



Agenda Report

MEETING DATE: Tuesday, February 23, 2021

TO: City Council

FROM: COMMUNITY DEVELOPMENT DIRECTOR MERRIAM

SUBJECT: PLANNING COMMISSION RECOMMENDATION TO CITY COUNCIL FOR ADOPTION OF A DESIGN REVIEW PERMIT WITH DENSITY BONUS AND ENVIRONMENTAL REVIEW (PP2019-432/APP#18) TO ALLOW THE CONSTRUCTION OF 50 APARTMENTS ON A .745 +/- ACRE PARCEL AT 558 MAIN STREET (APN: 018-241

STATEMENT OF ISSUES:

The project involves the construction of 50 residential apartments within a 4-story building on a .745 +/- acre parcel. The first floor of the building will contain a retail space facing Main Street and covered parking to the rear. Overall development proposes 15 studio, 29 one-bedroom, and 6 two-bedroom apartments. The second floor proposes an outdoor open area, multi-purpose lounge room, fire pits and BBQs. Site improvements include a new trash enclosure, infrastructure, fencing, vehicle parking and circulation.

RECOMMENDED ACTION:

Resolution approving Design Review with Density Bonus, and Environmental Review (PP2019-432/APP# 18) to allow the construction of 50 apartments on a .745 ± acre parcel at 558 Main Street (APN: 018-241-20).

DISCUSSION:

Planning Commission Meeting and Public Comment

On January 11, 2021, the Planning Commission adopted Resolution #01-21 recommending that the Council adopt a Resolution approving the Density Bonus, Design Review and Environmental Review (PP2019-432/APP# 18) to allow construction of a building for 50 apartments on a .745 ± acre parcel at 558 Main Street (APN: 018-241-20).

Two people spoke in favor of the project on January 11th at the Planning Commission meeting. One person spoke in opposition, but only as to resolving easement rights over the paved area. That person said they did not oppose the project, they just wanted to make sure the Commission knew the owner of 558 may not have a valid recorded easement over the paved area.

The parcel at 558 Main Street is located mid-block on the north side of Main Street, between East Lake Avenue and East Fifth Street. Four parcels with buildings front on Main Street between this parcel at 558 and East Lake Avenue. Behind these buildings are four parcels which are paved and striped for parking. Access over this paved area has historically been used for ingress and egress by the owners of 558 and the four other parcels on Main, as it connects Brennan Street to East Lake. This paved area is parallel with and behind the Main Street buildings, as shown in Figure 1 below.

