ORDINANCE NO. 2021-05

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, APPROVING AN AMENDMENT TO THE DOWNTOWN SPECIFIC PLAN AND MASTER DEVELOPMENT FOR A 120-UNIT CONDOMINIUM DEVELOPMENT AND AUTHORIZING THE FILING OF A NOTICE OF EXEMPTION

APPLICANT: Renovation Realty, Inc.

CASE NO.: SUB 20-0001, PHG 20-0009 and ENV 20-0001

The City Council of the City of Escondido ("City"), California, DOES HEREBY ORDAIN as follows:

SECTION 1. The City Council makes the following findings:

a) Renovation Realty, Inc. ("Applicant") filed a land use development application, Planning Case Nos. SUB 20-0001, PHG 20-0009 and ENV 20-0001 ("Application") constituting a request for a one-lot Tentative Subdivision Map, Master and Precise Development Plan for the development of 120 condominium units, Amendment to the Downtown Specific Plan, vacation of right-of-way and Purchase and Sale Agreement ("Project"). The approximately 2.33-acre Project site generally is located on the southwestern corner of W. 2nd Avenue and S. Pine Street, north of W. 3rd Avenue, east of S. Quince Street, addressed at 235 W. 2nd Avenue and others, (APNs 233-032-07-00, 233-032-08-00, 233-032-10-00, 233-032-11-00, 233-032-12-00, 233-032-12-00, in the Mercado District of the Downtown Specific Plan, and more particularly described in Exhibit "A" attached to this Ordinance and incorporated by this reference as though fully set forth herein ("Property"); and

- b) The Application was submitted to, and processed by, the Planning Division of the Community Development Department as Planning Case No. PHG 20-0009. The Applicant seeks approval of an Amendment to the Downtown Specific Plan to eliminate the ground-floor commercial requirement and permit ground-floor residential units within the Mercado District, as shown on Exhibit "C" (Specific Plan Amendment), along with a Master Development Plan to construct a 120 condominium project, as shown on Exhibits "D" (Master Development Plan), and on file in the Planning Division, and incorporated herein by this reference as though fully set forth.
- c) The Planning Division of the Community Development Department completed its review and scheduled a public hearing regarding the application before the Planning Commission for April 13, 2021. Following the public hearing on April 13, 2021, the Planning Commission adopted Resolution No. 2021-02, which recommended that the City Council, among other things, approve the Project, including actions to amend the Downtown Specific Plan and to adopt a Master Development Plan.

SECTION 2. An original copy of the proposed Amendment to the Downtown Specific Plan, and Master Development Plan and all other related Project materials are on file in the Office of the City Clerk, with a copy of each document submitted to the City Council for its consideration. The City Clerk, whose office is located at 201 North Broadway, Escondido, California 92025, is hereby designated as the custodian of the documents and other materials which constitute the record of proceedings upon which the City Council's decision is based, which documents and materials shall be available for public inspection and copying in accordance with the provisions of the California Public Records Act.

SECTION 3. The City Council did on May 12, 2021, hold a duly noticed public hearing as prescribed by law. Evidence was submitted to and considered by the City Council, including, without limitation:

- a) Written information including all application materials and other written and graphical information posted on the project website.
 - b) Oral testimony from City staff, interested parties, and the public.
- c) The City Council staff report, dated May 12, 2021, which along with its attachments, is incorporated herein by this reference as though fully set forth herein, including the Planning Commission's recommendation on the request.
 - d) Additional information submitted during the public hearing.

SECTION 4. Pursuant to the California Environmental Quality Act, Public Resource Code section 21000 et seq. ("CEQA") the Project is categorically exempt from environmental review in conformance with CEQA Guidelines section 15332 as an in-fill development project, and section 15312 for surplus government property sales. The City Council adopts such categorical exemption, which is provided as an attachment to the May 12, 2021 staff report and incorporated herein by this reference as though fully set forth herein, and a Notice of Exemption will be filed with the County Clerk.

SECTION 5. That, upon consideration of the Findings of Fact/Factors to be Considered, attached as Exhibit "B" and incorporated herein by reference as though fully set forth herein, the City Council approves the Specific Plan Amendment and the Master Development Plan, attached as Exhibits "C" and "D" respectively and incorporated herein by this reference as though fully set forth herein.

