

CITY OF MERCED
Planning & Permitting Division

STAFF REPORT: #15-11

AGENDA ITEM: 4.3

FROM: Kim Espinosa,
Planning Manager

PLANNING COMMISSION
MEETING DATE: May 20, 2015

PREPARED BY: Julie Nelson,
Associate Planner

SUBJECT: **Conditional Use Permit #1200**, initiated by BP Investors, LLC, property owners. This application involves a request to construct a 216-unit apartment complex in two phases on a 9.8-acre parcel located on the north side of Merrill Place (extended) approximately 1,200 feet east of G Street. This parcel is located within Residential Planned Development (RP-D) #61 and has a Village Residential (VR) General Plan designation.
PUBLIC HEARING

ACTION: Approve/Disapprove/Modify

- 1) Environmental Review #15-07 (CEQA Section 15162 Findings)
- 2) Conditional Use Permit #1200

SUMMARY

The project site is a vacant parcel containing 9.8-acres located north of Cardella Road, approximately 1,200 feet east of G Street (Attachment A). The proposed project includes the construction of 216 apartment units (in two phases), a clubhouse/leasing building, outdoor gathering areas, a pool, a basketball court, and associated parking facilities (refer to the site plan at Attachment B). Phase One of the project would consist of the construction of 150 units, the clubhouse/leasing building, the pool, one gathering area, and a basketball court, as well as 362 parking spaces.

Access to the site would be from Merrill Place (extended) with a secondary access on the eastern edge of the site. Access to the clubhouse/leasing building is provided at approximately the middle point of the site's frontage along Merrill Place (extended).

The proposed buildings are three-stories, with a maximum height of 45'3" (building elevations are provided at Attachment C). The buildings would contain a mixture of one, two, and four bedroom units (Attachments D and E) ranging in size from 542 square feet to 1,339 square feet. The first phase of construction would provide 150 units with a total of 465 bedrooms. Phase Two would add an additional 66 units with 213 bedrooms for a total of 678 bedrooms at full build-out of the project. Although the project would not be exclusively rented as student housing, it is being constructed with the intention of providing housing for UC Merced students.

The site is located at the eastern edge of the City Limits. Currently, there is no infrastructure (i.e., streets, water, sewer, etc.) provided to the site. Therefore, the developer would be required

to extend all necessary City infrastructure from G Street to the site. There are two PG&E power line easements that are adjacent to the project site. Structures would not be allowed within the easement areas, but these areas may be used for providing open space, bike paths, and drainage swales for storm water.

The site is located within Residential Planned Development (RP-D) #61 and is designated for Village Residential. Because the proposed use is consistent with the Zoning, Site Utilization Plan and General Plan designations, the required level of review for this project is a Conditional Use Permit. As part of the Conditional Use Permit review, the Commission should consider the site and building designs, the impact or benefit to the neighborhood and community as a whole, whether the density is consistent with the Village Residential density requirements, and whether or not the project achieves any Goals and/or Policies of the *Merced Vision 2030 General Plan*. Staff is recommending approval with conditions.

RECOMMENDATION

Planning staff recommends that the Planning Commission approve Environmental Review #15-07 (CEQA Section 15162 Findings) and Conditional Use Permit #1200 (including the adoption of the Resolution at *Attachment P*) subject to the following conditions:

- *1) The proposed project shall be constructed/designed as shown on Exhibit 1 (site plan) and Exhibit 2 (elevations) -- Attachments B and C of Staff Report #15-11, except as modified by the conditions.
- *2) All conditions contained in Resolution #1249-Amended ("Standard Conditional Use Permit Conditions"—except for Condition #16 which has been superseded by Code) shall apply.
- *3) The proposed project shall comply with all standard Municipal Code and Subdivision Map Act requirements as applied by the City Engineering Department.
- *4) The Project shall comply with all applicable conditions set forth in Resolution #2871 for Pending Annexation and Pre-zoning Applications #04-01 and the Establishment of Residential Planned Development (RP-D) #61 previously approved for this site. The project shall comply with the Design Standards for RP-D #61, except as modified by these conditions.
- *5) The project shall comply with all applicable mitigation measures required by Expanded Initial Study #04-02 approved with the annexation of this site (Annexation #198).
- *6) All other applicable codes, ordinances, policies, etc., adopted by the City of Merced shall apply.
- *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, or proceeding. City shall further cooperate fully in the defense of the action. Should the City fail to either promptly notify or cooperate fully, the developer/applicant shall not thereafter be responsible to indemnify, defend, protect, or hold harmless the City, any agency or instrumentality thereof, or any of its officers, officials, employees, or agents.

