



**STAFF REPORT**  
**2/10/2020**

**TO:** Honorable Mayor and City Council Members

**FROM:** Luis Lopez, Development Services Director

**SUBJECT:** Appeal of Planning Commission's Decision regarding Architectural Review No. 19-08 to allow the construction of the Pueblo Viejo Villas and Transit Hub. The project entails a new three-story mixed-use building consisting of 105 apartment units with 50 one-bedroom units, 28 two-bedroom units, and 27 three-bedroom and 3,000 square feet of commercial tenant space on the ground floor in the CG-PD (General Commercial – Planned Development) zone on 2.66 acres of vacant land generally located at the northeast corner of Cesar Chavez Street and 6th Street. The appeal request seeks to modify conditions of approval for the project including allowable unit sizes, use of staircases in lieu of elevators, pedestrian access designs from the sidewalk, 5th Street extension improvements, and no audible bell tower element for this phase of the project. 6th & Cesar Chavez CIC. LP, Appellant.

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**STAFF RECOMMENDATION:**

Staff recommends that the City Council overturn the Planning Commission's decision on Architectural Review No. 19-08 and allow modifications to the conditions of approval as outlined below in this staff report.

**BACKGROUND:**

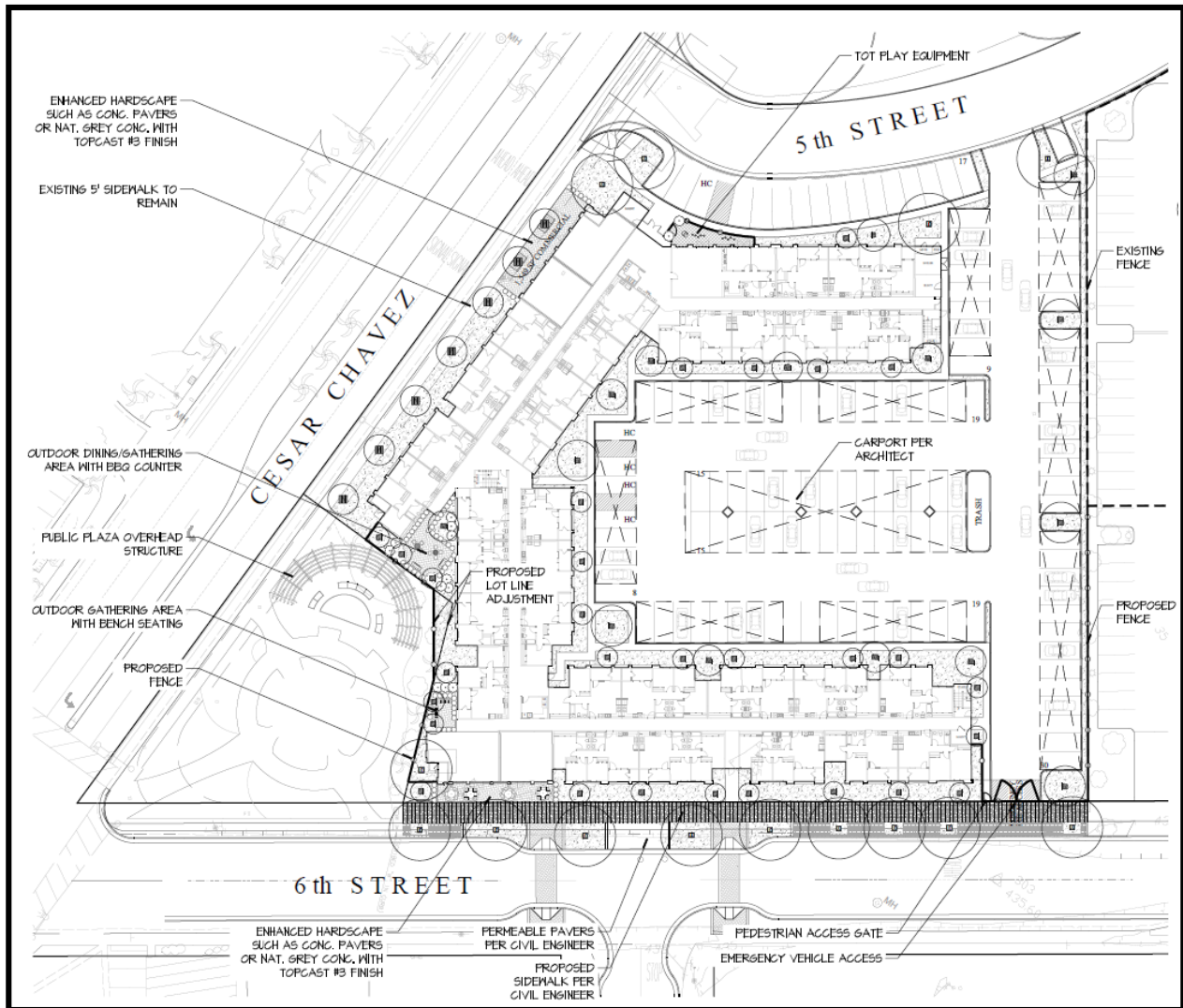
On January 15, 2020 the Planning Commission approved Architectural Review No. 19-08 to allow the construction of the Pueblo Viejo Villas and Transit Hub including a new three-story mixed-use building with 105 apartment units with 50 one-bedroom units, 28 two-bedroom units, and 27 three-bedroom units plus 3,000 square feet of leasable commercial tenant space on the ground floor in the CG-PD (General Commercial – Planned Development) zone on 2.61 acres of vacant land generally located at the northeast corner of Cesar Chavez Street and 6<sup>th</sup> Street. A transit hub kiosk building and shade structure, to be operated by Sunline Transit Agency, will be constructed on a 1.33-acre vacant parcel located at the southeast corner of 4<sup>th</sup> Street and Cesar Chavez Street.

