath the footprint of the building, 13 parallel surface parking spaces, residential amenities, a 145-space two story open parking structure for the adjacent office complex use, site improvements, a 48-space (10%) reduction in required parking, and a 670-square-foot (0.98%) reduction in open space for the project. At the February 23 public hearing, a representative of the law firm of Lozeau Drury LLP spoke in opposition to the project, challenging the environmental analysis and the Mitigated Negative Declaration. The Planning Commission heard the testimony of the challenging party along with the testimony of the applicant and its environmental consultant and approved the project. The Planning Commission action was appealed to the City Council on March 2, 2023, under Appeal No. 0562-23 filed by Lozeau Drury LLP. The City Council conducted a public hearing on April 11, 2023, received testimony from the appellant, the applicant, and the applicant's environmental consultant and took action to deny the appeal and uphold the Planning Commission's approval of the project.

7. ENVIRONMENTAL REVIEW

Mitigated Negative Declaration: MND No. 1875-21 was prepared to evaluate the physical environmental impacts of the project, in conformance with the provisions of the California Environmental Quality Act (CEQA) per State CEQA Guidelines Section 15070 and in conformance with the Local CEQA Guidelines. The MND finds that the project will have less than significant impacts to the environment, with the implementation of standard conditions and mitigation measures related to Biological Resources, Cultural Resources/Tribal Cultural Resources, Geology and Soils, Hazards and Hazardous Materials, Hydrology and Water Quality, Noise, and Transportation. Incorporation of mitigation measures into the project results in a reduction of significant impacts to less than significant levels to the environmental factors listed above. With the adoption of the MND and related Mitigation Monitoring and Reporting Program and implementation of conditions of approval contained in Resolution No. PC 33-22, potential environmental concerns are considered resolved.

The 20-day public review period began on November 23, 2022 and ended on December 14, 2022. On November 23, 2022, the City sent a Notice of Intent to adopt MND No. 1875-21 to a total of 609 property owners and tenants within a 400-foot radius of the project site, adjacent cities, and other potentially affected public agencies and utility service providers, including the South Coast Air Quality Management District (SCAQMD), initiating the public review period for the environmental document as described above. This notification was also on file with the Orange County Clerk Recorder and was posted at the site. Copies of the document were available for public review at Orange City Hall in the Offices of the City Clerk and Community Development Department, and on the City's website.

The City received three comment letters during the public review period from the: Department of Transportation (Caltrans), Orange County Health Care Agency, Environmental Health Division (OCHCA), and Orange County Transit Authority (OCTA). It is important to note that no comment letter was received during the public review period from either SCAQMD or the appellant, Adam Frankel of Lozeau Drury LLP. Responses to comments to all correspondence received were forwarded to the

respective authors in accordance with the requirements of CEQA in advance of the Planning Commission hearing.

8. ATTACHMENTS

- Resolution No. 11453