



Agenda Report

Fullerton City Council

MEETING DATE: OCTOBER 19, 2021

TO: CITY COUNCIL / SUCCESSOR AGENCY

SUBMITTED BY: STEVE DANLEY, ACTING CITY MANAGER

PREPARED BY: GREGORY PFOST, INTERIM DIRECTOR OF COMMUNITY
AND ECONOMIC DEVELOPMENT
HEATHER ALLEN, PLANNING MANAGER

SUBJECT: HIGHLAND AND VALENCIA MIXED-USE DEVELOPMENT
PROJECT (CASA BELLA) LOCATED AT 415 SOUTH
HIGHLAND AVENUE

SUMMARY

The Planning Commission recommends City Council approval of this project located at 415 South Highland Avenue, including demolition of the existing self-serve car wash facility and construction of a mixed-use development with 20 residential apartments including 5% (one unit) deed-restricted units for very-low-income and 1,152 square feet of ground floor commercial space,.

RECOMMENDATION

1. Adopt the following resolutions:

RESOLUTION NO. 2021-XX - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA, ADOPTING A MITIGATED NEGATIVE DECLARATION, INCLUDING ANALYSIS OF THE POTENTIAL ENVIRONMENTAL EFFECTS OF THE PROJECT, PROJECT DESIGN FEATURES, STANDARD CONDITIONS, MITIGATION MEASURES AND MITIGATION MONITORING AND REPORTING PROGRAM FOR A PROPOSED MIXED-USE PROJECT WITH 20 RESIDENTIAL APARTMENTS INCLUDING 5% (ONE UNIT) DEED-RESTRICTED UNITS FOR VERY-LOW-INCOME WITH 1,152 SQUARE FEET OF GROUND FLOOR COMMERCIAL SPACE ON A 0.56-ACRE PROPERTY LOCATED ON THE NORTHWEST CORNER OF HIGHLAND AVENUE AND VALENCIA DRIVE

RESOLUTION NO. 2021-XX - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA, APPROVING A MAJOR SITE PLAN FOR A MIXED-USE PROJECT WITH 20 RESIDENTIAL APARTMENTS INCLUDING 5%

(ONE UNIT) DEED-RESTRICTED UNITS FOR VERY-LOW-INCOME WITH 1,152 SQUARE FEET OF GROUND FLOOR COMMERCIAL SPACE ON A 0.56-ACRE PROPERTY LOCATED ON THE NORTHWEST CORNER OF HIGHLAND AVENUE AND VALENCIA DRIVE

RESOLUTION NO. 2021-XX - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA, APPROVING A MINOR EXCEPTION ALLOWING SETBACK ENCROACHMENT ON THE VALENCIA DRIVE STREET SIDE OF THE BUILDING ON A 0.56-ACRE PROPERTY LOCATED ON THE NORTHWEST CORNER OF HIGHLAND AVENUE AND VALENCIA DRIVE

RESOLUTION NO. 2021-XX - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA, APPROVING A GENERAL PLAN REVISION TO CHANGE THE COMMUNITY DEVELOPMENT TYPE FROM COMMERCIAL TO NEIGHBORHOOD CENTER MIXED-USE ON A 0.56-ACRE PROPERTY LOCATED ON THE NORTHWEST CORNER OF HIGHLAND AVENUE AND VALENCIA DRIVE AND ADD "C-3 WHEN USED TO IMPLEMENT DWELLING UNITS AS PART OF A MIXED-USE DEVELOPMENT PURSUANT TO FULLERTON MUNICIPAL CODE SECTION 15.30.040.E" AS A ZONING CLASSIFICATION CONSISTENT WITH THE NEIGHBORHOOD CENTER MIXED-USE COMMUNITY DEVELOPMENT TYPE

2. Introduce Ordinance XXXX for first reading by title only and waive further reading of the ordinance.

ORDINANCE NO. XXXX - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA APPROVING A ZONING AMENDMENT TO CHANGE THE ZONING CLASSIFICATION FROM GENERAL COMMERCIAL (G-C) TO CENTRAL BUSINESS DISTRICT COMMERCIAL (C-3) ON A 0.56-ACRE PROPERTY LOCATED ON THE NORTHWEST CORNER OF HIGHLAND AVENUE AND VALENCIA DRIVE

PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statement:

- Fiscal and Organizational Stability.

