CITY OF SAN DIEGO M E M O R A N D U M

DATE	February 9, 2006
TO:	City of San Diego Planning Commission
FROM	Laura C Black, Development Project Manager, Development Services Department
REFERENCE	Cypress Greens Project No. 31924, PC Report No. PC-06-010, Dated January 19, 2006
SUBJECT:	Continuance and Additional Project Information

The above referenced project was scheduled for a public hearing before the Planning Commission on January 26, 2006. The project was heard and discussed by the Planning Commission with public testimony taken on this date. This project was before the Planning Commission on an appeal from Hearing Officer's approval of November 2, 2005.

A motion was made to deny the appeal and approve the project; the motion resulted in a "no action" with a vote of 3-3. Then a motion was made to reconsider and then a motion to continue was made; which passed by a vote of 5-1. This item has been re-noticed for a hearing date of February 16, 2006.

The attached staff report has not changed from the January 26, 2006 meeting. However, staff would like to include further details related to the Inclusionary Housing Ordinance. The ordinance provides an applicant the option to provide affordable units on site or pay an in-lieu fee. Based on the current in-lieu fees, if the applicant were to apply for the building permit, the applicant would be required to pay \$694,875.00 in fees. This amount will increase if the building permit applicant is submitted after 7/01/06. This amount is calculated from the proposed project square footage (minus garage areas), which has been calculated to be 277,950 square feet, times the current in-lieu fee of \$2.50 per unit for projects with 10 units or greater. These fees go into a sub-account of the housing trust fund. The Housing Commission then invests the Inclusionary in-lieu fees in affordable housing units in the communities where the fees were collected. Section 98,0505 of the San Diego Municipal Code is attached for further review related to what happens once the fccs are collected from the Housing Commission.

The Housing Commission has researched how many existing affordable housing units are located within the Carmel Mountain Ranch Community Plan Area. The current data has zero (0) affordable housing units within this community plan area.

§98.0505 Purpose and Use of San Diego Inclusionary Housing Fund Account

- (a) The Inclusionary Housing Trust Fund shall be used solely for programs and administrative support approved by the City Council pursuant to the provisions of Section 98.0507.
- (b) Priority for the expenditure of funds from the Inclusionary Housing Trust Fund shall be given to the construction of new affordable housing stock. The monies may also be allowed to be expended for other programs administered by the San Diego Housing Commission if approved by the City Council in the Affordable Housing Fund Annual Plan, pursuant to the provisions of this Division.
- (c) Priority for the expenditure of funds from the Inclusionary Housing Trust Fund shall be given to the Community Planning Area from which the funds were collected. The funds shall be used to promote and support the City's goal of providing economically balanced communities.

("Term of Affordability" renumbered to Sec. 98.0506; "Purpose and Use of San Diego Inclusionary Housing Fund Account" added 6-3-2003 by O-19190 N.S.)

§98.0506 Term of Affordability

- (a) Whenever funds from the Affordable Housing Fund are used for the acquisition, construction or substantial rehabilitation of an affordable rental or cooperative unit, the San Diego Housing Commission shall impose enforceable requirements on the owner of the housing unit that the unit remain affordable for the remaining life of the housing unit, assuming good faith efforts by the owner to maintain the housing unit and rehabilitate it as necessary. The remaining life of the housing unit shall be presumed to be a minimum of fifty-five (55) years.
- (b) Whenever funds from the Affordable Housing Fund are used for the acquisition, construction or substantial rehabilitation of ownership housing, the San Diego Housing Commission shall impose enforceable resale restrictions on the owner to keep the housing unit affordable for the longest feasible time, while maintaining an equitable balance between the interests of the owner and the interests of the San Diego Housing Commission.
- (c) For programs funded with funds from the Affordable Housing Fund which are not described in (a) or (b) above, the Commission shall develop appropriate mechanisms to ensure affordability which shall be described in the San Diego Housing Fund Annual Plan.



