



CITY OF MERCED

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

Minutes Planning Commission

Wednesday, July 9, 2025

6:00 PM

A. CALL TO ORDER

Chairperson GONZALEZ called the meeting to order at 6:00 PM.

A.1. Moment of Silence

A.2. Pledge of Allegiance to the Flag

Commissioner SWIGGART led the Pledge of Allegiance to the Flag.

B. ROLL CALL

Clerk's Note: Deputy City Attorney TANIGUCHI attended the meeting via Microsoft Teams.

Present: 7 - Member Jose Delgadillo, Chair Anthony Gonzalez, Member Yang Pao Thao, Member Walter Smith, Member Emanuelle Ochoa, Vice Chair Jeremiah Greggains, and Member Conchita Swiggart

Absent: 0

C. PUBLIC COMMENT

There were no public comments.

D. CONSENT CALENDAR

D.1. **SUBJECT:** Planning Commission Minutes of June 4, 2025

ACTION:

Approving and filing the Planning Commission Minutes of June 4, 2025

A motion was made by Member Delgadillo, seconded by Member Ochoa and carried by the following vote, to approve the Consent Agenda.

Aye: 7 - Member Delgadillo
Chair Gonzalez
Member Pao Thao
Member Smith
Member Ochoa
Vice Chair Greggains
Member Swiggart

No: 0

Absent: 0

E. PUBLIC HEARINGS

E.1

SUBJECT: Public Hearing - General Plan Amendment #24-03, Residential Planned Development (RP-D) Establishment #83, Vesting Tentative Subdivision Map #1333, Zone Change #435 and Environmental Review Checklist #24-30, initiated by Lennar Homes of California, on behalf of Merced Gateway, LLC and Lyons Investments, property owners. These actions are to support the construction of over 61 acres of residential development (up to 570 detached units) and over 9 acres of commercial development. The approximate 73.7-acre subject site is located at 3610 East Gerard Avenue (APNs 061-680-001, 061-710-009 and 061-710-023) generally located on the southwest corner of East Gerard Avenue and Campus Parkway.

REPORT IN BRIEF

Request for Planning Commission to consider recommending approval of General Plan Amendment #24-03 to amend the General Plan Land Use Designation from being listed as Business Park (BP) and Manufacturing/Industrial (IND) to Business Park (BP), Low Medium Residential (LMD), High-Medium Residential (HMD) and Open Space-Park Recreation (OS-PK) and recommend approval or denial of Zone Change #435 to rezone the site to establish Residential Planned Development (RP-D) #83. In addition, staff requests that the Planning Commission consider approving Vesting Tentative Subdivision Map (VSTM) #1333 and adopting Environmental Review Checklist #24-30. The applicant is proposing to develop 570 residential lots and about 9 acres of commercial/business park uses.

RECOMMENDATION

Recommend approval or denial to City Council:

- 1) Environmental Review #24-30 (Negative Declaration)
- 2) General Plan Amendment #24-03
- 3) Residential Planned Development Establishment #83
- 4) Zone Change #435

Approve/Disapprove/Modify:

- 1) Environmental Review #24-30 (Negative Declaration)
- 2) Vesting Tentative Subdivision Map #1333

[subject to City Council approval of General Plan Amendment #24-03,

Residential Planned Development Establishment #83 and Zone Change #435]

Acting Planning Manager LAN reviewed the report on this item. For further information, refer to Staff Report #25-638.

Public Testimony was opened at 6:22 PM.

Speakers from the Audience in Favor

WALTER DIAMOND, Applicant, Lennar Homes, Fresno, CA

TIMOTHY JONES, Property Owner, Merced Gateway LLC, Fresno, CA

ERIC PLUIM, Merced Gateway Marketplace, Sacramento, CA

ANTHONY DE MEW, Engineer, NorthStar Engineering Group, Modesto, CA

Speakers from the Audience in Opposition

SARAH KNOESTER, Resident, Merced, CA

JESUS DIAZ, Resident, Merced, CA

Public Testimony was closed at 6:55 PM.

A motion was made by Member Ochoa, seconded by Member Delgadillo and carried by the following vote, to recommend to the City Council the adoption of a Negative Declaration regarding Environmental Review #24-30, and recommend approval of General Plan Amendment #24-03, Zone Change #435, and Residential Planned Development Establishment #83, subject to the Findings and ten (10) Conditions set forth in Staff Report #25-638 (RESOLUTION #4163).

Aye: 7 - Member Delgadillo
Chair Gonzalez
Member Pao Thao
Member Smith
Member Ochoa
Vice Chair Greggains
Member Swiggart

No: 0

Absent: 0

Based on staff recommendation, the following conditions were modified:

(Note: Strikethrough deleted language, underline added language.)

"7. The project shall comply with all requirements of the California Building Code and of the Federal Emergency Management Agency (FEMA) National Flood Insurance Program regulations for building and structures in special flood hazard areas. ~~all flood requirements of the Federal Emergency Management Agency (FEMA), as well as the requirements for the California Urban Level of Flood Protection (CA 200 year flood) at the time of permit issuance.~~

~~"8.7.~~ All landscaping in the public right-of-way shall comply with State Water Resources Control Board Resolution No. 2015-0032 "To adopt an Emergency Regulation for Statewide Urban Water Conservation" and the City's Water Conservation Ordinance (Merced Municipal Code Section 15.42) and any amendments. Xeriscape or previous artificial turf shall be used in place of natural sod or other living ground cover. If turf is proposed to be installed in park-strips or on-site, high quality artificial turf (approved by the City Engineer and Development Services Director) shall be installed. ~~all~~ irrigation provided to street trees, parking lot trees, or other landscaping shall be provided with a drip irrigation or micro-spray system. All landscaping shall comply with the City's Water Efficient Landscape Ordinance (MMC Section 20.36.030) and any amendments.

~~"9.8.~~ All landscaping shall be kept healthy and maintained in good condition. Any damaged or missing landscaping shall be replaced immediately.

~~"10.9.~~ Trees and or fast-growing vines or other plants shall be planted on or near the required sound wall along roadways to soften the visibility of the walls and protect them from graffiti. Details to be worked out with Planning staff during the building permit stage.

~~"11. Sound walls must be coated in a graffiti protectant coating as approved by Public Works director or designee to protect them from tagging and graffiti prior to landscape growth.~~

~~"12.10.~~ Full public improvements shall be installed/repaired if the permit value of the project exceeds \$100,000.00. Public improvements may include, but not be limited to, repairing/replacing the sidewalk, curb, gutter, and street corner ramp(s), so that they comply with ADA standards and other relevant City of Merced/State/Federal standards and regulations.

~~"13.11.~~ Any missing or damaged improvements along the property frontage shall be installed/repaired to meet City Standards. Any improvements that don't meet current City Standards shall be replaced to

meet all applicable standards.

"~~44.12~~. The project shall comply with all the Post Construction Standards required to comply with State requirements for the City's Phase II MS-4 Permit (Municipal Separate Storm Sewer System) and include onsite or approved offsite stormwater retention capacity for a 50-year, 24-hour storm.

"~~45.13~~. The developer must address general storm water drainage on-site unless approved by the City Engineer or their designee. The developer will submit storm water drainage plans and agreements, if applicable, with their final map application, all to be approved by the City Engineer.

