



# CITY OF MERCED

Merced Civic Center  
678 W. 18th Street  
Merced, CA 95340

## Minutes Planning Commission

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Wednesday, March 9, 2022

7:00 PM

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### A. CALL TO ORDER

Chairperson HARRIS called the Regular Meeting to order at 7:01 PM

A.1. Moment of Silence

A.2. Pledge of Allegiance to the Flag

Commissioner GREGGAINS led the Pledge of Allegiance to the Flag.

### B. ROLL CALL

**Present:** 7 - Chairperson Michael Harris, Member Robert Dylina, Member Dorothea White, Member Jose Delgadillo, Vice Chair Mary Camper, Member Jeremiah Greggains, and Member Ronnie DeAnda

**Absent:** 0

### C. ORAL COMMUNICATIONS

There were no public comments.

### D. CONSENT CALENDAR

**A motion was made by Member Dylina, seconded by Member Delgadillo, to approve the Consent Agenda. The motion carried by the following vote:**

**Aye:** 7 - Chairperson Harris  
Member Dylina  
Member White  
Member Delgadillo  
Vice Chair Camper  
Member Greggains  
Member DeAnda

**No:** 0

**Absent:** 0

D.1

**SUBJECT:** Planning Commission Minutes of February 9, 2022

**ACTION:**

Approving and filing the Planning Commission Minutes of February 9, 2022

**ATTACHMENTS**

1. Draft Minutes of February 9, 2022

This Consent Item was approved.

**E. PUBLIC HEARINGS AND ACTION ITEMS**

E.1

**SUBJECT:** Commercial Cannabis Business Permits #21-01, and #21-06, initiated by Quality Yield Cultivation, LLC. on behalf of Hyway 59 Properties, LP, property owner. These applications are to permit indoor cultivation, and distribution of cannabis and cannabis-based products at 2777 N. Highway 59, Bldg. D, using a portion of an existing building on approximately 22.4 acres. The property is zoned Heavy Industrial (I-H), with a General Plan designation of Manufacturing Industrial (IND). \*\*PUBLIC HEARING\*\*

**ACTION:** Approve/Disapprove/Modify

- 1) Environmental Review #21-15 (*Categorical Exemption*)
- 2) Commercial Cannabis Business Permit #21-01
- 3) Commercial Cannabis Business Permit #21-06

**SUMMARY**

The applicant has requested these items be continued to the Planning Commission meeting of March 23, 2022.

**RECOMMENDATION**

Planning staff recommends that the Planning Commission continue these items to the Planning Commission meeting of March 23, 2022.

Development Services Technician II DAVIS informed the Planning Commission that Staff is recommending that Commercial Cannabis Business Permits #21-01 and #21-06, and Environmental Review #21-15 be continued to the Planning Commission Meeting of March 23, 2022.

There was no one present wishing to speak regarding the project; therefore, testimony was opened and closed at 7:06 PM

**A motion was made by Member White, seconded by Member Dylina, to continue Commercial Cannabis Business Permits #21-01 and #21-06, and Environmental Review #21-15 to the Planning Commission Meeting of March 23, 2022. The motion carried by the following vote:**

**Aye:** 7 - Chairperson Harris  
 Member Dylina  
 Member White  
 Member Delgadillo  
 Vice Chair Camper  
 Member Greggains  
 Member DeAnda

**No:** 0

**Absent:** 0

**E.2**

**SUBJECT:** General Plan Amendment #21-03 and Zone Change #429, initiated by Peter Lau on behalf of Bellevue Ranch Paseo, LLC, for approximately 8.5 acres of land generally located at the northeast corner of Bellevue Road and Barclay Way. The General Plan Amendment would change the General Plan land use designation from Neighborhood Commercial (CN) to Low-Medium Density (LMD) Residential. The Zone Change would change the Zoning designation from Planned Development (P-D) #73 to Residential Planned Development (RP-D) #63 to allow the construction of single-family homes. **\*\*PUBLIC HEARING\*\***

**ACTION:**

**PLANNING COMMISSION:**

Recommendation to City Council

- 1) Environmental Review #21-47 (*CEQA Section 15162*)

*Findings)*

- 2) General Plan Amendment #21-03
- 3) Zone Change #429

**CITY COUNCIL:**

Approve/Disapprove/Modify

- 1) Environmental Review #21-47 (*CEQA Section 15162*)

*Findings)*

- 2) General Plan Amendment #21-03
- 3) Zone Change #429

**SUMMARY**

The project site consists of approximately 8.5 acres of land generally located at the northeast corner of Bellevue Road and Barclay Way. The proposed General Plan Amendment would change the land use designation for this area from Neighborhood Commercial (CN) to Low-Medium Density (LMD) Residential and the Zone Change would change the zoning designation from Planned Development (P-D) #73 to Residential Planned Development (RP-D) #63. The proposed changes would revert the project site back to its original land use and make it



**ACTION**

Information only.

Planning Manager ESPINOSA went over items for the next several Planning Commission meetings.

**F.2**

**SUBJECT: Calendar of Meetings/Events**

- March 7 City Council, 6:00 p.m.
- 9 Planning Commission, 7:00 p.m.
- 21 City Council, 6:00 p.m.
- 23 Planning Commission, 7:00 p.m.
- April 4 City Council, 6:00 p.m.
- 6 Planning Commission, 7:00 p.m.
- 18 City Council, 6:00 p.m.
- 20 Planning Commission, 7:00 p.m.
- 26 Bicycle and Pedestrian Advisory Commission, 4:00 p.m.