DATE ISSUED:	January 19, 2006	REPORT NO. PC-06-010	
ATTENTION:	Planning Commission, Agenda of January 26, 2006		
SUBJECT:	CYPRESS GREENS (CMR UNIT 60B) PROCESS 3 APPEAL	- PROJECT NO. 31924.	
REFERENCE:	HEARING OFFICER REPORT NO. HO 2005	0-05-202, dated November 2	
OWNER/ APPLICANT:	Shea Homes Daniel Rehm, Hunsaker & Associates, A	architect	

SUMMARY

Issue(s): Should the Planning Commission approve an appeal of the Hearing Officer's approval for the demolition of an existing golf driving range and the construction of a 75 unit condominium development project?

Staff Recommendation:

- 1. CERTIFY Mitigated Negative Declaration No. 31924;
- 2. ADOPT the Mitigation, Monitoring Reporting Program No. 31924;
- 3. DENY the appeal and APPROVE Planned Development Permit No. 88803 and Map Waiver No. 88804.

<u>Community Planning Group Recommendation</u>: On August 11, 2004, the Carmel Mountain Ranch Community Council voted to approve the project by a vote of 7-2-0 with three conditions as presented within Attachment 11.

Other Recommendations: None with this action.

Environmental Review: A Mitigated Negative Declaration (MND) No. 31924, has been

prepared for the project in accordance with State of California Environmental Quality Act (CEQA) Guidelines. A Mitigation, Monitoring and Reporting Program has been prepared and will be implemented which will reduce, to a level of insignificance, any potential impacts identified in the environmental review process.

<u>Fiscal Impact Statement</u>: None with this action. All cost associated with the processing of this project are paid by the applicant.

Code Enforcement Impact: None with this action.

Housing Impact Statement: The proposed project is subject to the adopted 1984 Carmel Mountain Ranch Community Plan. The Community Plan designates the subject property as Driving Range and states that this could be a temporary use which could be replaced with residential units similar to the development on Unit 21 (Collage Development) at a future date. Unit 21 is designated as Low-Medium Residential (6-29 du/ac) Density in the Community Plan. Based on this density, the 7.99 acre subject property could yield between 48-232 dwelling units. The project proposes 75 dwelling units, creating a net increase of 75 condominium units in the Carmel Mountain Ranch Community.

The proposed project is subject to the Affordable Housing Requirements of the City's Inclusionary Housing Ordinance. The applicant has elected to pay the in-lieu for the Inclusionary Affordable Housing Requirements.

BACKGROUND

The project site is a 7.99 acre site zoned RM-1-1 and is within the Carmel Mountain Ranch Community Plan Area. The project site is designated as Driving Range and is surrounded by properties designated Low Medium Density Residential (Attachment 2). The property is located at the Southwest corner of Highlands Ranch Road and Carmel Ridge Road (Attachment 1). The site is surrounded by properties also zoned RM-1-1 and developed with multi-family residences (Attachments 2 and 3).

The Carmel Mountain Ranch Community Plan states that the Driving Range may be a temporary use which could be replaced with residential units similar to development on Unit 21 (Collage Development) at a future date. Unit 21 has a Low-Medium Density (6-29 du/ac) residential land use designation as identified within the Carmel Mountain Ranch Community Plan. This project proposes 75 condominium units, approximately 10 du/ac, which falls within the Low-Med Residential Density range.

The site is currently a golf driving range. The topography of the site is relatively flat with some grade changes due to the current use on the project site. The overall site has a grade differential of approximately 85 feet that slopes to the east. The slopes on the project are located along the eastern and western portions of the site with the middle of the site remaining relatively flat.

DISCUSSION

Project Description:

The applicant is requesting approval of a Planned Development Permit and Map Waiver to demolish the existing golf driving range and construct 25 two-story, three-unit condominium buildings, for a total of 75 condominium units, with two gathering areas, a tot lot, and a recreation area to include a pool, spa and restrooms, on an existing 7.99 acre site. The proposed condominium units will have three separate floor plans designated as Unit "1", Unit "2" and Unit "3". One of each unit (1, 2 and 3) will be within each of the 25 detached buildings on site. The proposed 25 buildings will have a variety of architectural styles including Spanish Colonial, Craftsman, Eastern Seaboard and Nantucket. These designs will not be identified as multi-unit structures, but will resemble large single family homes.

