# CITY OF MERCED Planning & Permitting Division

STAFF REPORT: #15-11-Addendum AGENDA ITEM: 4.1

FROM: Kim Espinosa, PLANNING COMMISSION

Planning Manager MEETING DATE: June 17, 2015

(Continued from 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. For complete details of the project, please refer to Staff Report #15-11 at Attachment E.

On May 20, 2015, the Planning Commission held a public hearing regarding Conditional Use Permit #1200. At that time, public testimony was heard and the public hearing was continued to the Planning Commission meeting of June 17, 2015. Because the Planning Commission indicated they would most likely vote to deny the request, staff has prepared Findings for Denial of Conditional Use Permit #1200.

#### PLANNING COMMISSION ACTION

#### Denial

If the Planning Commission wishes to deny the request for Conditional Use Permit #1200, Planning Staff recommends that the Planning Commission make the following Findings and adopt the Planning Commission Resolution found at Attachment F.

## **Land Use/Density Issues (Finding for Denial)**

M) 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. 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 would most likely be higher than that typically found in an apartment complex rented primarily to families. The project would provide a total of 678 bedrooms which could result in an overall occupancy of 678 people if the units are occupied by one person per bedroom or possibly, up to 1,354 people if each unit was occupied by two people per bedroom.

Although this density is within the range for property with a Village Residential designation, there are an additional 87 acres (approximately) of land designated as Village Residential within 1,000 feet of the site which would allow additional multifamily units to be constructed in the area (Attachment D). Given this and the fact that the number of occupants for this project would most likely be well above the typical occupancy for a project with this density, the project would have a greater likelihood of introducing problems within the area and future residential neighborhoods, such as excessive on-street parking in the area, increased police calls, increased noise, and other nuisances. As such, a project within the lower density range for the Village Residential designation would be more compatible with the future neighborhood, specifically the single-family residences proposed to the west, and not create a concentrated area of such a large number of people.

#### **Parking (Finding for Denial)**

N) The off-street parking space requirement for multiple-family dwellings is 1.75 spaces for each unit up to 30 units, and 1.5 spaces for each unit thereafter. 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 project proposes to construct 362 parking spaces which would meet the minimum requirements plus an additional 30 spaces.

Although the proposal includes on-site parking spaces that exceed City code requirements, the unique needs and parking demands of student housing are not addressed. The proposal provides 1.68 parking spaces per unit. As proposed the project consists of 1, 2, and 4 bedroom units with approximately 36% of the units being 4 bedroom/4 bath units (see table below).

#### UNIT BREAKDOWN BY BEDROOM/BATH

		Phase 1	Phase 2	Total	Total
<b>Unit Type</b>	Size	Units	Units	Units	Bedrooms
1 Bedroom/1 Bath	542 s.f.	9	3	12	12
2 Bedroom/1 Bath	782 s.f.	24	3	27	54
2 Bedroom/2 Bath	916 s.f.	30	18	48	96
4 Bedroom/2 Bath	1,270 s.f.	36	15	51	204
4 Bedroom/4 Bath	1,339 s.f.	51	27	78	312
TOTAL		150	66	216	678

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. Phase Two would add an additional 213 people for an overall total of 678 people. If each bedroom were occupied by 2 people, the total project occupancy could be up to 1,356 people. The proposal does not include any measures to limit the occupancy of rooms, which could lead to parking demands that exceed the spaces provided (362 spaces). This would lead to project occupants parking on the street and on the adjacent properties, including the streets within the future single-family residential development to the west and the other areas designated for residential uses within close proximity.

## **Building Design (Finding for Denial)**

O) The proposed height of each building would be 45 feet 3 inches tall (3 stories) (Attachment C). The Pre-Annexation Development Agreement for this property allowed a 40-foot building height within the Village Residential areas, while Ordinance #2240 establishing Residential Planned Development (RP-D) #61 stated the maximum building height to be 35 feet. It is staff's opinion that the Pre-Annexation Development Agreement would control and the maximum height within the Village Residential area would be 40 feet.

Although the maximum height allowed would be 40 feet, the proposed buildings are 45 feet 3 inches tall (3 stories). This would exceed the allowable height limit within RP-D #61 by 5 feet 3 inches.

The single-family residential lots to the west of the site have a height limit of 2 ½ stories or 35 feet. The land to south would have a height limit of 35 feet as well. Therefore, at 45 feet 3 inches, this development would stand much taller than the surrounding uses and would look somewhat disproportional to the other future developments in the area.

In addition, as discussed in the Finding P below, the reduced setback for a building of that height would create an imposing presence on the streetscape. Such a tall building that close to the street could make the area feel crowded and less friendly to pedestrians. Such tall buildings close to the street are more typical in Downtown or dense urban areas.

## **Site Design (Finding for Denial)**

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

The Design Standards for RP-D #61 require a 30-foot setback from the front property line. In addition, multi-family projects in Planned Developments are required to comply with Merced Municipal Code Section 20.54.290 (D) requires a 1:1 height/setback from an exterior property line, for more than 50% of the allowable building area at any established distance from the exterior property line. A 1:1 ratio would require the setback to be 45 feet for at least 50% of the building length.

The proposed setback of 17 to 25 feet does not meet either requirement described above. The proposed building height of 45 feet 3 inches would be as close as 17 feet from the sidewalk in some areas. For comparison, the Merced Civic Center (City Hall) is approximately 45 feet tall. A building with such mass would prevent the street scape from feeling like a residential neighborhood. It would instead have more of a commercial feel and be less inviting to pedestrians and members of the future surrounding neighborhoods.

### <u>Approval</u>

Although the Planning Commission indicated that it wished to deny the CUP, no official vote was taken, so the Planning Commission has the option to approve the project if desired. If the Planning Commission wishes to approve the request for Conditional Use Permit #1200, Planning Staff recommends the Commission approve Environmental Review #15-07 (CEQA Section 15162 Findings) and Conditional Use Permit #1200 (including the adoption of the Resolution at Attachment G) subject to the Findings (A through L) of Staff Report #15-11 (Attachment E) and Conditions 1 through 45 of the Planning Commission Resolution found at Attachment G.

#### Attachments:

- A) Location Map
- B) Site Plan
- C) Elevations
- D) Land Use Map
- E) Staff Report #15-11
- F) Draft Planning Commission Resolution for Denial
- G) Draft Planning Commission Resolution for Approval

Refer to Administrative Report Attachments for Attachments A-F. Attachments G intentionally omitted.