

RESOLUTION NO. 2016-_____

**A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF MERCED, CALIFORNIA,
APPROVING A NEGATIVE DECLARATION FOR
GENERAL PLAN AMENDMENT #16-01 AND
ZONE CHANGE #423 FOR THE
APPROXIMATELY 1.1 ACRE PARCEL LOCATED
ON THE NORTH SIDE OF EAST 16TH STREET
APPROXIMATELY 245 FEET EAST OF G
STREET (205 EAST 16TH STREET); AND
APPROVING A GENERAL PLAN AMENDMENT
FOR THE SAME PARCEL OF LAND CHANGING
THE GENERAL PLAN DESIGNATION FROM
THOROUGHFARE COMMERCIAL (CT) TO
HIGH DENSITY RESIDENTIAL (HD)**

WHEREAS, the City is processing an application for a General Plan Amendment and Zone Change for a 1.1 acre parcel located on the north side of East 16th Street, approximately 245 feet east of G Street (205 East 16th Street) where an environmental review was required; and

WHEREAS, the Planning Commission of the City of Merced held a noticed public hearing on May 4, 2016, at which time all those interested in the matter were provided the opportunity to speak or provide written or oral testimony regarding the application; and

WHEREAS, after hearing all of the evidence and testimony, the Planning Commission adopted Resolution #3066, attached hereto as Exhibit "C," and incorporated herein by reference, recommending that the City Council deny the General Plan Amendment and Environmental Review (Negative Declaration); and

WHEREAS, The City Council held a noticed public hearing on June 6, 2016, at which time all those interested in the matter were provided the opportunity to speak or to provide written or oral testimony regarding the application.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MERCED AS FOLLOWS:

SECTION 1. Based upon the evidence and testimony in the record at the City Council public hearing, the City Council, exercising its independent judgment and review, hereby approves a Negative Declaration pursuant to the provisions of the California Environmental Quality Act for Initial Study #16-09 and approves General Plan Amendment #16-01, attached hereto as Exhibit "A" and shown on Exhibit "B" and incorporated herein by reference, based upon the reasons and findings set forth in Exhibit D, "Findings and Considerations" attached hereto, and subject to the Conditions of Approval attached hereto as Exhibit "E".

PASSED AND ADOPTED by the City Council of the City of Merced at a regular meeting held on the ____ day of _____ 2016, by the following vote:

AYES: Council Members:

NOES: Council Members:

ABSENT: Council Members:

ABSTAIN: Council Members:

APPROVED:

Mayor

ATTEST:
STEVE CARRIGAN, CITY CLERK

BY: _____
Assistant/Deputy City Clerk

(SEAL)

APPROVED AS TO FORM:

Ker Byrd 5/18/16
City Attorney Date

EXHIBIT "A"
LEGAL DESCRIPTION

Lot B as shown on the map entitled "Ritchey's Addition to Merced," recorded in Book 6, Page 9 of Merced County Records; also known as Assessor's Parcel Number (APN): 034-204-002.

General Plan Amendment #16-01
254 East 16th Street

MAIN

E

SUBJECT SITE
APN: 034-204-002

Change General Plan Designation
from
Thoroughfare Commercial (CT)
to
High Density Residential (HD)

99

16TH

16TH

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99

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CITY OF MERCED
Planning Commission

Resolution #3066

WHEREAS, the Merced City Planning Commission at its regular meeting of May 4, 2016, held a public hearing and considered **General Plan Amendment #16-01 and Zone Change #423**, initiated by Eddie Laplante and Daniel Kazakos, on behalf of Landmark Hill Investments, LLC, property owner. This application is a request to change the General Plan and Zoning designations for an approximately 1.1 acre parcel, located on the north side of East 16th Street, approximately 245 feet east of G Street. The requested change is to amend the General Plan designation from Thoroughfare Commercial (CT) to High Density Residential (HD) and to change the Zoning designation from Thoroughfare Commercial (C-T) to High Density Residential (R-4) to allow the conversion of an existing 37-unit motel to a 41-unit supportive housing complex with an on-site manager's residence; also known as Assessor's Parcel Number (APN): 034-204-002; and,

