

ITEM 6.3: General Plan Amendment, Specific Plan Amendment, Rezone, and Development Agreement – 572 Gibson Drive – NCRSP PCL 42A – Shea Properties Apartments Rezone – File #PL21-0307

REQUEST

The applicant requests a General Plan Amendment and Specific Plan Amendment to the North Central Roseville Specific Plan (NCRSP) to modify the land use designation from Business Professional (BP) to High Density Residential (HDR); and a Rezone from Business Professional/Special Area North Central Roseville Specific Plan (BP/SA-NC) to Multi-Family Housing/Special Area North Central Roseville Specific Plan (R3/SA-NC) to allow the development of 360 multi-family dwelling units on the approximately 19.5 acre site. Further, the project includes a Development Agreement by and between the City of Roseville and Roseville Land Holdings, LLC to reflect the change in land use and document the requirements related to the provision of affordable housing units.

Applicant – Brad Shirhall, TLA Engineering and Planning
Property Owner – Roseville Land Holdings, LLC

SUMMARY RECOMMENDATION

The Planning Division recommends the Planning Commission take the following actions:

1. Recommend the City Council consider the Addendum to the 2035 General Plan Environmental Impact Report (SCH #2019080418, certified on August 5, 2020) and 2021 Housing Element Addendum;
2. Recommend the City Council adopt a resolution approving the General Plan Amendment (Land Use Map);
3. Recommend the City Council adopt a resolution approving the Specific Plan Amendment (Text & Land Use Map);
4. Recommend the City Council adopt the two (2) findings of fact and approve the Rezone; and
5. Recommend the City Council adopt the five (5) findings of fact and approve the Development Agreement by and between the City of Roseville and Roseville Land Holdings, LLC.

SUMMARY OF OUTSTANDING ISSUES

There are no outstanding issues associated with this request. The applicant has reviewed and is in agreement with all of staff's recommendations to the City Council.

BACKGROUND

The project site is comprised of five (5) vacant parcels, within NCRSP Parcel 42A, totaling approximately 19.50 acres located at 540, 556, 564, 572, and 580 Gibson Drive. The project site is within the North Central Roseville Specific Plan (NCRSP) area (see Figure 1 below). The NCRSP encompasses approximately 2,330 acres and is situated generally between State Route (SR) 65 to the north, Washington Boulevard to the west, Diamond Oaks Golf Course to the south, and Interstate 80 to the east. The NCRSP was adopted on July 5, 1990 by the City Council. An Environmental Impact Report was certified with the NCRSP (State Clearinghouse Number 88053010), which examined the impacts of the NCRSP buildout. Additionally, the City entered into several Development Agreements with various property owners within the NCRSP parcels to outline development obligations within the plan area. The

NCRSP development agreement that originally pertained to the project site, referred to as the Regional 65 Centre Development Agreement (Regional 65 Centre DA), and all subsequent amendments expired in 2010. As the majority of the NCRSP is built-out, the infrastructure obligations identified in the Regional 65 Centre DA have been completed. Impact fee obligations associated with development of the remaining NCRSP undeveloped parcels, including the project site, are discussed further in the Development Agreement section of this report. The site is bordered by SR 65 on the north, Gibson Drive on the south, an office complex on the east, and an apartment complex on the west. The site has a General Plan land use designation of Business Professional and a zoning designation of Business Professional/Special Area North Central Roseville Specific Plan.

Figure 1: Project Site



Project Description

The requested entitlements will allow for the development of 360 affordable multi-family dwelling units on the site. Currently, the applicant is only requesting legislative entitlements to facilitate eventual construction of the apartment complex on the project site. At a later date, the applicant proposes to submit an Objective Design Standard (ODS) application to allow the development of the site through the ministerial design review process and a Tentative Subdivision Map to merge the five (5) existing parcels into one parcel. The project entitlements include:

General Plan Amendment (GPA) - The General Plan Land Use Map will be amended to change the land use designation of approximately 19.5 acres NCRSP Parcel 42A from Business Professional (BP) to High Density Residential (HDR) at a density of approximately 18.50± units per acre, in order to facilitate development of 360-multi-family dwelling units. The General Plan Land Use Map amendment is provided in Exhibit B.