**G. ADJOURNMENT**

**Clerk's Note:** The Regular Meeting adjourned at 7:25 PM

**A motion was made by Member Greggains, seconded by Member Delgadillo, that meeting be adjourned. The motion carried by a unanimous voice vote.**

**CITY OF MERCED**  
**Planning Commission**

**Resolution #4087**

**WHEREAS**, the Merced City Planning Commission at its regular meeting of March 23, 2022, held a public hearing and considered **Commercial Cannabis Business Permits #21-01 and #21-06**, initiated by Quality Yield Cultivation, LLC, on behalf of Hyway 59 Properties, LP, property owner. These applications are to permit indoor Cultivation and Distribution of cannabis and cannabis-based products at 2777 N. Highway 59, Bldg. D, using a portion of an existing building on approximately 22.4 acres. The property is zoned Heavy Industrial (I-H), with a General Plan designation of Manufacturing Industrial (IND); also known as Assessor's Parcel Number (APN) 059-450-069; and,

**WHEREAS**, the Merced City Planning Commission concurs with Findings A through K (Exhibit B) of Staff Report #22-188; and,

**NOW THEREFORE**, after reviewing the City's Draft Environmental Determination, and discussing all the issues, the Merced City Planning Commission does resolve to hereby adopt a Categorical Exemption regarding Environmental Review #21-15 and approve Commercial Cannabis Business Permits #21-01 and #21-06, subject to the Conditions set forth in Exhibit A attached hereto and incorporated herein by this reference.

Upon motion by Commissioner DYLINA, seconded by Commissioner GREGGAINS, and carried by the following vote:

AYES: Commissioners Camper, DeAnda, Delgadillo, Dylina, Greggains, and White

NOES: None

ABSENT: Chairperson Harris

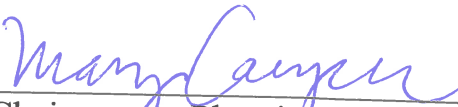
ABSTAIN: None

PLANNING COMMISSION RESOLUTION #4087

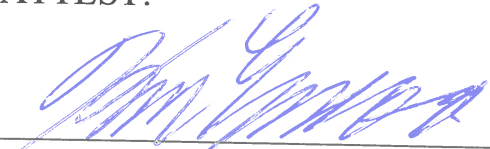
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March 23, 2022

Adopted this 23<sup>rd</sup> day of March 2022

  
\_\_\_\_\_  
Chairperson, Planning Commission of  
the City of Merced, California

ATTEST:

  
\_\_\_\_\_  
Secretary

Attachment:

Exhibit A – Conditions of Approval

Exhibit B – Findings and Considerations

**Conditions of Approval**  
**Planning Commission Resolution #4087**  
**Commercial Cannabis Business Permits #21-01 and #21-06**

1. The proposed project shall be constructed/designed as shown on Exhibit 1 (site plan), Exhibit 2 (floor plan), and Exhibit 3 (Elevations)-Attachments C, D, and E of Staff Report #22-144, and all other application materials submitted by the applicant, including business plans, security plans, etc., except as modified by the conditions.
2. All conditions and requirements contained in Merced Municipal Code Section 20.44.170, "Regulation of Commercial Cannabis Activities—Commercial Cannabis Business Permit Required" shall apply.
3. The developer/applicant shall indemnify, protect, defend (with counsel selected by the City), and hold harmless the City, and any agency or instrumentality thereof, and any officers, officials, employees, or agents thereof, from any and all claims, actions, suits, proceedings, or judgments against the City, or any agency or instrumentality thereof, and any officers, officials, employees, or agents thereof to attack, set aside, void, or annul, an approval of the City, or any agency or instrumentality thereof, advisory agency, appeal board, or legislative body, including actions approved by the voters of the City, concerning the project and the approvals granted herein. Furthermore, developer/applicant shall indemnify, protect, defend, and hold harmless the City, or any agency or instrumentality thereof, against any and all claims, actions, suits, proceedings, or judgments against any governmental entity in which developer/applicant's project is subject to that other governmental entity's approval and a condition of such approval is that the City indemnify and defend (with counsel selected by the City) such governmental entity. City shall promptly notify the developer/applicant of any claim, action, suits, or proceeding. Developer/applicant shall be responsible to immediately prefund the litigation cost of the City including, but not limited to, City's attorney's fees and costs. If any claim, action, suits, or proceeding is filed challenging this approval, the developer/applicant shall be required to execute a separate and formal defense, indemnification, and deposit agreement that meets the approval of the City Attorney and to provide all required deposits to fully fund the City's defense immediately but in no event later than five (5) days from that date of a demand to do so from City. In addition, the

- developer/applicant shall be required to satisfy any monetary obligations imposed on City by any order or judgment. The developer/applicant shall construct and operate the project in strict compliance with the approvals granted herein, City standards, laws, and ordinances, and in compliance with all State and Federal laws, regulations, and standards. In the event of a conflict between City laws and standards and a State or Federal law, regulation, or standard, the stricter or higher standard shall control.
4. The proposed project shall comply with all standard Municipal Code and Subdivision Map Act requirements as applied by the City Engineering Department.
  5. The developer/applicant shall construct and operate the project in strict compliance with the approvals granted herein, City standards, laws, and ordinances, and in compliance with all State and Federal laws, regulations, and standards. In the event of a conflict between City laws and standards and a State or Federal law, regulation, or standard, the stricter or higher standard shall control. State Law shall prevail in regards to cannabis activities as permitted by State Law.
  6. The proposed project shall comply with all applicable regulations of the State of California including, but not limited to, those found in the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA), as it may be amended or updated from time to time.
  7. The proposed project shall provide that all cultivation and distribution activities occur indoors within a fully enclosed and secure structure, and ensure that the property on which the structure sits is secure and appropriately screened. The details of the property's fencing, security, and screening are to meet the approval of the Director of Development Services and Chief of Police prior to the issuance of a Certificate of Occupancy.
  8. The applicant shall meet the standards of the City of Merced's "Commercial Building Permit Application Submittal Requirements" (Attachment I of Staff Report #22-144) at the time of submittal for building permits for tenant improvements.
  9. The applicants shall keep on the premises of the proposed project site a physical copy of the approved plans, to be annotated and updated accordingly with any notes, changes, or requirements determined to be necessary by representatives of the City of Merced or any contractors that the City of Merced may employ for the purpose of site inspections.