"~~46.14~~. All residential exterior setback areas, excluding areas required for access to the property, shall be landscaped. Landscaping may consist of any combination of living plants such as trees, shrubs and turf, related natural features such as rock, stone or bark chips; or pervious artificial turf that meets acceptable standards as determined by the Department of Development Services Director or their designee. Decorative hardscape featuring pervious materials are permitted within required landscaping areas. Drought tolerant landscape materials are required, unless otherwise approved with a minor use permit. Any street trees must be per city standards.

"~~47.15~~. Drainage from the individual residential lots shall be retained on the lots. No drainage shall run-off onto adjacent properties or the right of way.

"~~48.16~~. Prior to approval of final map, Developer will work with the City Engineer or their designee to satisfy the requirements for a looped water system from Mission Avenue to Gerard Avenue.

"~~49.17~~. Prior to approval of final map, Developer will work with the City Engineer or their designee to satisfy the requirements for the development to be served by the City sewer, including ensuring there is enough sewer capacity and that it can be supported by the proposed lift station. If required, the Project Developer will enter into a fair-share agreement to address the sewer services.

"~~20.18~~. Prior to approval of final map, developer shall provide the City Engineer with storm drainage calcs for the proposed storm drainage basin.

"~~24.19~~. Developer must work with utilities who will serve this area and comply with all requirements.

"~~22. Developer~~ Developer will provide their fair share of improvements as

determined by the City Engineer and/or any substantiated by studies including, but not limited to street, curb, sidewalk and any traffic control devices along Pluim, Gerard, Campus Parkway and/or Mission will provide their fair share of improvements as determined by the City Engineer including, but not limited to street, curb, sidewalk and any traffic control devices along Pluim, Gerard, Campus Parkway and/or Mission.

"23.20. Improvement agreement for any and all improvements, including, but not limited to those listed above shall be provided to the City Engineer prior to the approval of final map.

"24.21. Any temporary improvements must be reviewed by the City Engineer.

"25.22. An Encroachment Agreement with MID will be required for any work associated with MID facilities and for any roadways, walkways, bike paths, utilities and pipelines crossing MID facilities or rights of way. A joint use agreement between the City of Merced and MID will be executed for those sections of the City's improvements within MID's right of way.

"26.23. Pending MID Board approval, MID will quitclaim its existing 40.00-foot easement. In return, the developer will grant back to MID an exclusive 30.00-foot-wide easement prior to the subdivision map filing.

"27.24. If storm water runoff from the site is to be discharged into an MID facility, the Owner would be required to enter into a Storm Drainage Agreement with the MID, paying all applicable fees.

"28.25. Design plans for the development shall be reviewed for any impacts to MID facilities and signed off by MID.

"29.26. No structures, trees or fences will be allowed within MID rights of way.

"30.27. MID reserves the right for further comment as unforeseen circumstances may arise.

"31.28. Developer shall work with the Police Department and the City Engineer to establish location of stop signs during the final map approval process.

"32.29. Any gates to support public access shall be provided with a Knox Box, as required by the Fire Department.

"33.30. Any construction must meet any and all fire codes applicable at the

time of development and building permit application.

"~~34~~.31. Minor modifications to the tentative map may be reviewed and approved by the Director of Development Services or designee as allowed by Merced Municipal Code Section 20.20.020 (O). If the Director of Development Services determines the map modifications require a higher level of approval, they may elevate the review and refer the consideration to the Site Plan Committee or Planning Commission, as the changes require.

"~~35~~.32. This resolution for a Vesting Tentative Subdivision Map (VTSM #1333) does not become effective until the General Plan Amendment (GPA #24-03) and establishment of Residential Planned Development (R-PD #83) are approved by the City Council.

"~~36~~.33. All mechanical equipment shall be screened from public view.

"~~37~~.34. A A sound wall shall be required and constructed to a minimum height of 6 foot 8 inches above ground level along all residential properties adjacent to arterial and collector roads unless otherwise determined by the City. Suitable construction materials include concrete blocks, masonry, or stucco on both sides of a wood or steel stud wall. ~~sound wall shall be required and constructed to a minimum height of 7 feet above ground level along all residential properties adjacent to arterial and collector roads unless otherwise determined by the City. Suitable construction materials include concrete blocks, masonry, or stucco on both sides of a wood or steel stud wall.~~

"~~38~~.35. The developer/applicant will be subject to the mitigations as determined by ERC #25-30 Mitigated Negative Declaration (SCH 2025060379).

"~~39~~.36. Unless further restricted in the City of Merced Municipal Code, grading and construction shall not take place beyond the hours of 7:00 A.M. and 7:00 P.M. Monday-Sunday.

"~~40~~.37. Two-story home construction of lots that will be directly adjacent with Campus Parkway shall be constructed without second-floor balconies. A note prohibiting such second-floor balconies shall be placed as a Note on the VTSM #1333, and all plans and specs.

"~~41~~.38. The developer shall use proper dust control procedures during site development in accordance with San Joaquin Valley Air Pollution Control District rules.

"~~42~~.39. Developer shall dedicate and improve the proposed park spaces

unless otherwise approved by the City.

"~~43.40~~. Developer will pay impact fees applicable at the time of the building permit submission.

"~~44.41~~. Any modifications to the street parking plan as shown in Attachment H of SR 25-638 shall be reviewed by the Director of Development Services or designee."

A motion was made by Chairperson Gonzalez, seconded by Vice Chair Greggains, to adopt a Negative Declaration regarding Environmental Review #24-30, and approve Vesting Tentative Subdivision Map #1333, subject to the Findings and forty-one (41) Conditions set forth in Staff Report #25-638 (RESOLUTION #4164) with the modifications as noted above.

Aye: 7 - Member Delgadillo
Chair Gonzalez
Member Pao Thao
Member Smith
Member Ochoa
Vice Chair Greggains
Member Swiggart

No: 0

Absent: 0

E.2.

SUBJECT: Conditional Use Permit #25-0007 and Site Plan Review Permit #25-0009, initiated by Marco Ospina, applicant for Marketplace at Merced LLC, property owner. The Conditional Use Permit would allow a 48-foot-tall shopping center sign (with a digital screen) for the Market Place at Merced. The Site Plan Review Permit would allow the applicant to set the development standards for the shopping center sign. The subject site is generally located on the north side of West Olive Avenue, approximately 425 feet east of R Street. The subject site has a General Plan designation of Regional/Community Commercial (RC), and a Zoning classification of Planned Development (P-D) #1.
PUBLIC HEARING

ACTION: Approve/Disapprove/Modify

- 1) Environmental Review #25-0017 (*Categorical Exemption*)
- 2) Conditional Use Permit #25-0007
- 3) Site Plan Review #25-0009

SUMMARY

Marco Ospina is requesting conditional use permit approval and site plan

review permit approval to construct a 48-foot-tall pylon sign with a digital screen. The proposed shopping center sign would be located at the southern portion of a 27.42-acre parcel that also has a 439,012-square-foot building with various commercial tenants. The 27.42-acre site is currently developed, commonly known as Market Place at Merced (previously Merced Mall) is located on the north side of West Olive Avenue, approximately 425 feet east of R Street. Shopping Center Signs are allowed in the Regional/Community Commercial designation with approval of a conditional use permit, pursuant to Merced Municipal Code (MMC) 20.62.140-Additional Shopping Center Signs. Digital screens are allowed pursuant to MMC Section 20.62.250 - Digital Display Signs. The site plan review permit allows the applicant to set the development standards for the shopping center sign, as the site is located within Planned Development (P-D) #1. The Planning Commission will be reviewing this proposal to ensure that the proposal is designed in a manner that minimizes negative impacts to the existing site and promotes compatible and orderly development with the surrounding uses. Staff is recommending approval with conditions.