FISCAL IMPACT

The applicant will pay all City costs associated with the application review, processing, environmental analysis, plan check, permitting and inspections. The applicant will pay all associated impact fees related to parks, schools, utilities and others as well as bonds related to off-site improvements or mitigation measures identified in the Mitigated Negative Declaration.

DISCUSSION

The applicant proposes redevelopment of a 0.56-acre site located at 415 South Highland Avenue, at the northwest corner of Highland Avenue and Valencia Drive. The project involves demolition of the existing self-serve car wash facility and construction of a mixed-use development including 20 residential apartments including 5% (one unit) deed-

restricted units for very-low-income and 1,152 square feet of ground floor commercial space.

The applicant requests approval of the following applications:

- Major Site Plan (ZON-2020-0019) for review of site, architectural and landscape plans including application of Government Code Section 65915 for one development concession and associated parking ratio for the provision of a very-low-income deed-restricted affordable housing.
- Minor Exception (ZON-2021-0002) to allow a portion of the building to encroach into the ten-foot street setback along Valencia Drive.
- General Plan Revision (LRP-2020-0005) to change the site's community development type from Commercial to Neighborhood Center Mixed-Use and add C-3 as a consistent zoning designation with Neighborhood Center Mixed-Use when used to implement dwelling units as part of a mixed-use development pursuant to Fullerton Municipal Code (FMC) 15.30.040.E.
- Zoning Amendment (LRP-2020-0006) to change the zoning classification from General Commercial (G-C) to Central Business District Commercial (C-3).
- Initial Study / Mitigated Negative Declaration to evaluate the potential impacts associated with project construction and operation including a Mitigation Monitoring and Reporting Program.

The project site is a roughly rectangular lot currently developed with A to Z Ram Car Wash, a 24-hour self-serve car wash facility consisting of four covered car wash stations and three vacuum cleaner stations all situated in the northeastern portion of the site. The site also contains an unpaved area in the southeastern corner, driveways, a parking lot in the center portion of the site and a vacant paved area enclosed with fencing in the western portion of the site.

Major Site Plan (ZON-2020-0019):

Site Plan

The applicant proposes construction of a new three-story mixed-use residential community. The proposed mixed-use building would include approximately 1,152 square feet of ground floor commercial space, 20 residential apartment units and associated parking and open space. The proposed apartment units would include eight one- and twelve two-bedroom units in either one- or two-story floorplans.

The ground level of the proposed three-story building would contain the commercial area and open terrace / outdoor seating fronting Highland Avenue and Valencia Drive. A driveway would provide access via the alley north of the site with parking located generally within the building, excepting two spaces with direct access off the alley. All three floors would have residential units with independent access. The middle of the second floor would have a common green terrace. A corridor would connect the residential units to the green terrace and staircases.

The sidewalks on Highland Avenue and Valencia Drive would provide pedestrian access. Residents would have access to public transit in the project vicinity with Orange County

Transportation Authority (OCTA) Route 26, with a stop located on Commonwealth Avenue and OCTA Route 43, with a stop located on Harbor Boulevard, within a 0.5-mile walk of the project site. The Metrolink Fullerton train station and bus depot are slightly over a 0.5-mile walk from the project site.

Dwelling units as part of a mixed-use development utilize the C-3 development standards contained in FMC 15.30.050 and, per FMC 15.30.040.E, utilize the R-5 residential development standards for parking and open space contained in FMC 15.17.070.D and E. The units qualify for development concession(s) with the inclusion of affordable housing pursuant to 15.17.120 (as amended by Government Code 65915).

The project includes five percent of the total units, (i.e., one unit), reserved as a deed-restricted rental to a very-low-income household. A Regulatory Agreement and Declaration of Covenants and Restrictions (Affordable Housing Agreement) with the City will govern the provision of the unit consistent with the terms established in State law. This entitles the project to one development standard concession as well as the application of the affordable housing parking rates, identified in the following comparison table.

