



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: JUNE 7, 2016**

FROM: COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT **WARD: 2**

SUBJECT: PLANNING CASES P14-0045 (GENERAL PLAN AMENDMENT), P14-0046 (SPECIFIC PLAN AMENDMENT), P14-0047 (REZONING), P14-0048 (SITE PLAN REVIEW), P15-0953 (VARIANCE) AND P15-0954 (VARIANCE) –MIXED USE DEVELOPMENT CONSISTING OF 212 RESIDENTIAL UNITS AND 1,221 SQUARE-FEET OF COMMERIAL SPACE – 3008-3052 MISION INN AVENUE, 3770 COMMERCE STREET, 2981 UNIVERSITY AVENUE, AND 3025-3035 NINTH STREET

ISSUE:

The issue for City Council consideration is a proposal by Darrin Olson representing Mission Lofts, LLC to permit development of 4.69 vacant acres with a mixed-use development consisting of 212 residential units, 1,221 square feet of commercial space and 315 surface parking spaces. The proposal involves a General Plan Amendment, a Specific Plan Amendment, rezoning, a site plan review and a variance for parking.

RECOMMENDATIONS:

That the City Council:

1. Determine the proposed project will not have a significant effect on the environment based upon the findings and mitigation measures set forth in the case record and adopt a Mitigated Negative Declaration;
2. Adopt the Mitigation Monitoring and Reporting Program (MMRP) found in the staff report (Attachment 2), pursuant to Section 21081.6 of CEQA;
3. Approve Planning Cases P14-0045, P14-0046, P14-0047, P14-0048, P15-0953, and P15-0954 based on and subject to the Planning Commission findings (Attachment 4) and recommended conditions (Attachment 1);
4. Introduce and subsequently adopt the Ordinance (Attachment 4) amending the Zone for the project site;
5. Adopt the Resolution (Attachment 5) to amend the General Plan Land Use Designation of the Project Site; and
6. Adopt the Resolution (Attachment 6) amending the Riverside Marketplace Specific Plan.

STAFF/PLANNING COMMISSION RECOMMENDATIONS:

Staff recommended approval to the Planning Commission, subject to recommended conditions of approval. On April 7, 2016, the City Planning Commission recommended approval of Planning Cases P14-0045, P14-0046, P14-0047, P14-0048, P15-0953 and P15-0954 by a vote of 6 ayes, 0 noes and 0 abstentions, subject to staff's recommended conditions.

BACKGROUND:

The applicant is requesting approval of a mixed use, transit-oriented development on 4.69 acres. The property is bisected by University Avenue in an east-west direction, creating northern and southern site areas. The project will consist of 212 residential units on the northern portion of the site, 1,221 square feet of commercial spaces (640 square feet of interior retail, 580 square feet of patio) on the southern portion of the site, and 315 parking spaces distributed on both portions of the site.

The residential unit mix includes 52 studios, 77 one-bedroom units, and 83 two-bedroom units. The units will range in size from 459 square feet to 1,177 square feet. Patios or balconies, ranging in size from 53 to 105 square feet, are provided for 145 units. The commercial component, consists of repurposed shipping containers, harkening back to the sites historic legacy with the railroads. The commercial buildings will front onto Ninth Street with an outdoor patio and a substantial setback from the single family residences to the east. Specific tenants for the commercial lease spaces have not been identified by the applicant. The site provides 17,279 square feet of common useable open space, with multiple amenities spread throughout the development. Overall, the site has been designed to create an urban-scale, transit-oriented development, where buildings with large ground level patios are oriented towards Mission Inn Avenue and Commerce Street to provide a strong interface with the streets. Residential buildings along Mission Inn Avenue, in close proximity to existing residences, have been designed to step down in height and scale, and include a substantial setback to the easterly property line for compatibility with existing residential properties.

Vehicle access to the site will be provided from University Avenue and Mission Inn Avenue, where a total of 313 on-site parking spaces will be provided for residences and 2 parking spaces for employees of the commercial lease spaces. The existing abandoned rail bridge, will provide a pedestrian connection to the northerly and southerly portions of the project site, where a total of 144 parking spaces are located on the northern portion of the project site and 171 parking spaces are located on the southern portion of the site in a gated and secured surface parking lot. A total of 16 tandem parking stalls are proposed and will be assigned to the two-bedroom units. Variances are requested to permit fewer parking spaces than required by Code and to allow tandem parking.

Implementation of this project necessitates an amendment to the Marketplace Specific Plan for the removal of the subject site from the Neighborhood Marketplace Sub-Area and Marketplace Urban Industrial Sub-Area, and application of a Mixed-Use Marketplace Sub-Area and development standards to the subject site. The proposed mixed use development will be consistent with the standards proposed for the Mixed Use Marketplace Sub-Area, except for parking.

The project, as proposed, will also be consistent with the Specific Plan Land Use Goals in that it provides a mixture of land uses and serve as a catalyst project to economically revitalize the

surrounding area, provide a land use that economically, aesthetically and socially benefits the surrounding neighborhood, and although there are no historic structures on-site, it respects and complements the historic industrial buildings within the Specific Plan area. In addition, the project serves to strengthen the interaction between adjacent sub areas (Central Marketplace, the Marketplace South and the Marketplace North Sub-Areas) within the Specific Plan, as the mixture of compatible uses reduces the dependency on automobiles, improves air quality and decreases sprawl.