Unit 1 will include the following on the first level: a one-car garage. The second floor of Unit 1 includes a kitchen, living/dining room, laundry room, two bedrooms and two bathrooms. Unit 1 floor plans are approximately 1,082 square feet.

Unit 2 will include the following on the first level: a two-car garage, living/dining room, kitchen, laundry room and one bathroom. The second floor of Unit 2 consists of two bedrooms and two bathrooms. Unit 2 floor plans are approximately 1,210 square feet.

Unit 3 will include the following on the first level: a two-car garage, living room, dining room, kitchen, laundry room and one bathroom. The second floor of Unit 3 consists of two bedrooms and three bathrooms. Unit 3 floor plans are approximately 1,414 square feet.

Exterior elevations propose earth tone color wood siding, wood shutters, windows, tile roof, earth tone color wood siding and wood fascia. Site improvements will include fencing, landscaping, two gathering areas, a tot lot, and a recreation area which will include a detached pool, spa and restroom facilities.

The proposed development has a pedestrian element throughout. The pedestrian access is from Carmel Ridge Road and through the center of the site with access to all buildings on at least 2 sides of each building. The proposed landscaping of the project will provide screening of the proposed buildings from both Carmel Ridge Road and Highland Ranch Road. The proposed development includes creating a cul-de-sac at Eastbourne Road, north of Carmel Ridge Road. Eastbourne Road currently connects to Carmel Ridge Road; however, creating the cul-de-sac at Eastbourne Road will decrease the traffic flow surrounding the project site. The main ingress and egress for the project site is on the south side of Carmel Ridge Road. The project also proposes to realign striping along Ted Williams Parkway to allow for a second left-turn lane for eastbound to northbound traffic at the intersection of Ted Williams Parkway and Highlands Ranch Road.

Deviation:

The proposed retaining wall height deviation is requested due to the project site constraints. The existing slopes on the north and south portions of the site make the developable area of the site much smaller than the overall project size. The developable area doesn't allow the proposed development to be built in a way that conforms to the existing neighborhood character. The proposed retaining wall height deviation for the retaining wall system behind Units 15 to 25 contains two walls separated by a two foot landscaped area that will enhance the overall project design. The lower retaining wall will be consistently four feet in height with a slate fascia. The upper retaining wall will be a soils-nail wall system that will vary from five feet to fifteen (15) feet high, with the majority of the upper wall average height of fifteen (15) feet. The upper retaining wall fascia will be sculptured to simulate a rock cliff. This retaining wall system and enhanced landscaping will create a project that will conform to the existing neighborhood character.

The proposed development complies with all development regulations within the San Diego Municipal Code. The Planned Development Permit is required due to deviations for the proposed upper retaining wall height. The SDMC allows for walls outside the required setbacks to be a maximum height of 12 feet, Section 142.0340(e). The proposed upper retaining wall will range from 5 to 15 feet, with the majority of this wall being 15 feet high.

Community Plan Analysis:

The subject property is located on a parcel identified as Driving Range in the Carmel Mountain Ranch Community Plan. The Community Plan states that the Driving Range may be a temporary use which could be replaced with residential units similar to development on Unit 21 at a future date. Unit 21 (Collage Development) has a Low-Medium Residential (6-29 du/ac) Density land use designation as identified in the Community Plan, and consists of 260 residential units on 22.4 acres at a density of 11.6 du/acre. The project proposes 75 condominium units on 7.99 acres at a density of approximately 10 du/acre, which falls within the Low-Medium Residential Density range.

The proposed project is currently a golf driving range and is surrounded by Low-Medium Density Residential development. The Carmel Mountain Ranch Community Plan envisions a community theme which incorporates the use of stone material and enhanced landscaping. The proposed landscaping and materials used to simulate a rock cliff for the retaining wall are consistent with this theme. Proposed plant and tree species used for landscaping on the retaining wall and throughout the proposed project implement the requirements of the Landscape Master Plan identified in the Community Plan.