Specific Plan Amendment (SPA) –The NCRSP document will be amended to reflect the division of NCRSP Parcel 42A into NCRSP Parcels 42A and 42C, the proposed land use change for the new NCRSP Parcel 42C, and the addition of 360 multi-family dwelling units to the plan area. The North Central Roseville Land Use Summary table on page 2-14, the North Central Roseville Land Use Plan Figure 2-4 on page 2-15, and the North Central Roseville Land Use by Parcel Number table on page 2-16 will all be updated to reflect the land use change, unit allocation, and parcel acreage. Further, a new

section, Section 3.4.2 – Special Policies for NCRSP Parcel 42C, will include project specific site design requirements and an affordability component of the project.

While not directly associated with the applicant's request, staff is recommending two additional changes to the NCRSP. In anticipation of a future proposed development application, staff is recommending that two new land uses be added to the list of permitted land uses within the Community Commercial and Business Professional land use designations. Staff is recommending that the Community Care Facility and Long Term Care Facility land use types be permitted within the Community Commercial and the Business Professional land uses designations. The inclusion of these two land uses is consistent with the existing permitted use types within the City's Zoning Ordinance. Exhibit C includes the NCRSP change pages, including a revised land use map depicting the amended land use for NCRSP Parcel 42C.

Rezone – A rezone is requested to amend the current zoning designation of new NCRSP Parcel 42C from Business Professional/Special Area North Central Roseville Specific Plan (BP/SA-NC) to Multi-Family Housing/Special Area North Central Roseville Specific Plan (R3/SA-NC) to be consistent with the proposed land use designation. Exhibit D includes the Rezone exhibit.

Development Agreement (DA) – The project includes a new Development Agreement by and between the City of Roseville and Roseville Land Holdings, LLC to reflect the change in land use and document the requirements related to the provision of affordable housing units for the project (see Exhibit E).

EVALUATION – GENERAL PLAN AMENDMENT & SPECIFIC PLAN AMENDMENT

Proposed amendments to the General Plan and Specific Plan are analyzed for consistency with the goals and policies of the respective plans. The policies for land use amendments relate to promoting land use patterns that enhance quality of life and minimize conflicts between land uses. Land use modifications are also evaluated for impacts to noise, air quality, traffic, and utilities. These same potential impacts are evaluated in the Addendum prepared for the project, included as Exhibit A.

The proposed project is unique, in that while typical policies associated with land use changes from non-residential to residential uses (the adopted Guidelines for Conversion of Non-Residential Land Uses) apply, policies associated with the recently approved Housing Element also apply. The 2021 Housing Element Update concluded in the City having a deficit of affordable housing units necessary to comply with the Regional Housing Needs Allocation (RHNA). In order to reduce/eliminate this deficit, the City Council approved several Implementation Measures/Programs with the Housing Element Update. Program 14 is the Rezone Program for Adequate Sites, which included four strategies that would result in land use changes to increase the acreage of High Density Land Use, therefore, increasing the potential number of affordable housing units and reducing the affordable housing deficit. One of the four strategies was the identification of Opportunity Sites that would be good candidates for conversion from non-residential land use to residential land use. The proposed project site, new NCRSP Parcel 42C, is listed in the Housing Element Opportunity Sites inventory as a site with the potential to be converted to High Density Residential land use, with a conservative estimate that the site could provide 300 residential units.

Although the proposed land use amendments are supported by the 2021 Housing Element Update Implementation policies, staff has reviewed the project against the City adopted Guidelines for Conversion of Non-Residential Land Uses. As described below, in the Development Agreement (DA) Evaluation, there are two potential development scenarios for the project site. One scenario (the "Affordable Project") would result in a project with 100% of the units made available to households with incomes between 30% Area Median Income (AMI) and 80% AMI, with an average affordability of 60% AMI. The second scenario (the "Self-Financed Project") would result in a project with a minimum of 10% of the units made available to Very-Low Income Households (50% AMI) and 10% of the units made available to Low Income Households (80% AMI). The Self-Financed Project would also be required to pay all typical development impact fees, including parks and recreation fees and school fees as well as

a Public Benefit Fee of \$1,010 for all market rate units. Based on the terms of the DA, the project meets the requirements of the City adopted Guidelines for Conversion of Non-Residential Land Uses.

