

Folsom City Council Staff Report



MEETING DATE:	5/24/2022
AGENDA SECTION:	Consent Calendar
SUBJECT:	<p>Folsom Corporate Center Apartments – South Side of Iron Point Road, East of the Intersection of Iron Point Road and Oak Avenue Parkway (PN 21-120)</p> <p>i. Ordinance No. 1327 - An Uncodified Ordinance to Amend the Zoning Designation for a 7.24-acre Parcel (Lot 1) from M-L PD to R-4 PD and to Amend the Zoning Designation for a 4.68-acre Parcel (Lot 6) from BP PD to R-4 PD for the Folsom Corporate Center Apartments Project (Second Reading and Adoption)</p>
FROM:	Community Development Department

RECOMMENDATION / CITY COUNCIL ACTION

Move to Adopt Ordinance No. 1327 - An Uncodified Ordinance to Amend the Zoning Designation for a 7.24-acre Parcel (Lot 1) from M-L PD to R-4 PD and to Amend the Zoning Designation for a 4.68-acre Parcel (Lot 6) from BP PD to R-4 PD for the Folsom Corporate Center Apartments Project (Second Reading and Adoption)

BACKGROUND / ISSUE

On April 6, 2022, the Planning Commission held a public hearing to consider the Folsom Corporate Center Apartments project including a request for approval of a General Plan Amendment, Rezone, and Planned Development Permit and a request for adoption of a Mitigation Negative Declaration. At this meeting, the Commission discussed a number of items associated with the proposed project including land use impacts, regional housing needs and affordability, traffic impacts, pedestrian connectivity, vehicle parking, and oak tree preservation and mitigation. Ultimately, the Commission voted 4-1-0 (2 Commissioners absent) to recommend to the City Council approval of the project as proposed, subject to findings and conditions.

On May 10, 2022, the City Council reviewed a proposal from Cole Partners for approval of a General Plan Amendment, Rezone, and Planned Development Permit for development of a 253-unit market-rate apartment community on two parcels (Lot 1: 7.24-acre parcel and Lot 6: 4.68-acre parcel) within the Folsom Corporate Center, which is generally located on the south side of Iron Point Road, east of the intersection of Iron Point Road and Oak Avenue Parkway. At the aforementioned meeting, the Council discussed a number of topics including traffic, access, circulation, median improvements, and recreational amenities. The City Council expressed their support for the proposed project and voted (4-0-1-0) to adopt a Mitigated Negative Declaration and to approve a General Plan Amendment and Planned Development Permit for the Folsom Corporate Center Apartments project. In addition, the first reading and introduction of an Ordinance (Ordinance No. 1327) to amend the zoning designation of the subject parcels associated with the Folsom Corporate Center Apartments project was conducted at the May 10, 2022 City Council meeting.

The applicant is requesting approval of a Rezone to change the zoning designation for Lot 1 from M-L PD (Limited Manufacturing, Planned Development District) to General Apartment, Planned Development District (R-4 PD) and to change the zoning designation of Lot 6 from BP PD (Business and Professional, Planned Development District) to General Apartment, Planned Development District (R-4 PD) for the Folsom Corporate Center Apartments project.

POLICY / RULE

The Folsom Municipal Code (FMC) requires that applications for Rezones be forwarded to the City Council for final action. City Council actions regarding Rezones are covered under Section 17.68.050 of the Folsom Municipal Code.

ANALYSIS

As noted above, the applicant is requesting approval of Rezone to allow for development of a 253-unit apartment community. The proposed Rezone would change the zoning designation for Lot 1 from M-L PD (Limited Manufacturing, Planned Development District) to General Apartment, Planned Development District (R-4 PD) and change the zoning designation of Lot 6 from BP PD (Business and Professional, Planned Development District) to General Apartment, Planned Development District (R-4 PD).

