



AGENDA REPORT

Community Development

DATE:	May 17, 2021
TO:	Mayor Butt and Members of the City Council
FROM:	Lina Velasco, Director of Community Development Roberta Feliciano, Senior Planner
Subject:	Quarry Residential Project Redesign
FINANCIAL IMPACT:	There may be potential property tax revenue once the Project is developed.
PREVIOUS COUNCIL ACTION:	February 20, 2018, and February 27, 2018
STATEMENT OF THE ISSUE:	New West Company (Applicant) proposes revisions to its Quarry Residential Project (Original Project) that the City Council approved in February 2018. The Original Project consists of the development of up to 200 condominium units in 15 buildings and associated common areas and amenities on approximately 18.4 acres on Sea Cliff Drive and Canal Boulevard. The proposed change to the Original Project would instead develop 76 detached single-family houses across the site (Modified Project).
RECOMMENDED ACTION:	HOLD a public hearing; and ADOPT a Resolution certifying the Addendum to the Quarry Residential Project Environmental Impact Report (EIR) and adopting a Mitigation Monitoring and Reporting Program (MMRP) and approving a Major Amendment to a previously approved Planned Area Plan; a Density Bonus for the purpose of requesting waivers of certain development standards; a Vesting Tentative Map; and Design Review for the Quarry Residential Project Redesign, subject to

	conditions of approval – Community Development (Lina Velasco/Roberta Feliciano 620-6662).
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PROPOSAL:

New West Company (Applicant) proposes revisions to its Quarry Residential Project (Original Project) that the City Council approved in February 2018. The Original Project consisted of the development of up to 200 condominium units in 15 buildings and associated common areas and amenities on approximately 18.4 acres on Canal Boulevard. The proposed change to the Original Project would instead develop 76 detached single-family houses across the site (Modified Project) (See Attachment 1).

Applicant proposes to subdivide a portion (6.3 acres) of the Project site into 76 residential parcels ranging in size from 2,068 to 3,081 square feet. Seven (7) additional common-interest parcels are also proposed. The subdivision includes four (4) new privately maintained and owned streets and an emergency vehicle access road. All the proposed homes will be two-story homes ranging from 1,645 to 1,840 square feet and up to 28 feet in height. The Applicant proposes homes with lot coverages ranging from 37 to 56 percent (the above collectively known as the Revised Project).

As part of the project, the portion of the Bay Trail that extends along Seacliff Drive adjacent to the project site will be improved. These improvements will include widening the existing paved trail to 12 feet and providing 5-7 feet of landscaping (low ground cover) between the trail and Seacliff Drive, and adding a 3-foot shoulder, comprised of packed decomposed granite, between the trail and the landscaping leading up to the project buildings. Traffic safety improvements on Seacliff Drive are also proposed aimed at reducing speeds of vehicles. In addition, an enhanced staging area serving the existing East Bay Regional Park District (EBRPD) Crest Trail is proposed adjacent to the site on land owned by the City and EBRPD.

RECOMMENDED ACTIONS:

1. Hold a public hearing; and
2. Adopt Resolution No. ____ (see Attachment 1) certifying the Addendum to the Quarry Residential Project EIR and adopting a Mitigation Monitoring and Reporting Program (MMRP) and approving a Major Amendment to a previously approved Planned Area Plan; a Density Bonus for the purpose of requesting waivers of certain development standards; a Vesting Tentative Map; and Design Review for the Quarry Residential Project Redesign, subject to conditions of approval.

EXISTING CONDITIONS:

The Project site (Project site) consists of one parcel (APN 560-330-043) totaling approximately 18.4 acres in size located south of the intersection of Canal Boulevard

and Seacliff Drive, at 1135 Canal Boulevard. The Project site is located approximately 0.2-mile north of the San Francisco Bay within the Point Richmond area of the City. The picture below illustrates the Project site's local context.



The Project site is bounded by Seacliff Drive (east), vacant property and Canal Boulevard (north), vacant property, then Seacliff Drive (south), and Miller/Knox Regional Shoreline Park (Miller/Knox Park), an EBRPD open space area (west and north).

The City of Richmond General Plan designates the project site as Open Space and Medium Density Residential. The Zoning map designates the Project site as OS, Open Space and PA, Planned Area District.