WHEREAS, the Merced City Planning Commission hereby adopts Findings K through M as follows:

FINDINGS FOR DENIAL OF GPA #16-01/ZC #423

- K) On May 4, 2016, the Planning Commission held a public hearing on the proposed General Plan Amendment #16-01/Zone Change #423 and heard testimony from four individuals, including the applicant.
- L) Although the Planning Commission felt that the applicant's goals for the project and desire to help the homeless problem in the community were worthy, the Planning Commission agreed that the location was not ideal due to its close proximity to Downtown, which already houses a number of homeless service programs, and the safety of pedestrian and bicycle traffic and disabled access in such close proximity to the Highway 99 off-ramp and high speed traffic.
- M) The Planning Commission was concerned about the lack of requirements for the tenants to sign a "sober living agreement" and the lack of a structured treatment program for alcohol and substance abuse issues and mental health issues. The Commission was also concerned about the lack of incentives in the program for tenants to resolve their

PLANNING COMMISSION RESOLUTION #3066

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May 4, 2016

issues and move onto other housing and employment options as well as the lack of information provided regarding the success rate of similar programs.

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 denial of a Negative Declaration regarding Environmental Review #16-09, and denial of General Plan Amendment #16-01 and Zone Change #423.

Upon motion by Chairperson Colby, seconded by Commissioner Smoot, and carried by the following vote:


AYES: Commissioners Dylina, McLeod, Smith, Smoot, and
Chairperson Colby

NOES: Commissioner Baker

ABSENT: None

ABSTAIN: Commissioner Padilla

Adopted this 4th day of May 2016



Chairperson, Planning Commission of
the City of Merced, California

ATTEST:


Secretary

FINDINGS/CONSIDERATIONS
SUPPORTING GENERAL PLAN AMENDMENT #16-01
AND ZONE CHANGE #423

General Plan Compliance and Policies Related to This Application

- A) The proposed project would comply with the General Plan designation of High Density Residential (HD) and the zoning designation of R-4 if the proposed General Plan Amendment and Zone Change applications are approved.

The proposed project would help achieve the following goals and policies of the Housing Element of the General Plan:

<i>Goal H-1:</i>	<i>New Affordable Housing Construction</i>
<i>Policy H-1.1.</i>	<i>Support Development of Affordable Housing.</i>
<i>Policy H-1.1.e</i>	<i>Encourage Alternate Housing Types.</i>
<i>Policy H-1.7</i>	<i>Support Housing to Meet Special needs.</i>
<i>Policy H-1.7.b</i>	<i>Promote and Develop Housing to Meet Special Needs.</i>
<i>Policy H.3.1.b</i>	<i>Coordinate with Local Agencies to Provide Housing Assistance to Extremely Low, Very Low, and Low Income Households.</i>

Traffic/Circulation

- B) The site is located on the north side of East 16th Street, approximately 240 feet east of G Street and just at the base of the off-ramp from State Route 99 to East 16th Street (Attachment A of Planning Commission Staff Report #16-10). The site has a driveway access from East 16th Street as well as access from the alley north of the property.

The Institute of Transportation Engineers (ITE) Trip Generation Rates Manual (9th Edition) is used to estimate the number of trips generated by a particular use. The Manual lists 0.47 trips during the PM peak hour per room for a motel. Therefore, the existing motel use would generate 17.39 trips during the PM peak hour. However, not all specific uses are identified in the Manual. For the respite care housing project, the listed uses that most closely matches the proposed use is a Congregate Care Facility, with a PM peak hour trip generation rate of 0.17 per dwelling unit. Including the manager's apartment with a 0.62 trip per unit during the PM peak hour, the proposed 40-unit respite care housing project would generate 7.42 trips during the PM peak hour. Further, the project includes features that would reduce the overall vehicle miles traveled, such as: 20 rideshare bicycles and secured bike parking; offsite improvements to the pedestrian and bicycle network, including installation of a sidewalk on the west side of E Street between Main

Street and the alley, reconstruction of the alley between D and E Streets, reconstruction and extension of sidewalk along 16th Street, west of the site, and the expansion of an existing bus stop (Attachment E of Planning Commission Staff Report #16-10); and residents would be eligible for free bus passes. Since the proposed project would result in fewer trips than the previous motel uses, there would be no reduction in the Level of Service (LOS) as a result of the project.