The project will also require an amendment to the General Plan map to change the land use designation of the subject site to MU-U – Mixed-Use Urban. The project will be consistent with the proposed General Plan land use designation and will further the intent of the General Plan and Land Use Policies related to transit-oriented, mixed-use, in-fill development, as it will revitalize underutilized urban parcels and contribute to the reduction of the City's housing needs.

Lastly, the project requires rezoning the subject site to MU-U-SP – Mixed-Use Urban, Specific Plan (Marketplace) Overlay Zones and MU-U-SP-CR – Mixed-Use, Specific Plan (Marketplace), and Cultural Resources (Seventh Street East Historic Zone) Overlay Zones. The proposed zones will be consistent with the proposed General Plan land use designation of MU-U – Mixed-Use Urban.

At the Planning Commission meeting on April 7, 2016, the Chamber of Commerce submitted a letter of support and also spoke in support of the project to emphasize the need for additional residential units for young professionals and students desiring to live in Downtown Riverside or within walking or biking distance to Downtown Riverside and the Metrolink Station. In addition, two residents spoke in opposition of the project. Comments received included: concerns with Air Quality as it pertains to freeway traffic and railroad traffic, the inclusion of the Perris Valley Line train count in the Health Risk Assessment (HRA), a reduction in parking, school capacity, and job generation. Following is a summary of the response letter, prepared by Albert A. Webb Associates for this project, addressing the concerns presented at the Planning Commission meeting:

Air Quality/HRA/Perris Valley Line - The Health Risk Assessment (HRA) evaluated impacts from the 91 freeway and rail lines. The analysis was based on current data available at the time the analysis was conducted. Based upon 2014 data, the HRA estimated carcinogenic exposure to toxins from the freeway and diesel particulates from the rail lines, at maximum exposure to residential receptors at 7.6 in one million, below SCAQMD threshold of 10 in one million. Additionally, the HRA evaluated freeway conditions to the year 2035 and identified a reduction in particulates of approximately 90 percent. Further, the response to comments, prepared by staff from Albert A. Webb Associates, clarifies that at the time the HRA was conducted RCTC could not provide an estimate on the number of trains proposed for the Perris Valley Line. Nonetheless, since the HRA was conducted, RCTC has indicated that the Perris Valley Line will facilitate 15 trains. The 15 trains is a 13 percent increase in rail traffic, therefore, the estimated cancer risk would increase from 7.6 in one million to 8.6 in one million, below the threshold of 10 in one million set by SCAQMD.

Vehicle Parking – The average parking ratio found in research on TODs (Transit Oriented Development) in both suburban and urban locations is substantially lower (1.0 to 1.3 spaces per dwelling unit compared with 1.7 spaces per dwelling unit) than what the City's Zoning Code would require for the Mission Lofts project. Therefore, a reduction to the required parking ratios would be appropriate given the nature of the proximity of Mission

Lofts development to the Downtown train station, multiple RTA bus lines and proximity to the Downtown core.

School Capacity - The project is primarily designed for the young business professionals, millennials, and students with a mix of 1 and 2 bedroom apartments. However, the Riverside Unified School District will collect impact fees for the project which will reduce any impacts that the project may impose on schools.

Job Generation – While the project may not specifically create long-term jobs on-site, with the exception of the commercial lease areas located along Ninth Street, the inclusion of additional residences in the area will indirectly create the need for additional jobs at local businesses to serve additional residents.

The response letter, prepared by Albert A. Webb Associates, also addresses a letter received from SCAQMD (Southern California Air Quality Management District) regarding project modeling for the HRA document (Attachment 8).

As a matter of information, a Certificate of Appropriateness, processed under case P15-0939 for the design of the building elevations, was considered by the Cultural Heritage Board (CHB) on March 24, 2016, as the project site is partially located within the Seventh Street East Historic District and partially within the Citrus Thematic Potential Historic District. At that meeting the CHB unanimously approved the project.

For additional, please reference the April 7, 2016 City Planning Commission staff report (Attachment 2 and 3), recommended conditions (Attachment 1) and draft minutes (Attachment 4).

FISCAL IMPACT:

There is no impact to the General Fund, since all project costs are borne by the applicant.

Prepared by:	Rafael Guzman, Community & Economic Development Director
Certified as to	
availability of funds:	Scott G Miller, Interim Finance Director/Treasurer
Approved by:	Al Zelinka, FAICP Assistant City Manager
Approved as to form:	Gary G. Geuss, City Attorney

Attachments:

1. City Planning Commission Recommended Conditions
2. City Planning Commission Report – April 7, 2016
3. City Planning Commission Report Exhibits – April 7, 2016
4. City Planning Commission Draft Minutes
5. Ordinance to amend the Zone
6. Resolution to amend the General Plan Land Use Designation
7. Resolution to amend the Riverside Marketplace Specific Plan
8. Response to Comments Letter (Prepared by Albert A. Webb Associates) –May 11, 2016
9. Presentation