Rezone

The Folsom Corporate Center Apartments project is comprised of two separate parcels, Lot 1, which is 7.24-acres in size and Lot 6, which is 4.68-acres in size. Lot 1 currently has a Zoning designation of M-L PD (Limited Manufacturing, Planned Development District), while Lot 6 has a zoning designation of BP PD (Business and Professional, Planned Development District). As shown on Attachment 2, the proposed project includes a request to change the zoning designation for Lot 1 from M-L PD (Limited Manufacturing, Planned Development District) to R-4 PD (General Apartment, Planned Development District) and to change the zoning designation of Lot 6 from BP PD (Business and Professional, Planned Development District)

to R-4 PD (General Apartment, Planned Development District). With approval of the proposed Rezone, the entire project site will have a Zoning designation of R-4 PD.

The project is consistent with the proposed zoning designations, as multi-family apartments are identified as a permitted land use within the Folsom Municipal Code (FMC, Section 17.18.020 Permitted Uses). The proposed project also includes a density of 21.2 dwelling units per acre, is consistent with the allowable density range (20-30 dwelling units per acre) established by the General Plan for Multi-Family High Density (Table LU-1: Residential Designations). In addition, the proposed project meets the development requirements established by the Folsom Municipal Code (FMC, Chapter 17.18, General Apartment District) and the Folsom Corporate Center Planned Development Guidelines with some minor modifications.

In reviewing the proposed Rezone, staff took into consideration community benefits that the proposed apartment project will provide relative to the supply of new housing units. City staff also considered the changes in the region's office and housing markets over the past 10 to 15 years. According to the California Department of Housing and Community Development (HUD), the state of California is facing a severe shortage with regard to housing supply, with some estimates indicating a shortfall of up to 3.5 million housing units. The housing shortage has a number of significant negative effects including but not limited to causing housing prices to rise which limits affordability, and increasing the homeless population in communities. The benefit of the proposed project is that it will increase the City's housing supply by providing 253 new market-rate rental units along the Iron Point Road corridor in close proximity to jobs and services in that area of the City.

Cole Partners, who is the original developer of the 900,000-square-foot Folsom Corporate Center, described efforts to bring new medical and office uses to the Folsom area over the last two decades. Since inception of the Corporate Center in 2000, the development has attracted prominent medical and office companies including Kaiser Permanente, Micron, and SAFE Credit Union. However, the applicant describes changing regional market dynamics over the last decade (changes in technology, acceptable of telecommuting, etc.) with the interest in housing projects far outpacing the demand for new office development. It has been more than 12 years since any new major office buildings (Waste Connections/SAFE Credit Union and Numonyx/Micron) were constructed within the Corporate Center. Notably, these two office buildings are the last privately developed larger suburban office buildings completed not only in Folsom, but along the Highway 50 corridor. While the office market dynamic has changed in a negative way, the regional demand for housing (single-family and multi-family) continues to remain extremely strong, especially in Folsom with a range of multi-family projects (Alder Creek Apartments, Avenida Senior Apartments, Mangini Ranch Apartments, Scholar Way Apartments, etc.) being approved recently. Based on these factors, staff has determined that the proposed changes in land use and zoning are warranted.

Land Use Compatibility

In evaluating the Rezone, staff also took into consideration the compatibility of the proposed project relative to existing land uses in the project area. The proposed project is located on two undeveloped parcels within the Folsom Corporate Center. The project site is bounded by Iron Point Road to the north with single-family residential development (Broadstone Unit. No. 2) and multi-family residential development (Sherwood Apartments) beyond, U.S. Highway 50 to the south with undeveloped properties within the Folsom Plan Area beyond, multi-family development (Revel Senior Living and CountryHouse Memory Care) to the west with future Oak Avenue Parkway extension and commercial development beyond, and commercial development to the east with East Bidwell Street Beyond.

