

Planning Commission Resolution 2018-006

Exhibit B

RECOMMENDED FINDINGS OF FACT AND DETERMINATIONS FOR APPROVAL OF

**Planned Development and Site Plan Review PLN18-0046
1388 Bancroft Avenue (parcel at Bancroft Avenue, and Estudillo and Joaquin Avenues)
Alameda County Assessor's Parcel Number 77-524-12-4
T. Silva, Eden Realty (Applicant)
Silva and Gonsalves Trust (Property Owner)**

CEQA Environmental Review

Pursuant to Section 15063 of the California Environmental Quality Act (CEQA) Guidelines, an Initial Study (preliminary environmental analysis) was completed by the City to determine what form of environmental review is required for a Project. The Initial Study contains the Project description, description of environmental setting, identification of environmental effects by checklist, explanation of environmental effects, discussion of mitigation for significant environmental effects, and evaluation of the Project's consistency with existing and applicable land use controls. On the basis of this initial evaluation, the City as lead agency finds that, although the proposed Project could have a significant effect on the environment, there will not be a significant effect in this case because conditions and revisions in the Project have been made or agreed to by the applicant. A Mitigated Negative Declaration was prepared.

Planned Development Overlay Rezone

- 1. The proposed rezone must be in general agreement with the adopted General Plan of the City.**

The proposed rezoning to Planned Development overlay designation from P Professional Office to P(PD) is appropriate, consistent and in general agreement with the General Plan because the underlying Professional Office zoning district conditionally permits multi-family residential developments, the proposed Project complies with the General Plan, and the overall Project meets the required findings for approval of a Planned Development and Site Plan Review.

The General Plan land use designation for this site, Downtown Mixed Use, allows for residential densities ranging from 24 to 100 units per acre. Downtown Mixed Use allows for a range of uses which together create a pedestrian-oriented street environment. These include retail shops, services, offices, cultural activities, public and civic buildings, and similar compatible uses, including multi-family residential uses. Multi-family housing developments are encouraged in the Downtown Mixed Use General Plan land use area, with allowable residential densities ranging from 24 to 100 units per acre, depending on the zoning district. The Project density (35 units per acre) is well within the range of the Downtown Mixed Use General Plan land use designation (24 to 100 units per acre).

The Zoning Map designates the subject property as “Professional Office District” (P), a corresponding zoning designation. The Planned Development zoning overlay amendment is consistent with both the underlying P zoning and the General Plan because the base P zoning district is a corresponding designation in the Downtown Mixed Use (General Plan page 3-28, 3-33). Pursuant to Article 6 of the Zoning Code, multi-family residential is a conditionally permitted land use in the P zoning district.

The proposed rezone of the P zoned parcel with a Planned Development (PD) overlay would establish and permit a unit density of 45 units on a 1.27 acre parcel that equates to approximately 35 units per acre. Under Article 10, Section 3-1012 of the Zoning Code, the residential unit density of a Planned Development Project is not subject to the provisions of the underlying zoning district and may be established through the PD approval process.

Furthermore, the Project and rezoning will be compatible with the existing area and carries out the following General Plan polices (note: LU = Land Use):

Policy LU-2.8 Alterations, Additions, and Infill. Ensure that alterations, additions and infill development are compatible with existing homes and maintain aesthetically pleasing neighborhoods; and

Policy LU-3.4 Promotion of Infill. Encourage infill development on vacant or underused sites within residential and commercial areas.

2. The uses permitted by the proposed zoning district must be compatible with existing and proposed uses in the general neighborhood.

The Planned Development is compatible with the existing and proposed uses in the general neighborhood because multi-family residential is a conditionally permitted land use in the Professional Office zoning designation and the Project’s multi-family residential land use is compatible and consistent with other land uses found in the surrounding mixed-use neighborhood, consisting of a variety of established single and multi-family residential properties, commercial and professional businesses, and a middle school. The Project is located at an important intersection where the scale and character of the downtown area gradually transitions into a lower density mixed-use residential neighborhood. The Project is located at the end of a block that contains both established single family homes and mixed-use residential apartments and condominiums. Across the street from the Project site are a middle school, a gas station, professional and medical offices, a church, multi-family apartments and single family homes. A mixed use residential Planned Development at this location is therefore appropriate and compatible with the surrounding land uses in the general neighborhood.

3. The property subject to the rezone will be served by streets, utilities and other public facilities of sufficient capacity to properly serve it without overloading and without detriment to other areas presently zoned in contemplation of full use and availability of such facilities.

As part of the comprehensive plan to rezone and redevelop the subject property, the subject property will be improved with adequate public infrastructure such as utilities and other public facilities to properly serve it without overloading and without detriment to the immediate area.