On January 28, 2020 the applicant filed an appeal alleging that complying with some of the conditions would be cost prohibited and complying with the conditions in question would put the

project in jeopardy. Accordingly, they have requested modifications to nine of the conditions of approval as explained below.

### Project Site History

The project site is a 2.5-acre portion of a 7.2 acre vacant parcel of land on which the Riverside County Department Social Services, DPSS, is currently building a 30,000 square foot building for social services. On October of 2017 the Planning Commission approved an Architectural Review 16-16 granting approval of a revised foot print of the building and architectural elevations. The site plan below illustrates the approved site plan for the DPSS building. A change of zone was also approved by the City Council on November 29, 2017 applying an overlay zone to portion of the site (Change of Zone 17-03):





CESAR CHAVEZ ELEVATION 'C'



EXTERIOR ELEVATION KEYNOTES

6TH STREET ELEVATION 'D'



At the Planning Commission hearing of January 15, 2020, where Architectural Review 19-08 was approved, the applicant expressed concern with the project's feasibility due to added costs that were being imposed through conditions of approval. These conditions were vetted through City Council in September 2019 as part of a policy discussion on design amenities, related to the public funding for this project which includes an Affordable Housing Sustainable Communities (AHSC) grant for transit-oriented development. The applicant outlined the following concerns;

- a) The cost of providing two elevators.
- b) Sidewalk designs along the project frontage on Cesar Chavez Street.
- c) Fifth Street becoming a public street instead of a private road.
- d) The commercial component limited to a total of 2,737 sf instead of 3,000 sf.
- e) The size of the residential units, now proposed at 730 sf. for the two bedroom units (instead of 760 sf.), and 920 sf. for the three bedroom units (instead of 1,000 sf.).
- f) Access front doors for the ground units from Cesar Chavez St. and Sixth St.

**Requested Amendments to Conditions of Approval:**

The Planning Commission approved Architectural Review 19-08 with 83 conditions of approval. The appellant has submitted a marked-up staff report showing requested changes to nine conditions of approval imposed by the Planning Commission. Listed below are the original conditions as written in the Planning Commission staff report, a summary of the Appeal Request, and a Staff Response to each condition of approval modification request.

- 2d) All masonry perimeter walls and garden walls shall be decorative masonry with decorative cap subject to review by the Development Services Director, and subject to the City's Building Codes.



**APPEAL REQUEST:** The appellant would like to strike the words “masonry perimeter walls and”.

**Staff Response:** The project requires the installation of a new masonry wall along the eastern property line adjacent to existing residences fronting on 4<sup>th</sup> Street near the Transit Hub. Because the mixed-use building requires the installation of a new access road into the main entrance from 4<sup>th</sup> Street (this is recommended as a one-way street), the perimeter wall is needed along the east property line of the Transit Hub lot, to mitigate traffic noise and glare adjacent to existing apartment homes located at 1160 4<sup>th</sup> Street. As such, a perimeter wall will be required as part of the project’s anticipated impacts. Staff recommend no changes to Condition #2d.

2e) All dwelling units shall have access to an elevator located in a central or convenient location to all residents, and all elevators shall be available and in good working order for all residents on a 24-hour basis.

**APPEAL REQUEST:** The appellant would like to add two new sentences that read “Elevators will be added to the project as long as the project remains financially feasible. Financial feasibility is defined as sources adequate to meet a “50% test” (at the industry standard) and fund the developer fee paid during development subject to stringent limitations from state financing partners”.