The most prominent land uses in the immediate project area are professional office-related and include SAFE Credit Union, Micron, Kaiser Permanente, and HDR. Residential land uses in close proximity to the site include the Broadstone Unit No. 2 Subdivision (approximately 150 feet to the north across Iron Point Road), Sherwood Apartments (approximately 400 feet to the northeast across Iron Point Road), and Revel Senior Living Apartments (approximately 500 feet to the west). Medical-office related land uses in the project vicinity include the aforementioned Kaiser Permanente Medical Office facility and the Kaiser Permanente Surgery Center. The nearest retail commercial development (Folsom Gateway Shopping Center, which was also developed by a Cole-related entity) is located approximately 1,200 feet to the east of the project site. Additional retail commercial development is located north of Iron Point Road (Palladio at Broadstone), approximately 3,100 feet east of the project site. Both retail commercial developments include grocery stores and a variety of retail shops.

As described above, the project site is situated in a unique location that includes a wide array of land uses including professional offices, medical offices, retail shopping, multi-family apartments, single-family residences, and a memory care facility. As mentioned within the project description, the Folsom Corporate Center Apartments project is a market-rate apartment community providing living opportunities for residents within 253 apartment units. Given the residential nature of the proposed use, staff has determined that the proposed project will be complimentary to the existing multi-family and single-family residential land uses located in the immediate project vicinity. In addition, taking into account the basic needs of the apartment residents, staff has determined that the proposed project is well-situated to take advantage of the numerous goods (grocery stores, restaurants, and retail shops) and services (medical offices) and job opportunities that are located within walking distance of the site.

FINANCIAL IMPACT

No financial impact is anticipated with approval of the Folsom Corporate Center Apartments project as the project will be subject to all applicable development impact fees.

ENVIRONMENTAL REVIEW

On May 10, 2022, the City Council adopted a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the Folsom Corporate Center Apartments project in accordance with the California Environmental Quality Act (CEQA).

ATTACHMENTS

1. Ordinance No. 1327 - An Uncodified Ordinance to Amend the Zoning Designation for a 7.24-acre Parcel (Lot 1) from M-L PD to R-4 PD and to Amend the Zoning Designation for a 4.68-acre Parcel (Lot 6) from BP PD to R-4 PD for the Folsom Corporate Center Apartments Project (Second Reading and Adoption)
2. Rezone Exhibits, dated November 16, 2021

Submitted,



PAM JOHNS
Community Development Director

Attachment 1

Ordinance No. 1327 - An Uncodified Ordinance to Amend the Zoning Designation for a 7.24-acre Parcel (Lot 1) from M-L PD to R-4 PD and to Amend the Zoning Designation for a 4.68-acre Parcel (Lot 6) from BP PD to R-4 PD for the Folsom Corporate Center Apartments Project (Second Reading and Adoption)

ORDINANCE NO. 1327

AN UNCODIFIED ORDINANCE TO AMEND THE ZONING DESIGNATION FOR A 7.24-ACRE PARCEL (LOT 1) FROM M-L PD TO R-4 PD AND TO AMEND THE ZONING DESIGNATION FOR A 4.68-ACRE PARCEL (LOT 6) FROM BP PD TO R-4 PD FOR THE FOLSOM CORPORATE CENTER APARTMENTS PROJECT

WHEREAS, the proposed Folsom Corporate Center Apartments project consists of the development of a 253-unit market-rate apartment community on an 11.92-acre site located within the Folsom Corporate Center; and

WHEREAS, the Planning Commission, at its regular meeting on April 6, 2022, considered the proposed rezone of two parcels associated with the Folsom Corporate Center Apartments project and determined that the proposed rezone was appropriate given the existing residential and commercial land uses in the project vicinity; and

WHEREAS, all notices have been given at the time and in the manner required by State Law and the Folsom Municipal Code.