EXHIBIT A  
OF PLANNING COMMISSION RESOLUTION #4087

- These plans shall be made available to the City's representatives, employees, agents, inspectors, or contractors upon request.
10. The facility operated by the applicants shall be secured from intentional or accidental access by any person not employed, contracted, or otherwise authorized on the premises, including any tenants of other buildings on the same property.
  11. Fire sprinklers shall be modified to accommodate the building configuration and process configuration prior to occupancy.
  12. Regulatory Fees, as per Resolution #2021-43, are to be paid prior to the issuance of a Certificate of Occupancy and annually thereafter on or before the anniversary date. The Regulatory Fee may be amended from time to time based upon actual costs. The amount of the fees shall be adjusted annually to account for inflation by using the Consumer Price Index (CPI). In no event, shall the fees in any year be less than the preceding year.
  13. Prior to issuance of a Certificate of Occupancy, applicant shall acquire a City of Merced Business License.
  14. A Commercial Cannabis Business Permit is valid for one year or until December 31 of each year, unless sooner revoked. Applications for the renewal of a permit shall be filed with the Director of Development Services, in accordance with MMC 20.44.170(L)(5), "Commercial Cannabis Business Permit Renewal (All Types)", at least sixty (60) calendar days before the expiration of the current permit. If the permittee allows their permit to lapse, they shall be required to submit a new application, pay corresponding fees and be subject to all aspects of the selection process.
  15. Future modifications to the scale, scope, activities, implementation, processes, materials, design, layout, or other factors pertaining to the operation of the project that are consistent with permits to perform activities related to the cultivation and/or distribution of cannabis and cannabis-based products may be authorized with the approval of the Director of Development Services by submitting a request for Minor Modification, in accordance with MMC 20.44.170(L)(7), "Modifications to Commercial Cannabis Business Permit (All Types)".
  16. In the event that a proposed Minor Modification is submitted by the applicant that includes an expansion of building space being used, Staff

shall reevaluate parking needs and the applicant shall provide additional parking if necessary.

17. If the site is to be gated, there must be a minimum 22-foot-wide clearance for emergency vehicles to pass through when the gate is opened. If the gate requires manual operation, the applicant shall provide a Knox padlock, prior to issuance of a Certificate of Occupancy. If the gate requires electronic operation, prior to issuance of a Certificate of Occupancy, the applicant shall provide a Knox override switch with "Click-to-Enter." Access to this equipment shall be provided to the City of Merced Police, Fire, and Refuse Departments.
18. Prior to commencement of cannabis growing activities, applicant shall provide an estimated volume of City water to be used annually to the City Water Department, and shall have floor plans, equipment, material sheets, and such other materials/plans/permits as deemed necessary approved by the Chief Building Official and Fire Chief.
19. The applicant shall provide or cause to be provided the necessary Accessible Parking Spaces in accordance with Table 11B-208.2, "Parking Spaces" of the California Building Code, Title 24, Part 2.
20. In accordance with Table 20.38-4, "Required Bicycle Parking Spaces" of the City of Merced Zoning Ordinance, the applicant shall provide or cause to be provided a minimum of 3 short-term and 3 long-term bicycle parking spaces.
21. The applicant shall provide required loading spaces in accordance with Table 20.38-5, "Required Loading Spaces."
22. Signage shall be limited to no more than fifty square feet and must comply with MMC 20.44.170(I)(2) that no exterior evidence of cannabis cultivation shall be visible from the public right-of-way. The display of the name of the facility shall not be construed on its own to provide such evidence. Details to be worked out with Planning staff.

**Findings and Considerations**  
**Planning Commission Resolution #4087**  
**Commercial Cannabis Business Permits #21-01 and #21-06**

**FINDINGS/CONSIDERATIONS:**

**General Plan Compliance and Policies Related to This Application**

- A) The proposed project complies with the General Plan designation of Manufacturing Industrial (IND) and the zoning classification of Heavy Industrial (I-H) with approval of a Commercial Cannabis Business Permit.

**Land Use Issues**

- B) The subject site is more than 1,000 feet from any schools and more than 600 feet from any day care centers, youth centers, libraries, or public parks that are currently in existence, as is required by Section 11362.768 of the Health and Safety Code and Section 20.44.170(E)(3)(f) of the Merced Municipal Code (MMC).

**Proposed Operations**

- C) The full text of the operations plan provided by the applicant can be found as part of Attachment F of Staff Report #22-188. The applicant intends to establish and operate an indoor cultivation and distribution facility for cannabis and cannabis-based products. The cultivation procedures will include propagation, vegetation, and flowering with up to ten (10) full-time Cultivation Technicians responsible for management of the process throughout the designated cultivation area of the facility. The distribution procedures will primarily be reserved for cannabis product that has been cultivated onsite to other licensed retailers and distributors purchasing their product. All cannabis products purchased wholesale or taken in for service by Quality Yield Cultivation, LLC (QYC) shall be sourced only from State licensed Cultivators, Manufacturers, and Distributors. QYC anticipates up to fifteen (15) full-time technicians to facilitate distribution operations.

