



STAFF REPORT

January 24, 2024
File Number 0830-07

SUBJECT

MASTER AND PRECISE DEVELOPMENT PLAN FOR A FOUR-UNIT, MULTI-FAMILY RESIDENTIAL PROJECT – PL23-0075

DEPARTMENT

Planning Division, Development Services Department

RECOMMENDATION

Request the City Council conduct a public hearing on the development proposal and take action on the recommendations of City staff and the Planning Commission, which recommend that the City Council introduce Ordinance No. 2024-01 adopting a Master and Precise Development Plan for a four-unit multifamily residential development ("Project"), and the environmental determination for the Project.

Staff Recommendation: Approval (Development Services Department: Chris McKinney, Director of Development Services)

Presenter: Jay Paul, Senior Planner

PLANNING COMMISSION RECOMMENDATION

The Planning Commission considered the Project at its December 12, 2023 hearing and after deliberation, voted 6-0 (Commissioner Speer absent) to recommend the City Council approve the Project as conditioned; the staff report is included as Attachment "1". The Commission's discussion primarily focused on the Downtown Specific Plan Density Transfer Program process. The Commissioners did not express any concerns with the Project as proposed. No members of the public spoke at the hearing except for the Project applicant. Staff received one email expressing support for the Project, which is included as Attachment "2".

PROJECT DESCRIPTION

The Project includes a Master and Precise Development Plan for the conversion and remodel of a two-story commercial structure to accommodate four, two-bedroom apartment units on the second floor. The Project also includes redesign of the existing parking area located along the alley to include six covered parking spaces, new trash enclosure, and an exterior stairway and second-story landing/terrace to provide access to the units.



CITY of ESCONDIDO

STAFF REPORT

BACKGROUND

The Project site is located within the Downtown Specific Plan's Historic Downtown District. The site contains an approximately 8,000 square foot ("SF") two-story building (4,000 SF per story) and paved parking area located on the south side of the site along a 20-foot-wide public alley. The existing two-story, rectangular-shaped, stucco-clad commercial building was constructed in 1920 in the "commercial vernacular" style, which is typified by a recessed facade, flat roof, and brick-like detail trim along the roof line. Two commercial tenants (The Grand Tea Room and Design MOE) currently occupy the first floor while the upper floor is vacant. The second story of the building once housed Escondido's first hospital. The property is listed on the City of Escondido's Historic Sites Inventory and is listed on the Local Register.

LOCATION

The 0.16-acre Project site is located on the south side of W. Grand Avenue, between S. Maple Street and S. Broadway, and addressed at 143-145 W. Grand Avenue (Assessor's Parcel No. 233-062-02-00). A location map is provided under Attachment 1 of this report (refer to Attachment "1" of the Planning Commission staff report).

FISCAL ANALYSIS

As a private development Project, the proposed Project will require the payment of fees in effect at the time permits are requested. The Escondido City Council adopted Resolution No. 2020-24 declaring the City's intent to form a Community Facilities District ("CFD") (collectively referred to herein as the "CFD") to offset the cost of governmental services associated with new development. However, the City Council considered proposed changes to the City's service CFD levies at its December 13, 2023 meeting and will take further actions to repeal the CFD ordinances. The Council adopted Resolution No. 2023-156 (vote 5-0) amending the previously set levy of special taxes to eliminate the existing levies by setting all of them to \$0.00 per unit per year for all residential housing types.

ANALYSIS

1. General Plan / Zoning Consistency

The City's General Plan land-use designation for the 0.16-acre Project site is Specific Planning Area – Downtown Specific Plan (SPA 9) with a district designation of Historic Downtown (HD). The Project site is located with the Retail Core Area of the Downtown Specific Plan. The HD District and Retail Core Area along Grand Avenue permits for multi-family residential as a permitted use only when located on the second floor, as ground-floor commercial is required. Pursuant to the Downtown Specific Plan, a Master and Precise Development Plan is required for the proposed development. The Master and Precise Development Plan process allows for flexibility in development standards for a project, as outlined in Article 19 of the Escondido Zoning Code. The HD District allows a residential density of up to 75 dwelling units per acre ("du/ac") with a height limit of three stories and 45 feet. Based on the parcel size of 0.16 acres, the Project site could accommodate a theoretical yield of up to