RECOMMENDATION

Planning staff has reviewed this request and recommends that the Planning Commission approve Environmental Review #25-0017 (Categorical Exemption), Conditional Use Permit #25-0007, and Site Plan Review Permit #25-0009, including the adoption of the Draft Resolution at Attachment A subject to the conditions in Exhibit A and the findings/considerations in Exhibit B of draft Planning Commission Resolution #4162

Associate Planner RENTERIA reviewed the report on this item. For further information, refer to Staff Report #25-622.

Public Testimony was opened at 7:18 PM.

Speakers from the Audience in Favor

MARCO OSPINA, Applicant, United Sign Systems, Sacramento, CA

MAX WINTLEY, Marketplace at Merced, Merced, CA

There were no speakers in opposition to the project.

Public Testimony was closed at 7:24 PM.

A motion was made by Member Delgadillo, seconded by Chairperson Gonzalez

and carried by the following vote, to adopt a Categorical Exemption regarding Environmental Review #25-0017, and approve Conditional Use Permit #25-0007 and Site Plan Review Permit #25-0009, subject to the Findings and fifteen (15) Conditions as set forth in Staff Report #25-622 (RESOLUTION #4162).

Aye: 7 - Member Delgadillo
Chair Gonzalez
Member Pao Thao
Member Smith
Member Ochoa
Vice Chair Greggains
Member Swiggart

No: 0

Absent: 0

F. ACTION ITEMS

There were no action items.

G. INFORMATION ITEMS

G.1. **SUBJECT:** Report by Acting Planning Manager of Upcoming Agenda Items

ACTION

Information only.

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

G.2. **SUBJECT:** Calendar of Meetings/Events

Jul.	7	City Council, 6:00 p.m.
	9	Planning Commission, 6:00 p.m.
	21	City Council, 6:00 p.m.
	23	Planning Commission, 6:00 p.m.
Aug.	4	City Council, 6:00 p.m.
	6	Planning Commission, 6:00 p.m.
	18	City Council, 6:00 p.m.
	20	Planning Commission, 6:00 p.m.
	26	Bicycle and Pedestrian Advisory Committee, 4:00 p.m.

H. ADJOURNMENT

Clerk's Note: The Regular Meeting was adjourned at 7:28 PM.

A motion was made by Member Delgadillo, seconded by Member Ochoa and carried by the following vote, to adjourn the Regular Meeting.

BY:



JONNIE LAN, SECRETARY
MERCED CITY PLANNING COMMISSION

APPROVED:

ANTHONY GONZALEZ, CHAIRPERSON
MERCED CITY PLANNING COMMISSION

CITY OF MERCED
Planning Commission

Resolution #4163

WHEREAS, the Merced City Planning Commission at its regular meeting of July 9, 2025, held a public hearing and considered **General Plan Amendment #24-03, Zone Change #435 and Residential Planned Development Establishment #83**, initiated by Lennar Homes of California, on behalf of Merced Gateway, LLC and Lyons Investments property owners for the property located at 3610 East Gerard Avenue (APNs 061-680-001, 061-710-009 and 061-710-023). The General Plan Amendment would change the General Plan land use designation of the 73.7-acre site from Business Park (BP) and Manufacturing/Industrial (IND) to Business Park (BP), Low Medium Residential (LMD), High-Medium Residential (HMD) and Open Space-Park Recreation (OS-PK). Zone Change #435 would rezone the site to establish Residential Planned Development (RP-D) #83 changing the zone for 64.6 acres from Business Park (BP) and Heavy Industrial (I-H) to Residential Planned Development #83 and to Business Park for the remaining 9 acres. The approximate 73.7-acre subject site is generally located on the southwest corner of East Gerard Avenue and Campus Parkway. The property being more particularly described as Lots “9” and “23” of Assessors Map Book 61 - Page 71 and Lot “1” of Assessors Map Book 61 – Page 68.

WHEREAS, the Merced City Planning Commission concurs with Findings/Considerations A through E of Staff Report #25-638 (Exhibit B of Planning Commission Resolution #4163); and,

WHEREAS, the Merced City Planning Commission concurs with the Findings for Planned Development (P-D) Zoning Districts in Merced Municipal Code Section 20.20.020 (J); 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 adoption of a Negative Declaration regarding Environmental Review #24-30, and recommend approval of General Plan Amendment #24-03, Zone Change #435 and Residential Planned Development #83 Establishment, subject to the Conditions set forth in Exhibit A attached hereto and incorporated herein by this reference.

Upon motion by Commissioner Ochoa, seconded by Commissioner Delgadillo, and carried by the following vote:

AYES: Commissioners Ochoa, Delgadillo, Smith, Thao, Swiggart, Greggains, and Chairperson Gonzalez

NOES: None

ABSENT: None

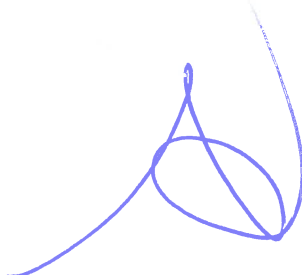
ABSTAIN: None

PLANNING COMMISSION RESOLUTION #4163

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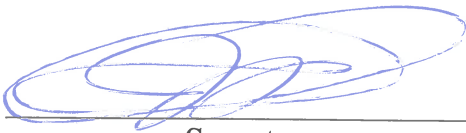
July 9, 2025

Adopted this 9th of July 2025



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 # 4163
General Plan Amendment #24-03 Zone Change #435, and
Establishment of Residential Planned Development (R-PD) #83

1. The proposed General Plan Amendment and Residential Planned Development shall be as shown on the Proposed Land Use Map at Attachment E of Planning Commission Staff Report #25-638.
2. Any project constructed on this site shall comply with all Design/Development Standards (Attachment I of Planning Commission Staff Report #25-638 adopted by the establishment of Residential Planned Development #83).
3. In compliance with Merced Municipal Code Section 20.20.020 Q, all projects shall require a Site Plan Review Permit or Minor Use Permit at the discretion of the Director of Development Services to address conformance to the Design Standards approved with this Planned Development Establishment. This does not replace the requirement for any other approval for a specific use required by the Zoning Ordinance.
4. Approval of the General Plan Amendment and Establishment of Residential Planned Development is subject to the applicant(s) 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.
5. The proposed project shall comply with all standard Municipal Code and Subdivision Map Act requirements as required by the City Engineering Department.

6. The Project shall comply with all applicable conditions set forth in the resolutions for Annexation No. 183 (Lyons Annexation) previously approved for this site.
7. All other applicable codes, ordinances, policies, etc., adopted by the City of Merced shall apply.
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. Procedures for financing these services and on-going maintenance shall be initiated before final map approval or issuance of a certificate of occupancy for any building, whichever comes first. Developer/Owner shall submit a request agreeing to such a procedure, waiving right to protest and post deposit as determined by the City Engineer to be sufficient to cover procedure costs and maintenance costs expected prior to first assessments being received.
9. 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.

10. 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.