Land Use Compatibility: Table II-9 of the General Plan contains a table addressing the compatibility of adjacent land uses. For purposes of the table, “adjacent” includes land uses separated by collectors and local streets (e.g., Gibson Drive). The proposed HDR land use is considered to be compatible with the adjacent HDR land use to the west, compatible with the adjacent OS/FP to the northwest, and compatible with HDR properties to the south across Gibson Drive. In addition, the project is conditionally compatible with the adjacent BP site to the east. To address any potential compatibility issues, the NCRSP requires buffering between business-professional uses and multi-family residential through setbacks, soundwalls or fencing, landscaping, or a combination thereof. Compatibility between the proposed project site and the adjacent business-professional site will be evaluated and addressed during the future design review for the multi-family project. The City of Roseville General Plan provides a list of compatible “Implementing Zones” for each land use designation (General Plan Table II-10), which establishes what zoning designations are considered compatible with the applicable General Plan land use designation. The proposed R3 zone is listed as an implementing zone for the HDR land use; therefore, the proposed zoning designation is compatible with the proposed General Plan land use.

Traffic: As explained in the Transportation section of the Addendum (see Exhibit A), the General Plan Environmental Impact Report (GP EIR) included a transportation analysis which estimated Vehicle Miles Travel (VMT) using the City’s travel forecasting model. An updated VMT analysis was prepared by Fehr and Peers Transportation Consultants to evaluate VMT impacts resulting from the Housing Element (HE). In short, the HE analysis found that an increase to the City’s baseline VMT occurred because of development in the western area of the City, in Specific Plans with the highest VMT per person. However, the cumulative conditions analysis found a decrease in citywide VMT per resident with the HE, which is both a reduction from baseline and a reduction compared to the GP EIR analysis of cumulative (2035) conditions. The project is located in the NCRSP, which is a low-VMT area in the City. The addition of residential units within this area would reduce citywide VMT by adding more residents within an area where VMT rates are low. Further, the HE established a Rezone Program that would identify additional sites within the City that were capable of housing additional units. As part of the Rezone Program, the City examined vacant sites thought the City to find properties with the potential to be converted to high density residential use. The project site was identified as one of the opportunity sites to convert to HDR. Therefore, the project is appropriate for the site.

Utilities: Similar to the Transportation section above, as part of the environmental review of the project, the GP EIR evaluation of utility services was based on full buildout of the General Plan and demand factors based on acreage by land use type. The GP EIR analyzed the water demand for the City’s buildout conditions, which found to have a surplus water supply during normal years and during multiple-dry years. In a single year or multiple-dry years the City’s overall water demand was found to have an approximate 9,000-afy deficit and 2,000-afy deficit, respectively. However, the City’s conservation measures are sufficient during dry years to offset the deficit. Hence, the HE was found to be within the scope of the total dwelling units analyzed within the GP EIR, and the project site is consistent with the anticipated number of units as outlined in the HE Rezone Program.

A sewer capacity study was prepared by Woodard & Curran, Inc., the project’s engineering consultant, to analyze the potential impacts associated with the project on the City’s sewer system (see Attachment 1). The memo concluded there is adequate capacity for the project. The City’s Environmental Utilities staff reviewed the project and concluded there is enough capacity to support the project with the new land use change.

Based on the evaluation above, staff finds the project is consistent with the 2021 Housing Element Implementation Measures, the Non-Residential Conversion Guidelines and is also consistent with the goals and polices of the General Plan and NCRSP.