Parking

- C) The project is proposing to provide a total of 15 parking spaces. For a typical multi-family project with 42 units (41 tenants and one on-site manager), a total of 71 parking spaces would be required. Therefore, the site is only providing approximately 21 percent of the required number of parking spaces. However, as previously described, one of the goals of this project is to promote alternate transportation and reduce vehicles miles traveled. The developer plans to implement several strategies to carry out this goal (i.e., pedestrian access, bus passes for tenants, etc.).

Because this project is unique in the type of tenants it would house as well as the amenities it provides to encourage alternate means of transportation, staff has proposed to use Conditional Zoning (Condition #39) which would allow this specific project to operate with only 15 parking spaces, but would require any other future use to comply with the minimum parking requirements of the Zoning Ordinance (Condition #17).

The onsite clinic is planned to be open during normal business hours and would provide services to the general public, not just the tenants on-site. This may generate more traffic to the site, but through the design features which encourage alternate transportation, the intent of the development would be for patients not to drive to the site, but to use the bus or other means of transportation to get to the site. The parking spaces on site would provide parking for the staff working in the clinic, providing services in the offices and community building, and for the Esperanza Project staff.

Public Improvements/City Services

- D) The site is served by City sewer and water services and has public access by the way of 16th Street and the alley north of the property. Sidewalks exist in front of the subject site, but would need to be replaced/installed from the subject site west to the point of the proposed bus stop. Sidewalk would also

need to be installed on the west side of E Street from Main Street south to the alley. Additionally, the alley would need to be reconstructed along the property frontage from D Street to E Street. Refer to the map at Attachment E of Planning Commission Staff Report #16-10 for the location of the required public improvements. The cost of these improvements are the sole responsibility of this project. Conditions #14 and #15 address the requirements for public improvements.

Building Design

- E) The buildings are single-story units laid out in a U-shape design. The basic design of the units would not change. Thirty-six of the motel units would be converted to single-occupancy dwelling units and four units would be double-occupancy units. The area previously used as the motel office would be converted to a health clinic. The developer would make cosmetic changes to the exterior and bring the buildings up to current code requirements, including disabled accessibility. A portion of the unit behind the motel would be converted to an office for the manager and the remainder of the structure would be the on-site manager's unit. The manager's unit/office behind the main buildings would also be upgraded with cosmetic changes and to meet current code requirements. As required by Condition #28, Design Review approval would be required for exterior changes to the buildings.

Site Design

- F) The site has access from West 16th Street and two driveways into the site (Attachment B of Planning Commission Staff Report #16-10). The design of the site would remain mostly unchanged with the exception of the construction of the community building near the center of the site (Attachment C of Planning Commission Staff Report #16-10). Gates would be added to both driveways into the site. The existing parking spaces in front of each unit would be eliminated other than those in front of the northern-most units. An additional four parking spaces would be added behind the units along the alley. A secure covered bicycle parking area would be constructed at the northeast corner of the site and a covered animal companion area would be built adjacent to the bicycle parking area. Pedestrian access would be added from the alleyway along the east side of the site providing access to the front of the site and the clinic. Pedestrian access would also be provided on the west side of the site from the manager's unit running in front of the units on

the west side of the site. Sidewalks would provide access along the front of the site to the proposed bus stop along East 16th Street, west of the site.

Landscaping

- G) Landscaping would be provided throughout the site. Details of the landscape plan would be provided at the building permit stage per Conditions #12 and #13.