Findings and Considerations
Planning Commission Resolution #4163
General Plan Amendment #24-03, Zone Change #435 and
Residential Plan Development #83 Establishment

FINDINGS/CONSIDERATIONS:

General Plan Compliance and Policies Related to This Application

- A) If the General Plan Amendment is approved, the proposed project would comply with the General Plan land use designation of Business Park (BP), Low Medium Residential (LMD), High-Medium Residential (HMD) and Open Space-Park Recreation (OS-PK), which allows for the development of a residential small lot subdivision, open space and adjacent commercial/business park uses. The project would also comply with the Zoning classification of Residential Planned Development (RP-D) #83 with the change in land use designation from Business Park (BP) and Heavy Industrial (I-H) to Business Park (BP), Low Medium Residential (LMD), High-Medium Residential (HMD) and Open Space-Park Recreation (OS-PK).

The proposed project, with conditions of approval, will help achieve the following General Plan land use policies:

Policy L-3.2: Encourage Infill Development and a Compact Urban Form

The proposed project would develop an approximate 73.7-acre site that has been vacant for decades. Developing this site addresses some maintenance issues associated with undeveloped parcels, such as overgrown weeds (fire hazard), vandalism, and loitering which could impact neighboring parcels. In addition, infill development is an efficient use of development that utilizes existing infrastructure within City limits as opposed to annexing land that requires expanding City infrastructure and services.

General Plan Amendment - Findings

- B) Chapter 20.82 (General Plan Amendments) outlines procedures for considering General Plan Amendments but does not require any specific findings to be made for approval. However, Planning practice would be to provide objective reasons for approval or denial. These findings can take whatever form deemed appropriate by the Planning Commission and City Council. Based on State law and case law, the following findings are recommended:

1. *The proposed amendment is deemed to be in the public interest.*

The proposed amendment is deemed to be in the public interest because it will provide employment and housing which will help alleviate the housing needs in the community.

2. *The proposed amendment is consistent and compatible with the rest of the General Plan and any implementation programs that may be affected.*

As shown under Finding A, the proposed development meets the General Plan Goals and Policies regarding promoting infill developments. The proposed project would comply with the General Plan designation of Business Park (BP) Low Medium Residential (LMD), High-Medium Residential (HMD) and Open Space-Park Recreation (OS-PK) if the General Plan Amendment is approved.

3. *The potential impacts of the proposed amendment have been assessed and have been determined not to be detrimental to the public health, safety, or welfare.*

The proposed project does not include any uses that would be detrimental to the public health, safety, and welfare of the City. Implementation of the conditions of approval and adherence to all applicable Building Codes, Fire Codes, and City Standards would prevent the project from having any detrimental effect on the health, safety, and welfare of the City as a whole.

4. *The proposed amendment has been processed in accordance with the applicable provisions of the California Government Code and the California Environmental Quality Act (CEQA).*

The proposed General Plan Amendment has been processed in accordance with all applicable California Government Code sections. In addition, Planning staff has conducted an environmental review (#24-30) of the project in accordance with the requirements of the California Environmental Quality Act (CEQA), and a Mitigated Negative Declaration (see Attachment J of Planning Commission Staff Report #25-638) has been recommended.

Zoning Code Compliance for Planned Development Establishments or Revision

- C) Per Merced Municipal Code Section 20.20.20 (J) Planned Development (P-D) Zoning Districts, an application for Planned Development Establishment or Revision can only be approved if the following findings can be made.

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 Residential Planned Development would change the land use designation for the approximately 73.7-acre subject site from Business Park(BP) and Heavy Industrial (I-H) to Business Park (BP), Low Medium Residential (LMD), High-Medium Residential (HMD) and Open Space-Park Recreation (OS-PK). This use would be consistent with the General Plan if General Plan Amendment #24-03 is approved. As described in Finding A above, the project would help achieve Land Use Policy L-3.2 by encourage in-fill development.

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

The project site is approximately 73.7 acres, and would be used to develop 570 detached residential units, 3 acres of open space and 9 acres of business park/commercial uses. Therefore, the project site is considered adequate in size and shape to accommodate the proposed land uses

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

The proposal would have adequate access to existing and planned streets and highways. The proposed development would have access to E. Gerard Avenue, Campus Parkway, East Mission Avenue and Pluim Drive through streets at the northern, western and southern property lines. The project proposes new internal streets that would connect to the arterial and collector streets listed above. These

internal streets would be constructed to Merced City Standards as required in the Conditions of Approval of Planning Commission Resolution #4164 for the Vesting Tentative Subdivision Map #1333, Attachment C of Planning Commission Staff Report #25-638).

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

City utilities such as water and sewer main lines are available adjacent to the project site. The developer will be required to provide storm drainage for the proposed development. The Developer/applicant will provide the City Engineer with storm drainage improvement plans and any related agreements at the time of Final Map application. These lines and requirements are adequate to serve the project.

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.*

There may be some temporary impacts such as vibration, noise, and dust during construction, but as described under Finding F – Neighborhood Impact, the proposed development would not have a substantial adverse effect on surrounding property, will be compatible with the existing and character of the surrounding area, and will enhance the desirability of the area and have a beneficial effect.

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 development provides efficient use of land optimizing the property proposing a Residential Planned Development to allow for the development of 570 detached residential units. These units will provide a different type of housing which could increase home ownership opportunities for some of our community members. This type of housing would not normally be allowed under established

zoning standards. These standards are provided at Attachment I of Planning Commission Staff Report #25-638.

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 proposed development consists of a residential subdivision, open space and 9 acres of business park/commercial uses. This residential development could remain residential, capable of creating a good environment in the locality and being in any stage as desirable and stable as the total development.

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.*

As shown on Attachment G of Staff Report #25-638 the proposal includes small lot single detached residential units, allowing for affordability by design. This could give the community an addition opportunity for home ownership.

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

The proposed use would allow development of the entire parcel. By allowing a deviation in the setback requirements, the proposed development is able to provide a range of usable residential units that are efficient and attractive.

Planned Development Standards

- D) Specific development standards are typically established within a Planned Development. The applicant could propose a standard City Zoning classification; however, by proposing a Residential Planned Development, the developer has the opportunity to request unique development standards that deviate from the City's typical requirements. Through the establishment of

EXHIBIT B
OF PLANNING COMMISSION RESOLUTION #4163

Residential Planned Development #83, the developer has requested a number of development standards specific to this development as mentioned in Attachment I of Staff Report #25-638.

Traffic/Circulation

- E) The proposed development includes a small lot subdivision that is proposed with approximately 570 residential units, and 9 acres of adjacent Business Park/Commercial uses. The site is located on an approximately 73.7-acre vacant parcel located at 3610 East Gerard Avenue at the southwest corner of East Gerard Avenue and Campus Parkway. The project site fronts a collector road to the north (East Gerard Avenue) Campus Parkway to the east and an arterial to the south (East Mission Avenue). Vehicle access would be available from East Gerard Avenue, East Mission Avenue and Plum Drive, once it is completed. Campus Parkway, which dissects the development, is designed to carry large volumes of traffic traveling north and south from Highway 99 to eventually the University of California, Merced, campus. Its close connection to Highway 99 connects this development and the rest of Merced with other regional communities throughout the State.

Vehicle Miles Traveled

The residential use is expected to generate 5,141 daily trips with an internal trip capture of 912 daily trips. Though the expected daily trips required that analysis be done, the result of that analysis showed that with mitigations the impact of the proposed trip generation would be less than significant with implemented mitigations. The roadways surrounding the project are built to address the additional traffic.

