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<u>MEMORANDUM</u>

DATE: APRIL 11, 2023

TO: HONORABLE BOARD OF SUPERVISORS

FROM: PLANNING & BUILDING SERVICES & NORTH COAST COMMUNITY

PLANNING

SUBJECT: PUBLIC HEARING & RECOMMENDATIONS FOR APPROVAL OF THE BELLA

VISTA SUBDIVISION PROJECT (FORMERLY KNOWN AS "GARDEN'S GATE

SUDIVISION")

BACKGROUND:

In 2009, the Mendocino County Board of Supervisors certified the Garden's Gate Subdivision Final Environmental Impact Report and approved a 197-lot Vesting Tentative Subdivision Map for the Garden's Gate Subdivision. The project site is located on the west side of South State Street, immediately south of the Gobalet Lane intersection (<u>Attachment 1</u>, Site Location Map). In conjunction with the initial approvals for the Garden's Gate project, the Board of Supervisors approved the Garden's Gate Development Agreement ("DA") which vests the project approvals through August 27, 2025.

Following the approval of entitlements for the Garden's Gate Project, the project site was acquired by Rancho Yokayo, L.P., and the entitlements were assumed by the new owner. In 2020, Rancho Yokayo, L.P. ("Owner") and Guillon Inc. ("Applicant") filed applications with the County requesting a subdivision modification (S_2020-0001) to change the layout of the subdivision, reduce the number of lots, modify the phasing plan, and modify the incentives and concessions that were granted under State Density Bonus Law ("SDBL"). The Applicant has requested an amendment to the DA (DEV_2020-0001) and approval of a modified Inclusionary Housing Plan. The requested modifications to the project entitlements would authorize development of 171-unit residential subdivision comprised of a 39-unit senior citizen housing development ("Senior Neighborhood"), and a 132-unit non-age-restricted neighborhood ("Traditional Neighborhood") which includes 13 for-sale housing units targeted to moderate income households. The current project is renamed the "Bella Vista Subdivision" and is referred to as the "Modified Project" in this report.

An Administrative Permit (AP_2022-0034) is also requested to authorize single-family residential uses within a portion of the site that lies within the Multiple Family Residential ("R-3") zoning district. Five residential lots (four in the Senior Neighborhood and one in the Traditional Neighborhood) would be located within the R-3 District.

PROJECT DESCRIPTION:

A detailed description of the Modified Project is presented in the agenda packet for the March 9, 2023 Planning Commission hearing on the project applications (Attachments 2 through 4).

Subdivision Modifications

The Applicant is seeking an Amended Vesting Tentative Subdivision Map (S_2020-0001) and an amended Phasing Plan that establishes seven phases for the Modified Project. The Amended Vesting Tentative Map has a revised street and lot layout for a 171-unit residential neighborhood. The Phasing Plan defines seven phases for development of the Project, progressing from east to west, with Phase 1 located adjacent to South State Street on the eastern portion of the site and Phases 6 and 7 located along the site's western boundary.

Access to the project site would be provided via two new streets that connect to South State Street. The northern entrance is the primary access point and includes a Roundabout on South State Street (as was previously proposed) that is aligned with Plant Road to the east. The secondary access would be from a new street located along the southern border of the project site. Two private roads are proposed: (1) the gated and looped street serving the Senior Neighborhood, and (2) the westerly extension of Charlie Barra Drive that is shown as "Country Lane" on the Amended Vesting Tentative Map.

Open space within the Modified Project is identified on the Amended Vesting Tentative Map by seven lettered parcels as follows:

- Parcel A: 68,219 SF (immediately north of project entry) No development proposed
- Parcel B: 86,549 SF (immediately south of project entry) Neighborhood Park/stormwater management
- Parcel C: 11,430 SF (southeast corner of project site) No development proposed other than stormwater management improvements
- Parcel D: 10,648 SF (midblock parcel) Linear Park
- Parcel E: 6,615 SF (midblock parcel) Linear Park
- Parcel F: 7,810 SF (midblock parcel) Linear Park
- Parcel G: 9,763 SF (within Senior Neighborhood) Cottage Park

Parcel A would be retained by the Applicant and Parcels B-G would be owned and maintained by a Homeowners Association ("HOA"). Parcel B, the Neighborhood Park, would be subject to a public access and maintenance easement that requires it to be open for use by the public and maintained by the HOA. The HOA would be responsible for maintenance of common spaces and shared private infrastructure and improvements including but not limited to the three parks, landscaping within the rights-of-way of public streets, landscaping within the Senior Neighborhood, storm drainage facilities located outside of the County Maintained Road System, and private roads.