**Staff Response:** The applicant previously stated that the project is not feasible with the use of elevators. A letter from KVG consultants, dated January 28, 2020, was submitted which states that in studying three-story apartments with parking on grade, it is the consultant’s experience that elevators are only provided if the population is senior or disabled. While this project is not a senior-housing or disabled-housing development, those populations will be invited to live in this community. Additionally, there are new funding sources being identified at the time that this report was written to offset the costs of the elevators which have caused the appellant to reconsider elimination of the elevators as expressed in the requested modification to this condition. Staff recommends approval of the requested changes to Condition 2e.

2f) A minimum of 10 per cent of the total number of units shall be made available to developmentally disabled tenants.

**APPEAL REQUEST:** The appellant would like the condition to say “10 dwelling units” will be ADA accessible units.

**Staff Response:** If the project includes elevators, the California Building Code requires all units to be ADA accessible. However, the AHSC grant program requires a minimum of 10% of the units to be made available to developmentally disabled persons. Staff is not opposed to clarifying this condition to say that a maximum of 10 of these units would be required.

- 2i) The commercial tenant space nearest the Etherea Pocket Park shall be leased to a coffee shop, snack bar, or similar eating and drinking establishment. The owner shall enter into an agreement with the City of Coachella for use of the landscaped areas on the east side of the Etherea monument to create expanded trellis covers and outdoor seating areas to serve the commercial tenant suite.

**APPEAL REQUEST:** The appellant would like to amend second sentence to say “The owner shall have the option to enter into an agreement with the City of Coachella for use of the landscaped areas on the east side of the Etherea monument to create expanded trellis covers and outdoor seating areas to serve the commercial tenant suite.”

**Staff Response:** Staff is not opposed to the requested change to this condition of approval, in that it provides flexibility in the design and does not impose a strict financial burden for the project.

- 2j) All ground dwelling units shall have a front door accessible from the 6th Street and Cesar Chavez Street sidewalk areas, with a fenced and patio enclosure adjacent to the sidewalk. The sidewalks along Cesar Chavez Street and 6th Street shall be expanded to provide access into the ground floor units with an urban character, and reduced perimeter planter areas adjacent to the building edge.

**APPEAL REQUEST:** The appellant would like to re-write the sentences #2 and #3 of this condition to read: “The sidewalks along Cesar Chavez Street shall be expanded to provide access into the ground floor units with an urban character, and reduced perimeter planter areas adjacent to the building edge. This requirement will be waived if ADA ramps are triggered due to differences in grade between sidewalk and entrances.”

**Staff Response:** The requirement to have direct pedestrian access from 6<sup>th</sup> Street to the back patio areas of the ground-floor dwellings is an important urban design feature of the project that was mentioned briefly by City Council in September 2019. However, this would require the developer to design the building with a stepped foundation to lower the pad elevations along 6<sup>th</sup> Street which complicates design and increases costs for internal ADA ramps. Because this is a financial barrier to providing affordable housing, staff recommends approving the appellant’s requested changes.

28. Applicant shall construct and provide maintenance on 5<sup>th</sup> Street from the existing east end to as well dedication of land if Cesar Chavez Street. That portion of 5<sup>th</sup> Street shall remain as a private street within the entire length connecting to Cesar Chavez Street.

**APPEAL REQUEST:** The appellant would like to re-write this condition to read “Applicant shall not be required to construct any portion of 5<sup>th</sup> Street as part of the residential development.”

**Staff Response:** At the time that this report was being written, the City senior staff was considering removal of the 5<sup>th</sup> Street extension through the project due to its awkward design and the lack of financial feasibility. Staff recommends deleting all references to 5<sup>th</sup> Street, by re-writing this condition to read “The Applicant shall provide civil engineering design for the circulation of the area between 4<sup>th</sup> Street, 6<sup>th</sup> Street, and Cesar Chavez Street”.

32. Provide a set of proposed Covenants, Conditions and Restrictions (CC&R) for review and approval. The proposed CC&Rs shall contain the Association’s/Owner’s maintenance obligations with respect to various facilities including, but not limited to, right-of-way and private landscaping, private streets, sidewalks, utilities, street lights, and Water Quality Management Plan (WQMP) features. This document must be submitted to and approved by the City before it is submitted to any other governmental entity.

**APPEAL REQUEST:** The appellant would like to re-write this condition to say “If the project includes shared facilities, the owner shall provide a set of proposed Covenants, Conditions and Restrictions (CC&R) for review and approval. The proposed CC&Rs shall contain the Association's/Owner's maintenance obligations with respect to any shared facilities including, but not limited to, right-of-way and private landscaping, sidewalks, utilities, street lights, and Water Quality Management Plan (WQMP) features. This document must be submitted to and approved by the City before it is submitted to any other governmental entity.”