DISCUSSION:

New West Company (Applicant) proposes revisions to its Quarry Residential Project (Original Project) that the City Council approved in February 2018. The Original Project consisted of the development of up to 200 condominium units in 15 buildings and associated common areas and amenities on approximately 18.4 acres on Canal Boulevard. The proposed change to the Original Project would instead develop 76 detached single-family houses across the site (Modified Project) (See Attachment 1).

Planned Area (PA) Plan

Pursuant to RMC Section 15.04.810.070.B, the City Council considers Major Amendments to an approved Planned Area Plan at a duly noticed public hearing. An amendment shall be deemed major if it involves one or more of the following changes:

1. Change in Planned Area District's boundary;
2. Increase or decrease in the number of dwelling units for the Planned Area District greater than the maximum, or less than the minimum, stated in the Planned Area Plan;
3. Increase or decrease in the floor area for any non-residential land use that results in the floor area exceeding the minimum or maximum stated in the Planned Area Plan by ten percent (10%) or more;
4. Change in land use or density that is likely to negatively impact or burden public facilities and utility infrastructure, as determined by the City Engineer;
5. Change in land use or density that is likely to negatively impact or burden circulation adjacent to the Planned Area District or to the overall major street system, as determined by the City Engineer; or
6. Other proposed change(s) to the Planned Area Plan or the conditions of approval, which substantively alter one (1) or more of its components, as determined by the Zoning Administrator.

The Revised Project proposes a Major Amendment to an approved Planned Area Plan pursuant to Article 15.04.810 of the Richmond Municipal Code (RMC) to decrease the number of dwelling units for the Planned Area District. The decision to amend the Planned Area Plan is subject to City Council approval.

The purpose of the Planned Area district is to facilitate orderly development of larger sites consistent with the General Plan, where a mix of uses or character is desired that can best be achieved through an integrated development plan. The subject site is 18.4 acres. The portion to be developed is approximately 6.3 acres. The proposed project density is 12.06 units/acre with 76 total residential units proposed.

Other standards such as minimum lot size, setbacks, building height limits, and other development standards and similar regulations of the base zoning districts may be modified as part of an approved PA district. As noted above, the Applicant seeks waivers to five (5) development standards, including lot size, setbacks, and lot width. The development standards that would guide future development of the Planned Area District are included in the modified Planned Area Plan (see Exhibit C, PA Plan for a description of the development standards).

Applicant proposes a Major Amendment to an approved Planned Area Plan pursuant to Article 15.04.810 of the Richmond Municipal Code. The purpose of the Planned Area district is to facilitate orderly development of larger sites consistent with the General Plan, where a mix of uses or character is desired that can best be achieved through an integrated development plan. To be considered for a Planned Area District, the site shall be a minimum of five (5) acres. The subject site is 18.4 acres, and the portion to-be-developed is 6.3 acres.

As discussed below in the Density Bonus description, Applicant seeks waivers to five (5) development standards, including lot size, setbacks, and lot width.

Lot Size: The 76 lots range in size from 2,068 to 3,081 square feet; Applicant requests a modification of the minimum 5,000 square feet requirement.

Lot Width: The lots have a minimum width of 34 feet; Applicant requests a modification of the minimum, 50-foot requirement.

Setbacks: All lots have a minimum, five (5)-foot front setback. Applicant requests a modification of the minimum front yard setback prescribed in the RM-1 zoning (e.g., ten [10] feet). The rear setbacks will vary; however, they will be no fewer than eight (8) feet, which is a modification of the minimum 20-foot rear setback. Lots have a minimum, four (4)-foot side yard setback, which is fewer than the five (5)-foot requirement.

Density: The Medium Density Residential designation allows for a density of ten (10) to 27 du/ac. The Revised Project has a density of 12 du/ ac and thus meets this requirement.

Building Height: All the homes will be two (2)-story structures. The maximum building height of the proposed residences is 28 feet. The permitted height in the RM-1 zoning district is 35 feet. The Revised Project meets this requirement.

Maximum Lot Coverage: The maximum lot coverage allowed is 65 percent. The proposed lot coverages range from 37 to 56 percent. Therefore, the Revised Project meets this requirement.

Common and Private Open Space: The RM-1 zoning district requires a minimum 75 square feet of private and 100 square feet of common open space per unit. The Revised Project proposes to conform to this requirement. Private open space is provided in the rear of each parcel. The total common open space is 15,450 SF, which is 203 per unit, provided in three distinct locations throughout the subdivision. The project will also upgrade the existing Bay Trail located adjacent to the project frontage, create a new staging area for the EBRPD Crest Trail, and enhance the landscaping of City-owned property along Canal Blvd.