NOW, THEREFORE, the City Council of the City of Folsom hereby does ordain as follows:

- A. A certain property, a 7.24-acre parcel (APN: 072-3120-023), located at 2275 Iron Point Road, is proposed for rezoning, from M-L PD (Limited Industrial, Planned Development District) to R-4 PD (General Apartment, Planned Development District) and a certain property, a 4.68-acre area (APN: 072-3120-026), located at 2275 Iron Point Road, is proposed for rezoning, from BP PD (Business and Professional, Planned Development District) to R-4 PD (General Apartment, Planned Development District); and
- B. The proposed rezoning is consistent with the objectives, goals and policies of the Folsom General Plan; and
- C. A duly noticed public hearing was held before the Planning Commission on April 6, 2022; and
- D. A Mitigated Negative Declaration has been prepared for the project in accordance with the California Environmental Quality Act. The Negative Declaration and the Initial Study are incorporated herein by reference; and
- E. Notice of hearing before the City Council has been given in the form and in the manner required by State statute and Folsom City Code.

SECTION 2. CHANGE OF ZONING MAP DESIGNATION

The Zoning Map designation for the subject parcels are hereby amended from M-L PD (Limited Manufacturing, Planned Development District) to BP PD (Business and Professional, Planned Development District) and BP PD (Business and Professional, Planned Development District) to R-4 PD (General Apartment, Planned Development District) as set forth on Exhibit A.

SECTION 3. SEVERABILITY

If any section, subsection, sentence, clause, or phrase in this Ordinance or any part thereof is for any reason held to be unconstitutional, invalid, or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council declares that it would have passed each section irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared unconstitutional, invalid, or ineffective.

SECTION 4. EFFECTIVE DATE

This ordinance shall become effective thirty (30) days from and after its passage and adoption, provided it is published in full or in summary within twenty (20) days after its adoption in a newspaper of general circulation in the City.

This ordinance was introduced and the title thereof read at the regular meeting of the City Council on May 10, 2022, and the second reading occurred at the regular meeting of the City Council on May 24, 2022.

On a motion by Mayor _____, seconded by _____ the foregoing ordinance was passed and adopted by the City Council of the City of Folsom, State of California, this 24th day of May, 2022 by the following vote, to wit:

- AYES:** Councilmember(s):
- NOES:** Councilmember(s):
- ABSTAIN:** Councilmember(s):
- ABSENT:** Councilmember(s):

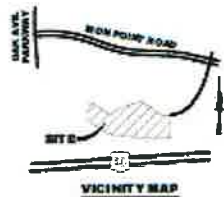
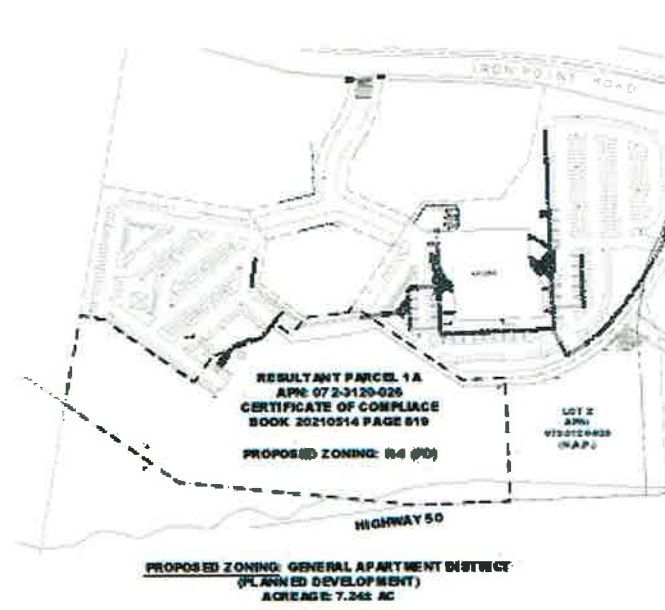
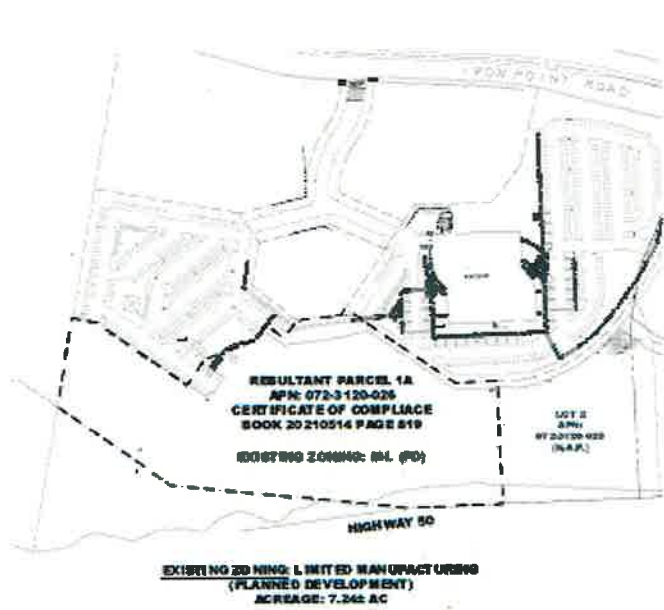
Kerri M. Howell, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