Development Standard	Required	Proposed	Meets Requirement
Setbacks, Public Street (C-3)	10 feet	Highland – 16 feet min Valencia – predominantly 10 feet	Yes, including Minor Exception for portion along Valencia
Setbacks, Public Alley (C-3)	0 feet	0 feet	Yes
Setbacks, Interior (C-3)	0 feet	22 feet	Yes
Height (C-3)	Unlimited except any portion of building over 10 feet in height shall be setback 1 foot for each 1 foot over 10 feet from property with residential zone	Various, between 30 feet and 40 feet	Yes, including Development Concession for portion along the alley adjacent to R-2 and R-3 properties at a 25 ft setback
Lot Coverage (C-3)	N/A	N/A	N/A
Floor Area Ratio (C-3)	0.90	0.88	Yes
Open Space (R-5)	Common – 5,200 square feet Private – 1,340 square feet	Common – 6,159 square feet Private – 2,303 square feet	Yes
Development Standard	Required	Proposed	Meets Requirement
Parking (R-5, superseded by Government Code 65915)	1 bedroom – 1 space 2 bedrooms – 1.5 spaces Total = 26 spaces	1 bedroom – 1 space 2 bedrooms – 2 spaces Total = 32 spaces	Yes

Parking (C-3)	4 spaces per 1,000 square feet Total = 5 spaces	5 spaces	Yes
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Architecture

The proposed building has a Spanish Colonial Revival architectural style, with a smooth stucco finish exterior, a clay tile roof, wrought iron and wood elements and wall planters. The building orientation and articulation would reduce massing and create a streetscape of interest along Highland Avenue and Valencia Drive. The proposed building frontage would utilize pedestrian-oriented design with paved walkways, low wall entry accents and landscaping to provide visual interest for pedestrians and customers.

Landscaping

The proposed project would provide common space consisting of landscaping, a green terrace on the second level and an open terrace of the east side of the site. Community amenities would include an outdoor lounge with seating, firepits, entertainment counter with bar seating and a built-in barbeque area. Landscaping would include trees, shrubs and ground cover primarily along the frontage of Highland Avenue and Valencia Drive. Tree species would include olive, Australian willow, African sumac, Italian cypress, deciduous flowering trees and evergreen flowering trees. Each unit also has private open space in the form of a patio area.

As detailed in the findings contained in the Resolution, the project as proposed and conditioned complies with the relevant development standards and design criteria.

Minor Exception (ZON-2021-0002):

The building design has an articulated façade along Valencia Drive to facilitate the unit mix and patio spaces while creating pedestrian-scale visual interest to the project. Along this portion of Valencia Drive, following the curve in the street, the depth of the project site decreases from approximately 150 feet to 120 feet moving from east to west. While the footprint of the building generally meets or exceeds the 10-foot street setback requirement, the changing geometry of the lot means that portions of the three-story building encroach into the setback along Valencia Drive, requiring the approval of a Minor Exception. Chapter 15.66 provides a process for considering, for practical reasons, minor deviations from certain development standards. The proposed encroachments of the building are minor in that they are triangular areas rather than the whole face of the building and a function of the building design coupled with the constraints of the lot.

As detailed in the findings contained in the Resolution, the setback encroachment is minor in nature and not otherwise detrimental to the site or its surroundings.

General Plan Revision (LRP-2020-0005):

The project includes a General Plan Revision to change the site's General Plan land use designation (community development type) from Commercial to Neighborhood Center Mixed-Use. Neighborhood Center Mixed-Use is a community development type adopted as part of the 2012 General Plan update "to establish and protect neighborhood centers that provide nearby residents with opportunities to walk to retail and services businesses, office uses and civic gathering spaces." Although adopted, the City did not apply this

community development type to any properties, so the City evaluates its use on a project-by-project basis.

