

STAFF REPORT

April 19, 2023 File Number 0830-20

SUBJECT

REQUEST FOR AUTHORIZATION TO PROCESS A GENERAL PLAN AMENDMENT OF A COMMERCIAL PROPERTY ADDRESSED AT 240 S. HICKORY STREET (PL23-0128)

DEPARTMENT

Development Services Department, Planning Division

STAFF RECOMMENDATION

Request that the City Council authorize City staff to accept and process an application for an amendment to the General Plan land-use designation from Office (O) to Urban V (U5) with a density of up to 30 dwelling units per acre (du/ac).

Staff Recommendation: Approval (Development Services Department: Andrew Firestine, Director of Development Services)

Presenter: Jay Paul, Senior Planner

PROJECT DESCRIPTION

The Development Services Department received a request from Howes/Weiler/Landy ("Applicant") on behalf of Escondido Investments, LLC to initiate a General Plan Amendment of the subject parcel from Office (O) to Urban V (U5). This proposed General Plan Amendment would facilitate the conversion of an existing three-story office/commercial building to multi-family residential development with a density up to 30 du/ac and potential yield of up to approximately 20 units.

The City Council is being asked to determine whether or not to authorize an application to amend the General Plan land-use designation for the subject parcel. Authorizing this request does not have a legally binding effect on any possible future discretionary action. This direction does not reflect whether the City Council would ultimately approve the request or the proposed project. The City Council's formal action on the General Plan Amendment and project would be taken in the future at a public hearing with a recommendation from the Planning Commission.



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LOCATION

The 0.69-acre parcel is located on the northeast corner of S. Hickory Street and E. 3rd Avenue, addressed at 240 S. Hickory Street (Assessor Parcel Number 229-492-14-00) and is depicted in Attachment "1" to this staff report.

FISCAL ANALYSIS

Authorization to process this General Plan Amendment would have no direct fiscal impact. The privately initiated request, if and when submitted, would be processed using existing staff resources with costs to be paid by the project applicant. Future redevelopment of the property would require on- and off-site improvements to conform to current design standards. The applicant would be responsible for constructing these improvements. As part of the overall decision-making process to move forward with a proposed development project, it is important to evaluate the contributions and demands that development will place upon a public agency's general fund and the city or county's ability to provide ongoing public services. To avoid the need for a city or county to subsidize new development, cities and counties can establish or require special funding mechanisms to ensure that new development pays for itself. At the time of this writing, an applicant is required to fully offset potential impacts to the General Fund created by their project. This can be accomplished through either formation of a Community Facilities District ("CFD"), annexation into CFD No. 2020-01, or establishment of another lawful funding mechanism reasonably acceptable to the City ("Public Services Funding Agreement"). It should be noted, however, that the City Council has directed staff to look at the current policy and bring back recommendations that may modify this requirement.

BACKGROUND AND ANALYSIS

In accordance with section 33-1261 of the Zoning Code, a property owner may petition for an amendment to the General Plan by filing a formal request/letter with the Planning Division and the planning staff schedules a review of the request at a City Council meeting. The City Council considers the request and determines whether to allow formal application for processing. If the request is authorized for processing, the interested parties will be advised to submit required application(s) with the City's Planning Division, which will include initial environmental documentation, submittal of all fees/deposits, and project plans, etc. The proposed amendment to the General Plan and associated project will require consideration by the Planning Commission and City Council at noticed public hearings.

A letter of intent was submitted for consideration to initiate the amendment to the General Plan, and the letter provides additional information on the intent of the application (Attachment "2"). Planning staff has met with the applicant to discuss some preliminary issues related to the feasibility of the request, possible environmental and design concerns, and the procedures to be followed through the process. It is anticipated the application will include requests for the General Plan Amendment, a Zone Change to either R-5-30 (Multi-Family Residential, up to 30 du/ac) or Planned Development-Residential — 30.0 du/ac,



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a Master and a Precise Development Plan or Plot Plan. Details of the proposed project will be analyzed by city staff once a formal application is submitted. It is possible the initial project description may require changes as a result of issues identified during review of the project. Any changes will be reviewed to ensure they meet the strategic goals identified in the General Plan.

The current General Plan designation for the project site and surrounding area is shown in Attachment "3". The project site is located outside of the Downtown Specific Planning Area and East Valley Commercial corridor, and is currently developed with a three-story commercial/office building with an underlying zoning designation of Hospital Profession (HP). The surrounding neighborhood generally consists of a mix of medium density multi-family residential and single-family residential development. Office/commercial development is located further to the north along with the Palomar Heights mixed-use multi-family project currently under construction. The parcel is located in close proximity (one block south) of the proposed East Valley Specific Plan that envisions a land-use designation of Urban IV/V for the parcels north of the subject site as identified in Attachment "4".

In accordance with State law, a General Plan may not be amended more than four times in a calendar year. To date, two General Plan Amendments have been approved this year (Housing Element Update and North Iris Residential Project). The East Valley Parkway Specific Plan/General Plan Amendment is currently being processed and is anticipated to be considered by the Planning Commission and City Council later this calendar year. This proposed project would constitute the fourth amendment request and staff anticipates a fifth amendment request to be considered for potential Council initiation in May. Although these requests may be initiated for processing this calendar year, the more complex projects most likely would not be considered by the Council until calendar year 2024. Depending on the timing of individual applications, requests to amend the General Plan may be bundled into a single amendment.

ENVIRONMENTAL REVIEW

The request to initiate a General Plan Amendment is statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15262, Feasibility and Planning Studies, which states that "A Project involving only feasibility or planning studies for possible future actions which the agency, board, or commission has not approved, adopted, or funded does not require the preparation of an EIR of Negative Declaration." Because the request involves only the consideration of whether to process an application for an amendment of the General Plan, and not the amendment itself, action taken by the City Council on this item provides only general direction and does not have a legally binding effect on any possible future discretionary action.

In accordance with CEQA, all Project requests are required to have an environmental assessment to determine potential environmental impact, if any. The proposed project, if submitted, will be subject to environmental assessment to determine potential environmental impacts in accordance with CEQA.



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ATTACHMENTS

- 1. Attachment 1 Location Map/Aerial
- 2. Attachment 2 Request and Project Summary Letter
- 3. Attachment 3 General Plan Designation Map
- 4. Attachment 4 East Valley Specific Plan Proposed Land Use Plan