The Planned Development is adjacent to and fully accessible to all required utilities. The Planned Development will replace two existing medical office buildings with a 45 unit multi-family apartment building that has been found to have less impact on traffic, street infrastructure, utilities and other public facilities than the existing office facilities. Utility providers have sufficient capacity to accommodate the Project and the Project will contribute development impact fees in order to compensate for the cost of schools and parkland. The Planned Development zoning overlay will not deviate from the permitted land use of the underlying Professional Office zoning district and, based on the analysis identified in the staff report, the Initial Study prepared in accord with CEQA, and all plans and reports submitted to the City with the Project application, it has been determined that the Planned Development overlay will not overload or pose a detriment to the full use and availability of streets, utilities and other public facilities. The Planned Development Project includes adequate provisions for utilities, services, and emergency vehicle access, and public service demands imposed by the Project will not exceed the capacity of existing and planned systems.

Planned Development

1. That the proposed location of the use is in accord with the objectives of the Zoning Code and the purposes of the district in which the site is located.

The proposed location of the multi-family residential Planned Development, with the approval of the rezoning from a P District to a P(PD) District overlay, is consistent with the objectives of the Zoning Code and the purposes of the P district where the site is located because the Planned Development overlay remains consistent with the stated purpose of the Professional Office zoning designation, to “provide opportunities for offices, mixed-use and multi-family residential uses at appropriate locations, subject to development standards and landscaping requirements that prevent significant adverse effects on adjacent uses.” New monopole wireless communication facilities are conditionally permitted in the Professional Office zoning district. The wireless communications facility monopole was considered as a part of the overall Planned Development Project application and found to be in accord with the objectives of the Zoning Code and the purposes of the P zoning district. Other wireless communications facilities are permitted and operating within the surrounding area. The multi-family residential Planned Development provides superior urban design in comparison with development under the base district zoning regulations while preserving the character and quality of the surrounding neighborhood because the use and design of the Planned Development is similar to and consistent with the type and character of land uses found among the surrounding areas. Therefore, it can be found that the proposed location of the multi-family residential Planned Development is in accord with the objectives of the Zoning Code and the purposes of the Professional Office zoning district.

2. That the proposed location of the use and the proposed conditions under which it would be operated or maintained, will be consistent with the General Plan; will not be detrimental to the public health, safety or welfare of persons residing or working in or adjacent to the neighborhood of such use; and will not be detrimental to properties or improvements in the vicinity or to the general welfare of the City.

The General Plan designation for the location of the multi-family residential Planned Development is Downtown Mixed Use. This land use designation allows a range of uses which

together create a pedestrian-oriented street environment, including multi-family residential uses. The multi-family residential Planned Development has been evaluated for impacts to traffic, air quality, and public health. Based on analysis identified in the staff report, the Initial Study prepared in accord with CEQA, and all plans and reports submitted to the City with the Project application, it has been determined the Project will not be detrimental to the public health, safety or welfare of persons residing or working in or adjacent to the neighborhood of the Planned Development Project. The Project will also not be detrimental to properties or improvements in the vicinity or to the general welfare of the City because 1) the residential Project is consistent with similar residential land uses in the surrounding neighborhood, 2) any potential impacts have been mitigated to a less than significant level through the mitigation measures and conditions of approval, and 3) the Project has been appropriately designed and will fully comply with all fire, safety, and building codes. The application of current grading and construction best practices will mitigate the effects of noise and dust emanating from the Project site to a less than significant level. The Project has been determined to not generate an excessive or increased level of traffic over the current land use or contribute to a noticeable increase in traffic on surrounding streets and sufficient off-street parking has been provided. Surrounding neighborhood streets have the capacity to accommodate overflow parking from the Project. The Project's site planning, security gates, and use of exterior lighting and landscaping materials will allow for security and more effective surveillance of the development.

The Project's wireless telecommunications facility will be required to fully comply with all local, state and federal safety requirements, including safety standards established by the Federal Communications Commission and other agencies responsible for regulating the health and safety of wireless telecommunications devices that emit radio frequency and non-ionizing electromagnetic radiation. The Project has been appropriately designed so that the placement of the wireless telecommunications facility will not interfere with the health and safety of residents in the vicinity and the monopole has been appropriately located in a position on the building so as to not be immediately adjacent to or above an occupied residential unit. Therefore, it has been found that the Project's overall design and function are consistent with the General Plan, will not be detrimental to the public health, safety or welfare of persons residing or working in or adjacent to the neighborhood of such use, and will not be detrimental to properties or improvements in the vicinity or to the general welfare of the City.