Neighborhood Impact/Interface

- H) The area to the north of the site is zoned R-2, which allows one and two family dwelling units (Attachment A of Planning Commission Staff Report #16-10). There is a church located at the corner of East Main Street and D Street. To the west of the site is a multi-family development which was also previously a motel, but was converted to a multi-family complex in 1981. A Zone Change and General Plan Amendment was approved for that site in 1981 allowing the conversion of the motel to a multi-family complex, also utilizing Conditional Zoning. An automotive repair shop is located to the east of the site.

The applicant held a community forum on Monday, April 25, 2016 (Attachment F of Planning Commission Staff Report #16-10). Prior to the meeting, the applicant handed out flyers notifying the tenants and property owners within the area of the forum. At the meeting, there were approximately 6 individuals from the area in attendance. Some of the concerns voiced at the meeting were: 1) crime in the area that appears to be attributed to homeless individuals; 2) the pedestrian traffic through the alley that may also be associated with the crime in the area; and, 3) the types of tenants that would be living at the development. The developer explained the way the program would work using the Housing First model and the coordinated entry system to screen tenants. He also explained that the tenants would be required to sign a lease and be bound by rules and that a manager would be on-site at all times.

The site is currently blighted and has been abandoned and boarded up for quite some time. Although it has been enclosed by a fence, it has still attracted vagrants and has been a nuisance to the neighborhood. The proposed development would clean up the site and provide on-site management at the site. In addition, as previously mentioned, all tenants would be required to adhere to the rules and regulations of their lease agreement.

Signage

- I) The project would be allowed signs in compliance with the City's Sign Ordinance. Because the site is located within the City's Design Review Boundary, the sign regulations for Downtown would apply. As such, the site would be eligible for a building sign equal to one-square-foot for each linear foot of building frontage. The two existing freeway signs are not in compliance with the regulations and would have to be removed (Condition #38).

Environmental Clearance

- J) The Planning staff has conducted an environmental review (Initial Study #16-09) of the project in accordance with the requirements of the California Environmental Quality Act (CEQA), and a Draft Negative Declaration (i.e., no significant adverse environmental effects have been found) is being recommended (Attachment H of Planning Commission Staff Report #16-10).

CONDITIONS OF APPROVAL
GENERAL PLAN AMENDMENT #16-01
ZONE CHANGE #423

- 1) The proposed project shall be constructed/designed as shown on Exhibit 1 (site plan), - Attachment C of Staff Report #16-10, except as modified by the conditions.
- 2) The proposed project shall comply with all standard Municipal Code and Subdivision Map Act requirements as applied by the City Engineering Department.
- 3) All other applicable codes, ordinances, policies, etc. adopted by the City of Merced shall apply.
- 4) Approval of the General Plan Amendment and Zone Change is subject to the applicant's entering into a written (developer) 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 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 (with counsel selected by the City), 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 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.

- 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.
- 7) The developer shall work with the City Engineer to determine the requirements for storm drainage on the site and the method used to move the storm water to the City's storm drainage system. The developer shall provide all necessary documentation for the City Engineer to evaluate the storm drain system. All storm drain systems shall be installed to meet City Standards and state regulations.
- 8) 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).
- 9) Street trees shall be provided per City Standards. Tree species shall be selected from the City's approved street tree list.
- 10) Appropriate turning radii shall be provided within the parking area to allow for Fire Department access.
- 11) All driveways into the site shall comply with City Standards and all handicap accessibility requirements.
- 12) 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 park-strips, 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.

