

# AGENDA REPORT

Department:Community DevelopmentPrepared by:David Welch, Associate PlannerMeeting Date:Tuesday, August 15, 2023Approved by:Ben Martinez, Interim City Manager

## SUBJECT:

Public Hearing – Approval of Tentative Subdivision Map of an Existing Parcel into Nine (9) Separate Lots on Property Located at 2121 Grove Street.

### **RECOMMENDATION**:

Adopt a Resolution Entitled, "Resolution of the City Council of the City of National City, California, Determining that the Project is Categorically Exempt from the California Environmental Quality Act (CEQA) Under Class 32 of the CEQA Guidelines Section 15332 (In-Fill Development Projects) and Approving the Tentative Subdivision Map for the Division of One (1) Lot into Nine (9) on Property Located at 2121 Grove Street (APN: 561-380-24)"

### BOARD/COMMISSION/COMMITTEE PRIOR ACTION:

On July 17, 2023, the Planning Commission recommended approval of the Tentative Subdivision Map by a majority vote.

Ayes: Armenta, Castle, Miller, Quinones, Sendt, Valenzuela Nays: Sanchez

### **EXPLANATION:**

#### **Executive Summary**

The application requests the approval of a Tentative Subdivision Map (TSM) to subdivide an existing parcel into nine (9). One existing single-family home would be demolished and replaced with nine (9) single-family residences, of which one will be income-restricted. The four (4) parcels on the eastern portion of the site would take access from Prospect Street via a shared driveway and the five (5) parcels on the west portion would have individual driveway access to Grove Street. Lot sizes range from 2,288 to 6,286 square feet. The proposed units would be 3-stories in height and 2,182-2,641 square feet in living area.

In order to construct the project at the proposed density, the applicant is requesting a density bonus by providing one unit that is affordable to very-low income households. California Government Code Section 65915 permits a 20% density bonus for this project as well as modifications to required development standards.

### Site Characteristics

The approximately 0.7-acre property is located on the east side of Grove Street in the RS-2 Zone, between East 21<sup>st</sup> and East 22<sup>nd</sup> Streets. The eastern portion of the property also has frontage on Prospect Street. The property is approximately 125 feet wide along Grove Street. The northern 63-

foot portion of the property continues through to Prospect Street with an approximate depth of 295 feet and the southern portion has a depth of approximately 195 feet. The property varies in elevation by about 10 feet sloping up from both Grove Street and Prospect Street. There is no natural habitat or body of water present on-site, which is surrounded by urban development on three sides and Caltrans right-of-way for Interstate 805 on the west.

There is one existing single-family home in the middle of the property, which faces Grove Street. There is an existing retaining wall along the Grove Street frontage and chain link fencing along the side and rear property lines.

### Proposed Use

The applicant is proposing to subdivide the existing 30,797 square-foot lot into nine lots with a density bonus request pursuant to California Government Code Section 65915. The project is eligible for a 20% bonus in density with the provision of one unit affordable to low income households.

Lots 1 through 5 have frontage on Grove Street and range in size from 2,288 to 2,584 square feet. Each lot would house a 2,182 square-foot two-story townhouse with a two-car garage underneath. Lots 6 through 9 take access from Prospect Street via a 20-foot wide shared driveway and range in size from 4,058 to 6,286 square feet. Each lot would house a 2,641 square-foot, three-story townhouse with garage parking on the first floor.

The developer is requesting incentives and waivers for the required building height, minimum lot size, minimum lot width, minimum street frontage, setbacks, driveway width, and driveway separation for the RS-2 zone.

Subdivision of the property into nine lots is proposed as follows:

**Lot 1** would have approximately 27 feet of frontage on Grove Street. It will be approximately 94 feet deep. The net size is 2,584 square feet. The proposed setbacks are 16.5 feet in the front, 20 feet in the rear, and 3 feet and 4 feet on the sides.

**Lots 2-4** would have approximately 24 feet of frontage on Grove Street. They will be approximately 94 feet deep. The net size is 2,288 square feet (discounting the driveway access easement). The proposed setbacks are 16.5 feet in the front, 20 feet in the rear, and 1 foot and 3 feet on the sides. At least a four foot separation will exist between each proposed unit.

**Lot 5** would have approximately 25 feet of frontage on Grove Street. It will be approximately 94 feet deep. The net size is 2,372 square feet. The proposed setbacks are 16.5 feet in the front, 20 feet in the rear, and 1 foot and 4 feet on the sides.

**Lot 6** has no street frontage and would take access from Prospect Street through a 20-foot private access driveway. The lot is approximately 62 feet wide by 101 feet deep. The net size is 6,286 square feet. The proposed lot would comply with the minimum interior yard setback of 5 feet.

**Lot 7** has no street frontage and would take access from Prospect Street through a 20-foot private access driveway. The lot is approximately 63 feet wide by 64 feet deep. The gross size is 4,058 square feet and the net size is 2,770 square feet, which accounts for the shared driveway. The proposed lot would comply with the minimum interior yard setback of 5 feet.