**Traffic/Circulation**

- D) As the project is proposed in an existing building with existing access to the City's roadway infrastructure, and due to conformity with the zoning and land use for the site, no concerns related to traffic or circulation have been raised as a result of this project.

**Parking**

- E) With the proposed building at approximately 103,767 SF, the Applicant is proposing to use the entire space of this building. Using the regulation for Warehousing, Wholesaling, and Distribution, the number of required spaces is 1 per 2,000 square feet of floor area, or 45 spaces (with the standard 15% reduction for floor area). Bicycle parking spaces, Accessible spaces, and Loading Spaces shall be provided as required in Conditions #19, #20, and #21. With the proposed 32 parking spaces added by the applicant, along with the existing parking on-site, there should be ample parking spaces to fulfill all uses on the lot.

### **Neighborhood Impact/Interface**

- F) The subject site is surrounded by industrial uses to the north, south, and west of the property and high-medium density residential uses and a mobile home park to the east across Highway 59. Because of the separation across Highway 59 between this use and the residentially-zoned properties, the fact that the facility will be screened and maintained indoors with HVAC and air-filtering equipment to prevent odors, staff believes that approval of this request should not have a significant impact on the surrounding area.

A public hearing notice was circulated in the Merced County Times and mailed to property owners within 300 feet of the subject site three weeks prior to this public hearing. As of the date that this report was prepared, staff has not received any comments from the community about this project.

### **Signage**

- G) Currently submitted plans do not show any request for signage. Any future signage must comply with Condition #22 and are limited to 50 square feet maximum. Any signs shall not provide evidence of cannabis cultivation activities. The display of the name of the facility shall not be construed on its own to provide such evidence.

### **Safety/Security**

- H) The full text of the security plan provided by the applicant can be found as part of Attachment F of Staff Report #22-188, page 14.

### **Ownership**

- I) Quality Yield Cultivation, LLC. has three (3) owners with 5% or more interest in the proposed business. Rameshbhai Patel, Tarinder Singh, and Chamandeep Kaur each own more than 5% of the proposed business and have each performed a Live Scan check and have successfully passed background checks to the satisfaction of the Chief of Police.

### **Modification to Operations**

- J) City staff recognizes that the details of operating a business, particularly one in a developing sector such as cannabis and cannabis-based products, requires continual updating of business practices, methodologies, and tools, the modification of which may require alterations to the configuration of the equipment, setup, or layout of the facility. In order to allow for these changes while maintaining the safety of all parties involved, modifications to the permit in the course of cultivation and/or distribution of cannabis and cannabis-based products may be requested by the applicants by submitting a request for Minor Modification, in accordance with MMC 20.44.170(L)(7), "Modifications to Commercial Cannabis Business Permit (All Types)" (Conditions #15 and #16).

### **Environmental Clearance**

- K) The project proposes to utilize an existing building, on a site comprised of approximately 22.4 acres. Planning staff has conducted an environmental review (Environmental Review #21-15) of the project in accordance with the requirements of the California Environmental Quality Act (CEQA), and a Categorical Exemption (no further environmental review is required) is being recommended (Attachment J of Staff Report #22-188).

**CITY OF MERCED**  
**Planning Commission**

**Resolution #4086**

**WHEREAS**, the Merced City Planning Commission at its regular meeting of March 9, 2022, held a public hearing and considered **General Plan Amendment #21-03 and Zone Change #429**, initiated by Peter Lau, on behalf of Bellevue Ranch Paseo, LLC, property owner. This application involves a request to amend the General Plan designation for approximately 8.5 acres from Neighborhood Commercial (CN) to Low-Medium Density (LMD) Residential. The request also includes a Zone Change to change the zoning designation from Planned Development (P-D) #73 to Residential Planned Development (RP-D) #63. This property is generally located at the northeast corner of Bellevue Road and Barclay Way; also known as Assessor Parcel: 170-010-001 to -039; 170-022-001 to -003; 170-030-001 to -028; 170-041-001 to -003; 170-044-001; and,

**WHEREAS**, the Merced City Planning Commission concurs with Findings/Considerations A through L of Attachment A of Staff Report #22-122 (Exhibit B); and,

**NOW THEREFORE**, after reviewing the City's Initial Study and Draft Environmental Determination, and fully discussing all the issues, the Merced City Planning Commission does resolve to hereby recommend to City Council that the previous environmental review for the *Merced Vision 2030 General Plan* (SCH#2008071069) remains sufficient and no further documentation is required (CEQA Section 15162 Findings), and recommend approval of General Plan Amendment #21-03 and Zone Change #429, subject to the Conditions set forth in Exhibit A and the Findings set forth in Exhibit B, and incorporated herein by this reference.