EVALUATION – REZONE

Zoning Ordinance Section 19.86.050 specifies that recommendations for approval or denial of a rezone shall include consideration of the proposed amendment’s consistency with:

- 1. The public interest, health, safety, or welfare of the City, and***
- 2. The General Plan and any applicable Specific Plan.***

The project would rezone new NCRSP Parcel 42C Business Professional/Special Area North Central Roseville Specific Plan (BP/SA-NC) to Multi-Family Housing/Special Area North Central Roseville Specific Plan (R3/SA-NC) to be consistent with the proposed land use designation.

The City of Roseville General Plan provides a list of compatible “Implementing Zones” for each land use designation (General Plan Table II-10), which establishes what zoning designations are considered compatible with the applicable General Plan land use designation. The proposed General Plan land use designation for the project site is High Density Residential (HDR). The proposed Multi-Family Housing (R3) zone is listed as an implementing zone. According to both the General Plan and NCRSP, the HDR land use designation applies to land characterized by apartments or condominiums with multiple-story structures containing multiple attached dwelling units. The proposed project would allow for up to 360 apartment units with a density of 18.5 units per gross developable acre, which is consistent with the HDR land use designation.

In conclusion, staff finds the proposed rezone is consistent with the requirements of the General Plan and NCRSP for the HDR land use, and the project will not adversely affect the public interest, safety, or welfare of the City.

EVALUATION – DEVELOPMENT AGREEMENT

Section 19.84.040 of the City of Roseville Zoning Ordinance specifies that recommendations for approval or denial of a Development Agreement (DA), including Amendments, shall include consideration of the following:

- 1. Consistency with the objectives, policies, general land uses and programs specified in the General Plan and the North Central Roseville Specific Plan;***
- 2. Consistency with the provisions of the City of Roseville Zoning Ordinance;***
- 3. Conformity with the public health, safety and general welfare;***
- 4. The effect on the orderly development of the property or the preservation of property values; and***
- 5. Whether the provisions of the Agreement shall provide sufficient benefit to the City to justify entering into the Agreement.***

The project includes a new Development Agreement (DA) by and between the City of Roseville and Roseville Land Holdings, LLC. The proposed DA is included as Exhibit E. Development Agreements are binding contracts that set the terms, rules, conditions, regulations, entitlements, responsibilities, and other provisions relating to the development of the covered properties.

The proposed DA will reflect the change in land use for new NCRSP Parcel 42C, provide the land owner with vested entitlement rights and document the obligations of both the future developer of the site and the City. The following is a list of the most pertinent terms of the proposed DA:

Section 1.3.2 (Term): The Development Agreement will be in effect for a period of 20 years.

Section 2.9 (Affordable Project): The developer has committed to attempt to finance a 100% affordable housing project. The developer has committed to applying for various affordable housing financing programs as reasonable by the end of 2024, with a minimum of three applications.

Section 2.10 (Affordable Housing Regulatory Agreement (AHRA)): If the developer proceeds with the Affordable Project, as referenced in Section 2.9, the developer and the City will enter into a AHRA. The AHRA would require that the Affordable Project would result in a project with 100% of the units made available to households with incomes between 30% Area Median Income (AMI) and 80% AMI, with an average affordability of 60% AMI. The AHRA will require the units to only be rented to qualified affordable households for a period of 55 years.

Section 2.11 (Self-Financed Project): If the developer is not able to obtain financing to develop the Affordable Project, the proposed DA allows for the development of a multi-family project with a minimum of 20% of the units as deed-restricted affordable units. The Self-Financed Project would require that a minimum of 10% of the units be made available to Very-Low Income Households (50% AMI) and 10% of the units be made available to Low Income Households (80% AMI).

Section 2.11.1: An Affordable Housing Regulatory Agreement would be required for the Self-Financed Project. The AHRA will require the affordable units to only be rented to qualified affordable households for a period of 55 years.

Section 3.1 (Public Benefits): If the developer proceeds with the Self-Financed Project, a public benefit fee of \$1,010 will be paid to the City for each market rate unit.