- *8) 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.
- *9) Community Facilities District (CFD) formation is required for annual operating costs for police and fire services as well as storm drainage, public landscaping, street trees, street lights, parks and open space. CFD procedures shall be initiated before building permit issuance and shall be completed prior to final certificate of occupancy for the first building. 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.

Public Improvements

- 10) This project is required to construct Merrill Place (a Collector Road with a 74-foot right-of-way) from G Street to the eastern edge of the project site. The road shall be constructed per City Standard ST-2 and Figure 4.24 (Collector Street Cross-Sections) of the *Merced Vision 2030 General Plan* to include a 5-foot wide bike lane. The north side of Merrill Place along the project frontage shall include full improvements (i.e., the travel lane, sidewalk, curb, gutter, 5-foot-wide bike lane with striping, street trees, park strip landscaping, and street lights. The north side of Merrill Place from G Street to the project's western edge shall include the travel lane, 5-foot-wide bike lane with striping, street lights, curb, gutter, and sidewalk. The south side of Merrill Place shall include the travel lane, 5-foot-wide bike lane with striping, street lights, curb, and gutter. The developer shall be eligible for reimbursement for any improvements that do not front the project site in accordance with Merced Municipal Code Section 17.58.030 and 17.58.040.
- 11) A median shall be installed in Merrill Place at the intersection with G Street to match the median on the west side of G Street. Design of the median and striping of the road shall be approved by the Engineering Department at the building permit stage.
- 12) With the second phase of construction, the project shall construct the collector road connecting Merrill Place to Cardella Road to the south (approximately 1,300 feet). This

- road shall be constructed according to the same standards and design as the south side of Merrill Place (see Condition #10). Curb, gutter, and striping for the bike lane shall be installed on both sides of the road. The developer shall be eligible for reimbursement as described in Condition #10.
- 13) If Cardella Road has not been improved to City Standards by the time Phase 2 of the project is constructed, the developer shall provide paved access meeting Fire Department requirements along Cardella Road from G Street to the newly constructed north/south collector road required by Condition #12.
 - *14) 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” or the most recent water regulations adopted by the State and City addressing water conservation measures. If turf is proposed to be installed in medians or parkstrips, high quality artificial turf (approved by the City Engineer and Development Services Director) shall be installed. All irrigation provided to street trees or other landscaping shall be provided with a drip irrigation or micro-spray system.
 - *15) With Phase 1 of this project, storm water may be contained on-site if documentation is provided and approved by the City Engineer showing sufficient capacity is provided for Phase 1. At the time of construction of Phase 2, storm water shall be conveyed and contained off-site unless sufficient capacity is provided on-site.
 - *16) If storm water containment cannot be achieved on-site, and no other development has occurred in the area requiring the construction of the drainage basin at the City park site located north of the project site, the developer shall be required to construct a basin on the park site that would provide sufficient capacity for this project. The applicant shall provide all required documentation to demonstrate sufficient capacity would be provided by the basin. Design and location shall be approved by the City Engineer. The developer shall provide the City with a minimum six month notice prior to commencing construction of the basin to allow the City to notify any lessees of the park site.
 - *17) If drainage swales are proposed under the PG&E power lines, documentation shall be provided showing that the easement granted to PG&E would allow such use. The swales shall be designed to discharge to an approved drainage basin. The design and location of the swales shall be approved by the City Engineer.
 - *18) A water line is required to be installed to serve the project site. This line shall be installed in Merrill Place and extended from G Street. In order to avoid a dead-end line, the water line shall be looped back to G Street to comply with City regulations. The City Engineer and/or Director of Public Works shall approve the design of the looping system.
 - 19) The project developer shall construct the Class 1 Bike Path planned to run parallel to the western property line underneath the PG&E Easement with the first phase of construction.