Upon motion by Commissioner DELGADILLO, seconded by Commissioner GREGGAINS, and carried by the following vote:

**AYES:** Commissioners Camper, DeAnda, Delgadillo, Dylina, Greggains, White, and Chairperson Harris

**NOES:** None

**ABSENT:** None

**ABSTAIN:** None

PLANNING COMMISSION RESOLUTION #4086

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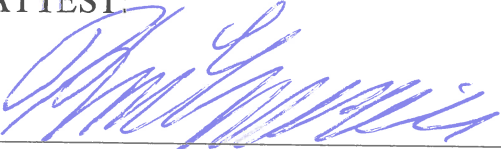
March 9, 2022

Adopted this 9<sup>th</sup> day of March 2022



Chairperson, Planning Commission of  
the City of Merced, California

ATTEST:



Secretary

Exhibits:

Exhibit A – Conditions of Approval

Exhibit B – Findings/Considerations

**Conditions of Approval**  
**Planning Commission Resolution #4086**  
**General Plan Amendment #21-03**  
**Zone Change #429**

1. The proposed General Plan Amendment and Zone Change shall be as shown on the Proposed Land Use Map at Attachment C of Planning Commission Staff Report #22-122.
2. The proposed project shall be constructed/designed in substantial compliance with the Design Standards at Attachment F of Planning Commission Staff Report #22-122 and the building designs and elevations shall be constructed/designed in substantial compliance with the plans provided at Attachment G of Planning Commission Staff Report #22-122. All applicable conditions of approval for Site Plan Application #484 shall apply.
3. All applicable conditions of Planning Commission Resolution #2996 for General Plan Amendment #11-04 and Site Utilization Plan Revision #2 to Residential Planned Development (RP-D) #63 and Planning Commission Resolution #2896 for Conditional Use Permit #1096 shall apply, unless superseded by this approval.
4. The proposed project shall comply with all standard Municipal Code and Subdivision Map Act requirements as applied by the City Engineering Department.
5. All other applicable codes, ordinances, policies, etc. adopted by the City of Merced shall apply.
6. Approval of the General Plan Amendment and Zone Change is subject to the property owner entering into a written Legislative Action Agreement that they agree to all the conditions and shall pay all City and school district fees, taxes, and/or assessments, in effect on the date of any subsequent subdivision and/or permit approval, any increase in those fees, taxes, or assessments, and any new fees, taxes, or assessments, which are in effect at the time the building permits are issued, which may include public facilities impact fees, a regional traffic impact fee, Mello-Roos taxes—whether for infrastructure, services, or any other activity or project authorized by the Mello-Roos law, etc. Payment shall be made for each phase at the time of building permit issuance for such phase unless an Ordinance or other requirement of the City requires payment of such fees, taxes, and or assessments at an earlier or subsequent time. Said

agreement to be approved by the City Council prior to the adoption of the ordinance, resolution, or minute action.

7. The developer/applicant shall indemnify, protect, defend (with counsel selected by the City), and hold harmless the City, and any agency or instrumentality thereof, and any officers, officials, employees, or agents thereof, from any and all claims, actions, suits, proceedings, or judgments against the City, or any agency or instrumentality thereof, and any officers, officials, employees, or agents thereof to attack, set aside, void, or annul, an approval of the City, or any agency or instrumentality thereof, advisory agency, appeal board, or legislative body, including actions approved by the voters of the City, concerning the project and the approvals granted herein. Furthermore, developer/applicant shall indemnify, protect, defend, and hold harmless the City, or any agency or instrumentality thereof, against any and all claims, actions, suits, proceedings, or judgments against any governmental entity in which developer/applicant's project is subject to that other governmental entity's approval and a condition of such approval is that the City indemnify and defend (with counsel selected by the City) such governmental entity. City shall promptly notify the developer/applicant of any claim, action, suits, or proceeding. Developer/applicant shall be responsible to immediately prefund the litigation cost of the City including, but not limited to, City's attorney's fees and costs. If any claim, action, suits, or proceeding is filed challenging this approval, the developer/applicant shall be required to execute a separate and formal defense, indemnification, and deposit agreement that meets the approval of the City Attorney and to provide all required deposits to fully fund the City's defense immediately but in no event later than five (5) days from that date of a demand to do so from City. In addition, the developer/applicant shall be required to satisfy any monetary obligations imposed on City by any order or judgment.
8. The developer/owner is required to finance the annual operating costs for police and fire services as well as storm drainage, public landscaping, street trees, streetlights, parks and open space, which may include a financing mechanism such as a Community Facilities District (CFD) or, assessment district. The project site was annexed into the City's Community Facilities District (CFD) for Services as part of Annexation No. 7. The Developer/Owner shall be responsible for the costs of maintenance covered by the CFD until sufficient funds have been collected to cover these costs.

9. The developer/applicant shall construct and operate the project in strict compliance with the approvals granted herein, City standards, laws, and ordinances, and in compliance with all State and Federal laws, regulations, and standards. In the event of a conflict between City laws and standards and a State or Federal law, regulation, or standard, the stricter or higher standard shall control.
10. All public improvements shall be installed along the project frontages to meet City Standards. Any existing improvements that have been damaged or otherwise do not meet current City Standards shall be repaired or replaced to meet City Standards. This includes, but is not limited to, sidewalk curb, gutter, street trees, streetlights, and all accessibility requirements.
11. The developer shall install a right-hand turn lane at the intersection of Bellevue Road and G Street. This lane shall be installed per City Standards. The developer shall work with the City Engineer on the design.
12. A Homeowner's Association (or other approved alternative) shall be formed to ensure maintenance of all areas not covered by the Community Facilities District or by the private homeowners. This shall include maintaining the striping delineating parking stalls on the streets within the subdivision.
13. The Emergency Vehicle Access along Bellevue Road shall be meet all Fire Department requirements. If this access is gated, the gates shall be provided with a "click-to-enter" access and controls shall be provided to the City of Merced Police, Fire, and Public Works Departments. The device used shall be approved by the City prior to installation.
14. No parking shall be allowed in the alleys. The alleys shall be posted as fire lanes and "No Parking" signs shall be installed. It shall be the responsibility of the Homeowner's Association (or approved equivalent) to enforce the parking restrictions.
15. No parking shall be allowed on the streets on garbage pick up days. This requirement as well as the requirement for no parking in the alleys (Condition #16) shall be included in any Conditions, Covenants, and Restrictions (CC&R's) for the project or otherwise recorded with each property to ensure each property owner is aware of these restrictions.