Improvements

The development requires the construction of a street network connecting the residential subdivision to Campus Parkway, East Gerard Avenue and East Mission Avenue. This street network shall be built to Merced City Standards (Planning Commission Resolution #4164 – Attachment C of Planning Commission Staff Report #25-638).

Neighborhood Impact

- F) The subject site is surrounded by a variety of uses which include residential to the north, vacant industrial to the east, county agricultural uses to the south and regional commercial to the west. The subject site is designated Business Park (BP) and Heavy Commercial (I-H). Even though the applicant is proposing a General Plan designation of Business Park, Low Medium Density Residential (LMD), High Medium Density Residential (HMD) and Open Space-Park Recreation (OS-PK), the proposed uses are expected to produce less traffic than expected for a Business Park development and would not significantly alter the traffic patterns throughout the adjacent neighborhood.

Public hearing notices were sent to all property owners within 300 feet of the project site. At the time that this report was prepared, the City had not received any comments regarding this project.

Housing Opportunity

- G) The proposed would change the General Plan designation from Business Park and Heavy Industrial to Business Park (BP), Low Medium Density Residential (LMD), High Medium Density Residential (HMD) and Open Space-Park Recreation (OS-PK). As such, zoning at this location currently does not allow for any residential uses. Thus, by changing the land use designation to Business Park (BP), Low Medium Density Residential (LMD), High Medium Density Residential (HMD) and Open Space-Park Recreation (OS-PK), the site goes from no potential of having any residential units constructed at its current designation, to up to 12 to 24 units per acre in the proposed High Medium Density residential portion of the project.

Staff believes this site would be good for residential given that the site fronts a major roads (East Gerard, Campus Parkway, East Mission and the future Plum Drive) and its close proximity to shopping centers and the 99 freeway.

Environmental Clearance

- H) Infill projects over 5 acres or projects that don't comply with Zoning/General Plan designations require an Initial Study, per the California Environmental Quality Act (CEQA). In this case, the project is over 5 acres (at 73.7 acres), and the site is not consistent with Zoning or the General Plan requiring an

Initial Study. An Initial Study includes a wide range of analysis required by the State covering an array of subjects including, but not limited to, impacts on vehicle miles traveled, air quality, biological resource, public services, cultural resources, and City utilities. Planning staff has conducted an environmental review of the project in accordance with the requirements of CEQA and concluded that Environmental Review #24-30 results in a Mitigated Negative Declaration as the proposal would not have a significant effect on the environment if mitigations are implemented (Attachment J of Planning Commission Staff Report #25-638) and does not require the preparation of an Environmental Impact Report. A copy of the Initial Study with a Mitigated Negative Declaration can be found at Attachment J of Planning Commission Staff Report #25-638.

CITY OF MERCED
Planning Commission

Resolution #4164

WHEREAS, the Merced City Planning Commission at its regular meeting of July 9, 2025, held a public hearing and considered **Vesting Tentative Subdivision Map #1333** initiated by Lennar Homes of California, on behalf of Merced Gateway, LLC and Lyons Investments property owners for the property located at 3610 East Gerard Avenue (APNs 061-680-001, 061-710-009 and 061-710-023). The Vesting Tentative Subdivision Map would divide the site and create 570 single-family residential lots, four lots designated as open space, and two lots designated for business park/commercial uses. The approximate 73.7-acre subject site is generally located on the southwest corner of East Gerard Avenue and Campus Parkway. The property being more particularly described as Lots “9” and “23” of Assessors Map Book 61 - Page 71 and Lot “1” of Assessors Map Book 61 – Page 68; and,

WHEREAS, the Merced City Planning Commission concurs with Findings/Considerations A through J of Staff Report #25-638 (Exhibit B of Planning Commission Resolution #4164); 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 adopt a Mitigated Negative Declaration regarding Environmental Review #24-30 and approve Vesting Tentative Subdivision Map #1333 subject to the Conditions set forth in Exhibit A attached hereto and incorporated herein by this reference.

Upon motion by Chairperson Gonzalez, seconded by Commissioner Greggains, and carried by the following vote:

AYES: Commissioners Greggains, Smith, Thao, Ochoa, Swiggart, Delgadillo, and Chairperson Gonzalez

NOES: None

ABSENT: None

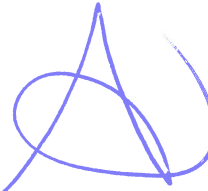
ABSTAIN: None

PLANNING COMMISSION RESOLUTION #4164

Page 2

July 9, 2025

Adopted this 9th day of July 2025



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 # 4164
Vesting Tentative Subdivision Map #1333

General

1. The proposed project shall be constructed/designed as shown on Attachment G of Planning Commission Staff Report 25-638 (Site Plan, Floor Plans and Elevations), and as supported by the conditions of approval within this resolution.
2. The Project shall comply with all applicable conditions set forth in the resolutions for Annexation No. 183 previously approved for this site.
3. All other applicable codes, ordinances, policies, etc., adopted by the City of Merced shall apply.
4. 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. Procedures for financing these services and on-going maintenance shall be initiated before final map approval or issuance of a certificate of occupancy for any building, whichever comes first. Developer/Owner shall submit a request agreeing to such a procedure, waiving right to protest and post deposit as determined by the City Engineer to be sufficient to cover procedure costs and maintenance costs expected prior to first assessments being received.
5. 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.

6. 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.

Building

7. The project shall comply with all requirements of the California Building Code and of the Federal Emergency Management Agency (FEMA) National Flood Insurance Program regulations for building and structures in special flood hazard areas.

Landscaping

8. All landscaping in the public right-of-way shall comply with State Water Resources Control Board Resolution No. 2015-0032 "To Adopt an Emergency Regulation for Statewide Urban Water Conservation" and the City's Water Conservation Ordinance (Merced Municipal Code Section 15.42) and any amendments. Xeriscape or pervious artificial turf shall be used in place of natural sod or other living ground cover. If turf is proposed to be installed in park-strips or on-site, high quality artificial turf (approved by the City Engineer and Development Services Director) shall be installed. All irrigation provided to street trees, parking lot trees, or other landscaping shall be provided with a drip irrigation or micro-spray system. All landscaping shall

comply with the City's Water Efficient Landscape Ordinance (MMC Section 20.36.030) and any amendments

9. All landscaping shall be kept healthy and maintained in good condition. Any damaged or missing landscaping shall be replaced immediately.
10. Trees and or fast-growing vines or other plants shall be planted on or near the required sound wall along roadways to soften the visibility of the walls and protect them from graffiti. Details to be worked out with Planning staff during the building permit stage.

Engineering

11. Full public improvements shall be installed/repared if the permit value of the project exceeds \$100,000.00. Public improvements may include, but not be limited to, repairing/replacing the sidewalk, curb, gutter, and street corner ramp(s), so that they comply with ADA standards and other relevant City of Merced/State/Federal standards and regulations.
12. Any missing or damaged improvements along the property frontage shall be installed/repared to meet City Standards. Any improvements that don't meet current City Standards shall be replaced to meet all applicable standards.
13. The project shall comply with all the Post Construction Standards required to comply with State requirements for the City's Phase II MS-4 Permit (Municipal Separate Storm Sewer System) and include onsite or approved offsite stormwater retention capacity for a 50-year, 24-hour storm.
14. The developer must address general storm water drainage on-site unless approved by the City Engineer or their designee. The developer will submit storm water drainage plans and agreements, if applicable, with their final map application, all to be approved by the City Engineer.
15. All residential exterior setback areas, excluding areas required for access to the property, shall be landscaped. Landscaping may consist of any combination of living plants such as trees, shrubs and turf; related natural features such as rock, stone or bark chips; or pervious artificial turf that meets acceptable standards as determined by the Department of Development Services Director or their designee. Decorative hardscape featuring pervious materials are permitted within required landscaping areas. Drought tolerant landscape materials are required, unless otherwise approved with a minor use permit. Any street trees must be per city standards.