Section 3.4 (Public Trail): Consistent with a previous agreement and the provisions of the NCRSP, the developer shall dedicate an easement, along portion of the site adjacent to Highway 65, for a pedestrian and bicycle trail. The developer shall also improve the trail, consistent with a previous agreement. The City will maintain the trail after construction.

In summary, City staff found the proposed DA consistent with the General Plan, NCRSP, and the Zoning Ordinance. The provisions of the DA help to further City housing goals and policies. The DA is in conformance with the public health, safety, and welfare, and will not adversely affect the orderly development of the property or the preservation of property values. Therefore, the proposed DA is consistent with items 1-5 above.

PUBLIC OUTREACH

Public outreach for the proposed project has occurred at multiple points during the processing of the project, as described below.

- Upon receipt of the application, the proposed project was distributed to all internal and external agencies and departments who have requested such notice, and all comments or recommended conditions of approval have been incorporated into the project, as appropriate. Early notification of the project was posted on the Roseville Coalition of Neighborhood Associations (RCONA)'s website; no comments were received.
- Pursuant to Assembly Bill 52 and Senate Bill 18 consultation requirements, the City of Roseville contacted those listed on the Native American Heritage Commission list about the project and provided the opportunity to participate in consultation with the City. The United Auburn Indian Community (UAIC) responded to the request for consultation and requested a site visit, which occurred on November 9, 2021.

- A notice of the Planning Commission hearing was published in the Roseville Press Tribune on December 30, 2022, and was distributed to all property owners within 300 feet of the site and posted on the RCONA website. To date, no comments have been received as of publication of the staff report.

ENVIRONMENTAL DETERMINATION

Consistent with California Environmental Quality Act (CEQA) Guidelines Section 15164, an Addendum to the 2035 General Plan Environmental Impact Report (SCH #2019080418, certified on August 5, 2020), inclusive of the 2021 Housing Element Addendum, has been prepared in order to demonstrate that none of the conditions described in Section 15162 of the CEQA Guidelines calling for preparation of a subsequent EIR have occurred and that only minor technical changes or additions are necessary in order to deem the adopted or certified prior environmental document adequate to describe the impacts of the proposed project.

RECOMMENDATION

The Planning Division recommends the Planning Commission take the following actions:

1. Recommend the City Council consider the **Addendum to the 2035 General Plan Environmental Impact Report (SCH #2019080418, certified on August 5, 2020) and 2021 Housing Element Addendum**;
2. Recommend the City Council adopt a resolution approving the **GENERAL PLAN AMENDMENT – 572 GIBSON DRIVE – NCRSP PCL 42A – SHEA CENTER APARTMENTS REZONE – FILE #PL21-0307**;
3. Recommend the City Council adopt a resolution approving the **SPECIFIC PLAN AMENDMENT – 572 GIBSON DRIVE – NCRSP PCL 42A – SHEA CENTER APARTMENTS REZONE – FILE #PL21-0307**;
4. Recommend the City Council adopt the two (2) findings of fact and approve the **REZONE – 572 GIBSON DRIVE – NCRSP PCL 42A – SHEA CENTER APARTMENTS REZONE – FILE #PL21-0307**; and
5. Recommend the City Council adopt the five (5) findings of fact and approve the **DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF ROSEVILLE AND ROSEVILLE LAND HOLDINGS, LLC – 572 GIBSON DRIVE – NCRSP PCL 42A – SHEA CENTER APARTMENTS REZONE – FILE #PL21-0307**.

ATTACHMENTS

1. Sewer Study

EXHIBITS

- A. Addendum & Checklist
- B. General Plan Land Use Map Amendment
- C. NCRSP Redlines
- D. Rezone Exhibit
- E. DA

Note to Applicant and/or Developer: Please contact Planning Division staff at (916) 774-5276 prior to the Commission meeting if you have any questions on any of the recommended conditions for your project. If you challenge the decision of the Commission in court, you may be limited to raising only those issues which you or someone else raised at the public hearing held for this project, or in written correspondence delivered to the Planning Manager at, or prior to, the public hearing.