- 20) The intersection of G Street and Merrill Place shall be constructed per City Standards for the intersection of an arterial road and collector road including the construction of a 150-foot long deceleration lane on G Street south side of Merrill Place and a 150-foot acceleration lane on G Street north side of Merrill Place.
- *21) If additional right-of-way is required for construction of roadways or any other public improvements, the developer shall work with the affected property owners to obtain the necessary right-of-way. If, after diligent efforts have been made, the developer and the affected property owners are unable to reach an agreement, the City will take steps to obtain the necessary right-of-way with the applicant paying all costs for such actions.
- 22) The sidewalk along Merrill Place shall be designed to match the “meandering” pattern of the sidewalk along Merrill Place on the west side of G Street.
- *23) All new utilities are to be undergrounded.

Circulation and Parking

- *24) A minimum turning radius of 33 feet inside, curb-to-curb and 49 feet wall-to-wall for fire apparatus access must be provided throughout the project. Refuse containers or other items shall not be permitted to be placed in the required clear space of the turning area.
- *25) Bicycle parking shall meet the minimum requirements of the California Green Building Code.
- *26) All driveways shall comply with the City of Merced Standard for commercial driveways and are to be reviewed by the Fire Department as part of the review of the improvement plan submittals.
- 27) The developer shall work with UC Merced Transit and Merced County Transit to determine if a bus stop would be required at this location. If a bus stop is required, it shall be located on site or additional right-of-way shall be dedicated to accommodate a bus turn-out on the street. The location and design of a bus stop along the street shall be approved by the City Engineer.
- 28) If the entire complex is gated, pedestrian access gates shall be provided to allow pedestrian access to the sidewalk along Merrill Place. At a minimum at least two pedestrian access points shall be provided between the main entrance and the clubhouse, and at least one pedestrian access provided between the clubhouse and the east edge of the property
- 29) The entrance on the east side of the project site shall be moved north to align with the internal drive aisle on the north side of the apartments or an additional entrance may be added in this location. The road accessing the driveway on the east side is a private road and must be paved to meet requirements for Fire Department access.
- 30) To prevent conflicts between cars entering and exiting the driveways in front of the clubhouse/leasing building, signs shall be provided to clearly mark the eastern driveway as entrance only and the western driveway as exit only.

Construction

- *31) 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.
- *32) The developer shall use proper dust control procedures during site development in accordance with San Joaquin Valley Air Pollution Control District rules.
- *33) All construction activity shall be conducted in accordance with City of Merced standards for times of operation.

Building Design

- 34) The building height is approved as proposed at 45 feet 3 inches, the exterior elevation is approved without the front door facing the street, and the setback is approved to vary from 17 to 25 feet.
- 35) All mechanical equipment shall be screened from public view.
- 36) Containers for refuse and recycled goods shall be stored in enclosures that are designed with colors compatible with the buildings and shall be constructed to meet City Standards. At the Building Permit stage, the developer shall work with the City's Refuse Department to determine the best location for these enclosures to ensure proper access is provided for City Refuse Trucks.
- *37) The project shall comply with the City's Multi-Family Design Standards in Merced Municipal Code Section 20.54.290.

Landscaping and Lighting

- *38) Concurrent with or prior to the submittal of each Building Permit Application, the applicant shall submit to the Development Services Department a detailed landscape plan that is consistent with the City's Water Efficient Landscaping & Irrigation Ordinance (Merced Municipal Code 17.60) and all state-mandated drought restrictions.
- 39) Irrigation for all on-site landscaping shall be provided by a drip system or micro-spray 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.
- 40) The on-site landscape design shall include the use of xeriscape landscaping and avoid the use of turf as much as possible.
- *41) Parking lot trees shall be installed per the City's Parking Lot Landscape Standards. Trees shall be a minimum of 15-gallons, and be of a type that provides a 30-foot minimum canopy at maturity (trees shall be selected from the City's approved tree list). Trees shall be installed at a ratio of at least one tree for each six parking spaces. The trees may be located in planter areas that protrude into the parking areas, or which run along the edge of the parking areas and shall be located to accommodate any carport or shade structures (details to be worked out with Planning Staff).

- 42) All private outdoor walking and vehicle and bicycle parking areas shall be properly lighted with ground-mounted lights.