The State of California has made affordable housing a mandate and public policy priority state-wide in recent years by passing an increased volume of housing-related legislation to help local jurisdictions increase their supply of new housing for a variety of income levels (i.e., very low, low, moderate and above moderate) to alleviate the rising costs of housing due to high demand. Under Senate Bill (SB) 35, which became effective on January 1, 2018, the State determined in Summer 2018 that San Leandro was complying with efforts to meet its regional housing needs allocation (RHNA) goals for very low and low income housing units, but was not meeting its RHNA above moderate housing goal. Therefore, the Project assists the City in meeting its RHNA above moderate goal per SB 35, but also complies with the City's Inclusionary Housing Ordinance by creating two (2) new affordable rental units for lower income households and contributing a substantive in lieu fee for the City's Affordable Housing Trust Fund that can be invested in future new affordable housing Projects.

The following General Plan actions, goals, and policies are relevant to this residential Project (note: LU-Land Use; ED-Economic Development):

GOAL LU-2. Preserve and enhance the distinct identities of San Leandro neighborhoods

Policy LU-2.8 Alterations, Additions, and Infill. Ensure that alterations, additions and infill development are compatible with existing homes and maintain aesthetically pleasing neighborhoods.

GOAL LU-3. Provide housing opportunities and improve economic access to housing for all segments of the community.

Policy LU-3.1 Mix of Unit Types. Encourage a mix of residential development types in the city, including single-family homes on a variety of lot sizes, as well as townhomes, row houses, live-work units, planned unit developments, garden apartments and medium to high density multi-family housing.

Policy LU-3.4 Promotion of Infill. Encourage infill development on vacant or underused sites within residential and commercial areas.

GOAL ED-5. Provide amenities that attract and retain businesses and encourage those working in San Leandro to also live in San Leandro.

Policy ED-5.2 Housing Production. Substantially increase the production of a variety of housing types meeting the needs of persons at all income levels.

Action 53.03-C: Affordable Housing Trust Fund

Maintain a local affordable housing trust fund that is capitalized with in-lieu fees from the inclusionary housing program and condo conversion fees. The fund should be used to leverage affordable housing development in San Leandro.

The following Housing Element actions, goals, and policies are relevant to this residential Project:

GOAL 3. New Housing Opportunities. Provide housing opportunities and improve economic access to housing for all segments of the community.

Policy 3.02 Mix of Price Ranges. Encourage a mix of price ranges to provide housing choices for San Leandro residents of all incomes and ages. Opportunities to include affordable units and market rate units within the same development projects should be pursued.

Policy 3.09 Executive Housing. Encourage the provision of a significant amount of executive housing as part of an effort to maintain and diversity the City's economic base.

GOAL 53. Affordable Housing Development. Increase the supply of ownership and rental housing in San Leandro affordable to extremely low, very low, low, and moderate income households.

Action 53.06-B: Encouraging Market Rate Rentals. Develop strategies to attract additional market rate rental apartment to San Leandro. *Since it has been more than 25 years since any substantial market rate rental apartment development has occurred, San Leandro will explore approaches to attract such development in the coming years. This could include direct outreach to major apartment developers, and incentives to encourage apartment development on key opportunity sites Downtown, along East 14th Street, and in the Bay Fair area. The City is particularly interested in market rate rentals that meet the needs of moderate-income and above moderate income professionals, given the limited range of options for such persons in San Leandro today.*

3. That the proposed use will comply with the provisions of this code; including any specific condition required for the proposed use, in the district, in which it would be located.

The Planned Development Project at 1388 Bancroft Avenue complies with the minimum area, residential unit density, performance standards, and development regulation conditions required for approval under Section 3-1012 of the Zoning Code. The Project complies with all but a few of the applicable underlying land use and development provisions otherwise required under the Professional Office zoning district. The Planned Development Project meets the overall community density and land use goals. At 55,283 square feet (1.27 acres), the subject property is the largest Professional Office (P) zoned parcel in San Leandro and qualifies for the intent and purpose of the Planned Development Overlay and Project Approval because the Project proposes to develop a larger parcel of land that would otherwise be limited by the application of the Professional Office zoning standards designed primarily for smaller parcels. The Planned Development Project appropriately accommodates the unit density and a reduced setback by providing a Project that incorporates high quality urban design with height and massing that provide an appropriate transition between the downtown core and surrounding residential areas. The land use, architecture, height and massing of the Project remain consistent with the surrounding neighborhood. The overall massing of the building along Estudillo Avenue is setback 10 feet with the exception of the overhanging balconies that acceptably reduce the setback to four feet without obstructing or affecting conditions on the adjacent street and sidewalk. The Project addresses parking reduction by providing a managed parking program designed to optimize the parking supply on the property while minimizing potential inconveniences for overflow parking on surrounding streets. The Project also accommodates active transportation modes that provide an alternative to driving such as walking and bicycling by incorporating substantial secured indoor bicycle parking spaces and the Project is located within reasonable proximity to regular and frequent AC Transit bus lines and is located approximately 8/10 mile from a BART station. The Project's proposed parking count is appropriate and reflects the Project's transitional position in the neighborhood because the provided parking count falls in between the multi-family residential parking requirements of the City's downtown core and the multi-family residential parking requirements normally applied to those projects located in outlying areas.