Off-Street Parking: Residential units will have two (2)-car garages, which meets the off-street parking requirement. Because the proposed new streets would limit on-street parking, guest parking is being provided in various designated locations within the development at a ratio of one (1) stall per five (5) units.

One Percent (1%) Public Art: The Applicant proposes to pay its required one percent (1%) public art fee in lieu of providing public art on-site.

Inclusionary Zoning: The Revised Project will construct its inclusionary units on-site. Therefore, ten percent (10%) of the project units will be for sale to households at the moderate-income level (up to 120% of Area Median Income). The City will require a regulatory agreement between it and Applicant to ensure these units remain affordable for up to 45 years.

Natural Gas Ban: The Revised Project will be all-electric and will not bring natural gas services to the subdivision. In addition, the California Building Code requires mandatory solar for all new single-family units, making this project all-electric with solar off-set.

Vesting Tentative Map

The applicant is proposing to subdivide the existing site into approximately 76 residential parcels and seven common interest parcels. A homeowners' association would be formed to maintain the subdivision improvements, including the common areas and the Bay Trail, adjacent to the project site.

Subdivision Improvements and Landscaping

The Revised Project includes the construction of several 34-foot-wide streets with five (5)-foot sidewalks abutted by a five (5)-foot front yard setback on both street sides. A 24-foot-wide travel lane is proposed, with no on-street parking. The Revised Project also includes a 24-foot emergency vehicle access (EVA) road that connects A Street with Seacliff Drive. The subdivision improvements include traffic calming improvements to the Seacliff Drive right-of-way, along the site frontage, including addition of landscaping, installation of enhanced lighting especially at the intersection of the Project driveway and Seacliff Drive, speed limit signage, striping, and improvements to the Bay Trail, including adding a three (3)-foot decomposed granite shoulder on one side and five (5) – seven (7) feet of landscaping on the other.

Conformance with Zoning Ordinance

The developed portion of the proposed subdivision would be located in a PA, Planning Area Zoning District, with the remainder being located in the OS, Open Space Zoning District. The OS district does not have a minimum lot size. The PA Plan would specify the minimum lot size, if any. In this case the applicant is proposing a minimum lot size as discussed above. Development of the subdivision would be consistent with the PA Plan. Therefore, the proposed subdivision is consistent with the Zoning Ordinance.

Conformance with the Subdivision Ordinance and Subdivision Map Act

A Tentative Subdivision Map is required for subdivisions resulting in five or more parcels. The project's Vesting Tentative Map is shown in Exhibit D. The Vesting Tentative Map has been reviewed for compliance with applicable provisions of the City's Subdivision Ordinance (RMC 15.04.700, et seq.), and determined that it satisfies the requirements of the Richmond Subdivision Ordinance. A Vesting Tentative Map is processed in the same manner as a tentative map; however, if approved, it confers a vested right to proceed with development in substantial compliance with ordinances, policies, and standards described in Government Code Section 66474.2, that were in effect at the time the application was deemed complete.

Density Bonus

To comply with the City's inclusionary ordinance, the Applicant proposes that ten (10) percent of the units (e.g., 8 units) will be deed-restricted to be affordable to moderate-income households. Although a project with ten (10) percent moderate-income units is entitled to a five (5) percent (5%) density bonus, the Applicant has elected not to request any increase in allowed density. However, any project eligible for a density bonus is also eligible for "concessions" and "waivers." "Concessions" provide cost reductions that provide for the affordable housing. "Waivers" refers to development standard modifications that, if applied, would physically preclude a project's construction at density and with incentives otherwise permitted by law.

The Applicant requests five (5) waivers under state Density Bonus Law (Gov. Code, § 65915; see letter dated February 8, 2022, Attachment 2).

The Revised Project is eligible for a density bonus because it contains eight (8) moderate-income units, or ten percent (10%) of the total units. Although the Applicant has not requested a density increase, a density-bonus eligible project such as this one is also eligible for an unlimited number of "waivers" related to City development standards such as height, setbacks, open space requirements, etc. Under a recent court decision, the City must grant waivers to permit a project to be built as designed unless a waiver would violate state or federal law(s); have an adverse impact on a property listed on the California Historical Register; or have a specific, adverse health or safety impact that cannot be mitigated. Applicant does not seek to build any bonus units nor seek any incentives or concessions, but it has requested the following waivers: 1) Minimum lot size; 2) Minimum lot width; 3) Minimum front setback; 4) Minimum interior side setback; and 5) Minimum rear setback.