Safety

- *43) All buildings shall be designed to include commercial fire sprinklers (13-system) as required by the California Fire Code. Eight-foot wide access-ways to the buildings through the parking lots shall be provided; handicapped loading zones may not be used for this purpose. Details will be worked out with Staff at the building permit review stage.
- *44) Fire Hydrants shall meet minimum fire-flow requirements and located in accordance with City of Merced codes and standards. The maximum spacing between hydrants is 500 feet. The placement of fire hydrants and the number of hydrants for the site is to be worked out with the Fire Department no later than the review of building permit plans.
- *45) If Entrance Gates are to be proposed at the main driveway entrances/exits, adequate vehicle stacking room and a Knox-box with “click-to-enter” technology for the Fire Department shall be provided. Details to be reviewed by the Planning and Fire Departments as part of the review of the building permit submittals.

(*) Denotes non-discretionary conditions.

PROJECT DESCRIPTION

The project site consists of a 9.8-acre vacant parcel (Attachment A). The proposed apartment complex includes 266 apartment units as well as amenities such as a clubhouse, swimming pool, basketball court, and outdoor gathering areas. The project would be constructed in two phases with Phase One constructing 150 units (465 bedrooms) and Phase Two adding 66 units (213 bedrooms).

The site would be accessed from Merrill Place (extended) or by a private driveway at the eastern edge of the project site. A separate entrance/exit is provided for the clubhouse/leasing building.

The project would provide 362 parking spaces. Carports would be provided to cover 224 spaces and 108 spaces would be uncovered.

The total square footage of the apartment buildings in Phase One is 193,264 square feet. An additional 88,710 square feet would be added with Phase Two. The clubhouse/leasing building would be 5,691 square feet.

Surrounding Uses
(Attachment A)

Surrounding Land	Existing Use of Land	City Zoning Designation	City General Plan Land Use Designation
North	Vacant	RP-D #61	Village Residential (VR)
South	Vacant	P-D #53	Village Residential (VR)
East	Vacant	County	Village Residential (VR)
West	Vacant	R-1-5	Low Density Residential (LD)

BACKGROUND

The project site was part of Annexation and Pre-Zone Application #04-01 initiated by Bright Homes, Absolute, LLC, and Leeco LLC, which was approved by City Council on April 17, 2006, and officially became part of the City on December 26, 2006. This site was part of an approximately 97-acre area that was annexed into the City.

As part of the Pre-Zoning for the annexation area, Residential Planned Development (RP-D) #61 was established which included approximately 14 acres within the annexation area (Attachment F).

Along with the Annexation and Pre-Zoning applications, two Tentative Subdivision Maps (TSM) were also approved. One of the maps (TSM #1291), was approved for Bright Development which allowed the subdivision of 39.8 acres into 168 single-family residential lots within an R-1-5 zone. The second map (TSM #1292) was approved for Absolute/Leeco, LLC, and subdivided 48.89 acres into 155 single-family residential lots within an R-1-5 zone. Refer to the map at Attachment G for the location of these subdivisions. Neither subdivision has been constructed to date. Bright Development still intends to construct their subdivision, but Absolute/Leeco, LLC has expressed a desire to let their tentative map expire and pursue other development on the property.

FINDINGS/CONSIDERATIONS:

General Plan Compliance and Policies Related to This Application

- A) The proposed project complies with the General Plan designation of Village Residential (VR) and the zoning designation of Residential Planned Development (RP-D) #61. The Village Residential General Plan designation is a residential designation that allows for a density of 7 to 30 dwelling units per acre for a minimum average of 10 dwelling units per acre. This designation is intended to provide for the development of mixed-use, medium-density urban “village” centers within ¼ mile of Village Commercial Core areas. A range of densities and dwelling types are permitted in Village Residential areas as long as the average minimum density of 10 dwelling units per acre is met.

As currently shown on the Land Use Diagram of the *Merced Vision 2030 General Plan*, the subject site is part of approximately 97 acres designated for Village Residential development (Attachment H). The proposed density of 22 dwelling units per acre is within the allowable range for land designated as Village Residential. The remaining land within the area could be developed at a slightly higher (not to exceed 30 dwelling units per acre) or a substantially lower density (minimum of 7 dwelling units per acre) as long as the average overall within this area is at least 10 dwelling units per acre.

As this area develops, it would be served by the Neighborhood Commercial areas located on both the north and south sides of Cardella Road as well as the parks to the north of the subject site, and a school that would be located within the area.