**Staff Response:** Staff is not opposed to this amended condition of approval as it will limit the need for CC&R’s only if there are shared drainage facilities.

33. Prior to issuance of building permits, all required public improvements, including landscaping and lighting of the retention basins, and landscaped areas along the exterior streets, shall be completed or secured with appropriate sureties to the satisfaction of the City Engineer. An engineering final inspection is required. "As-built" plans shall be submitted to and approved by the City Engineer. Prior to acceptance of the improvements by the City, such plans, once approved, shall be given to the city on compact disk in AutoCad format. All off-site and on-site improvements shall be completed to the satisfaction of the City Engineer prior to acceptance of improvements for maintenance by the City.

**APPEAL REQUEST:** The appellant would like to re-write sentence #1 to read: “Prior to issuance of building permits, all required public improvements, including landscaping and lighting of any retention basins, and landscaped areas along the exterior streets, shall be completed or secured with appropriate sureties to the satisfaction of the City Engineer.”

**Staff Response:** Staff is not opposed to this minor change.

35. Prior to issuance of certificate of occupancy, all public improvements, including landscaping and lighting of the retention basins, and landscaped areas along the exterior streets, shall be completed to the satisfaction of the City Engineer. An engineering final inspection is required. "As-built" plans shall be submitted to and approved by the City Engineer. Prior to acceptance of the improvements by the City, such plans, once approved, shall be given to the city on compact disk in AutoCad format. All off-site and on-site improvements shall be completed to the satisfaction of the City Engineer prior to acceptance of improvements for maintenance by the City.

**APPEAL REQUEST:** The appellant would like to modify the first sentence to say “Prior to issuance of certificate of occupancy, all public improvements, including landscaping and lighting of any retention basins, and landscaped areas along the exterior streets, shall be completed to the satisfaction of the City Engineer. An engineering final inspection is required.”

**Staff Response:** Because there are no retention basins proposed, staff is not opposed to modifying this condition of approval.

51. The applicant or successor in interest shall install “purple pipe” for a future tertiary water distribution system that would serve the irrigation needs of all common areas of the project including perimeter landscaping, entry features and median island planters, and retention basins, subject to review and approval by the City Engineer. The “purple pipe” water lines shall be installed along the entire Avenue 48 street frontage according to City standards.

**APPEAL REQUEST:** The appellant would like to modify the last sentence to remove incorrect reference to Avenue 48.

**Staff Response:** Staff is not opposed to modifying this condition of approval.

**CLARIFICATIONS TO CONDITIONS OF APPROVAL:**

The appeal review by City Council is a De-Novo hearing and the City Council has purview over the entirety of the Planning Commission’s decision and the conditions of approval. In reviewing the Planning Commission’s conditions, the City Engineer has recommended a few clarifying statements as shown below.

Condition #7 – This condition requires the owner to submit a Traffic Analysis for the project. The City Engineer would like to add a clarifying sentence to read as follows:

**“The alignment studies shall demonstrate turning movements of the largest vehicles permitted to have access to/from Cesar Chavez Street, 6<sup>th</sup> Street and 4<sup>th</sup> Street. The minimum vehicle size shall be based on the largest fire apparatus, as determined by the Fire Department. The engineer shall use AutoTURN or similar templates and indicate all relevant parameters.”**



Condition #30 – This is a standard condition of approval requiring construction of all off-site and onsite water improvements. The City Engineer would like to modify this condition of approval to read as follows:

**“The Applicant shall construct all off-site and on-site sewer and water improvements and any other incidental works necessary to complete the improvements consistent with current standards and Master Plans. Size and location of sewer and water improvements shall be approved by the City Engineer.”**

**FISCAL IMPACT:**

The Pueblo Viejo Villas and Transit Hub project is an important economic development project for the City’s downtown area, as it will frame an important gateway into the civic center area from Cesar Chavez Street, and will substantially increase property tax valuations and create limited sales tax revenues. The \$15.3 Million AHSC funding, and other public funding sources that will facilitate the project are time-sensitive for the overall development strategy to offset the costs of development for the project.

**CONCLUSIONS AND RECOMMENDATIONS:**

Staff believes that there are negotiations needed with the developer in order to make the Pueblo Viejo Villas a feasible project for the developer, while having design amenities that are acceptable to the City of Coachella. The City staff has worked diligently to reduce the overall costs of the project in order to fit into the AHSC grant limitations, and staff has sought out additional public funding opportunities for the project. Accordingly, staff is recommending that the City Council overturn the Planning Commission’s decision and allow the requested modifications and clarifications to the conditions of approval as explained in this staff report.

Attachments: Applicant’s Letter