16. All plans and supporting documents submitted for Building Permits shall meet or exceed the building codes in effect at the time of building permit application submittal. Plans shall be drawn by a licensed design professional. The construction work shall be performed by an appropriately licensed Contractor.
17. The elevations provided at Attachment H of Planning Commission Staff Report #22-122 are to be minimum standards, not optional upgrades.
18. Prior to any demolition work, the applicant shall obtain all necessary approvals from the San Joaquin Valley Air Pollution Control District and a demolition permit from the City of Merced Inspection Services Division if required.
19. All construction activity shall be conducted between the hours of 7:00 a.m. and 7:00 p.m., Monday through Saturday.
20. The developer shall use proper dust control procedures during site development in accordance with San Joaquin Valley Air Pollution Control District rules.
21. All lots shall be provided with landscaping and irrigation in compliance with Zoning Ordinance Section 20.36.050. The landscaping shall be regularly maintained and kept in an aesthetically pleasing manner.
22. Prior to the issuance of a Certificate of Occupancy for any lot within the subdivision that has frontage along the block wall, landscaping on the exterior of the block wall surrounding the subdivision shall be installed. The landscaping shall be installed on each lot as it is developed. All landscaping shall meet City Standards and approved by the City prior to installation.
23. All landscaping shall be in compliance with the City's Water Efficient Landscaping and Irrigation Ordinance (Merced Municipal Code Section 17.60) and all state-mandated conservation and drought restrictions as well as the City's Zoning Ordinance Sections 20.36 – Landscaping and Section 20.46.030 (C) - Landscaping.
24. Irrigation for all onsite landscaping shall be provided by a low-volume system in accordance with the State's Emergency Regulation for Statewide Urban Water Conservation or any other state or city-mandated water regulations dealing with the current drought conditions.

25. All landscaping in the public right-of-way shall comply with the most recently adopted water regulations by the State and City addressing water conservation measures. If turf is proposed to be installed in medians or park strips, high quality artificial turf (approved by the City Engineer and Development Services Director) shall be installed.
26. All mechanical equipment shall be screened from public view as required by Zoning Ordinance Section 20.46.020.
27. The developer shall work with the City's Refuse Department to determine the best way to ensure adequate access is provided for refuse pick up.
28. Refuse containers shall not be left on the street or in public view, except as allowed by Merced Municipal Code Section 8.04.740.
29. The project shall be designed with a variety of colors and/or textures on the exterior elevations.
30. If the development complies with the requirements of Site Plan Application #484 and all other conditions for this approval, no additional Site Plan Application shall be required prior to construction of the houses.
31. The exterior of the buildings and site shall be regularly maintained and kept in an aesthetically pleasing manner. Any graffiti on the site shall be removed within 5 days as required by Merced Municipal Code (MMC) Section 8.36.060. Failure to remove graffiti within this time may result in removal by the City in accordance with MMC Section 8.36.070.

**Findings and Considerations**  
**Planning Commission Resolution #4086**  
**General Plan Amendment #21-03**  
**Zone Change #429**

**FINDINGS/CONSIDERATIONS:**

**General Plan Compliance and Policies Related to This Application**

- A) The proposed project would comply with the General Plan designation of Low-Medium Density (LMD) Residential and the zoning designation of Residential Planned Development (RP-D) #63 if the requested General Plan Amendment and Zone Change are approved.

The following Land Use and Housing Element Goals and Policies would be achieved with the approval of this request to change approximately 8.5 acres from Neighborhood Commercial (CN) to Low-Medium Density (LMD) Residential:

*Goal Area L-1: Residential & Neighborhood Development*

- *A Wide Range of Residential Densities and Housing Types in the City*
- *Quality Residential Environments*

*Policy L-1.2: Encourage a diversity of building types, ownership, prices, designs, and site plans for residential areas throughout the City.*

*Implementing Action 1.2.e Consider density increases for existing residential sites where the necessary conditions exist for higher densities.*

*Goal Area L-3: Urban Growth and Design*

- *Living Environments which Encourage People to Use a Variety of Transportation Alternatives.*

*Policy L-3.1: Create land use patterns that will encourage people to walk, bicycle, or use public transit for an increased number of their daily trips.*

*Policy L-3.3 Promote site designs that encourage walking, cycling, and transit use.*

*Implementing Action 3.1.a Encourage project designs which increase the convenience safety, and comfort of people using transit, walking, or cycling.*

**EXHIBIT B**

**OF PLANNING COMMISSION RESOLUTION #4086**

*Policy H-1.2 Support Development of Affordable Housing.*

The proposed housing would be more affordable as the homes will be constructed on small lots which would reduce the cost of the units.

The project site is located near the corner of two major arterials providing good access to many types of transportation. Additionally, the site is near the future transit hub located in Bellevue Ranch, south of the project site.

The project site is also located near UC Merced which means it could provide needed housing for the students and faculty of the university.

**Zoning Code Compliance**

B) Merced Municipal Code Section 20.20.020 (J) establishes specific findings that must be made in order to approve the establishment of a Planned Development or Site Utilization Plan Revision. While this particular application does not involve the establishment of a Planned Development or a Site Utilization Plan Revision, the project is adding land to an existing Residential Planned Development (RP-D). Therefore, staff is including these findings to ensure the requirements for a Planned Development are being addressed. These findings are as follows:

*1. The proposed development is consistent with the goals, policies, and actions of the General Plan and any applicable specific plan and community plan.*

The proposed General Plan Amendment to change the land use designation for approximately 8.5 acres of land from Neighborhood Commercial (CN) to Low-Medium Density (LMD) Residential would be consistent with the General Plan if General Plan Amendment #21-03 is approved amending the General Plan. The proposed change reverts the project site back to what it was originally designated for in the *Merced Vision 2030 General Plan*. As shown in Finding A, the proposed project would accomplish goals, policies, and implementing actions of the General Plan related to providing housing.