CITY *of* ESCONDIDO

STAFF REPORT

12 units. The Project proposes a density of 25 du/ac through the conversion of the second floor of the 27-foot-high building to accommodate four market rate apartment units with commercial uses on the ground floor. No increase in the building height is proposed. Therefore, the proposed Project is consistent with the land-use density and height standards envisioned for the Downtown Specific Plan.

The City adopted a “Downtown Density Transfer Program” that allows for the transfer of residential density from underutilized properties to properties that are undergoing redevelopment. This program allows property owners to re-assign or transfer units to other properties via a City administered density credit pool. The City holds the density credits until a redeveloping property acquires the density through the City’s program. The density transfer program prevents the loss of potential units when a property is redeveloped below the maximum density for the site, such as the proposed Project, in an effort to achieve full build-out in the Downtown Specific Plan area. The Project proposes a density/yield that falls short of the maximum density allowed on the subject property; therefore, the unused balance of eight residential units would be transferred to the Density Transfer Program, as required under Condition of Approval No. E11. A property owner has the ability to regain the transferred units for a future development of the subject site subject to Council approval. To date, over 900 unused density units have been transferred into the Program.

2. Site Design:

a) Project Access, Circulation and Parking:

The Project site fronts onto W. Grand Avenue on the north and a 20-foot-wide public alley on the south, which provides access to an existing fenced on-site parking and utility area. The Project design includes reconfiguration of the existing parking and utility area located towards the rear of the building to include six covered parking spaces, a new trash enclosure, and a stairway to the upper floor. The Project would include dedication of an additional two-feet along the Project’s southern frontage (public alley). Additionally, Grand Avenue is classified as a collector street and currently provides parallel and angled street parking. The Project site is also located within Vehicle Parking District No. 1, with several municipal parking lots in close proximity to the Project site.

The Project requires a minimum of eight residential spaces for the proposed four units (seven for the individual units and one guest space). Because the site is located within Parking District No. 1, mixed-use projects are exempt from non-residential parking requirements. Therefore, parking is not required for the ground-floor commercial space. In addition to the Project site’s location within Parking District No. 1, parking may be further modified through the Planned Development process. As such, the applicant proposes a total of six parking spaces (yielding a minimum of one covered space per unit with an overall ratio of 1.5 space per unit) and requests a parking reduction of two spaces so as to maximize the adaptive reuse potential of the upper story. Condition of



CITY *of* ESCONDIDO

STAFF REPORT

Approval No. C3 would require the applicant to submit a parking management plan to the Planning Division detailing how the six spaces will be programmed for occupancy. For example, one parking space may be dedicated for each unit, with two additional spaces programmed for either the units, or set aside as guest spaces. Ultimately, Condition No. C3 will ensure the applicant programs the use of the parking spaces to the satisfaction of the Director of Development Services. The 1.5 parking ratio would be consistent with other approved high density multi-family projects throughout the Downtown Area in close proximity to transit services. There are dedicated bus stops along 2nd Avenue and Valley Parkway to serve the Downtown Area and Project. The North County Transit District Station/Sprinter Line is located at the northwest corner of W. Valley Parkway and Quince Street, five blocks (approximately 2,000 feet or 0.37 miles) to the west.