**Lot 8** has no street frontage and would take access from Prospect Street through a 20-foot private access driveway. The lot is approximately 63 feet wide by 65 feet deep. The gross size is 4,092 square feet and the net size is 2,798 square feet, which accounts for the shared driveway. The proposed lot would comply with the minimum interior yard setback of 5 feet.

Lot 9 would have approximately 63 feet of frontage on Prospect Street, of which 20 feet would be dedicated to a private access driveway for lots 6-8. It will be approximately 72 feet deep. The gross size is 4,540 square feet and the net size is 3,115 square feet, which accounts for the shared driveway. The proposed setbacks are 12 feet in the front, 10 feet in the rear, and 10 or more feet on the sides. A retaining wall is proposed for portions of the north and west sides of the lot.

## <u>Analysis</u>

## General Plan

This project contributes to infill development, which is encouraged by the General Plan:

**Policy LU 4.3**: Promote infill development, redevelopment, rehabilitation, and reuse efforts that contribute positively to existing neighborhoods and surrounding areas.

The proposal also provides an additional home ownership opportunity and one unit affordable to low income households, which is consistent with the City's Housing Element.

The land use designation for the subject property is Low-Medium Density Residential, which allows for a density of up to nine dwelling units per acre. While the proposed project has a density of over 12 dwelling units per acre, the density is achieved through the provisions of Section 65915, which permits projects to exceed the maximum allowable residential density established by the General Plan and Zoning.

## Subdivision Ordinance

The Subdivision Ordinance has requirements for dedications, improvements, design standards, and conformance with the Land Use Code. The proposed subdivision is on an established block where existing development fronts either Grove Street or Prospect Street. No additional public streets are required to be dedicated for the proposed lot configuration, which can be adequately served with frontage along Grove Street and the proposed access driveway on Prospect Street. The proposed subdivision design successfully avoids the creation of irregular lots. Any required improvements where provided in the comments from the Engineering Department and included in the condition of approval in the attached resolution. The proposed lots are regular in shape, as required by the Subdivision Ordinance.

## Land Use Code

The Land Use Code establishes a maximum density of 9 units per acre in the RS-2 Zone. The typical single-family residential lots on the block range in size from 5,000 to 6,000 square feet in size, which is slightly below the maximum density. However, three of the properties on the block are occupied by legal, non-conforming multi-family residential uses. The proposed future density of the property would be more than 12 units per acre, which is allowed pursuant to the Density Bonus Law.

In order to exceed the maximum allowable density in the RS-2 zone, the project requires several development standards to be waived. Logically, a subdivision with additional density will not be able to meet the required minimum lot size, which in turn creates conflict with other minimum standards such as minimum lot width, minimum street frontages, and setbacks.

### Density Bonus Law

California Government Code Section 65915, also known as the Density Bonus Law, is a state law that provides incentives for developers to build projects that included affordable income-restricted units. The main incentive is the ability to construct more units than the maximum allowable density of the underlying zoning and General Plan designation. Density bonus projects are also granted requests for incentives, concessions, and waivers of development standards, which help projects achieve the additional density without physical and regulatory limitations that could make an ordinary project unviable.

### **Density**

The project is requesting a density bonus for a subdivision, which is allowed when units will be sold at a reduced cost to households with incomes below the median area income. The applicant proposes to provide one unit affordable to households in the lower income range, which is between 30 and 70 percent of the area median income (AMI). The Density Bonus Law outlines the bonus density permitted for projects passed on the percentage of affordable units proposed within the project and the level of affordability. The proposed project qualifies for a 20% bonus under the law. The number of units achieved with the bonus is required by the law to be liberal in interpretation. For example, the number of units allowed is required to be rounded up in the calculation so the base density for the property is seven units rather than six (the base density based on a maximum dwelling units per acre of nine is 6.3). Therefore, the number of units allowed with the 20% bonus is 8.4, which rounds up to the proposed 9 units.

### Incentives and Waivers Requested

An incentive or concession allowed under the Density Bonus Law is a reduction in development standards or modification in zoning code requirements. Projects are permitted a certain number of incentives or concession based on the percentage of affordable units and the proposed level of affordability. The proposed project qualifies for one incentive and the applicant has requested a modification of the building height requirements in the RS-2 zone to allow for three-story units instead of the maximum height of two stories.

The applicant is also permitted to request an unlimited number of waivers or reductions in development standards that would physically preclude the construction of the number of units

permitted by the density bonus in addition to the requested incentive. For a subdivision, the bonus density ultimately results in lot sizes that are smaller than anticipated in the underlying zone and conflict with some of the requirements are reasonably expected. The applicant has made the following waiver requests:

- Reduction in the minimum lot size
- Reduction in the minimum lot width
- Reduction in the minimum street frontage
- Reduction in the minimum side yard setback
- Reduction in the minimum rear yard setback
- Reduction in the minimum front yard setback
- Increase in the minimum driveway width as a percentage of street frontage
- Reduction in minimum driveway separation

Staff has determined that the requested waivers are reasonable requests due to the reduced lot size required to build the project at the permitted density. In addition, the individual units could potentially require further waiver considerations when plans are submitted for building permits.