SECTION 6. Concurrently with the action on this Ordinance, the City Council is taking a number of actions in furtherance of the Project, as generally described in the May 12, 2021, City Council staff report. No single component of the series of actions made in connection with the Project shall be effective unless and until it is approved by an Ordinance or Resolution and is procedurally effective in the manner provided by state law. Therefore, this Ordinance shall become effective and operative only if City Council Resolution Nos. 2021-61 and 2021-64 are approved.

SECTION 7. All references within this Ordinance to "Applicant" or "Developer," shall be equally applicable to the current property owner and to any successors-in-interest or assigns, whether such successors of assigns own, control, or otherwise have development authority for all, a portion, or portions of that property included within the Project site.

SECTION 8. SEPARABILITY. If any section, subsection sentence, clause, phrase or portion of this Ordinance is held invalid or unconstitutional for any reason by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions.

SECTION 9. That as of the effective date of this ordinance, all ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 10. The City Council authorizes all subsequent action to be taken by City Officials consistent with this Ordinance.

SECTION 11. That the City Clerk is hereby directed to certify to the passage of this Ordinance and to cause the same or a summary to be prepared in accordance with

Government Code Section 36933, to be published one time within 15 days of its passage in a newspaper of general circulation, printed and published in the County and circulated in the City of Escondido.

SECTION 12. The Ordinance shall become effective 30 days from the date of the passage.

PASSED, ADOPTED AND APPROVED by the City Council of the City of Escondido at a regular meeting thereof this 26th day of May, 2021 by the following vote to wit:

AYES : Councilmembers: GARCIA, INSCOE, MORASCO

NOES : Councilmembers: MARTINEZ, MCNAMARA

ABSENT : Councilmembers: NONE

APPROVED:

—DocuSigned by: Paul McNamara

CAACE20782954D3... PAUL MCNAIVIAKA, Mayor of the City of Escondido, California

ATTEST:

Docusigned by:

Jack Beck

ASS6335D0BDC1430...ity Clerk of the City of Escondido, California

STATE OF CALIFORNIA) COUNTY OF SAN DIEGO : ss. CITY OF ESCONDIDO)

I, Zack Beck, City Clerk of the City of Escondido, hereby certify that the foregoing ORDINANCE NO. 2021-05 passed at a regular meeting of the City Council of the City of Escondido held on the 26th day of May, 2021, after having been read at the regular meeting of said City Council held on the 12th day of May, 2021.

—DocuSigned by: Sack Beck

ZACK BECK, City Clerk of the City of Escondido, California

ORDINANCE NO. 2021-05

EXHIBIT "A"

Legal Description SUB 20-0001, PHG 20-0009, and ENV 20-0001

The land hereinafter referred to is situated in the City of Escondido, County of San Diego, State of CA, and is described as follows:

Lot 7 and 8, Block 88 of Escondido in the City of Escondido, County of San Diego, State of California according to Map thereof No. 336, filed in the Office of the County Recorder of San Diego County, July 10, 1886. Excepting therefrom the Easterly 6 feet of Lot 8.

APN: 233-032-19-00 APN: 233-032-10-00

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF ESCONDIDO, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

LOTS 9 AND 10 IN BLOCK 88, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 336, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON JULY 10, 1886.

APN(S): 233-032-07-00; 233-032-08-00

PARCEL 2:

LOTS 3, 4 AND 5 OF BLOCK 88 OF ESCONDIDO, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 336, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON JULY 10, 1886.

APN(S): 233-032-12-00; 233-032-13-00; 233-032-14-00

PARCEL 3:

LOTS 7 AND 8 IN BLOCK 88, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 336, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON JULY 10, 1886.

EXCEPT THE EASTERLY 6 FEET OF LOT 8.

APN(S): 233-032-10-00; 233-032-19-00

PARCEL 4:

LOT 6 IN BLOCK 88, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 336, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON JULY 10, 1886.

APN(S): 233-032-11-00

PARCEL 5:

THE SOUTHEASTERLY ONE HALF OF LOTS 1 AND 2 IN BLOCK 88, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 336, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON JULY 10, 1886.