Exhibit A
Rezone Exhibits

Rezone Exhibit (Lot 1)



OWNER/APPLICANT:
 FOLSON
 10000 IRON POINT ROAD
 4TH FLOOR
 FOLSOM, CA 95630
 (916) 438-1111

ENGINEER:
 BSB ENGINEERING
 10000 IRON POINT ROAD
 4TH FLOOR
 FOLSOM, CA 95630
 (916) 438-1111



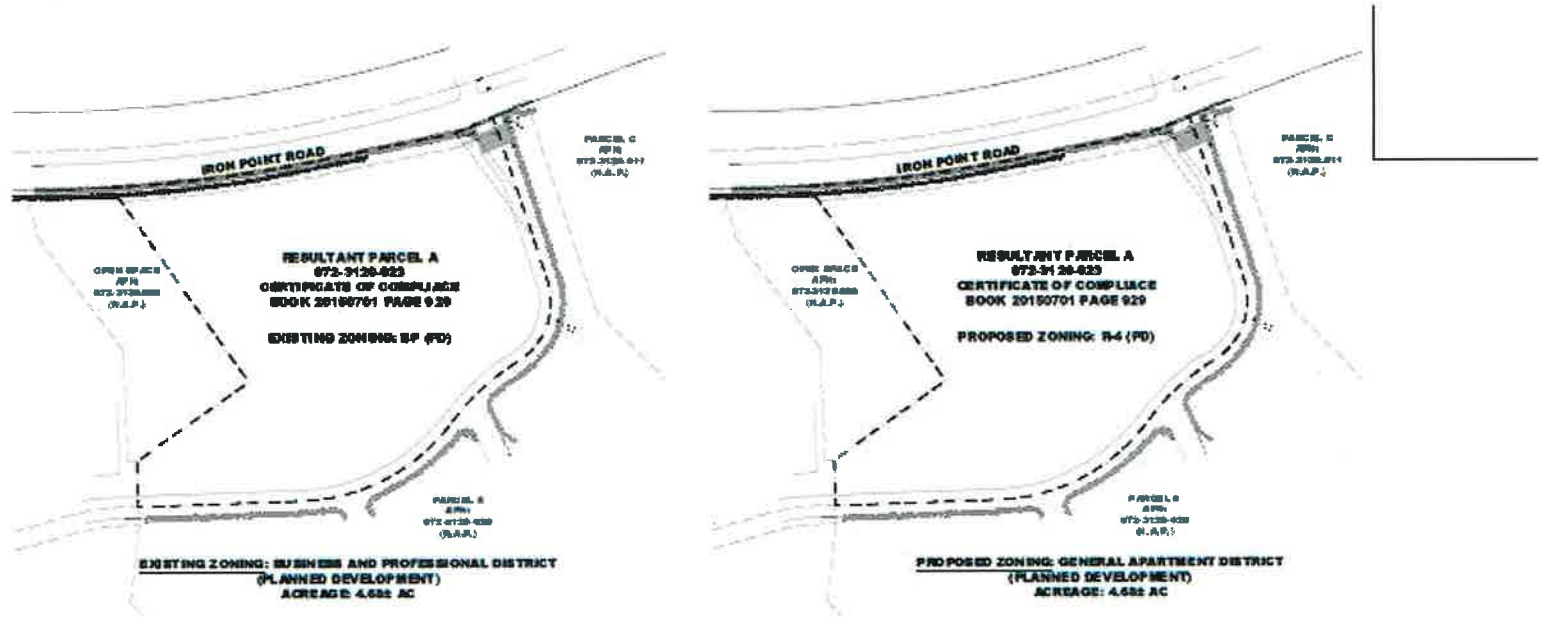
REZONE EXHIBIT **RZ**
IRON POINT ROAD APARTMENTS - LOT 1
 FOLSOM, CA



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NOVEMBER 18, 2021 | MR200320.00

Rezone Exhibit (Lot 6)