- 13) Detailed landscape and irrigation plans shall be submitted at the building permit stage. These plans shall include all on-site landscaping and all required landscaping in the public right-of-way.
- 14) As required by Merced Municipal Code Section 17.04.050 and 17.04.060, full public improvements shall be installed/repared if the permit value of the project exceeds \$85,000.00. Public improvements may include, but not be limited to, repairing/replacing the sidewalk, alleyway, 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.
- 15) In order to ensure safe pedestrian access, a sidewalk shall be installed on the west side of E Street from Main Street to the alley and installed or reconstructed as needed from the project site to the proposed bus stop on East 16th Street. The alleyway shall be reconstructed between D and E Streets. Details to be worked out with Engineering staff.
- 16) All mechanical equipment shall be screened from public view.
- 17) If the use changes from this specific tenant/business, sufficient parking in compliance with the City's Zoning Ordinance shall be provided to serve the new tenant/business, unless otherwise approved by the Director of Development Services.
- 18) If gates are installed on the site preventing vehicular access, "click 2 enter" access shall be provided on all gates to provide access to the site for emergency personnel (i.e., police, fire, ambulance, etc.).
- 19) Sufficient parking shall be provided for the healthcare services being provided on site. If a problem arises due to a lack of parking for the services provided on the site, the developer shall provide sufficient parking or reduce the services provided at the site, or provide an alternate means of transportation to the site for clients seeking services.
- 20) All units shall comply with the handicap accessibility requirements of the California Building Code.
- 21) Fire sprinklers shall be provided to all dwelling units and other areas as required by the California Fire Code.
- 22) If a kitchen is provided in the Community Building, it shall meet the requirements of the building, fire, health and safety, and any other applicable codes for a "commercial kitchen."

- 23) Prior to any demolition work being done (interior or exterior), 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 Department if required.
- 24) The applicant shall work with the City's Refuse Department to determine the best location for the refuse enclosure. The enclosure shall be constructed per City Standards.
- 25) A backflow prevention device shall be provided for all water services (i.e., domestic, irrigation, and fire) with appropriate screening of those devices installed. Details to be worked out with staff.
- 26) All healthcare practitioners operating on the site, shall obtain a City of Merced Business License and possess all required state licenses to operate in such capacity.
- 27) Prior to the issuance of a building permit, the project applicant or any successor in interest, shall retain a licensed professional or firm to evaluate noise levels affecting the project site, and whether the existing structures can attenuate existing transportation noise levels sufficiently to meet the City's interior standard of 45 dB ldn. If interior standards cannot be met by the existing structures, the report shall identify measures necessary to meet the interior standards. Prior to occupancy, all needed structural improvements shall be completed.
- 28) The site is located within the City's Design Review boundary. As such, any exterior changes to the building or changes to the site require Design Review approval. Such approval may be granted by staff or referred to the Planning Commission, as determined by the Director of Development Services.
- 29) Healthcare, including medical, dental, and mental health care, is allowed within the areas designated on the site plan as "clinic" and "office" (in the community center). No other commercial uses, except those meeting the requirements of a Home Occupation, shall be allowed on the site.
- 30) Sufficient lighting shall be provided on the site to create a safe environment. Lighting shall be provided throughout the site, including along the alleyway. Lighting from the site shall not spill-over onto any adjacent properties.
- 31) Animals shall not be housed in the animal companion area overnight.
- 32) An on-site manager shall be provided and be available 24 hours a day, 7 days a week.

- 33) The developer and management shall be responsible for keeping the site clean and free of trash, debris, and graffiti.
- 34) Each single-occupancy unit is allowed one tenant. Each double-occupancy unit is allowed two tenants.
- 35) Secure access and lighting shall be provided in the bike parking area.
- 36) Security cameras shall be installed on the site and along the alleyway near the bike parking area.
- 37) All parking lot and building lighting shall be shielded or oriented in a way that does not allow “spill-over” onto adjacent lots in compliance with the California Energy Code requirements. Any lighting on the building shall be oriented to shine downward and not spill-over onto adjacent parcels.
- 38) The site would be eligible for a building sign equal to one-square-foot of sign area for each linear foot of building frontage. No freeway signs shall be allowed for this use. The two existing freeway signs shall be removed prior to occupancy of the units. A building permit is required prior to the installation of any permanent signing. A Temporary Banner Permit shall be obtained prior to installing any temporary banners. Freestanding temporary signs (i.e., sandwich board, A-frame, feather, or moveable signs of any type) are not allowed.
- 39) The property owner shall enter into a Conditional Zoning Agreement with the City to ensure compliance with the above conditions.