



Agenda Item

City Council

Item #: 11.1.

1/12/2021

File #: 20-351

TO: Honorable Mayor and Members of the City Council

THRU: Rick Otto, City Manager

FROM: Anna Pehoushek, Assistant Community Development Director

1. SUBJECT

Public Hearing to consider Major Site Plan Review No. 1010-20, Design Review No. 5007-20, Tentative Parcel Map 0018-20, and a Density Bonus Housing Agreement for the Corp Yard Housing project located at 637 W. Struck Avenue. Resolution No. 11296. (Relates to Items 7.5, 11.2, and 11.3)

2. SUMMARY

The applicant, in partnership with the City, proposes to subdivide 2.81 acres from the City Corp Yard to construct 61 income-restricted workforce housing units and one manager unit in a new multi-family residential complex.

3. RECOMMENDED ACTION

Adopt Resolution No. 11296. A Resolution of the City Council of the City of Orange approving Major Site Plan Review No. 1010-20, Design Review No. 5007-20, Tentative Parcel Map No. 0018-20, and a Density Bonus Housing Agreement with two Affordable Housing Concessions to construct 61 income-restricted workforce housing units and one manager unit in a new multi-family complex located on property currently addressed 637 W. Struck Avenue.

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

Introduction

Orange Housing Development Corporation (OHDC) and C&C Development Co. (C&C) have a long history of partnering with the City to develop and manage quality affordable housing.

The subject project is another such partnership. The applicant proposes to subdivide approximately 2.81 acres from the City Corp Yard at 637 W. Struck Avenue to construct 61 income-restricted workforce housing units and one manager unit in a new multi-family complex to assist in fulfillment of City affordable housing needs, for a total of 62 units. The 61 units are for families that earn between

30% and 60% of area median income.

The proposal is similar to other projects constructed in the City by the applicant, which include:

- Citrus Grove, 1120 N. Lemon Street
- Serrano Woods, 2060 N. Park Lane
- Lemon Grove, 1148 N. Lemon Street

The statewide elimination of redevelopment agencies in 2012 removed an important funding source for affordable housing, and so creative solutions are required to fund these types of projects. Therefore, this report is one of four on this Council agenda that address a piece of the financing and development of this proposed project. The three associated reports address the following:

- Affordable Housing Disposition, Development, and Loan Agreement
- Commitment of federal HOME funds
- Tax Equity and Fiscal Responsibility Tax Act (TEFRA) hearing so that the project can qualify for tax-exempt bonds.

Project Description

The project features 18 two-bedroom (863 square feet) units and 44 three-bedroom (1,123 square feet) units within two three-story buildings with a looping drive aisle and 127 surface parking spaces. The buildings are 38 feet tall. Total building area is 71,358 square feet (0.58 Floor Area Ratio). Project density rounds to 22 units per acre.

A central common open space area separates the two buildings and includes community amenities such as seating areas, barbeque islands, a tot lot, a fitness and teen area, a meandering central walkway, and turf areas. A community room is also provided in the southern end of building B. Total common open space area is 13,087 square feet, or 18.3% of the project site. Private open space occurs in the form of ground floor patios and upper level balconies.

The site perimeter is defined by eight-foot masonry walls and tree rows in four-foot wide planters. An automatic vehicular gate and a pedestrian gate are located at the Struck Avenue entrance and provide the sole entry and exit to the site. A vehicle turnaround is provided in front of the gate.

A 451 square foot maintenance garage is located in the northeast corner of the site.

133 trees are provided with the project, and are particularly concentrated adjacent to property lines for screening purposes. Architecture and landscaping is provided as shown on the project plans and as discussed in the attached Design Review Committee (DRC) meeting staff report (Attachment 7).

Project Entitlements

The project requires a Major Site Plan Review. The project also includes a tentative parcel map to subdivide the City's Corp Yard property to accommodate the project. The Density Bonus Housing Agreement is required pursuant to State Density Bonus Law and Orange Municipal Code (OMC) Chapter 17.15 in order for the project to utilize eligible development standard concessions, even though no density bonus is necessary for the project.

The applicant is entitled to concessions under both the provisions of State Density Bonus Law and OMC Section 17.15.050. Two concessions are used for the project to accommodate greater building

height and stories, and for extra perimeter wall height.

1. A concession is being utilized for the project's 35 foot high building and three stories. The Public Institution Zoning District limits buildings located within 120 feet of any residentially zoned property to 32 feet or two stories in height, whichever is less. The property is located slightly less than 120 feet away from multi-family zoned property east of the site across the railroad track. A significant majority of the adjacent properties within the 120 feet are occupied by two comparably-sized residential properties owned and operated by the applicant as income-restricted workforce housing projects.
2. At the request of City staff, the applicant is using a concession to construct an eight-foot wall around the property perimeter. OMC Section 17.24.075 limits wall heights to six feet. The additional wall height will improve the residential interface of the project site with the adjacent active railroad right-of-way, the City Corp Yard, Mary's Kitchen, and industrially-used buildings.