The Project complies with the City's Inclusionary Housing Ordinance by creating two (2) new affordable rental units for lower income households and contributing a substantive in lieu fee for the City's Affordable Housing Trust Fund that can be invested in future affordable housing projects, while also enabling the City to address its shortfall of above moderate income housing per its RHNA goal and SB 35. Due to the demise of redevelopment state-wide in 2012, the ongoing decline in federal affordable housing funding, and the minimal in lieu fee revenue into the Affordable Housing Trust Fund since the Great Recession of 2008, this Project provides needed affordable housing funding into the Trust Fund.

The following Housing Element actions, goals, and policies are relevant to this residential Project:

GOAL 53. Affordable Housing Development. Increase the supply of ownership and rental housing in San Leandro affordable to extremely low, very low, low, and moderate income households.

Action 53.04-B: Revisions to Inclusionary Housing Ordinance. Revise the Inclusionary Housing Ordinance (Zoning Code Article 30) to incorporate "lessons learned" since its adoption. *It may be desirable to amend the Ordinance so that it is more responsive to market fluctuations. The aim of the revision should be to increase the production of affordable units while still achieving geographic dispersal of affordable housing across the City. Changes to the Ordinance should consider:*

- *Making it easier to contribute to the Affordable Housing Trust Fund rather than incorporating inclusionary units on site. Such a change could enable deeper levels of subsidy for affordable housing development and increase the supply of very low and extremely low income units when above moderate income housing is built.*

Policy 53.06 New Rental Housing. Strongly encourage the development of additional rental housing in the City, including both market rate units and affordable units. It should be recognized that many market rate rentals meet the affordability criteria for moderate-income households. Expanded production could increase the supply of workforce housing and address the deficit in housing production for households earning between 60 and 120 percent of the area median income.

4. That the proposed use will not create adverse impacts on traffic or create demands exceeding the capacity of public services and facilities, which cannot be mitigated.

Following an evaluation of traffic, as noted in the staff report and the Initial Study prepared in accord with CEQA, the Project will not generate an excessive or increased level of traffic over the current medical office land use, nor will the Project contribute to a noticeable increase in traffic on surrounding streets. The surrounding streets have adequate capacity to safely and reasonably accommodate the traffic and parking generated by the development, supported by facts and existing conditions identified within the Initial Study and the City's Downtown Parking Management Plan, the General Plan, and the Downtown TOD Strategy. With the Project's close proximity to regular bus transportation and amenities that accommodate active transportation modes, parking and traffic generation for the Project will be less than other

similar multi-family residential developments in San Leandro that do not provide similar accommodations and are not as conveniently located to public transportation.

There are adequate public facilities, such as a middle school and nearby public park, in the area to serve this development. There is adequate public service to the proposed subdivision, including but not limited to gas and electric, the water district, City sanitary district, solid waste disposal and recyclable materials collection services, cable television, schools, and police and fire protection. The Project will contribute both physical improvements and development impact fees to the community.

5. The Planned Development Project Plan will provide superior urban design in comparison with the development under the base district zoning regulations.

The site planning for the Planned Development allows for adequate front yard and rear yard setbacks, vehicular parking, and private backyards that maximize the concept of home ownership. The height of the proposed apartment building and the coverage of the units do not exceed the maximum allowable in the P District. In addition, the design of the Project contains architectural patterns and elements that contribute to the character of the Planned Development, including the use of colors, exterior materials, and landscaping for the areas contiguous to the street. The overall design and features included within Planned Development enhances the development's long-term livability and value retention in this new residential development.

In exchange for a multi-family building with a higher unit density compliant with General Plan standards, reduced parking count and a reduced side setback along Estudillo Avenue, the Project provides high quality urban design, increases the City's supply of new above moderate and affordable housing and provides an allocation of common open space and amenities that exceed those required under the base district provisions of the Zoning Code.