### Required Findings

The Subdivision Map Act contains nine required findings for Tentative Subdivision Maps:

1. The proposed map is consistent with the National City General Plan.

The proposed single-family subdivision, at a base density of 12.7 units per acre, is consistent with the Small Lot Residential land use designation, which specifies a maximum density of 9 units per acre. The proposed density of 12.7 units per acre is allowable pursuant to California Government Code Section 65915, which permits a 20 percent density bonus.

2. The site is physically suitable for the proposed type of development.

The nine single-family homes can be located on level building pads on the site with a minor amount of grading.

3. The site is physically suitable for the proposed density of development.

The proposed parcels can accommodate single family residences with yard areas with reasonable incentive and waiver request for reduced development standards and an increase in permitted density pursuant to California Government Code Section 65915.

4. The design of the subdivision and the proposed improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat.

There is no natural habitat or body of water present nearby or on-site. The property is surrounded by urban development.

5. The design of the subdivision and the proposed/required improvements are not likely to cause serious public health problems.

All necessary public services will be provided, as required by approvals required for new construction.

6. The design of the subdivision and the proposed/required improvements will not conflict with easements, acquired by the public at large, for access through or use of the property within the proposed subdivision.

Existing easements will be maintained and not be encroached upon.

7. The discharge of sewerage waste from the subdivision into the City of National City sewer system will not result in violation of existing requirements prescribed by the California Regional Quality Control Board pursuant to Division 7 (commencing with Section 13000) of the Water Code, as specified by Government Code Section 66474.6.

Discharge of sewerage waste will be addressed through a sewer permit, which is required as part of construction of a future home.

8. The subdivision has been considered by the Planning Commission with regard to its effect on the housing needs of the region, and these needs are balanced by the public service needs of the residents and available fiscal and environmental resources.

The project will provide additional homeownership opportunities for households of mixed incomes, which is consistent with and encouraged by the City's Housing Element.

9. The design of the subdivision provides, to the extent feasible, for future passive and natural heating and cooling opportunities in the subdivision, based on consideration of local climate, topography, property configuration and other design and improvement requirements without requiring reduction in allowable density or lot coverage.

All new construction proposed in the future will be in compliance with the California Building Code, which takes such factors into consideration.

An additional finding has been included with regard to compliance with the California Environmental Quality Act (CEQA), which is as follows:

 The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA) and the project has been determined to be categorically exempt from environmental review pursuant to Class 32, Section 15332 (In-fill Development Projects) for which a Notice of Exemption will be filed subsequent to approval of this Tentative Subdivision Map.

## Public Notice

All property owners and occupants within a distance of 300 feet are required to be notified of a public hearing for TSM applications. Notice of this public hearing was sent to 85 occupants and owners.

## **Department Comments**

Comments were received from the Building, Engineering, and Fire departments. The comments have been included as Conditions of Approval. The Engineering Department provided comments related to improvements, storm water requirements, engineering and land development requirements, right-of-way requirements, and Final Map requirements; the Fire Department is requiring compliance with codes related to fire protection and access for future housing. No comments were received from utility and service providers.

### Summary

The subject property is a large lot, which is more than six times the minimum lot size required in the RS-2 zone. As such, it is suitable for subdividing. The applicant is requesting additional density pursuant to Density Bonus Law and reductions in development standards. This will provide an opportunity for home ownership for one lower income household. If approved, the proposed subdivision will result in an additional home ownership opportunities, and can be found consisted with all Land Use Code requirements and the General Plan. Conditions of Approval will ensure that the property is appropriately developed and will meet all requirements of the Land Use Code and pertinent construction codes at the time of future construction.

### FINANCIAL STATEMENT:

The applicant has paid all required fees to the City for processing this TSM and will pay any future City fees associated with the development of this project.

### RELATED CITY COUNCIL 2020-2025 STRATEGIC PLAN GOAL:

Housing and Community Development

### **ENVIRONMENTAL REVIEW:**

This is a project under CEQA subject to a Categorical Exemption. Class 32 – In-fill Development Projects 14 CCR § 15332. This project qualifies for a Notice of Exemption. CCR § 15374.

### PUBLIC NOTIFICATION:

Agenda Report posted within 72 hours of meeting date and time in accordance with Brown Act.

### ORDINANCE:

Not Applicable

### EXHIBITS:

Exhibit A - Plans Exhibit B - Overhead Exhibit C - Site Photos Exhibit D - PowerPoint Slides Exhibit E - Resolution