16. Drainage from the individual residential lots shall be retained on the lots. No drainage shall run-off onto adjacent properties or the right of way.
17. Prior to approval of final map, Developer will work with the City Engineer or their designee to satisfy the requirements for a looped water system from Mission Avenue to Gerard Avenue
18. Prior to approval of final map, Developer will work with the City Engineer or their designee to satisfy the requirements for the development to be served by City sewer, including ensuring there is enough sewer capacity and that it can be supported by the proposed lift station. If required, the Project Developer will enter into a fair-share agreement to address the sewer services.
19. Prior to approval of final map, developer shall provide the City Engineer with storm drainage calcs for the proposed storm drainage basin.
20. Developer must work with utilities who will serve this area and comply with all requirements.
21. Developer will provide their fair share of improvements as determined by the City Engineer and/or any substantiated by studies including, but not limited to street, curb, sidewalk and any traffic control devices along Plum, Gerard, Campus Parkway and/or Mission.
22. Improvement agreements for any and all improvements, including, but not limited to those listed above shall be provided to the City Engineer prior to approval of final map.
23. Any temporary improvements must be reviewed by the City Engineer.

Merced Irrigation District

24. An Encroachment Agreement with MID will be required for any work associated with MID facilities and for any roadways, walkways, bike paths, utilities and pipelines crossing MID facilities or rights of way. A joint use agreement between the City of Merced and MID will be executed for those sections of the City's improvements within MID's right of way.
25. Pending MID Board approval, MID will quitclaim its existing 40.00-foot easement. In return, the developer will grant back to MID an exclusive 30.00-foot-wide easement prior to the subdivision map filing.

26. If storm water runoff from the site is to be discharged into an MID facility, the Owner would be required to enter into a Storm Drainage Agreement with the MID, paying all applicable fees.
27. Design plans for the development shall be reviewed for any impacts to MID facilities and signed off by MID.
28. No structures, trees or fences will be allowed within MID rights of way.
29. MID reserves the right for further comment as unforeseen circumstances may arise.

Public Safety

30. Developer shall work with the Police Department and the City Engineer to establish location of stop signs during the final map approval process.
31. Any gates to support public access shall be provided with a Knox Box, as required by the Fire Department.
32. Any construction must meet any and all fire codes applicable at the time of development and building permit application.

Planning

33. Minor modifications to the tentative map may be reviewed and approved by the Director of Development Services or designee as allowed by Merced Municipal Code Section 20.20.020 (O). If the Director of Development Services determines the map modifications require a higher level of approval, they may elevate the review and refer the consideration to the Site Plan Committee or Planning Commission, as the changes require.
34. This resolution for a Vesting Tentative Subdivision Map (VTSM #1333) does not become effective until the General Plan Amendment (GPA #24-03) and establishment of Residential Planned Development (R-PD #83) are approved by the City Council.
35. All mechanical equipment shall be screened from public view.
36. A sound wall shall be required and constructed to a minimum height of 6 foot 8 inches above ground level along all residential properties adjacent to arterial and collector roads unless otherwise determined by the City. Suitable construction materials include concrete blocks, masonry, or stucco on both sides of a wood or steel stud wall.

37. The developer/applicant will be subject to the mitigations as determined by ERC #25-30 Mitigated Negative Declaration (SCH 2025060379).
38. Unless further restricted in the City of Merced Municipal Code, grading and construction shall not take place beyond the hours of 7:00 A.M. and 7:00 P.M. Monday- Sunday.
39. Two-story home construction of lots that will be directly adjacent with Campus Parkway shall be constructed without second-floor balconies. A note prohibiting such second-floor balconies shall be placed as a Note on the VSTM #1333, and all plans and specs.
40. The developer shall use proper dust control procedures during site development in accordance with San Joaquin Valley Air Pollution Control District rules.
41. Developer shall dedicate and improve the proposed park spaces by the close of escrow for 100 units unless otherwise approved by the City.
42. Developer will pay impact fees applicable at the time of building permit submission.
43. Any modifications to the street parking plan as shown in Attachment H of SR 25-638 shall be reviewed by the Director of Development Services or designee.

**Findings and Considerations
Planning Commission Resolution # 4164
Vesting Tentative Subdivision Map #1333**

FINDINGS/CONSIDERATIONS:

General Plan Compliance and Policies Related to This Application

- A) If the General Plan Amendment is approved, the proposed project would comply with the General Plan land use designation of Business Park (BP), Low Medium Residential (LMD), High-Medium Residential (HMD) and Open Space-Park Recreation (OS-PK), which allows for the development of a residential small lot subdivision, open space and adjacent commercial/business park uses. The project would also comply with the Zoning classification of Residential Planned Development (RP-D) #83 with the change in land use designation from Business Park (BP) and Heavy Industrial (I-H) to Business Park (BP), Low Medium Residential (LMD), High-Medium Residential (HMD) and Open Space-Park Recreation (OS-PK).

The proposed project, with conditions of approval, will help achieve the following General Plan land use policies:

Policy L-3.2: *Encourage Infill Development and a Compact Urban Form*

The proposed project would develop an approximate 73.7-acre site that has been vacant for decades. Developing this site addresses some maintenance issues associated with undeveloped parcels, such as overgrown weeds (fire hazard), vandalism, and loitering which could impact neighboring parcels. In addition, infill development is an efficient use of development that utilizes existing infrastructure within City limits as opposed to annexing land that requires expanding City infrastructure and services.

Traffic/Circulation

- B) The proposed development includes a small lot subdivision that is proposed with approximately 570 residential units, and 9 acres of adjacent Business Park/Commercial uses. The site is located on an approximately 73.7-acre vacant parcel located at 3610 East Gerard Avenue at the southwest corner of East Gerard Avenue and Campus Parkway. The project site fronts a collector road to the north (East Gerard Avenue) Campus Parkway to the east and an

arterial to the south (East Mission Avenue). Vehicle access would be available from East Gerard Avenue, East Mission Avenue and Plum Drive, once it is completed. Campus Parkway, which dissects the development, is designed to carry large volumes of traffic traveling north and south from Highway 99 to eventually the University of California, Merced, campus. Its close connection to Highway 99 connects this development and the rest of Merced with other regional communities throughout the State.

Vehicle Miles Traveled

The residential use is expected to generate 5,141 daily trips with an internal trip capture of 912 daily trips. Though the expected daily trips required that analysis be done, the result of that analysis showed that with mitigations the impact of the proposed trip generation would be less than significant with implemented mitigations. The roadways surrounding the project are built to address the additional traffic.

Improvements

The development requires the construction of a street network connecting the residential subdivision to Campus Parkway, East Gerard Avenue and East Mission Avenue. This street network shall be built to Merced City Standards (Planning Commission Resolution #4164 – Attachment C of Planning Commission Staff Report #25-638).