The proposed development incorporates a variety of architectural styles that are compatible with existing community architectural theme treatments. The proposed elevations and building design are harmonious with the adjacent residential structures since they will resemble large-single story homes. Earth tone colors and materials used on the exterior elevations are compatible with

adjacent development and the overall community theme. The proposed project is consistent with the scale and character of adjacent development and addresses Carmel Mountain Ranch Community Plan policies to create an attractive image that will integrate the existing character of the community with new development to provide a unified appearance throughout the community.

Environmental Analysis:

The City of San Diego conducted an Initial Study and determined that the proposed project could have a significant environmental effect in the following area: paleontological resources and transportation/circulation/parking. The project, as revised, now avoids or mitigates the potentially significant environmental effects previously identified. Mitigated Negative Declaration No. 31924, has been prepared for the project in accordance with CEQA Guidelines.

Based on the environmental review of the project, no significant impacts would be associated with the proposed project. Transportation/circulation/parking mitigation is required and is also incorporated into the project as permit conditions. The project proposes 23,300 cubic yards of cut with a maximum depth of cut of 27 feet. The proposed amount of grading requires paleontological monitoring while grading; therefore, the Mitigated Negative Declaration was prepared in accordance with CEQA.

COMMUNITY PLANNING GROUP RECOMMENDATION

The Carmel Mountain Ranch Community Council considered the project on August 11, 2004 and voted 7-2-0 to approve the project with three conditions (Attachment 11). The conditions are as follows: The project would be part of and subject to the CC&Rs of the Master Association; the south slope would be maintained and re-landscaped during and after construction and maintained by Shea Homes; and finally, all fences including perimeter fences will be the sole responsibility of Cypress Green's Sub Association. The applicant was present at this meeting and has agreed to the above conditions of the project. A condition has been incorporated into the Planned Development Permit regarding the maintenance and landscaping on the south slope of the project site (Condition 25, Planned Development Permit, Page 5 of 10, Attachment 8).

APPEAL ISSUES

The appellants, Ed Lenderman and Sandra Gail Stoewers, filed an appeal on November 15, 2005 and November 16, 2005, respectively (Attachment 10). The issues identified in the written appeals to the Planning Commission, can be categorized as follows:

1. <u>Redevelopment of driving range to Residential.</u>

<u>Staff's Response</u>: The project site is located within the RM-1-1 Zone and the Carmel Mountain Ranch Community Plan Area. The project site is located within an urban area and has been utilized as a golf driving range until this proposed project was submitted to the City for review.

The Carmel Mountain Community Plan was adopted by the City Council of the City of San Diego on August 14, 1984. This plan has undergone two amendments since the original adoption in 1984. The amendments to the plan occurred on January 5, 1988 and January 24, 1995.

The Carmel Mountain Community Plan designates the project site as a "Driving Range" under the land use plan element and the parks, recreation and open space element. The driving range is described under "Other Recreational Facilities" and states the following: "A driving range has also been constructed adjacent to Unit 21, but may be a temporary use which could be replaced with residential units similar to development on Unit 21 at a future date." Unit 21 identified within the community plan is currently the Collage Development. Unit 21 has a Low-Medium Density (6-29 du/ac) residential land use designation as identified within the Carmel Mountain Ranch Community Plan. This project proposes 75 condominium units, approximately 10 du/ac, which falls within the Low-Med Residential Density range. The proposed development is within the development regulations of the San Diego Municipal Code (SDMC).

2. <u>Traffic Flow.</u>

<u>Staff's Response:</u> A traffic study was prepared for the project during the project review. The traffic report "Carmel Mountain Ranch Unit 60B, Traffic Impact Study" dated July 2004 was prepared by Katz, Okitsu & Associates. The report was prepared to examine the existing traffic conditions and potential impacts to the existing traffic conditions with implementation of the proposed project.

According to the report, the proposed project is expected to generate 624 daily trips with 50 occurring in the AM peak hour and 62 occurring in the PM peak hour. The near-term conditions roadway segment analysis found that all segments operate at Level of Service (LOS) B or better with or without the proposed project under near-term conditions. The analysis of near-term intersection conditions found that all study intersections operate at LOS D or better in the AM peak hour and at LOS B or better in the PM peak hour, with and without the proposed project except for Ted Williams Parkway at Highland Ranch Road. The intersection of Ted Williams Parkway and Highland Ranch Road operates at LOS E with and without the proposed project. The proposed project causes an increase in delay of 3.7 seconds at the intersection of Ted Williams Parkway and Highland Ranch Road.