The proposed project complies with the following General Plan policies as set forth in the *Merced Vision 2030 General Plan*:

Land Use Policy 1.6: Continue to pursue quality single-family and higher density residential development.

Land Use Policy 1.2.a: Encourage higher-density residential developments within walking distance (approx. 1/4 mile) of commercial centers.

Land Use Policy 3.1.c: Plan areas for higher density development within 1/4 mile of locations identified as transit hubs and commercial centers.

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

Traffic/Circulation

- B) The project site would be located on the north side of the future intersection of Merrill Place (extended) and a north/south collector road connecting Merrill Place to Cardella Road (Attachment I). Because these roads have not been constructed, there is no data available to show existing traffic volume. Both Merrill Place and the future north/south road would be major collectors and have a 74 foot right-of-way with two travel lanes and bike lanes. Refer to Figure 4.24 of the *Merced Vision 2030 General Plan* found at Attachment J for the lane configuration.

The intersection of Merrill Place and G Street would be constructed in the same configuration as the intersection on the west side of G Street (Attachment K). This intersection will eventually be signalized either with the development of the parcels adjacent to G Street or as a City Project.

With Phase One of the project, Merrill Place would be extended from G Street east to the eastern edge of the project frontage. Condition #10 requires the full roadway to be constructed with two 12-foot-wide travel lanes and striping for bike lanes. Full improvements are required along the north side of the road along the project frontage, but only the travel lanes, bike lanes, curb, gutter, and street lights are required for the southern half. A sidewalk will be required along the entire north side of Merrill Place, however, to provide for pedestrian to G Street.

Phase Two of the project would be required to construct the north/south road connecting Merrill Place and Cardella Road. If Cardella Road has not been improved by the time Phase Two of this project is constructed, improvements to Cardella Road would be required to allow Fire Department access (Condition #13).

Primary access to the site would be near the western edge of the property (Attachment B). A secondary entrance would be provided on the east side of the property. As shown on the site plan at Attachment B the entrance would be located near the southeast corner of the site. Due to concerns from the Fire Department about being able to get their Fire Engine in and out of the site, Condition #29 requires this entrance to be moved to the north to align with the internal drive aisle on the north side of the apartments or an additional entrance added to align with this drive aisle allowing the Fire Engine access to the site.

According to the Institute of Transportation Engineers (ITE) Trip Generation Manual (8th Edition), the Average Daily Trips (ADT's) for Apartments based on the number of units is 6.65 trips per unit. Based on this rate, the project would generate 998 Average Daily Trips with the first Phase (150 units) and an additional 439 trips with Phase Two. Peak Hour Trips (PHT's) for one hour between 4 and 6 p.m. are calculated at a rate of 0.62 trips per unit, resulting in 93 PHT's for Phase One and an additional 41 trips for Phase Two.

Pedestrian access is provided throughout the site with sidewalks which would also connect to the public sidewalk along Merrill Place. Because this complex would be gated, Condition #28 requires pedestrian gates be provided to allow access to the public sidewalk on Merrill Place.

Parking

- C) The parking requirements for apartments are 1.75 spaces for each unit up to 30 units and 1.5 spaces for each unit over 30. Based on this formula, the project would be required to provide 233 spaces with Phase One and 99 spaces with Phase Two for a total of 332 parking spaces. The developer is proposing to construct all the required parking with Phase One and provide an additional 30 spaces above the minimum requirement. Out of the 362 total spaces provided, 224 would be covered with carports and 108 spaces would be open. The tenant parking is provided primarily to the north of the buildings with a small number of spaces to the east and west of the buildings. Seventeen parking spaces are provided in front of the clubhouse/leasing building.

The Zoning Ordinance requires parking spaces based on the number of units within an apartment complex, not based on the number of bedrooms. As long as the project complies with the minimum number of spaces required per unit, the project is in compliance with the regulations set forth in the Zoning Ordinance.

Because the entire parking area would be installed with Phase One, excess parking would be provided for this phase. As mentioned above, the minimum parking requirements for the 150 units to be constructed with Phase One is 233 spaces. Therefore, there would be an excess of 129 spaces provided with the first phase of construction.