1. Minimum Lot Size

RM zones have a 5,000 square foot (sf) lot area minimum standard. Applicant proposes a 2,100 sf minimum. This smaller lot size is necessary to achieve the minimum density of 12 dwelling units per acre (du/ac).

2. Minimum Lot Width

RM zones have a 50-foot minimum lot width standard. Applicant proposes a 34-foot minimum width. This narrower width is necessary to achieve the minimum density of 12 du/acre.

3. Minimum Front Setback

RM zones have a 10-foot minimum front yard setback. Applicant proposes a 5-foot minimum setback. The project has smaller lot sizes (to achieve the needed density). With this smaller lot size, it then becomes necessary to have smaller front setbacks to create a buildable area that accommodates required parking and creates adequate ground floor living space.

4. Minimum Interior Side Setback

RM zones have a 5-foot minimum interior side yard setback. Applicant proposes a 4-foot minimum setback. The Revised Project has narrower lot widths (to achieve the needed density). With this smaller width, it then becomes necessary to have smaller side yard setbacks to create a buildable area that allows for adequate ground floor living space.

5. Minimum Rear Setback

RM zones have a 20-foot minimum rear yard setback. Applicant proposes an 8-foot minimum setback. The Revised Project has smaller lot sizes (to achieve the needed density). With this smaller lot size, it then becomes necessary to have smaller rear setbacks to create a buildable area, which accommodates required parking and creates adequate ground floor living space. Without the waiver, the Revised Project's density would be significantly reduced.

The City must approve the above Applicant-requested waivers because the waivers do not violate state or federal law; would not have an adverse impact on a property listed on the California Register; nor would they impact health or safety.

Housing Accountability Act

Under the Housing Accountability Act, a housing project cannot be denied, or the density reduced, unless the project is either: (1) inconsistent with objective general plan, zoning, and subdivision standards and criteria; or (2) the City can make the following finding for denial:

“The housing development project would have a specific, adverse impact upon the public health or safety unless the project is disapproved or approved upon the condition that the project be developed at a lower density. A “specific, adverse impact” means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete; and

“There is no feasible method to satisfactorily mitigate or avoid the adverse impact other than the disapproval of the housing development project or the approval of the project upon the condition that it be developed at a lower density.”

With the approval of the waivers, the project conforms with all objective standards. There is no evidence that the project would have a significant impact on public health or safety. Therefore, under the Housing Accountability Act, the project cannot be denied, or the density reduced. However, the City Council may add conditions of approval so long as they do not have the effect of reducing the density of the project.

House Plans

Applicant proposes three (3) design styles, which are variations on coastal architecture:

Southern, California, and Contemporary collage(s) with three (3) different floor plans for each of the Cottage styles. All floor plans include a bedroom versus a loft option. All three (3) design themes will be two (2)-story structures for a total of nine (9) distinct home styles (e.g., three (3) Cottage types, with each type then having three (3) specific style options).

The three styles are variations on coastal architecture:

- Southern Cottage (light stucco exteriors with dark wood accents, hurricane shutters, bay windows, divided light windows);
- California Cottage (shingled and stucco exteriors, corbels supporting overhangs, vertical proportions to windows); and,
- Contemporary Cottage (stucco with board and batten exteriors, wood brackets, some standing seam metal-roof accents).

The Applicant proposes three (3) color schemes for each of the design styles (elevations). Overall, the Revised Project embraces an urban context that harmoniously celebrates livability and contemporary principles.

DESIGN REVIEW BOARD RECOMMENDATION:

A public hearing to consider the project design, density bonus, and PA Plan was held on March 9 and March 23, 2022 (on March 9, 2022, the DRB voted to continue the item to the March 23, 2022, meeting to allow the Applicant time to address comments provided). In response to the comments provided by the DRB, the Applicant made several changes to the Revised Project Plans, as shown in Attachment 1, Exhibit D. At the conclusion of the March 23rd hearing, the DRB unanimously recommended approval of the proposed project with additional conditions (see Exhibit B, Conditions #42-62 in Attachment 1).