In terms of timing, the Neighborhood Park would be established in the first phase of the Modified Project as its stormwater detention basin is an integral part of the stormwater management system. If the Roundabout is also established in the first phase, the improvements associated with the park (walkways, landscaping, tot lot, benches) may be deferred to the third phase. If an Interim Entrance is used, all of the park improvements must be installed in conjunction with the first phase. This requirement is stipulated in the Restated Development Agreement for the Bella Vista Subdivision Project.

The Cottage Park would be developed in conjunction with the Senior Neighborhood and each segment of the Linear Park would be developed in conjunction with the phase of the Traditional

Neighborhood in which it is situated.

A Design Guidelines Manual for the Modified Project is included in the application. The Design Guidelines Manual establishes a common set of design features for residences, including architectural elements, exterior materials and finishes, color palettes, and standards for lighting, landscaping and fencing. The Design Guidelines Manual states that the master building plans for the homes will be modeled after the Craftsman style with front patios or porches, stonework, and low sloped roofs with wide eaves. Houses will be one and two stories in height in the Traditional Neighborhood and will range in size from approximately 1,200 to 2,200 square feet. Houses in the Senior Neighborhood will be one-story in height and will range in size from 900 to 1,400 square feet. The Design Guidelines Manual has guidelines for the three parks within the Modified Project. A Preliminary Landscape Site Plan and Preliminary Landscape Planting Plan provide additional detail for landscaping for the streets and the three parks.

Density Bonus & Reduction in Development Standards per SDBL

Similar to the Garden's Gate Project, the Modified Project requires reductions in development standards under the SDBL to allow for reduced minimum lot sizes, reduced setbacks, and double-frontage lots. The application for the Modified Project also requests approval of two private road easements and a modification to fence height standards.

The Modified Project is eligible for SDBL incentives, concessions and density bonuses because a portion of it is a senior housing community of greater than 35 units and, in the non-age restricted portion, the Applicant proposes to restrict 10% of the units (i.e., 13 of 132 units) for sale at an affordable price to qualified moderate-income households.

The Senior Neighborhood would require a density bonus in order to achieve the requested number of units because, under the SDBL, age-restricted housing is not eligible for concessions and incentives (i.e., requested reductions in development standards), but it is eligible for a density bonus. By applying a density bonus to the Senior Neighborhood, the requested reductions in development standards can be achieved.

Inclusionary Housing Plan

The proposed Inclusionary Housing Plan establishes that the Modified Project will provide 39 residential lots that are designated as accessible "senior citizen housing" in the Senior Neighborhood and that 10 percent (10%) of the lots in the Traditional Neighborhood will be restricted to for-sale units for qualifying moderate-income households. The Applicant proposes to construct the affordable units in Phases 3, 4, 5, and 6 of the development, as the first two phases will include the entire Senior Neighborhood. The affordable units would be three-bedroom, two-bath units with two-car garages, similar to the market rate units in the Traditional Neighborhood. A minimum of three affordable units would be constructed in each of Phases 3, 4, and 5 with the balance of the affordable units to be constructed in Phase 6.

Per SDBL, affordable for-sale units must be sold to the initial buyer at an affordable housing cost. For moderate-income units, housing costs may not exceed 35% x 110% of the area median income (AMI) for a household size suitable for the unit. Housing costs include mortgage loan payments, mortgage insurance payments, property taxes and assessments, homeowner association fees, reasonable utilities allowance, insurance premiums, and maintenance costs. Per SDBL, the buyers of an affordable unit must enter into an equity-sharing agreement with the County which requires that, when the unit is sold, the original purchaser will pay a portion of any appreciation in value to the County. The percentage of appreciation due to the County is based on the purchase price discount that was received by the original buyer. The seller is permitted to

retain the original down payment, the value of any improvements made to the home, and the remaining share of the appreciation.