The proposed Zone Change to change the zoning of the site to RP-D #63 and inclusion of the design standards for RP-D #63 would make the project site consistent with the use and intent of RP-D #63.

*2. The site for the proposed development is adequate in size and shape to accommodate proposed land uses.*

The project site is approximately 8.5 acres. Because the site was previously subdivided for a small lot development, there are a total of 75 lots, 57 for

housing and 18 for private alleys, landscape areas, drainage basin, and open space (refer to Attachment G of Planning Commission Staff Report #22-122). The single-family lots range in size from 1,860 square feet to 3,285 square feet. The developer has indicated that the homes built on these lots would be the same or similar to those being built in the eastern portion of the Paseo Subdivision.

Because this request reverts the project back to what it was originally intended to be (small lot single-family homes), the site is considered to be adequate in size and shape for the proposed land use.

*3. The site for the proposed development has adequate access considering the limitations of existing and planned streets and highways.*

The project site has access from Barclay Way via Bellevue Road. There is also an emergency vehicle access (EVA) easement through Lot K to Bellevue Road (refer to the Final Map at Attachment D of Planning Commission Staff Report #22-122).

The internal streets within the subdivision provide a network to loop from the west to the east end of the subdivision. Given the number of lots within the subdivision, one access and one EVA easement is considered sufficient to serve the development.

*4. Adequate public services exist or will be provided to serve the proposed development.*

Sewer and water lines have already been installed within the project site. These facilities were installed when improvements for the Paseo subdivision were installed. Adequate sewer and water services still exist to serve the project if developed with housing instead of commercial uses.

The site would be adequately served by the City's Police and Fire Departments as well. The project will pay Public Facilities Impact Fees as part of the development. These impact fees help off-set the cost of infrastructure and the construction of new facilities. Additionally, the project site was annexed into the City's Community Facilities District (CFD) for Services as part of Annexation No. 7. Therefore, the property owners would pay a special tax annually to help cover the costs of Police and Fire services.

*5. The proposed development will not have a substantial adverse effect on surrounding property, will be compatible with the existing and planned land use character of the surrounding area, and will enhance the desirability of the area and have a beneficial effect.*

The proposed land use change from commercial to residential would be compatible with the existing land uses in the area. The site is surrounded by residential uses to the east and south, a school to the north, and vacant commercial office land to the west. The proposed density of the project (6 to 12 units/acre) is consistent with the rest of the Paseo subdivision to the east. The same design standards adopted for the eastern half of the Paseo subdivision would apply to the project site making the development consistent with the rest of the subdivision.

6. *The proposed development carries out the intent of the Planned Development zoning district by providing a more efficient use of the land and an excellence of site design greater than that which could be achieved through the application of established zoning standards.*

The proposed project would be consistent with the intent and the design standards for RP-D #63. In fact, the proposed land use changes revert the project site back to the original land uses established when the project site was annexed into the City in 2000. As previously mentioned, the development of the single-family lots would be subject to the design standards adopted for RP-D #63.

7. *Each individual unit of the proposed development, in each phase as well as the total development, can exist as an independent unit capable of creating a good environment in the locality and being in any stage as desirable and stable as the total development.*

The project site could exist as an independent project and is considered a second phase of the Paseo Subdivision development. The improvements for the subdivision have already been installed and the project site has been subdivided into individual lots to allow development of the subdivision. It is likely that the eastern half of the subdivision would develop first, but if the proposed General Plan and Zone Change are approved, the western half would most likely develop soon after the eastern half or even concurrently with the eastern half.

8. *Any deviation from the standard ordinance requirements is warranted by the design and additional amenities incorporated in the development plan, which offer certain unusual redeeming features to compensate for any deviations that may be permitted.*

The proposed General Plan Amendment and Zone Change would allow the development of housing consistent with the original intent of RP-D #63. This Residential Planned Development was established in 2000 and was intended

to allow for the construction of a small-lot subdivision. The Design Standards provided at Attachment F of Planning Commission Staff Report #22-122 are consistent with the intent of RP-D #63 and would allow development to occur as originally intended on this site. The reduced lot sizes, setbacks, and other deviations allowed through the establishment of RP-D #63 allows the construction of homes that will be more affordable due to the small lot sizes as well as provide much needed housing for the community.

9. *The principles incorporated in the proposed development plan indicate certain unique or unusual features, which could not otherwise be achieved under the other zoning districts.*

As previously explained, the proposed General Plan Amendment and Zone Change aren't establishing a new Planned Development, but are including the project site in the existing RP-D #63 zoning district. The establishment of RP-D #63 was approved in 2000 and was intended to allow for a small-lot development at this location. The small-lot design would not be allowed under traditional zoning districts such as R-1, R-2, etc.

### **Traffic/Circulation**

- C) The project site is located at the northeast corner of Bellevue Road and Barclay Way (Attachment B of Planning Commission Staff Report #22-122). A series of local streets exist within the subdivision. The traffic study for the Merced Vision 2030 General Plan included an analysis for this site as a residential development. Because the site is being reverted back to the original land use, there would be no impacts beyond what was already analyzed by the General Plan and the adjacent roadways would continue to operate at a Level of Service (LOS) D or better.