6. The Planned Development Project includes adequate provisions for utilities, services, and emergency vehicle access; and that public service demands will not exceed the capacity of the existing and planned systems.

There is adequate public service provided to the proposed subdivision, including but not limited to gas and electric, water, sewer, recycling/waste disposal, cable TV, and police and fire services, as previously noted in these findings. The Engineering and Transportation Department, and Fire Department have found the access to the site to be safe for vehicular, pedestrian and emergency vehicle access. The Project will contribute both physical improvements and development impact fees to the community.

Site Plan Review Findings

1. Site plan elements (such as but not limited to: building placement, yard setbacks, size and location of landscape areas, parking facilities and placement of service areas) are in compliance with the minimum requirements of this Code, and are arranged as to achieve the intent of such requirements by providing a harmonious and orderly development that is compatible with its surroundings. Parking, loading, storage and service areas are appropriately screened by building placement, orientation walls and/or landscaping.

The proposed three-story multi-family residential building would be harmonious and compatible within the existing commercial and residential context of the neighborhood east of Downtown. The proposed multi-family development complies with most of the P Professional Office District requirements for minimum setbacks, except along Estudillo Avenue, which will be treated with new street tree and shrub plantings to soften and buffer the reduced setback. The highest levels of the building's roof lines are within the maximum allowed by Code at the time of application. The wireless communications facility monopole consists of a single narrow column approximately 12 to 18 inches in diameter that fully screens internal antennas and has been visually designed to be unobtrusive. In addition, the site planning and architectural design deemphasizes vehicle parking, storage areas and service areas, where they are not visible from the public right-of ways (streets) or adjacent properties. The trash room will be integrated into the the building. The majority of the parking lot is visually screened from view with a wall and gate.

The proposed multi-family development generally complies with the P district requirements for minimum setbacks and complies with the daylight plane provisions from the adjacent residential zoning. The building height of 37 feet (exclusive of permitted architectural projections) is below the 50 foot maximum height. The resulting total lot coverage would be approximately 36% where 50% is the maximum allowed in the P District. The required off-street parking would be satisfied with the combination of 55 on-site parking spaces, 45 indoor bicycle parking, resident access to regular and express commuter bus transit lines, and a parking management program. In addition, the site planning and architectural design deemphasizes vehicle parking and service areas, as the majority of the parking lot and Project's interior have been fully screened from adjacent properties.

- 2. The building has adequate articulation, with appropriate window placement, use of detailing, and/or changes in building planes to provide visual interest. The exterior materials, finishes, detailing, and colors are compatible with those of surrounding structures.**

The proposed three-story development provides adequate articulation to all four sides of the building, especially prominent street frontages along Bancroft and Estudillo Avenue. The Project appropriately provides varying wall planes and roof lines, using multiple colors, materials and finishes. The design of the Project creates visual interest and lessens the appearance of bulk and mass of the building. This articulation satisfies the Planned Development criteria and enhances the adjacent streetscapes. In addition, the frontage elevations include balconies and windows facing the streets and the main entry to the apartment lobby faces the corner of Joaquin and Bancroft Avenues. Together these elements encourage pedestrian use of the sidewalk. Parking is kept out of sight to preserve the pedestrian environment and the design de-emphasizes the automobile. The driveway access is minimized and limited to exiting along the Estudillo Avenue frontage. With the architectural and design elements provided, the overall design of the building is compatible with the surrounding neighborhood.

- 3. The landscaping complements the architectural design, with an appropriate balance of trees, shrubs, and living ground covers, and provides adequate screening and shading of parking lots and/or driveways.**

The landscaping along the frontages complements the architectural design with an appropriate balance of trees, shrubs, ferns, and ground cover including mature 24 inch box Crape Myrtles and Russet Southern Magnolias. The street trees are appropriate and will be preserved and placed in relocated tree wells. The landscaping will be fully compliant with State Model Water Efficient Landscaping irrigation and water use standards. The landscaping has been designed so as to minimize interference with solar panels and existing overhead transmission lines. Resident parking will be screened within an enclosed area and covered by carports providing energy from solar panels.

4. Detail features, such as signs, fences, and lighting for buildings, parking lots, and/or driveways are visually consistent with the architectural and landscape design, and minimize off-site glare.

The Project has been designed with appropriate walls, lighting, and a parking area that provides secure and visually appealing screening of 47 of the 55 total provided on-site parking spaces. Because the Project's resident parking area is not designed as an open parking lot, off-site glare is therefore not an issue or negligible. Conditions of approval are included that would prohibit light from the property spilling onto adjacent properties or create off-site glare. In the event there is a fence and/or sign, the Project will be required to submit for permits and comply with the applicable Zoning Code requirements.