If the developer decides to add an additional entrance/exit on the east side of the project to accommodate a fire engine, a few parking spaces may be lost. Staff would confirm at the building permit stage that sufficient parking is provided to meet the minimum requirements of the Zoning Ordinance.

The developer would also be working with UC Merced to provide bus service to the site. If this is accomplished, it could reduce the need for students to have vehicles. Condition #27 requires that if a bus stop is provided it either be located on site or additional right-of-way be dedicated to provide a turn-out for the bus.

Condition #25 also requires bicycle parking be provided. The California Green Code requires bicycle parking to equal at least 5% of the total number of vehicle parking spaces. For this development, if 332 vehicle parking spaces are provided, 17 bicycle parking spaces would be required. Bicycle storage areas are provided on each building near the stairways.

Public Improvements/City Services

D) Roads: As described in the Traffic/Circulation section above, the project would be responsible for constructing Merrill Place from G Street to the eastern edge of the project site. With Phase Two of the project, the construction of the north/south collector road connecting Merrill Place and Cardella Road would be required. All roads would be required to be constructed to City Standards, providing two vehicle travel lanes and bike lanes on each side of the road. Conditions #10 through #13 spell-out the road improvements required.

Water: A water main line would have to be installed in Merrill Place to serve the subject site. The water main would have to be extended from G Street to the eastern edge of the project site. As required by Condition #18, the water main shall be “looped” to prevent dead-end lines. This means the water main would need to be extended back to G Street and connected to the main line to accomplish the “looping.” The design and location of the loop would be reviewed and approved by the City Engineer and/or Public Works Director.

Sewer: A sewer main would also be required to be installed in Merrill Place to serve the subject site. This development would be responsible for the installation from G Street to the eastern edge of the subject site.

Storm Water: Storm water is required to be maintained on site with Phase One. This could be accomplished by providing a drainage basin in the area where Phase Two would be constructed. At the time of Phase Two, if the storm water cannot be contained on site, the developer would be required to provide an alternative for the storm water. When the site was annexed, it was envisioned that drainage swales would be installed under the PG&E power lines running along the western side of the property. The swales would direct the water to a basin in the park located to the north of the site. Conditions #15, #16, and #17 address the requirements for storm water and the timing of the future basin.

Bike Path: This project would be required to construct a portion of the bike path running parallel with the PG&E power lines on the western side of the site (Condition #19). The project would be required to construct the path along the west property frontage.

Reimbursement for Improvements: Per the Merced Municipal Code, the developer would be eligible for reimbursement by the property owners of the adjacent properties where he installed public improvements as follows:

- Sewer/Water Lines – eligible for reimbursement for up to 10 years.
- Streets – eligible for reimbursement for up to 15 years.

Building Design

E) The proposed buildings would share the same building elevations (Attachment C). The proposed height of each building would be 45 feet 3 inches tall (3 stories). The buildings vary the dimension of the front of each unit creating more visual interest with variation in depth. The color palette proposed is primarily earth tones (see the color palette at Attachment L). The exterior materials would be a mixture of stucco and siding. Awnings over some of the windows are staggered between the first, second, and third

stories providing some variation to the elevation. The roof has a fairly steep pitch to help balance the appearance of the buildings and would have a metal roofing finish in a brown color to coordinate with the rest of the color palette. All entrances to the units would be from inside the complex. No doors are facing the street.

The buildings are designed in clusters with the entrance to each unit off a common corridor. Elevators as well as an exterior stairway would be provided for each building. Bicycle storage is provided next to the elevators and stairways.

Each building would be provided with a mixture of 1, 2, and 4 bedroom units. Refer to the table below for the breakdown of the number of units and the floor plans at Attachment D and the building layout by bedroom at Attachment E.

UNIT BREAKDOWN BY BEDROOM/BATH

Unit Type	Size	Phase 1 Units	Phase 2 Units	Total Units
1 Bedroom/1 Bath	542 s.f.	9	3	12
2 Bedroom/1 Bath	782 s.f.	24	3	27
2 Bedroom/2 Bath	916 s.f.	30	18	48
4 Bedroom/2 Bath	1,270 s.f.	36	15	51
4 Bedroom/4 Bath	1,339 s.f.	51	27	78
TOTAL		150	66	216

The clubhouse/leasing building would be located near the center of the site. This building would provide leasing services as well as amenities for the tenants. Amenities within the clubhouse include a fitness room, game room, social room, a small kitchen/dining area for tenants and guests to cook in and eat, vending machines, and restrooms. Refer to the floor plan at Attachment M for details on the clubhouse amenities.