Public Improvements/City Services

- C) Any damaged or missing public improvements shall be repaired if the permit value of the project exceeds \$100,000.00. The need for repairs or replacement of any missing improvements would be evaluated at the building permit stage by the City's Engineering Department.
- D) Developer/applicant will share the cost of improvements as needed and required by the City Engineer to support the circulation and operation of the development. These costs may be addressed through paid fees. If those improvement agreements are private, the City Engineer must be made aware of such arrangements and agree that such arrangements meet the requirements necessary to support development. This information will be supplied to the City Engineer at final map application.

Parking

- E) The parking requirements for Single Family Dwellings is 1 parking stall per unit. The proposed residential development proposes at least a one-car garage per unit which would meet the parking requirements.

Site Design

- F) The proposed development includes a residential subdivision of 570 residential lots, 3 acres of open space and 9 acres of business park/commercial uses. The applicant proposes two-story units. The proposed residential lots would range in size between 2,347 square feet and 6,889 square feet.

Development Standards for the 570 residential lots shall meet standards set on Attachment I - Planned Development Standards of Staff Report #25-638. Because this site has a zoning classification of Residential Planned Development, the building design/elevations shall be reviewed and approved by Planning Staff prior to issuance of a building permit for this subdivision. The minimum parking requirement for single-family homes is one parking space per unit. Each one of these units would have at least one covered parking space within a garage, with some of the units have two parking spaces located within a garage.

Elevations

- G) The elevations shown at Attachment G illustrate the proposed residential structures for this project. The developer/applicant will be required to provide variation in the elevations for visual interest.

Landscaping

- H) The proposal does not include a landscape plan, but all future landscaping for mulch, shrubs, turf, or trees should be drought tolerant and all irrigation systems must comply with the latest requirements for water conservation. In addition, parking lot trees in the future commercial shall be installed as required by the City's Parking Lot Landscape Standards at the time of development approval. Parking lot trees shall be selected from the City's approved tree list, providing a 30-foot minimum canopy at maturity. If needed, street trees would be installed along East Gerard Avenue, Campus Parkway, Plum Drive and East Mission Avenue as required by City

standards. All trees shall be planted away from the City's 10-foot clear vision corner triangle area.

Neighborhood Impact

- I) The subject site is surrounded by a variety of uses which include residential to the north, vacant industrial to the east, county agricultural uses to the south and regional commercial to the west. The subject site is designated Business Park (BP) and Heavy Commercial (I-H). Even though the applicant is proposing a General Plan designation of Business Park (BP), Low Medium Density Residential (LMD), High Medium Density Residential (HMD) and Open Space-Park Recreation (OS-PK), the proposed uses are expected to produce less traffic than expected for a Business Park development and would not significantly alter the traffic patterns throughout the adjacent neighborhood.

Public hearing notices were sent to all property owners within 300 feet of the project site. At the time that this report was prepared, the City had not received any comments regarding this project.

Environmental Clearance

- J) Infill projects over 5 acres or projects that don't comply with Zoning/General Plan designations require an Initial Study, per the California Environmental Quality Act (CEQA). In this case, the project is over 5 acres (at 73.7 acres), and the site is not consistent with Zoning or the General Plan requiring an Initial Study. An Initial Study includes a wide range of analysis required by the State covering an array of subjects including, but not limited to, impacts on vehicle miles traveled, air quality, biological resource, public services, cultural resources, and City utilities. Planning staff has conducted an environmental review of the project in accordance with the requirements of CEQA and concluded that Environmental Review #24-30 results in a Mitigated Negative Declaration as the proposal would not have a significant effect on the environment if mitigations are implemented (Attachment J of Planning Commission Staff Report #25-638) and does not require the preparation of an Environmental Impact Report. A copy of the Initial Study with a Mitigated Negative Declaration can be found at Attachment J of Planning Commission Staff Report #25-638.

CITY OF MERCED
Planning Commission
Resolution #4162

WHEREAS, the Merced City Planning Commission at its regular meeting of July, 9, 2025, held a public hearing and considered Conditional Use Permit #25-0007 and Site Plan Review Permit #25-0009, initiated by Marco Ospina, on behalf of Marketplace at Merced LLC, property owner. The Conditional Use Permit would allow a shopping center sign (with a digital screen) for the Market Place at Merced. The Site Plan Review Permit would allow the applicant to set the development standards for the shopping center sign. The subject site is located on the parking lot for 851 West Olive Avenue, generally located north of West Olive Avenue, approximately 425 feet east of R Street. The subject site has a General Plan designation of Regional Community/Commercial (RC) and a Zoning classification of Planned Development (P-D) #1. Said property being more particularly described as Parcel B as shown on that certain Parcel Map entitled "Parcel Map for Merced Mall, LTD," recorded in Book 78, Page 42 of Merced County Records; also known as Assessor's Parcel Number (APN) 236-220-050.

WHEREAS, the Merced City Planning Commission concurs with Findings/Considerations A through F as outlined in Exhibit B; and,

WHEREAS, the Merced City Planning Commission concurs with the Findings for Conditional Use Permits in Merced Municipal Code Section 20.68.020 (E), and other Considerations as outlined in Exhibit B; and,

WHEREAS, the Merced City Planning Commission concurs with the Findings for Site Plan Review Permits in Merced Municipal Code Section 20.68.050 (F), and other Considerations as outlined in Exhibit B; 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 #25-0017, and approve Conditional Use Permit #25-0007 and Site Plan Review Permit #25-0009 subject to the Conditions set forth in Exhibit A of Planning Commission Resolution #4162 attached hereto and incorporated herein by reference.

Upon motion by Commissioner Delgadillo seconded by Chairperson Gonzalez, and carried by the following vote:

AYES: Delgadillo, Swiggart, Smith, Greggains, Thao, Ochoa, and Chairperson Gonzalez

NOES: None

ABSENT: None

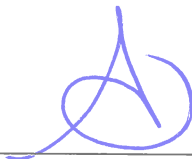
ABSTAIN: None

PLANNING COMMISSION RESOLUTION #4162

Page 2

July 7, 2025

Adopted this 9th day of July 2025



Chairperson, Planning Commission of
the City of Merced, California

ATTEST:



Secretary

Attachments:

Exhibit A - Conditions of Approval

Exhibit B - Findings

Conditions of Approval
Planning Commission Resolution #4162
Conditional Use Permit #25-0007 and Site Plan Review Permit #25-0009

1. The proposed project shall be constructed/designed/operated as shown on the Elevations (Attachment C of Planning Commission Staff Report #25-622), except as modified by the conditions.
2. All conditions contained in Resolution #1283-Amended (“Standard Conditional Use Permit Conditions”)
3. The proposed project shall comply with all standard Municipal Code and Subdivision Map Act requirements as applied by the City Engineering Department.
4. All other applicable codes, ordinances, policies, etc., adopted by the City of Merced shall apply.
5. 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.