Administrative Permit for Single-Family Residential Uses in Multiple Family Residential ("R-3") District

A swath along the eastern portion of the Project site adjacent to South State Street is within the R-3 zone. The area coincides with Airport Zone 2 (Inner Approach Zone) as identified in the Ukiah Municipal Airport Land Use Compatibility Plan (UKIALUCP). Single family uses are permitted within the R-3 District subject to an Administrative Permit which may be granted based on a finding that the subject property has development constraints such as size, topography or infrastructural deficiencies. Staff recommended and the Planning Commission concurred that the single-family uses be permitted in the areas that lie within the R-3 District based on the fact that the Modified Project is designed to concentrate residential uses outside of the Airport Zone 2 and the irregular western boundary of the R-3 zoned parcel (APN 184-110-28) results in relatively small, fragmented areas that lie outside of Airport Zone 2, and that are not well-suited for multiple family uses. The Airport Land Use Commission reviewed the Modified Project at a public hearing on December 16, 2021 and determined that the project is consistent with the UKIALUCP.

Restated Development Agreement for the Bella Vista Subdivision Project

The proposed amendments to the Garden's Gate DA to address the Modified Project ("Restated DA") are the result of negotiations and agreements reached between County staff and the Applicant. An effort was made to keep the structure and intent of the Garden's Gate DA intact while addressing changes in the Modified Project and extending the term of the DA. The following summary identifies substantive changes in the Restated DA:

- Term: The Restated DA provides for a 10-year term that can be extended by five years if the Landowner has constructed all of the Senior Neighborhood and at least 50% of the Moderate-Income homes or the Landowner has commenced construction of at least 50% of all dwelling units in the Modified Project. An additional three-year extension may be requested and is subject to Planning Commission approval.
- Plan Review Fees: The Restated DA provides that, after initial review and approval of the "master residential building plans" for the Modified Project, the County will waive the plan review fee for subsequent use of such plans and, if revisions are proposed, the County will charge its established hourly rate for such review.
- Parks: The Restated DA requires that an easement be recorded on the Neighborhood Park to establish the public's rights to use the park and the HOAs' obligations to maintain the park.
- Subdivision Improvement Plans: The Restated DA allows for the phased submittal of subdivision improvement plans rather than submittal of a "master" subdivision improvement plan in conjunction with the first Subsequent Final Map.
- Phasing: The Restated DA continues to require the Director of Planning to review the Master Building Design Plan and Landscape Plan for each phase of the subdivision for consistency with the Project Site Plan and the Design Guidelines. It eliminates the requirement for the Director to report back to the Planning Commission on that review. It authorizes the Director of Planning to approve modifications to the Phasing Plan. It also establishes that the Neighborhood Park improvements may be deferred to the third phase if the Roundabout is constructed in the first phase (rather than in conjunction with the phase including the 100th unit).

Construction of Off-Site Improvements. The Restated DA includes modifications that reflect the conclusion of negotiations between the Department of Transportation and the Landowner regarding construction of off-site sidewalk improvements. Both parties agreed that providing connectivity to the bus shelter on Plant Road (north side) is a priority. If the County encounters difficulties obtaining right-of-way for the required sidewalk improvements, the County can require that pedestrian improvements be made along South State Street either north or south of the project site equal to the cost of construction for the omitted sidewalk improvements.

ANALYSIS:

The staff report for the March 9, 2023 Planning Commission hearing on the Modified Project (<u>Attachment 2</u>) presents a thorough analysis of the Modified Project's consistency with the Ukiah Valley Area Plan, the Mendocino County General Plan, the Mendocino County Zoning Code (Title 20, Division I), the Mendocino County Division of Land Regulations (Title 17), and the Ukiah Municipal Airport Land Use Compatibility Plan.