Landscape

The project proposes deviations from City of Orange Landscape Standards and Specifications which are incorporated into the OMC by reference. The design review criteria within the document note that "...landscape criteria is used as a benchmark for review, unless otherwise approved by the reviewing body..." The document contains the following criteria:

"Landscape 4'-0" min. (clear inside dimension) along all side and rear property lines, where the building is not on the property line. Car overhangs shall not be included as part of the 4'-0". If perpendicular parking is used at property lines the minimum planter area is to be 6'-0", inside clear, (excluding overhang)."

The perimeter landscaping on the plans shows points along the northeast and southeast corners of the project where the four-foot landscaping is not accomplished. The areas are in the fire turning radius and back up to the railroad property. The perpendicular parking on the west and north property lines back onto planter area less than six feet inside clear. These interfaces back onto the City Corp Yard and industrially-used buildings.

Because the City's Landscape Standards and Specifications allow deviations to be approved, staff recommends the City Council approve the perimeter landscaping as-is based on the location of the project and the properties it backs up to. The intent of the landscape planter standards was predominantly to improve interface conditions between commercial and residential projects that back onto one another. That issue does not exist at this location.

General Plan Land Use

The property maintains a General Plan Land Use Designation of Public Facilities Max. 0.5 FAR and Institutions Max. 2.0 FAR (PFI) and a zoning designation of Public Institution (P-I). Page LU-15 from the Land Use Element of the General Plan states that the PFI designation "Provides for several types of public, quasi-public and institutional land uses, including schools, colleges and universities, City and County facilities, hospitals, and major utility easements and properties. Includes service organizations and housing related to an institutional use, such as dormitories, employee housing, assisted living, convalescent homes, and skilled nursing facilities." The Zoning Ordinance lists supportive, transitional, and institution-related housing as a permitted accessory use.

City staff has interpreted the provisions of the General Plan and Zoning Ordinance to allow for housing, including income-restricted workforce housing, in the PFI General Plan Land Use District given the City's partnership in the project and the characteristics of the subject project site. The project consists of a community room, is located in proximity of a transitional housing provider, and is adjacent to a food kitchen serving a homeless population. It is anticipated that there will be institutional connectivity between the below-moderate income housing provided by the project and the surrounding population of persons with housing needs.

Project Review Process

The City's inter-departmental Streamlined Multi-Disciplinary Accelerated Review Team (SMART) reviewed the project on April 8, 2020, July 1, 2020, and September 30, 2020, ultimately deeming the application complete, thus recommending project approval.

The Design Review Committee (DRC) reviewed the subject proposal at the November 4, 2020 meeting and provided recommendations for applicant, Planning Commission, and City Council consideration. Those recommendations are presented in detail in Attachment 8 and addressed the following:

- Plant and tree palette
- Block wall material
- Wheel stop/walkway interface for pedestrian safety
- Removal of certain tightly positioned parking spaces to provide more space.
- Tree count and fire truck clearance

Conditions 51 to 57 on page 12 of City Council Resolution No. 11296 reflect workable solutions for the DRC's recommendations, the exception being the recommendation to remove parking spaces, for which no condition is included. The applicant is agreeable to Conditions 51-57, as recommended by the DRC. The design review conditions were added subsequent to Planning Commission recommendation of the project due to timing overlaps between the DRC and Planning Commission meetings. Additionally, subsequent to adoption of Planning Commission Resolution No. 31-20, the applicant requested modifications to procedural conditions 34, 100, and 101 as recommended by the Planning Commission. The modifications eliminated one duplicative requirement and made minor adjustments in the timing of driveway/sidewalk/curb/gutter improvements, to which staff had no objections.

The Planning Commission reviewed the project on November 16, 2020, and recommended, by a vote of 5-0, that the City Council approve the project.

7. ATTACHMENTS

- Attachment 1 - City Council Resolution No. 11296
- Attachment 2 - Vicinity Map
- Attachment 3 - Planning Commission Resolution No. 31-20
- Attachment 4 - Planning Commission Staff Report of November 16, 2020

- Attachment 5 - Planning Commission Meeting Minutes Dated November 16, 2020
- Attachment 6 - Correspondence to the Planning Commission
- Attachment 7 - Design Review Committee Staff Report Dated November 4, 2020
- Attachment 8 - Preliminary Design Review Committee Minutes Dated November 4, 2020
- Attachment 9 - Preliminary Drainage Analysis
- Attachment 10 - Preliminary Geotechnical Investigation
- Attachment 11 - Preliminary Water Quality Management Plan
- Attachment 12 - Greenhouse Gas Analysis
- Attachment 13 - Noise Analysis
- Attachment 14 - Air Quality Report
- Attachment 15 - Traffic Generation Letter
- Attachment 16 - Water Capacity Analysis
- Attachment 17 - Site Photographs
- Attachment 18 - Material Board Photograph
- Attachment 19 - Project Plans
- Attachment 20 - Density Bonus Housing Agreement