The General Plan Revision includes identifying C-3 as a consistent zoning designation with Neighborhood Center Mixed-Use when used to implement dwelling units as part of a mixed-use development pursuant to FMC 15.30.040.E. Neighborhood Center Mixed-Use currently has no identified consistent zoning classification other than the preparation of a specific plan. This action would provide the opportunity to utilize existing, known development standards for projects construct dwelling units along with a commercial component.

Development Standard	Required	Proposed	Meets Requirement
Density	Minimum – 16 du/ac Maximum 60 du/ac	35.7 du/ac	Yes
FAR	Minimum – 0.5 Maximum – 3.0 unless consistent zoning is lower	0.88	Yes

As detailed in the findings contained in the Resolution, the project design complies with the development standards of the Neighborhood Center Mixed-Use community development type in addition to consistency with the purpose of the development type and its associated land uses.

Zoning Amendment (LRP-2020-0006):

The project includes a change in the zoning classification to C-3, Central Business District Commercial, to facilitate the addition of a residential land use to a commercially zoned property. The C-3 zone provides for a district that includes mixed residential and commercial use, primarily (but not limited to) the downtown area.

As detailed in the findings contained in the Resolution, the project design complies with the development standards of the C-3 zone, including those unique to dwelling units as part of a mixed-use development contained in FMC 15.30.040.E and by reference 15.17.070.D and E pertaining to the residential component.

Planning Commission

The Planning Commission held a public hearing on September 1, 2021 and unanimously recommended City Council approval of the project (See Minutes, Attachment 8).

Environmental Review

The City, as Lead Agency, prepared a Draft Initial Study / Mitigated Negative Declaration to identify the potential environmental impacts associated with the construction and implementation of the project in conformance with the provisions of the California Environmental Quality Act (CEQA) and CEQA Guidelines. The Initial Study analyzed the project with respect to the following environmental factors:

CEQA Environmental Factors		
Aesthetics	Geology / Soils	Population / Housing

Agriculture and Forestry Resources Air Quality Biological Resources Cultural Resources Energy	Greenhouse Gas Emissions Hazards/Hazardous Materials Hydrology / Water Quality Land Use / Planning Mineral Resources Noise	Public Services Recreation Transportation Tribal Cultural Resources Utilities / Services Systems Wildfire
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The analysis found Less than Significant Impacts or No Impacts for all of the environmental factors except Geology / Soils for which the analysis identified two mitigation measures which reduce the impacts to Less than Significant with Mitigation Incorporated.

The mitigations measures require compliance with the recommendations from the Geotechnical Investigation which address soil preparation and building foundation and establish protocols should ground disturbance exceed a depth of ten feet to ensure the project follows proper procedures in the unlikely discovery of any paleontological resources. Attachment 7 includes the Draft Initial Study / Mitigated Negative Declaration.

Two agencies commented on the project. The Orange County Transportation Authority (OCTA) commented on the project with respect to future right-of-way buildout. The City's Traffic Engineer reviewed the comment and determined no project features exist that would preclude reconfiguration of the roadway if warranted in the future. The Orange County Water District (OCWD) concurred with the proposed project's analysis with respect to infiltration. None of the comments received resulted in the need to recirculate the Draft Initial Study / Mitigated Negative Declaration or prepare an Environmental Impact Report (EIR). Attachment 7 includes the letters and responses are included in Attachment 7.

Attachments:

- Attachment 1 – PowerPoint Presentation
- Attachment 2 – Resolution No. 2021-XX – Mitigated Negative Declaration
- Attachment 3 – Resolution No. 2021-XX – Major Site Plan
- Attachment 4 – Resolution No. 2021-XX – Minor Exception
- Attachment 5 – Resolution No. 2021-XX – General Plan Revision
- Attachment 6 – Ordinance No. XXXX – Zoning Amendment
- Attachment 7 – Environmental Documents¹;
- Attachment 8 – Planning Commission Minutes dated September 1, 2021
- Attachment 9 – Correspondence
- Attachment 10 – Plans

¹ Technical Appendices available upon request and at:
<https://www.cityoffullerton.com/government/departments/community-and-economic-development/planning-zoning/development-activity>