PLANNING COMISSION RECOMMENDATION:

A public hearing to consider the project design, density bonus, vesting tentative map, EIR Addendum and Modified PA Plan was held on April 21, 2022. During the meeting, the Planning Commission voted to recommend approval of the Project to the City Council.

PUBLIC NOTIFICATION:

Public notification consisted of publishing a legal notice in the local newspaper and notification by mail of owners within a 300-foot radius of the subject property.

NEIGHBORHOOD COUNCIL:

The project is located in the Point Richmond neighborhood. City staff received the attached letter from the Point Richmond Neighborhood Council (see Attachment 2). The

Applicant modified its proposal to address comments received with the exception of density increases, which is the basis of their major amendment to the Planned Area Plan.

ENVIRONMENTAL REVIEW:

The City of Richmond (City), acting as Lead Agency, certified an Environmental Impact Report (EIR) (State Clearinghouse #2017062083), as part of the original approvals in 2018. The City has prepared an Addendum to the 2018 EIR to analyze the physical and environmental impacts associated with the proposed revisions to the original project, per the requirements of the California Environmental Quality Act (CEQA) statutes (Public Resources Code [PRC] Section 21000 et seq.) and the CEQA Guidelines (California Code of Regulations 15000 et seq.).

The 2018 EIR analyzed the impacts of development within the Project site. The Modified Project would not result in substantial changes or involve new information not already analyzed in the 2018 EIR because the level of development now proposed for the site is within the development assumptions analyzed in the 2018 EIR. The Modified Project would not cause new significant impacts not previously identified in the 2018 EIR, or result in a substantial increase in the severity of previously identified significant impacts. No new mitigation measures would be necessary to reduce significant impacts. No changes have occurred with respect to circumstances surrounding the Project site that would cause new significant environmental impacts or a substantial increase in the severity of previously identified significant effects, and there is no substantial evidence in the record that shows that the Modified Project would cause any significant environmental impacts. Therefore, no supplemental environmental review is required or allowed in accordance with Public Resources Code Section 21166, and CEQA Guidelines Sections 15162 through 15164.

Based on the foregoing and the detailed analyses and conclusions set forth in this document; the analysis, findings, and conclusions of the 2018 EIR included the potential environmental effects associated with the Modified Project and none of the criteria calling for preparation of a subsequent EIR or negative declaration under Sections 15162 have occurred. The information and analysis presented in this environmental review document supports that the Modified Project meets all requirements under CEQA Guidelines Sections 15164 and determinations that the Modified Project qualifies for an Addendum to the 2018 EIR. Therefore, this CEQA analysis makes findings of consistency with Sections 15164. As a result, no supplemental environmental review is required in accordance with CEQA Guidelines Sections 15164.

PLANNED AREA PLAN FINDINGS, DENSITY BONUS, VESTING TENTATIVE MAP, AND DESIGN REVIEW PERMIT FINDINGS:

The City Council must adopt certain findings in recommending approval of the Major Amendment to an approved Planned Area Plan, Density Bonus for Waivers, Vesting Tentative Map, and Design Review. Statements of fact for supporting the required

findings are contained in the draft Resolution in Attachment 1. The recommended conditions of approval, including those of the DRB (attached as Exhibit B) for the proposed project are also contained in the draft Resolution No.

CONCLUSION:

The Revised Project will establish a new community on an existing, underutilized site. The proposed Revised Project's density is within the range for the Medium Density Residential land use designation. The Revised Project's density is typical of others in the area and will complement existing residential developments in the area. In addition, the proposed PA District would result in improvements to the Bay Trail, adjacent to the project site, and a design and urban form that are compatible with surrounding development. City staff recommends that, based on the evidence in the record, including but not limited to the Addendum to the Final EIR, the proposed Conditions of Approval, including the proposed Mitigation Monitoring and Reporting Program, and the application, plans, and materials submitted to the City, the City Council adopts the Addendum to the Final EIR, and approval of a Major Amendment to an Approved Planned Area Plan, Density Bonus for Waivers, Vesting Tentative Map, and Design Review for the Quarry Residential Project Redesign, subject to conditions of approval.

DOCUMENTS ATTACHED:

Attachment 1 – Resolution

Exhibit A: Addendum to EIR with Mitigation Monitoring and Reporting Program

Exhibit B: Conditions of Approval

Exhibit C: PA Plan

Exhibit D: Project Plans with Vesting Tentative Map

Attachment 2 – Point Richmond Letter