The analysis of long-term daily roadway segment conditions found that all study segments operate at LOS B or better with or without the proposed project under long-term conditions. The proposed project causes an increase in delay of 4.7 seconds at the intersection of Ted Williams Parkway and Highland Ranch Road. In order to improve operations at the intersection of Ted Williams Parkway and Highland Ranch Road to LOS D, a second eastbound left-turn lane would need to be constructed. A second left-turn lane would improve queuing and delay for this movement. The project will create the second left-turn lane on Ted Williams Parkway as part of the project design.

The proposed project includes creating a cul-de-sac at Eastbourne Road, north of Carmel Ridge Road. Eastbourne Road currently connects to Carmel Ridge Road; however, creating the cul-desac at Eastbourne Road will decrease the traffic flow surrounding the project site. The main ingress and egress for the project site is on the south side of Carmel Ridge Road. These project features are incorporated into the project design to mitigate any potential traffic impacts associated with developing the project site.

3. Noise and Visual Impacts.

<u>Staff's Response:</u> Potential noise and visual impacts were reviewed during the Initial Study by City Environmental Analysis Staff, pursuant to CEQA, and incorporated into the MND prepared for the project.

A noise study was prepared for the proposed project. The report titled "Acoustical Site Assessment, Carmel Mountain Ranch Unit 60B Residential – San Diego, CA, ISE Report #04-002", dated January 14, 2004, was prepared by Investigative Science and Engineering, Inc. According to the report, the outside usable areas for the proposed project (balconies, recreation areas, and tot lots) would not be subject to future traffic noise levels above the 65 dBA CNEL requirement. The acoustical study was performed to analyze the noise impacts to the project site, not the potential noise impacts from the project site. Therefore, no mitigation for noise impacts is required.

To reduce potential visual impacts, the proposed retaining wall system would be planted with cascading vines and shrubs. This landscape treatment will reduce potential impacts to visual quality to below a level of significance and no mitigation for visual quality is required. The proposed 25 buildings will have a variety of architectural styles including Spanish Colonial, Craftsman, Eastern Seaboard and Nantucket. These designs will resemble large single family homes in an effort to harmonize with the current developed areas adjacent to the project site.

CONCLUSION

Staff has reviewed the proposed Planned Development Permit and Map Waiver application and found it to be in conformance with both the adopted Carmel Mountain Ranch Community Plan and the applicable sections of the San Diego Municipal Code regulating Planned Development Permits and land use policies. Staff has determined that the required findings can be made as the project meets the applicable San Diego Municipal Code regulations and requirements. Staff recommends approval of the project as proposed.

ALTERNATIVES

- 1. Deny the appeal and Approve Planned Development Permit No. 88803 and Map Waiver No. 88804 with modifications.
- 2. Approve the appeal and Deny Planned Development Permit No. 88803 and Map Waiver No. 88804 if the findings required to approve the project cannot be affirmed.

Respectfully submitted,

Jeffrey D. Strohminger Acting Deputy Director, **Customer Support and Information Division Development Services Department**

JD\$/LCB

Attachments:

- 1. 2. Aerial Photograph
- Community Plan Land Use Map
- **Project Location Map** 3.
- 4. **Project Data Sheet**
- 5. **Project Site Plan**
- 6. **Project Plans**
- Draft Map Conditions and Subdivision Resolution 7.
- 8. Draft Permit with Conditions
- 9. **Draft Resolution with Findings**
- 10. Copy of Appeals
- Community Planning Group Recommendation, August 11, 2004 11.
- 12. **Ownership Disclosure Statement**
- 13. **Project Chronology**
- Sections from the Carmel Mountain Ranch Community Plan (Adopted 1984, Amended 14. 1988, Amended 1995)

Laura C. Black, Project Manager **Customer Support and Information Division Development Services Department**