ENVIRONMENTAL DETERMINATION:

On October 6, 2009, the Mendocino County Board of Supervisors adopted Resolution No. 09-230 certifying the final Environmental Impact Report for the Garden's Gate Subdivision ("Garden's Gate Project EIR"), making findings regarding project impacts, and adopting a Statement of Overriding Considerations.

In the case of an application requiring discretionary approval on a project for which an EIR has been certified (as is the case for the Modified Project), the California Environmental Quality Act (CEQA) requires the lead agency to determine whether a supplemental or subsequent EIR is required. This determination is made based on an examination of whether, since certification of the EIR and approval of the project, changes in the project or environmental conditions have been made to such an extent that the proposal may result in substantial changes in physical conditions that are considered significant under CEQA.

Based on the passage of time since the Garden's Gate Project was certified, the County required the Applicant to provide the following updated environmental analyses and documentation to assist with the determination as to whether the Modified Project would result in significant effects not discussed in the Garden's Gate Project EIR or that are more severe than those shown in the Garden's Gate Project EIR:

- Biological Resource Assessment (including wetlands delineation and tree inventory)
- Water Supply Verification
- Stormwater Control Plan
- Traffic Analysis
- Air Quality and Greenhouse Gas Assessment
- Drainage Report and Stormwater Control Plan
- Updated "Will Serve" Letters from Willow County Water District and Ukiah Valley Sanitation District

Pursuant to PRC Section 21166, and CEQA Guidelines Section 15162, the County of Mendocino Department of Planning & Building Services reviewed the proposed modifications to the project and determined that there is no substantial evidence that the Modified Project would have a

significant effect on the environment beyond that which was evaluated in the Garden's Gate Project EIR. Therefore, a supplemental or subsequent EIR is not required and, per CEQA Guidelines Section 15164, an Addendum to the Garden's Gate Project EIR ("EIR Addendum") was prepared. The EIR Addendum analyzes the Modified Project in the context of the environmental analysis in the Garden's Gate Project EIR and, where necessary, identifies minor technical changes and additions that are necessary to address the Modified Project, including minor revisions to mitigation measures and new mitigation measures based on recommendations in the updated resource studies and consultations with regulatory agencies. The Applicant has agreed to incorporate the revised and new mitigations into the Modified Project.

The following findings are included in the recommended Resolution for adoption of the EIR Addendum and the Amended Mitigation Monitoring and Reporting Program ("Amended MMRP"):

- Based upon substantial evidence demonstrated by the analysis included in the Garden's Gate Project EIR and EIR Addendum none of the conditions described in Sections 15162 or 15163 of the CEQA Guidelines calling for the preparation of a subsequent or supplemental EIR or negative declaration have occurred; specifically:
 - a. The proposed modifications to the approved Vesting Tentative Map would not result in any substantial changes from what was previously analyzed in the Garden's Gate Project EIR and would not involve new significant impacts or result in a substantial increase in the severity of previously identified significant impacts. The proposal, therefore, does not constitute a substantial change in the project.
 - b. No substantial changes have occurred in the site vicinity. Surrounding land uses have not changed from those evaluated in the Garden's Gate Project EIR and development in the region has occurred at a slower pace than anticipated in the Garden's Gate Project EIR. Based on the environmental baseline identified in the Garden's Gate Project EIR, the physical changes to the project site and vicinity that have occurred are consistent with the analysis of the Garden's Gate Project EIR and the cumulative projects considered in the Garden's Gate Project EIR. There have been no substantial changes in the circumstances of the project as considered in the certified Garden's Gate Project EIR.
 - c. The Project's consistency with the environmental resource analysis in the Garden's Gate Project EIR is summarized in Section 6 of the EIR Addendum. As discussed, the Project would not result in any new significant effects not discussed in the Garden's Gate Project EIR.
 - d. Based on the analysis presented in the EIR Addendum, no supplemental environmental review is required for the Project in accordance with Public Resources Code Section 21166, and CEQA Guidelines Sections 15162 and 15164.
 - e. To the extent that new or modified mitigations are identified in the EIR Addendum and the technical studies prepared in support of the Addendum, the Applicant has agreed to incorporate the mitigations into the Project and the modifications are incorporated into the Amended MMRP.