Site Design

- F) As described above, the site is accessed from two driveways - one from Merrill Place and the second from a private road extending north from Merrill Place at the east side of the property. Depending on how the applicant decides to address Condition #29 requiring access for the City’s Fire Engine, a second access could be located on the east side off of the private road. The parking lot layout provides access throughout the site. A vehicle could enter the site from any driveway and be able to travel through the site and out the other side. Each entrance/exit would be gated to provide security for the tenants. A driveway entrance/exit is provided on Merrill Place to serve the clubhouse/leasing building. Condition #30 requires entrance/exit signs at this location to prevent conflicts between vehicles since the driveways are located so close to each other.

The buildings are situated toward the front of the property with the parking bordering the buildings on the north, west, and east. Due to the varying depth of the buildings, the front setback along Merrill Place would vary from 17 to 25 feet.

In addition to the amenities provided within the clubhouse, there are several outdoor amenities provided as well. There is a pool, two gathering areas, and a basketball court. Sidewalks provide connections between the buildings and from the buildings to the amenity areas.

Landscaping

- G) The front setback area and the open space areas between the buildings would be provided with landscaping. Condition #38 requires a detailed landscape sprinkler plan be provided at the building permit stage. All landscaping and irrigation is required to comply with the City's water conservation ordinance as well as all state-mandated water conservation requirements. The use of artificial turf or xeriscape is encouraged.

Neighborhood Impact/Interface

- H) The project site is located within an undeveloped area. The closest house would be approximately 1,000 feet to the south of the site. There are still several acres of land being farmed in the area. The site designated for the City Park is currently being leased for farming and some of the land owned by the Bandoni family to the south and east continues to be farmed.

While there are no other housing units nearby, the development of three-story apartment buildings could impact future development. Based on past testimony from the community, most people living in single-family homes don't want to live next to a three-story building. However, because the surrounding property to the north, south, and east is also designated for Village Residential, it is likely that higher density housing would be constructed in those areas so the impact would be less for a higher density development. The property to the west is zone R-1-5 and currently has an approved tentative map for the construction of 168 single-family homes (TSM #1291 for Bright Development). The owner of this property, CEB Holdings, LLC (Bright Development) received a public hearing notice and obtained copies of the plans as well as the staff report for this item. As of the date of this report, staff has not received any comments from CEB Holdings, LLC, or the Bandoni family.

Signage

- I) Per a letter from the applicant dated April 14, 2015, the applicant does not anticipate any signing for the project at this time. However, if in the future signing is proposed, it would be required to comply with the North Merced Sign Ordinance and Merced Municipal Code Section 17.36.572 – Apartments or Condominiums. No off-site signs are allowed, so there could be no signage for the project adjacent to G Street.

Land Use/Density Issues

- J) The project site is designated for Village Residential uses which allow a minimum of 7 dwelling units per acre and a maximum of 30 dwelling units per acre, but the overall density within a Village Residential area should average 10 dwelling units per acre. The proposed project is at the upper end of the density range, providing 22 dwelling units per acre. Because this project would be primarily to provide student housing for UC Merced, the number of people within the complex could be higher than that typically found in an

apartment complex rented primarily to families. The project would provide a total of 678 bedrooms. According to the United States Census Bureau’s American Community Survey Data (2009-2013), the average number of people per household within the City of Merced is 3.21 persons compared with a statewide rate of 2.94 persons. Based on this data, the average number of people occupying this apartment complex in Phase One could be 482 people or 50 people per acre. After the completion of Phase Two, the number could increase to 693 people or 71 people per acre.

If each bedroom is occupied by a single occupant, the maximum number of people occupying the apartment complex in Phase One would be 465 people or 48 people per acre. Phase Two would add an additional 213 people for an overall total of 678 people or 70 people per acre.