Due to the limited width of the parcel, existing above-ground infrastructure, upper-story access requirement, new trash enclosure, and required dedication along the alley, the applicant is also requesting a reduction in setbacks for the parking spaces to allow them along the side and rear alley where a five-foot setback otherwise would be required. Although on-street parking spaces are provided along the Project frontages, these spaces are open public spaces and are not specifically reserved for the subject building.

b) Open Space and Landscaping:

A minimum of 300 square feet of open space is required per unit, which equates to 1,200 square feet of open space for the four-unit Project. The Project would provide 1,200 square feet of common open space area for the residents consisting of a usable upper-story deck on top of the new covered parking structure. Small landscape opportunities within the parking area also would be provided. The Downtown Specific Planning Area provides additional open space amenities in close proximity to the Project site, including Grape Day Park and the smaller park/recreation area at the corner of E. Grand Avenue and Juniper Street.

c) Architectural Design, Color/Materials and Unit Mix:

The site consists of a two-story structure that includes existing ground-floor commercial (two separate tenant spaces) and an upper floor proposed for conversion to accommodate four, two-bedroom residential units. Unit sizes range from 816 square feet to 934 square feet. The windows on the alley-facing/rear elevation would be replaced with energy efficient units with a dark brown finish and a similar multi-pane design. Access to the units would be from an interior hallway with a single exterior entry door from the second-story terrace/landing. The existing upper-story doors would be removed.



CITY of ESCONDIDO

STAFF REPORT

The rear of the building facade would include a stucco veneer and the entire building painted a light tan. The proposed covered parking structure would function as an open space roof-type deck for the residents. Metal tube-style railing would be installed along the new stairs, terrace/landing and parking/roof deck. Exterior lighting fixtures would be installed along the rear elevation with a color finish to match the window and door color. New code compliant windows with a frame style and multiple frames similar to the existing windows would replace the upper story windows on the Grand Avenue facade. These new windows would also function as emergency “rescue windows” to comply with Fire Department requirements. Project plans are included as Exhibit “B” to Ordinance No. 2024-01.

d) Historic Preservation Commission Recommendation:

The Downtown Specific Plan requires design review and the issuance of a Certificate of Appropriateness to be considered by the Historic Preservation Commission because the property is listed on the Local Register. The Historic Preservation Commission acts in an advisory role to the Director of Development Services on this matter. On November 11, 2023, the Historic Preservation Commission considered the Project and voted 5-0 to recommend approval of the Project design, exterior improvements and issuance of a Certificate of Appropriateness. The Commissioners did not express any concerns with the Project design and proposed building modifications.

ENVIRONMENTAL REVIEW

The Project qualifies for an exemption under the California Environmental Quality Act (“CEQA”) Guidelines sections 15301 (Existing Facilities), and 15303 (New Construction or Conversion of Small Structure). A Notice of Exemption has been included with the Planning Commission staff report as Attachment 3.

CONCLUSION

1. The proposed Project is consistent with the General Plan and the Downtown Specific Plan which encourage redevelopment of underutilized commercial properties and urban residential growth within the Downtown Area. The Project would further the Land Use and Community Form goals in Chapter II of the Escondido General Plan, including those related to community character and smart growth, as well as the Housing goals in Chapter IV of the General Plan, which include planning for sustainable growth and providing housing opportunities for all income groups and household types.
2. All land use development applications that consist of a Master and Precise Development Plan are subject to design review and the final decision-maker is the City Council. The proposed Project is consistent with the guiding principles for the Downtown Specific Plan (as modified by Planned Development) identified in the Land Use and Community Form Element of the Escondido General Plan because such principles accommodate this type of high-density urban development envisioned for



CITY *of* ESCONDIDO

STAFF REPORT

the area. The proposed Project also provides for a well-designed, residential development that would be beneficial to its future residents and provide visual appeal in an area that is currently undergoing significant revitalization.

3. The Project as proposed would not have a significant effect on the environment, as designed and conditioned. The location, size, design and operational characteristics of the proposed Project would not be incompatible with, would not adversely affect, or would not be materially detrimental to adjacent land uses. The site is suitable for the type and intensity of use or development which is proposed. Both the Planning Commission and staff recommend the City Council adopt Ordinance No. 2024-01 to approve the proposed Project.

ORDINANCE

- A. Ordinance No. 2024-01
- B. Ordinance No. 2024-01, Exhibits A, B, C and D

ATTACHMENTS

- A. Attachment 1 – December 12, 2023 Planning Commission staff report
- B. Attachment 2 – Written Correspondence