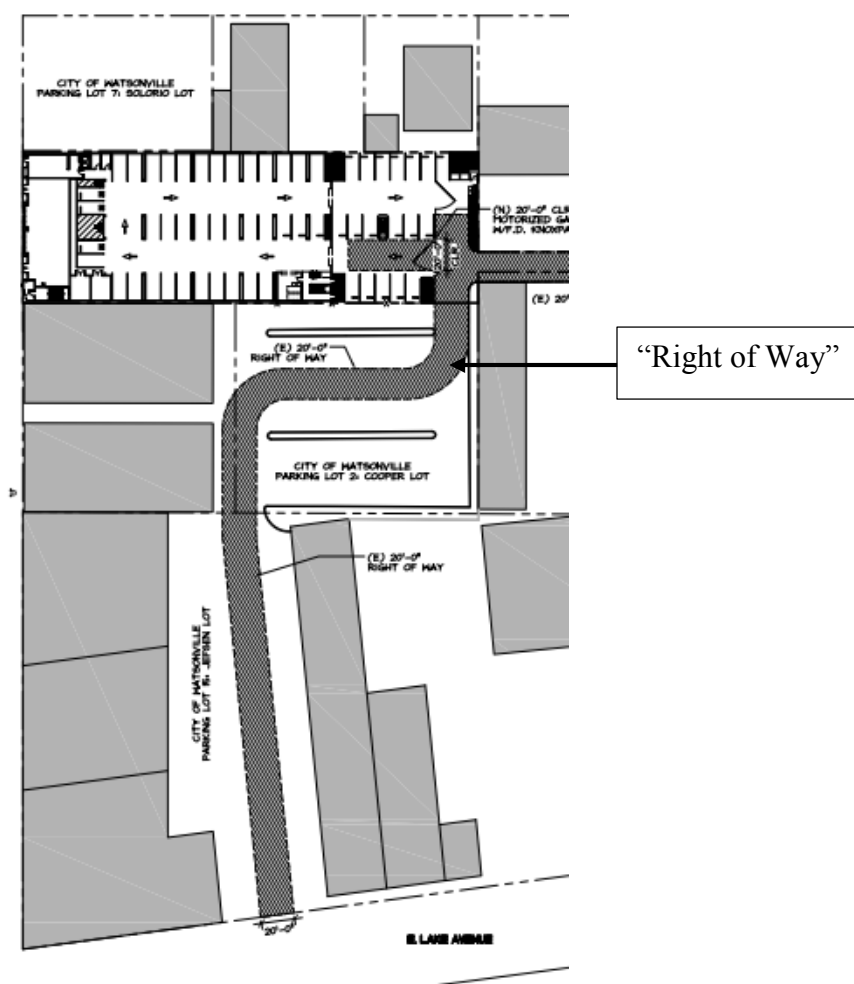


Figure 1. "Right of Way"

Source: Portion of Project Plans Sheet A 0.0

Staff conditioned the project to provide a twenty-foot wide fire access easement so that fire vehicles can access the rear of 558 Main from either Brennan or East Lake and exit to either East Lake or Brennan, respectively, without turning the fire vehicles around.

After the close of the public hearing, the Planning Commission voted unanimously (6-0-0) to recommend that the Council adopt a Resolution approving the project, based on the findings and subject to the conditions.

Based on statements at the Planning Commission meeting and further review of the issue, the City Attorney does not believe the owner of 558 has a recorded easement for ingress and egress over the paved area. Staff understands the two property owners are communicating, and staff recommends amending conditions 16 and 17 of Attachment B (Conditions of Approval) to require evidence that a twenty-foot wide fire access easement is recorded before a building permit may be issued.

Project Information and Analysis

The staff report to the Planning Commission includes a detailed description of the existing setting and proposed project. The project proposes 50 apartment units in a 4-story building, with a parking garage and 2,000 square foot restaurant space on the first floor. The second floor would have a large courtyard to serve all residential tenants.

Required Findings

The proposed project may be granted provided the Council makes the required findings for the following requested entitlements:

- Density Bonus (WMC § 14-47.140(b))
- Design Review (WMC § 14-12.403)

Supportive evidence is provided for each of the required findings.

Actions

The action for consideration by the Council is to adopt a Resolution approving the requested Design Review Permit with Density Bonus and Environmental Review (PP2019-432/App#18) to allow construction of 50 apartments on a .745 +/- acre parcel at 558 Main Street (APN: 018-241-20)

STRATEGIC PLAN:

01-Housing

04-Economic Development

This project is consistent with Goal 1 of the City Council's 2018-2020 Strategic Plan to expand quality housing opportunities, in that the project would provide housing opportunities for households at a range of income levels and is designed in conformance with the City's Livable Community Residential Design Guidelines and Downtown Land Use and Architectural Guidelines. Additionally, the project includes the construction of a new restaurant space, providing additional economic development opportunities in the historic downtown core.

FINANCIAL IMPACT:

The project applicant would be required to pay development impact fees at either the time of issuance of building permits or final inspection. These one-time fees paid to the City by developers are used, for instance, to offset the additional cost of extending public services to a site along with partially funding road improvement projects.

The development of 558 Main Street will increase the value of the property and thereby increase property tax revenue to the City, while the restaurant space will provide additional sales tax for the City.

ALTERNATIVE ACTION:

The Council may sustain, modify or overrule the action of the Planning Commission. The Council may deny the requested entitlements for project approval, provided that the Council provides substantial evidence contrary to making required findings.

ATTACHMENTS AND/OR REFERENCES:

1. January 11, 2021 Planning Commission public hearing minutes
2. January 11, 2021 Planning Commission meeting packet, consisting of the staff report to the Planning Commission and the following attachments:
 - a) Site and Vicinity Map
 - b) Plan Set (November 19, 2020)
 - c) Density Bonus Housing Plan (November 19, 2020)
 - d) Post-construction Stormwater Requirements Summary
 - e) Preliminary Stormwater Control Plan (May 15, 2020)
 - f) Traffic Study by Kittelson & Associates (prepared April 2020)

Electronic copies of the staff report and all attachments for the January 11, 2021 Planning Commission meeting are available on the City's website at <https://pub-cityofwatsonville.escribemeetings.com/FileStream.ashx?DocumentId=193>.