



Agenda Report

MEETING DATE: Tuesday, September 13, 2022

TO: City Council

FROM: COMMUNITY DEVELOPMENT DIRECTOR MERRIAM
MATT ORBACH, PRINCIPAL PLANNER

SUBJECT: PUBLIC HEARING TO CONSIDER A REQUEST FOR A TIME
EXTENSION AND MINOR PERMIT MODIFICATION (PP2022-
3320) FOR THE ENCOMPASS COMMUNITY SERVICES
PORTION OF THE MILES LANE PROJECT (PP2019-14) ON A
0.99-ACRE SITE LOCATED AT 161 MILES LANE (APN 016-491-
07)

STATEMENT OF ISSUES:

Encompass Community Services is requesting a one-year Time Extension and Minor Permit Modification (PP2022-3320) for the Encompass Community Services portion of the Miles Lane Project (PP2019-14) located at 161 Miles Lane in order to sustain their programming and apply for building permits before the end of 2022.

RECOMMENDED ACTION:

Staff recommends City Council approve the application for a Time Extension and Minor Permit Modifications for 161 Miles Lane (PP2022-3320).

BACKGROUND:

On June 23, 2020, the City Council of the City of Watsonville took the following actions:

- Adopted Resolution No. 120-20 approving (1) the Mitigated Negative Declaration (PP2019-14) for the Miles Lane Project a 4.7± Acre site located at 139, 141, 161 Miles Lane and 201 Kimberly Lane, Watsonville, California (APNs 016-491-01, -02, & -03, & 016-111-44); and (2) concurrently approving a Mitigation Monitoring and Reporting Program for the Project, in accordance with the California Environmental Quality Act (Attachment 4);
- Adopted Resolution No. 121-20 approving a Lot Line Adjustment, Density Bonus, and Special Use Permit/Specific Development Plan with Design Review and Environmental Review (PP2019-14) to allow construction of the Miles Lane Project, which included a substance abuse facility and 72 affordable housing units, on a 4.7± acre site located at 139, 141, 161 Miles Lane and 201 Kimberly Lane, Watsonville (APNs 016-491-01, -02, & -03, & 016-111-44) (Attachment 5); and
- Introduced Ordinance No. 1407-20 to adopt a Planned Development Overlay District on the underlying residential district for Santa Cruz County Assessor's Parcel

Numbers 016-491-01, -02, & -03, & 016-111-44 and direct changes on the Zoning Map of the City of Watsonville (Attachment 6).

On July 7, 2020, the City Council of the City of Watsonville took the following actions:

- Adopted Ordinance No. 1407-20 establishing a Planned Development Overlay District on the underlying residential district for Santa Cruz County Assessor's Parcel Numbers 016-491-01, -02, & -03, & 016-111-44 and directing changes to the Zoning Map of the City of Watsonville.

On April 18, 2022, Encompass Community Services, applicant, on behalf of the owner of the property located at 161 Miles Lane (APN: 016-491-07), requested issuance of a Time Extension with Minor Permit Modification (PP2022-3320). The application includes a request for a one-year entitlement extension for the Encompass portion of the Miles Lane Project (noted on the plan set as "Encompass Residential" and "Encompass Outpatient" buildings) and minor permit modifications. Minor permit modifications include a 400± square foot addition and minor changes to the approved elevations of the Encompass Residential building and to the floor plans of both buildings.

DISCUSSION:

Time Extension

Under WMC §14-10.1201, "an extension of up to one (1) additional year may be granted by the person or hearing body who originally approved the permit, provided the applicant makes application, files the applicable fee and submits written justification showing good cause for the extension at least forty-five (45) days prior to expiration." The applicant submitted their application and fee on April 18, 2022, 67 days prior to the June 23, 2022, expiration date for the entitlements granted under PP2019-14.

The applicant has requested a one-year time extension in order to reach their goal of breaking ground on the project by January 2023 and completing the project by January 2024. The applicant has made significant progress towards initiating the construction phase of the project, but in order to best serve their clients and community, they are creating and implementing a transition plan that helps them avoid a two-phase project that would significantly extend construction time. An extension to the current entitlements would allow them the time and flexibility to sustain their programming and apply for building permits before the end of 2022 (Attachment 2).

As the hearing body who originally approved the permit, the City Council may approve the applicant's request for a one-year extension.

Minor Modifications

The applicant is requesting several minor permit modifications including minor changes to the floor plan and the approved elevations. The proposed changes include a 400± square foot addition to the Encompass Residential Building that will provide room for a relocated bathroom and expanded intake, consultation, and common living/dining room areas. The proposed floor plans also rearrange the previously approved floor plans of both buildings and include minor

modifications to the elevations (relocation of several gabled and hipped roof areas and window and door location changes) to accommodate those changes (Attachment 1).

Minor revisions are subject to three limitations under WMC §14-12.1000. Those limitations and the associated staff analysis are below.

- (1) Requests that involve less than twenty-five (25%) percent of the building area or project site area where the application involves new construction;

Staff Analysis: The proposed 400-square-foot addition is only 5% of the building area (7,390 sq. ft.).

- (2) Requests that involve minor changes in color, material, signage, design, landscape material or parking or driveway orientation; or

Staff Analysis: The proposed modifications involve minor changes to the design of the residential building. Those changes reflect the existing color, materials, and design of the building as it was originally approved.

- (3) Requests that involve minor design changes which represent improvements to previous engineering, site design, or building practices provided the request does not change the character of the project or result in negative impacts to adjoining properties, drainage facilities, or rights-of-way.

Staff Analysis: The proposed modifications are design-oriented and do not change the character of the project or result in negative impacts to the adjoining properties, drainage facilities, or rights-of-way.

WMC §14-12.1000 authorizes the Zoning Administrator to approve minor amendments to the terms of approval of a development permit, but Staff is requesting City Council review and approve the minor modifications because the City Council was the hearing body who approved the permit (PP2019-14).

STRATEGIC PLAN:

The purpose of the City of Watsonville's 2018-2020 Strategic Plan is to help the City prioritize its efforts, allocating both fiscal and human resources to achieve a shared vision and goals. The 2018-20 Strategic Plan identifies six goals, concerning housing, fiscal health, infrastructure and environment, economic development, community engagement and well-being, and public safety.

This action is consistent with the Council's goal to expand quality housing opportunities, in that the Project would provide affordable housing for lower income households and is designed in conformance with the City's *Livable Community Residential Design Guidelines* (2001).

FINANCIAL IMPACT:

The Project applicant would pay development impact fees at either at issuance of building permits or certificate of occupancy. These one-time fees paid to the City by developers are used to offset additional costs, such as extending public services to a site along with partially funding road improvements.

ALTERNATIVE ACTION:

The Council may deny the requested Time Extension with Minor Permit Modification (PP2022-3320), provided the Council provides substantial evidence contrary to making required findings.

ATTACHMENTS AND/OR REFERENCES (If any):

1. 161 Miles Lane – Full Plan Set – 04.04.2022
2. 161 Miles Lane – Entitlement Extension Narrative
3. June 23, 2020, City Council Staff Report for PP2019-14
4. Resolution No. 120-20 – Adopting MND for PP2019-14
5. Resolution No. 121-20 – Approving PP2019-14
6. Ordinance No. 1407-20 – Planned Development Overlay
7. 161 Miles Lane – PP2022-3320 - Resolution