Number of People Based on One Person/Bedroom

Unit Type	Phase 1 Units	Phase 2 Units	Total Units	No. of People/Unit	Total No. of People
1 Bedroom/1 Bath	9	3	12	1	12
2 Bedroom/1 Bath	24	3	27	2	54
2 Bedroom/2 Bath	30	18	48	2	96
4 Bedroom/2 Bath	36	15	51	4	204
4 Bedroom/4 Bath	51	27	78	4	312
TOTAL	150	66	216		678

Recent testimony at a Planning Commission meeting indicated that under certain federal and state guidelines, an apartment complex could allow a maximum of two persons per bedroom. Under this scenario, the number of people occupying this project could increase to 1,356 (the complex provides a total of 678 bedrooms). Although the occupancy could rise to this level, it’s unlikely that every bedroom within the complex would have two people occupying it. If it’s assumed that no more than 30% of the units would have two people per bedroom, the number of occupants would be reduced to 881 people. This number would equate to 91 people per acre.

By comparison, if this property were zoned R-4 which allows one unit for every 1,000 square feet of lot area or approximately 44 units/acre, this site could have up to 422 units with no discretionary review required.

Because development within a Planned Development requires Conditional Use Permit approval, the Planning Commission is able to review this project. However, the Commission should keep in mind that the zoning allows density up to 30 units per acre. Therefore, if the Commission wishes to deny this request, it should be based on design elements or other issues not related to the density.

Compliance with Residential Planned Development (RP-D) #61

- K) When RP-D #61 was established, development standards were adopted to ensure development within this area would be consistent, provide the uses intended, and integrate well with the surrounding community. These standards addressed land uses and

building and site design standards (Attachment N). This project complies with the density and land use requirements. However, the building height exceeds the standard, the front setback is less than required by the standards, and the front door location is not facing the street.

Building Height: The maximum height allowed under the development standards for RP-D #61 is 35 feet. The proposed apartment buildings would be 45 feet 3 inches tall (Attachment C). In comparison, the maximum height requirement within an R-4 zone (which would allow apartments) is 40 feet tall. The actual height of the building walls is approximately 30 feet tall. The additional height is due to the pitch of the roof (6:12). However, reducing the roof pitch would affect the appearance of the buildings. The higher roof line helps balance the appearance of the buildings making them more aesthetically pleasing.

Building Setback: According to the design standards, the front setback should be a minimum of 30 feet. The proposed site design shows the setback varies from 17 to 25 feet (see Site Plan at Attachment B). In order to achieve the 30-foot setback, the open space area between the buildings would have to be reduced or the area between the buildings and the carports would have to be reduced. In an R-4 zone, the minimum front yard setback is only 15 feet. While the proposed design does not comply with the design standards, it seems reasonable to allow the reduced setback given the fact that the proposed setback is greater than what would be required by standard apartment zoning and to allow more useable open space for the tenants.

Building Façade: The design standards require the building façade to have the front door facing the street. The proposed project does not include this design feature. The building design has the doors facing inward and the exterior elevation has windows (refer to the building elevations at Attachment C). However, the exterior elevation also incorporates a variety of materials and the use of awnings to help add interest and variety to the elevations. In addition, because the project is a gated community, doors facing the street would not provide as much security as the proposed design.

Condition #34 allows the project to vary from the design standards as described above.

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 #15-07 is a second tier environmental document, based upon the City's determination that the proposed development remains consistent with the current general plan and provisions of CEQA Guidelines, Section 15162 (Expanded Initial Study #04-02 for Pending Annexation/Pre-Zoning Application #04-01 adopted by the Merced City Council on April 17, 2006). A copy of the Section 15162 Findings can be found at Attachment O.

Attachments:

- A) Location Map
- B) Site Plan

REFER TO ATTACHMENTS 1-15 OF ADMINISTRATIVE REPORT FOR ATTACHMENTS A – O. ATTACHMENT P INTENTIONALLY OMITTED.

- C) Elevations
- D) Floor Plans
- E) Building Layout by Bedroom
- F) Map of RP-D #61
- G) Map of Bright Subdivision & Palisades Park Subdivision
- H) Land Use Diagram
- I) Roadway Alignment
- J) Figure 4.24
- K) Intersection of Merrill Place and G Street
- L) Color Palette
- M) Clubhouse/Leasing Floor Plan
- N) RP-D #61 Design Standards
- O) CEQA 15162 Findings
- P) Draft Planning Commission Resolution

Ref: *N:shared/Planning/staff reports/2015/SR #15-11 CUP #1200_Teagan*