OWNER/APPLICANT:
 FOLSON
 20100701
 20100701
 20100701
 20100701

ENGINEER:
 BSB
 20100701
 20100701
 20100701
 20100701



REZONE EXHIBIT **RZ**

IRON POINT ROAD APARTMENTS - LOT 6
 FOLSOM, CA

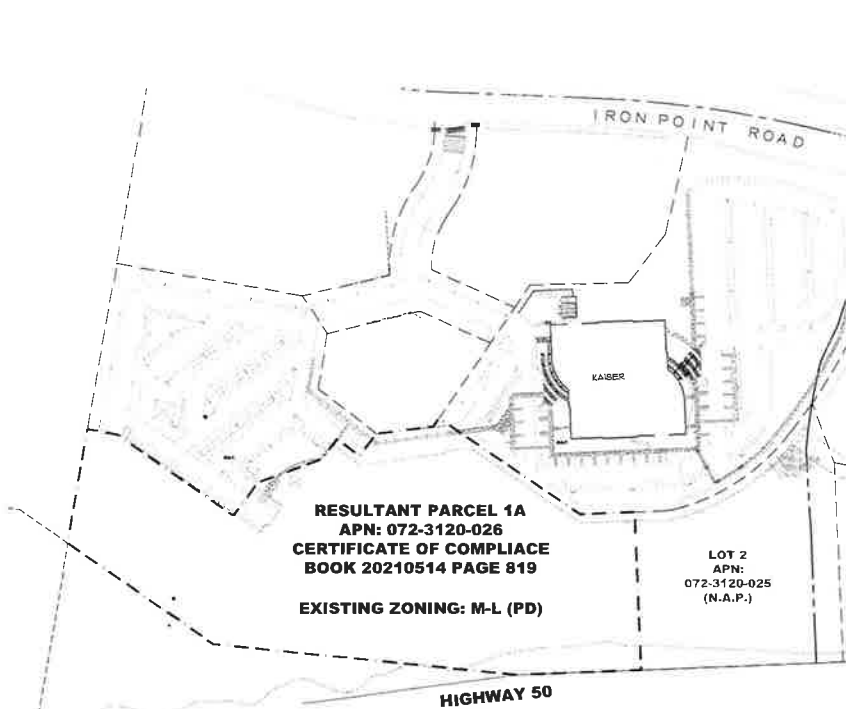


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Attachment 2

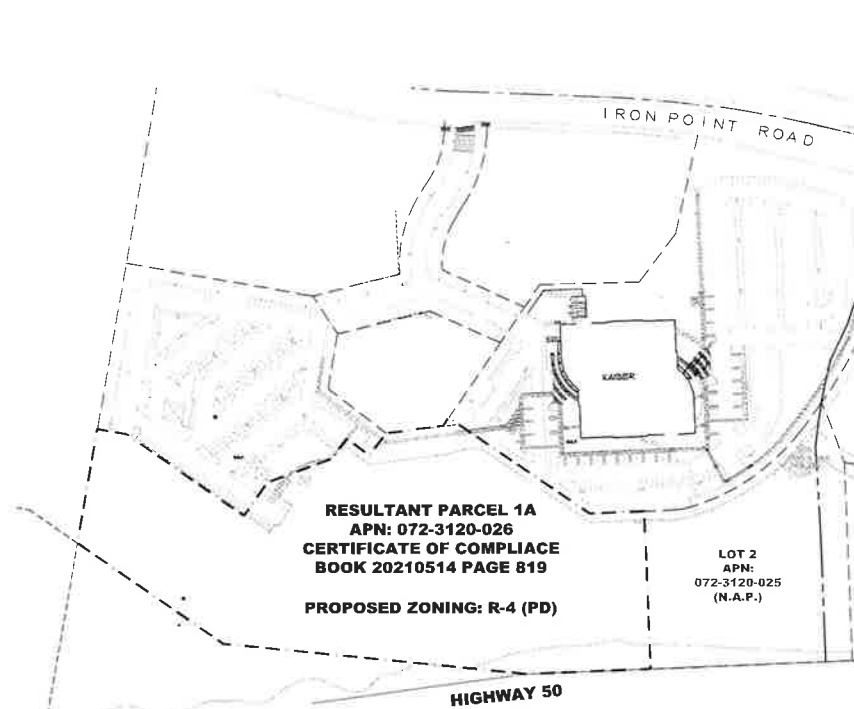
**Rezone Exhibits
Dated November 16, 2021**



RESULTANT PARCEL 1A
APN: 072-3120-026
CERTIFICATE OF COMPLIANCE
BOOK 20210514 PAGE 819
EXISTING ZONING: M-L (PD)

LOT 2
APN:
072-3120-025
(N.A.P.)

EXISTING ZONING: LIMITED MANUFACTURING
(PLANNED DEVELOPMENT)
ACREAGE: 7.24± AC



RESULTANT PARCEL 1A
APN: 072-3120-026
CERTIFICATE OF COMPLIANCE
BOOK 20210514 PAGE 819
PROPOSED ZONING: R-4 (PD)

LOT 2
APN:
072-3120-025
(N.A.P.)

PROPOSED ZONING: GENERAL APARTMENT DISTRICT
(PLANNED DEVELOPMENT)
ACREAGE: 7.24± AC

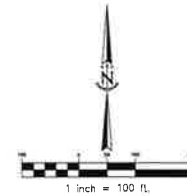


OWNER/APPLICANT:

FCC 50, LLC
 2484 NATOMAS PARK DRIVE, SUITE 101
 SACRAMENTO, CA 95833
 ATTN: ROB COLE
 PHONE: (916)273-4020
 RCOLE@COLEPARTNERS.COM

ENGINEER:

RSC ENGINEERING, INC.
 1420 ROCKY RIDGE DRIVE, SUITE 150
 ROSEVILLE, CA 95661
 ATTN: TIFFANY WILSON
 PHONE: (916)788-2884



RSC ENGINEERING
 1420 Rocky Ridge Drive, Suite 150
 Roseville, CA 95661
 PHONE: (916)788-2884 Fax: (916)788-4498