PLANNING COMMISSION RECOMMENDATION:

On March 9, 2023, the Planning Commission received a staff report (<u>Attachment 2</u>) and recommendations for the Modified Project and received testimony from the Applicant and members of the public. Comments submitted for the Planning Commission hearing are included

in <u>Attachment 4</u>. Following the public hearing, the Planning Commission adopted Resolution No. PC_2023-0002 (<u>Attachment 3</u>), which recommends that the Board of Supervisors:

- adopt an Addendum to the Garden's Gate Final Environmental Impact Report
- approve an amended Mitigation Monitoring & Reporting Program
- approve an amended Vesting Tentative Map with Conditions
- approve a Density Bonus and Reductions in Development Standards per State Density Bonus Law
- approve Modified Design Guidelines and a Preliminary Landscape Site Plan & Planting Plan
- approve an Administrative Permit
- approve an Inclusionary Housing Plan
- adopt a Restated Development Agreement, including a modified Phasing Plan and an Inclusionary Housing Agreement.

The Planning Commission's action recommended the incorporation of an additional mitigation measure in the Amended MMRP to address impacts associated with the removal of oak trees as follows:

MM 3.3-B.2:

If any of the 11 oak trees are removed, they shall be replaced at a mitigation ratio of 8:1. Trees shall be staked and screened for rodent protection and shall be irrigated for at least 3 years. The mitigation trees shall be located on properties that will be managed and maintained by the HOA.

This mitigation measure was determined to be feasible and was accepted by the Applicant.

In addition, the Planning Commission recommended the incorporation of two additional Conditions of Approval in response to testimony received by neighbors of the project site, as follows:

- 53. Applicant shall amend the Planting Plan to provide intermittent plantings along the north side of the proposed "good neighbor fence" on the Applicant's property. The Planting Plan shall be subject to the review and approval of the Planning Director.
- 54. No heavy equipment or construction vehicles may be operated or parked on Gobalet Lane.

The additional mitigation measure and Conditions of Approval, as recommended by the Planning Commission, are incorporated into the Amended MMRP and the Conditions of Approval presented in the attached Resolutions (<u>Attachment 5</u> and <u>Attachment 6</u>) for Board consideration and possible action.

RECOMMENDED BOARD OF SUPERVISORS ACTIONS:

1. Adopt Resolution Approving Addendum to the Garden's Gate Final Environmental Impact Report and an Amended Mitigation Monitoring & Reporting Program and authorize Chair to sign same. (Attachment 5)

- Adopt Resolution Approving Amended Vesting Tentative Map with Conditions (S_2020-0001), Density Bonus for the Senior Neighborhood and Reductions in Development Standards for the Traditional Neighborhood per State Density Bonus Law, Modified Design Guidelines and Preliminary Landscape Site Plan & Planting Plan, Administrative Permit (AP_2022-0034), and Inclusionary Housing Plan and authorize Chair to sign same. (Attachment 6)
- 3. Adopt Ordinance Amending Section 21.04.020 of the Mendocino County Code and Approving Restated Development Agreement (DEV_2020-0001). (Attachment 7)

ATTACHMENTS:

- 1. Site Location Map
- 2. Planning Commission Hearing Packet (March 9, 2023)
- 3. Planning Commission Resolution No. PC_2023-0002
- 4. Comments submitted for Planning Commission hearing
- 5. BOS Resolution Adopting Addendum to Garden's Gate Final EIR and Amended MMRP
- 6. BOS Resolution Approving Vested Tentative Map with Conditions, Density Bonus for the Senior Neighborhood and Reductions in Development Standards for the Traditional Neighborhood per State Density Bonus Law, Modified Design Guidelines and Preliminary Landscape Site Plan & Planting Plan, Administrative Permit, and Inclusionary Housing Plan
- 7. Ordinance Approving Restated Development Agreement with Modified Phasing Plan and Inclusionary Housing Agreement