6. The developer/applicant shall demolish, 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.
7. All signing shall comply with the City's Sign Ordinance. Building permits shall be obtained prior to installing any permanent signing. A Temporary Sign Permit shall be obtained prior to installing any temporary signs or banners. Temporary freestanding or A-frame signs are not allowed.
8. This approval allows the installation of a 48 foot-tall shopping center sign with tenant cabinets and a digital display sign. The shopping center sign would be 30 feet wide, and the digital screen would be 360 square feet in size. Any increase or modification to the size of the sign shall be subject to review by the Director of Development Services, or if deemed necessary, the Planning Commission.
9. All existing landscaping shall be kept healthy and maintained, and any damaged or missing landscaping shall be replaced immediately.
10. The premises shall remain clean and free of debris and graffiti at all times.
11. The City may use the digital screen to advertise City – or community sponsored events, pursuant to MMC Section 20.62.140. (B.4).
12. No portion of the digital display sign shall change more frequently than once every eight (8) seconds.
13. No portion of the digital display sign shall flash, blink, or include video display.
14. The sign shall not emit any audible sound, buzz, or noise.
15. The sign shall be limited to advertising related uses(s) on the premises on which the sign is located, except as allowed in MMC Section 20.62.140. (B.4).

Findings and Considerations
Planning Commission Resolution #4162
Conditional Use Permit #25-0007 and Site Plan Review Permit #25-0009

FINDINGS/CONSIDERATIONS:

General Plan Compliance and Policies Related to This Application

- A) The proposed Project complies with the General Plan designation of Regional/Community Commercial (RC) and the Zoning classification of Planned Development (P-D) #1, with approval of this Conditional Use Permit and Site Plan Review Permit.

Signage

- B) The applicant is proposing signage that exceeds the size of what is normally allowed within the regional community commercial designation. With this conditional use permit and site plan review permit, the applicant would be allowed to construct the sign as proposed.

Shopping Center Signs are allowed for shopping centers over 25,000 square feet of commercial space, pursuant to Merced Municipal Code (MMC) 20.62.140-Additional Shopping Center Signs. Digital screens are also allowed pursuant to MMC Section 20.62.250 - Digital Display Signs.

However, the maximum height for shopping center signs with an RC designation is 28 feet, but can be increased to 48 feet with the inclusion of the City logo at the top of the sign, and the landscaping at the base of the sign (elevations at Attachments C of Planning Commission Staff Report #25-622). This additional height of 70% for the free-standing sign is allowed under MMC Sections 20.62.140 (A) and (B).

Given that the shopping center (Market Place at Merced) is significantly over 25,000 square feet, at approximately 440,000 square feet, the applicant believed that they need a larger free-standing sign that reflects the scale of their commercial space. The site plan review permit allows the applicant to set the development standards for the shopping center sign, as the site is located within Planned Development (P-D) #1. As shown on the elevations at Attachment C of Planning Commission Staff Report #25-622, the proposed sign would be 48 feet tall, 30 feet wide, and include a digital screen that would be 360 square feet in size.

The proposed shall also be reviewed with a building permit and shall be required to comply with all other regulations in the City's Sign Ordinance.

Neighborhood Impact / Public Comments

- C) Staff mailed a public hearing notice to property owners within 300 feet of the subject site and published the public hearing notice in the Merced County Times. As of the time this report was prepared, (7/3/2025), Planning staff did not receive any formal comments from any residents or business owners.

The subject site is located within a commercial shopping center with a variety of commercial uses. The proposed 48-foot-tall sign would replace an existing 45-foot-tall sign, and is consistent with the variety of commercial uses found along this segment of West Olive Street, including a shopping center sign for the Save Mart Shopping Center at the southwest corner of Olive Avenue and G Street. Based on this information, staff is of the opinion that the proposed sign is compatible with the neighborhood.

Conditional Use Permit Findings

- D) A conditional use permit (CUP) is required to consider allowing "bonus" sign area greater than what is allowed under an overall sign area permitted by Section 20.62.140. In order for the Planning Commission to approve or deny a CUP, they must consider the following criteria and make findings to support or deny each criteria per MMC 20.68.020 (E) Findings for Approval for Conditional Use Permits.

MMC 20.68.020 (E) Findings for Approval.

1. *The proposed use is consistent with the purpose and standards of the zoning district, the general plan, and any adopted area or neighborhood plan, specific plan, or community plan.*

The proposed project complies with the General Plan designation of Regional Community Commercial (RC), and the Zoning classification of Planned Development (P-D) #1 with approval of this Conditional Use Permit and Site Plan Review Permit.

2. *The location, size, design, and operating characteristics of the proposed use will be compatible with the existing and future land uses in the vicinity of the subject property.*

The applicant is proposing to replace an existing 45-foot-tall sign with a 48-foot-tall sign which is compatible with the existing and future land uses in the vicinity of the subject property.

3. *The proposed use will not be detrimental to the public health, safety, and welfare of the City.*

To ensure the proposal is not detrimental to the public health, safety, and welfare of the City, the applicant shall subsequently apply for building permits with the City's Building Department. Plans shall be submitted by a design professional and modifications shall be done by a licensed contractor (license type as required by the California Building Code).

4. *The proposed use is properly located within the City and adequately served by existing or planned services and infrastructure.*

The proposed sign is located on the north side of West Olive Avenue within the parking lot for Marketplace at Merced shopping center. The proposal would not need or interfere with City services or infrastructure.

Site Plan Review Findings

- E) Per Merced Municipal Code Section 20.68.050 – Site Plan Review Permit, the Site Plan Review Committee may approve an application for a Site Plan Review Permit only if all the following findings can be made:

1. *The proposed project is consistent with the General Plan and any adopted area, specific, community, or neighborhood plan.*

As shown under Finding A, the proposed project is consistent with the General Plan designation and Zoning classification for this site with approval of this Conditional Use Permit and Site Plan Review Permit.

2. *The proposed project complies with all applicable provisions of the zoning ordinance and Municipal Code.*

With approval of the conditions found in Exhibit A of Planning Commission Resolution #4162, the proposal would comply with all applicable provisions of the Zoning Ordinance and Municipal Code.

3. *The design and layout of the proposed project will not interfere with the use and enjoyment of existing and future neighboring properties and structures.*

The site is surrounded by commercial properties to the north, south, east, and west. The proposed sign is consistent with the surrounding commercial buildings. The proposed project would not interfere with the use and enjoyment of existing and future neighboring properties and structures.

4. *The proposed architectural design makes use of appropriate materials, texture and color, and will remain aesthetically appealing and appropriately maintained.*

The proposed sign would be consistent with the aesthetics of the surrounding commercial buildings. The sign would enhance the view and aesthetic of the site.

5. *Any proposed landscaping design, including color, location, size, texture, type, and coverage of plant materials, as well as provisions for irrigation, maintenance, and protection landscaping elements, will complement structures and provide an attractive environment.*

New landscaping must comply with all applicable landscaping standards found under Merced Municipal Code Section 20.36 – Landscaping, and any other Municipal Code or State requirements. Therefore, any proposed landscaping design, including color, location, size, texture, type, and coverage of plant materials, as well as provisions for irrigation, maintenance, and protection landscaping elements, will complement structures and provide an attractive environment.

6. *The proposed design will not be materially detrimental to the public health, safety, or welfare, or be injurious to the property or improvements in the vicinity of the proposed project.*

The proposed meets City standards with approval of this permit and the conditions found within this resolution. The proposed project would not be materially detrimental to the public health, safety, or

welfare, or be injurious to the property or improvements in the vicinity of the proposed project.

Environmental Clearance

- F) Planning staff has conducted an environmental review (ERC-25-0017) of the project in accordance with the requirements of the California Environmental Quality Act (CEQA), and a Categorical Exemption (i.e., no further environmental review is needed) is being recommended (Attachment D of Planning Commission Staff Report #25-622).