GRUPE

COLE PARTNERS
 DEVELOPMENT COMPANY

REZONE EXHIBIT

RZ

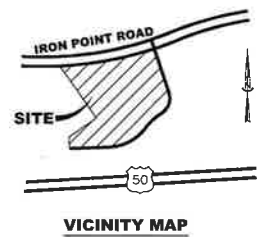
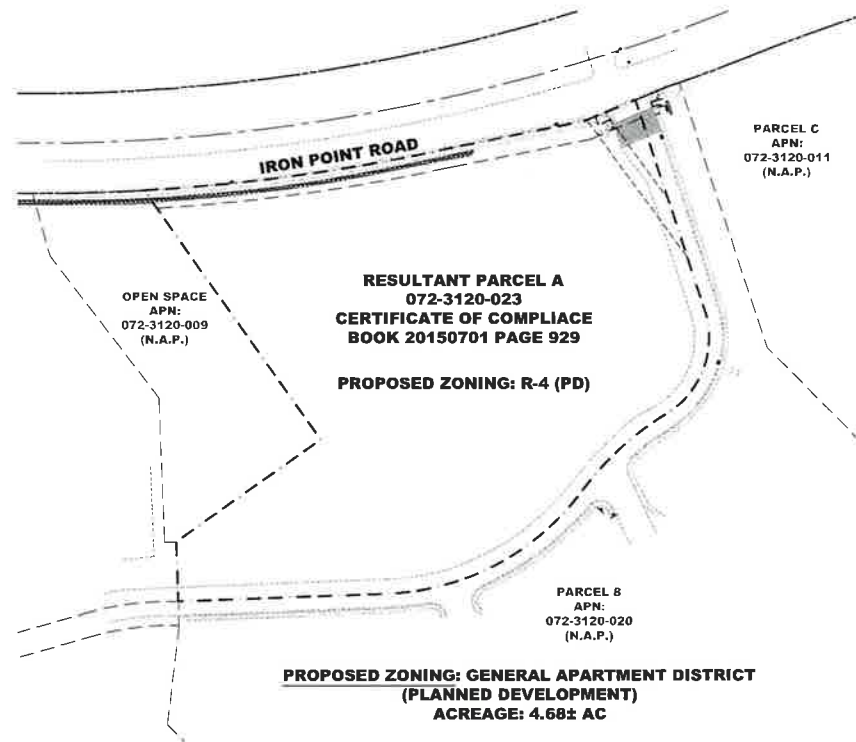
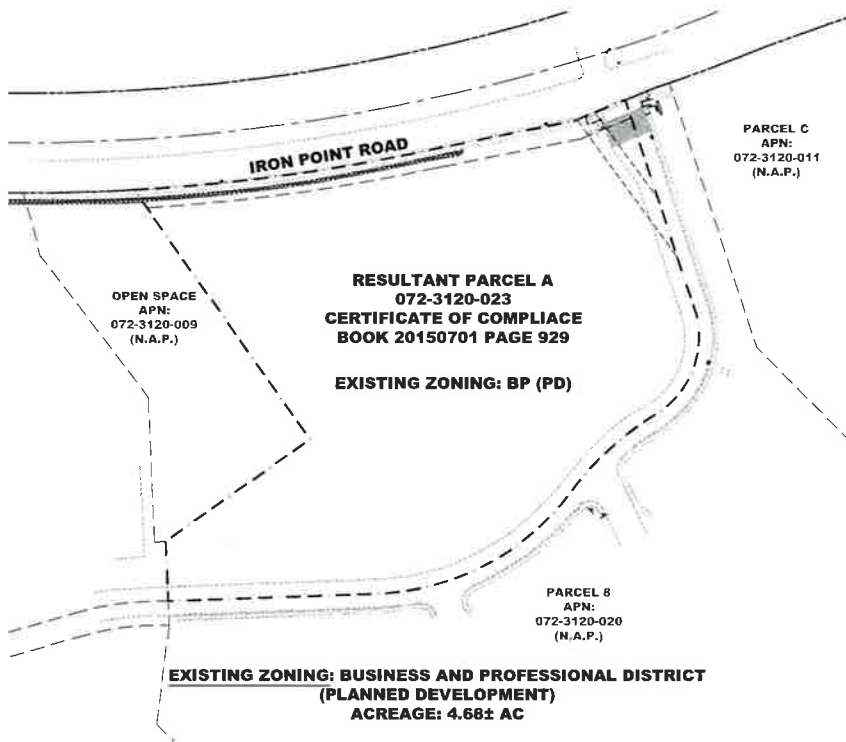
IRON POINT ROAD APARTMENTS - LOT 1

FOLSOM, CA.

BSB
 DESIGN
 BSBDESIGN.COM

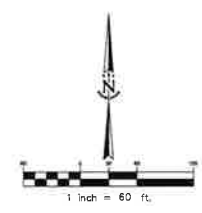
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PH: (916) 788-2884 Fax: (916) 788-4408

REZONE EXHIBIT **RZ**

IRON POINT ROAD APARTMENTS - LOT 6

FOLSOM, CA.

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COLE PARTNERS DEVELOPMENT COMPANY

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