However, when the site was changed to a commercial use in 2011, a condition was included that this property would be responsible for installing a right-turn lane from Bellevue Road onto G Street. This requirement remains with this proposed development (see Condition #11).

The site is also located near alternative transportation opportunities. The City's bicycle trail system is easily accessible from the site via Bellevue Road to G Street and M Street, and on Barclay Way. A transportation hub will soon be constructed at M Circle providing access to the Bus system as well as the UC Merced's Cat Tracks system. Additionally, the site provides pedestrian access throughout the subdivision and easy access with signalized intersections to travel south by bicycle or walking.

### **Public Improvements/City Services**

- D) The streets, sidewalks, and underground utilities within the project area were constructed in 2007. However, only a partial notice of completion was issued by the City. This means the City has not accepted all the improvements previously installed. The developer would be required to repair/replace any damaged or missing improvements and bring any improvements into compliance with accessibility requirements (Condition #10). Additionally, the landscaping around the exterior of the subdivision wall has died and would have to be replaced (Condition #22).

The developer would be required to pay the required Public Facilities Impact Fees with the construction of each home to help fund citywide improvement needs, such as road improvements, traffic signals, bridges, etc. There are no off-site improvements required with this development.

### **Building Design**

- E) The proposed homes would be consistent with the homes approved for the east half of the Paseo Subdivision through Site Plan Application #484 and subject to the conditions of Site Plan Review #484 (refer to Site Plan Application #484 at Attachment E of Planning Commission Staff Report #22-122 and the floor plans and elevations of the homes at Attachment H of Planning Commission Staff Report #22-122). There are four different floor plans, each with three different elevation options. Each plan is a two-story home that would include 4 bedrooms and a two-car garage. Condition #2 requires the development to be consistent with the design standards and building elevations approved for RP-D #63 with Site Plan Review #484.

### **Site Design**

- F) The site design for each home would be required to be consistent with the Design Standards for RP-D #63 (Attachment F of Planning Commission Staff Report #22-122). These standards require a 7-foot front yard setback, 2.5' rear yard setback, and a 3' side yard setback. Additionally, each lot must provide 3 parking spaces which may include the garage and on-street parking and no side-yard fencing is allowed if there is less than a 5-foot setback between the buildings. Condition #2 requires the development to be consistent with the design standards and building elevations approved for RP-D #63 with Site Plan Review #484.

Because the project site includes areas that are not going to be developed as single-family homes (alleys, pedestrian paths, etc.), Condition #12 requires a

Homeowner's Association (or approved alternative) to be formed to ensure maintenance of any areas not covered by the Community Facilities District, such as alleys, parking lots, and landscaping, or by the private homeowners.

### **Parking**

- G) Typically, single-family dwellings are required to provide one off-street parking space outside of the required setback area. Generally, new homes provide this space with the garage. The design standards for RP-D #63 require that each dwelling provide a minimum of 3 parking spaces, including the garage and on-street parking. Each home design includes a two-car garage, so two of the required spaces would be provided in the garage and one space could be provided on the street. The subdivision currently has been striped to allow parking on the street. The alleys are considered fire lanes and no parking would be allowed in the alleyways (Condition #14).

### **Landscaping**

- H) Each lot would be required to provide landscaping in compliance with Zoning Ordinance Section 20.36 which requires that all exterior yard setback areas, excluding driveways to be landscaped.

Because the landscaping around the exterior of the subdivision has died, Condition #22 requires the landscaping to be replaced as each lot that has frontage along the exterior block wall is developed.

### **Neighborhood Impact/Interface**

- I) Currently, there are six homes constructed within the subdivision. They are generally located at the northwest corner of Bellevue Road and G Street. The proposed development would be consistent with the existing homes and the homes approved to be constructed in the eastern half of the Paseo subdivision. Because the majority of the area is vacant, there is not expected to be any impacts on the existing neighborhood. The project site would be developed either concurrently with the rest of the subdivision or shortly after completion of the eastern half of the subdivision.

Public hearing notices were sent to all property owners within 300 feet of the project site. At the time of this report, no comments have been received.

**Land Use/Density Issues**

- J) The proposed multi-family development would have a density of 7 units/acre (gross). This density is consistent with the Low-Medium Density (LMD) Residential General Plan designation.

**Design Standards for Residential Planned Development (RP-D) #63**

- K) As previously discussed, specific standards have been established for Residential Planned Development (RP-D) #63. Minor modifications to these standards were approved by the Site Plan Review Committee with Site Plan Review Application #484. The proposed development is required to adhere to these standards (Condition #2). The standards are shown in the table below.

Standard	Requirement
Setbacks	7' front yard 2.5' rear yard (25' between buildings with alleys) 3' side yards
Building Heights	35' Maximum
Distance Between Buildings	6' house side to house side 25 rear to rear at alleys
Lot coverage	67%
Building Densities	1 unit/lot
Parking Required	3 spaces per lot (garage & on-street)
Landscaping Requirements	All Plan material appropriate for Sunset Zones 8 & 9, focus on low water plants, programmable automatic controllers; mixed species trees; reduced water & maintenance focus for turf.

**Environmental Clearance**

- L) The Planning staff has conducted an environmental review of the project in accordance with the requirements of the California Environmental Quality Act (CEQA), and concluded that Environmental Review #21-47 is a second tier environmental document, based upon the City's determination that the proposed development remains consistent with the Environmental Impact Report (EIR) prepared for the *Merced Vision 2030 General Plan (SCH#2008071069)* and CEQA Guidelines, Section 15162. A copy of the Section 15162 Findings can be found at Attachment I of Planning Commission Staff Report #22-122.