APN(S): 33-032-17-00

EXHIBIT "B"

Findings of Fact/Factors to be Considered SUB 20-0001, PHG 20-0009, and ENV 20-0001

Environmental Determination(s)

- 1. Pursuant to the California Environmental Quality Act (Public Resources Code section 21000 et. seq.) ("CEQA"), and its implementing regulations (14 C.C.R. § 15000 et seq.) ("CEQA Guidelines"), the City of Escondido ("City") is the Lead Agency for the project ("Project"), as the public agency with the principal responsibility for approving the Project.
- 2. The Project qualifies for an exemption from further environmental review pursuant to CEQA Guidelines section 15332 (In-Fill Development Projects) because such categorical exemption applies to proposed developments within city limits on sites of no more than five acres substantially surrounded by urban uses, where the site has no habitat value for special status species, can be adequately served by all required utilities and public services, and the project would not result in any significant effects relating to traffic, noise, air quality, or water quality. (CEQA Guidelines § 15332(b)-(e)). The Purchase and Sale Agreement also qualifies for an exemption from further environmental review pursuant to CEQA Guidelines section 15312 (Surplus Government Property Sales). Technical studies were requested by the Planning Division to substantiate the categorical exemption as applied to the Project. The proposed Project meets the following criteria:
 - a. The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.
 - b. The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.
 - c. The project site has no value as habitat for endangered, rare or threatened species.
 - d. Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.
 - e. The site can be adequately served by all required utilities and public services

The Project also does not trigger any exceptions to the categorical exemption as listed in CEQA Guidelines section 15300.2.

3. The City Council has independently considered the full administrative record before it, which includes but is not limited to the May 12, 2021, City Council Staff Report; testimony by staff and the public; and other materials and evidence submitted or provided to it. The administrative record demonstrates that each of the above requirements have been satisfied. No substantial evidence has been submitted that would support a finding that any of the above-described exemption requirements has not been satisfied. The Project will not have a significant effect on the environment, and all of the requirements of CEQA have been met.

Master Development Plan

1. The location, design, and residential density of the proposed planned development are consistent with the goals and policies of the Escondido General Plan because high-density residential and mixed-use development is permitted and encouraged in Specific Plan Area (SPA 9). The proposed infill residential project would be in conformance with General Plan Housing Goals and Policies to plan for quality managed and sustainable growth and provide a range of housing opportunities for all income groups and populations with special needs. and which encourage a compact, efficient urban form the promotes transit, supports nearby commercial establishments and takes advantage of infrastructure improvements installed to accommodate their intended intensities. The site is physically suitable for the proposed density of development because the property is within a high-density redevelopment area and the project will assist in the ongoing revitalization of the Mercado District and Downtown retail core by establishing a permanent residential base in the downtown area. The subject site is located within the Mercado District of the Downtown Specific Plan, which allows multi-family mixed-use development up to 100 du/ac. Based on the property size of 2.33 acres, the Mercado District would allow up to 233 units and a four-story structure up to 60 feet in height. The request to construct 120 units and a 4-story structure up to 65 feet in height is consistent with the land use density and development requirements envisioned for this area. The Zoning Code allows certain non-habitable architectural features to exceed height limits, such as towers, parapets and mechanical screens. The project density of 51.5 du/ac is consistent with the allowable density for the project site.

The proposed Planned Development, consisting of a Master and Precise Development Plan, includes a request for a parking reduction from 208 spaces to 179 spaces (29 spaces or 14%), a 49 percent reduction in the overall open space requirement, and the allowance of ground-floor residential uses throughout the project site. The Planned Development also includes a request to allow up to 70 square feet in wall signage; minor setback encroachment for screen wall along 2nd Avenue, and reduction in covered parking spaces from 120 (one per unit) to 73 covered spaces. The Downtown Specific Plan allows for modifications to development standards through the Planned Development process. The proposed modifications to the development standards would be appropriate for this project, as discussed in the City Council staff report dated May 12, 2021.

2. The proposed location of the development allows the planned development to be well integrated with its surroundings by providing a high-density mixed-use residential housing project in close proximity to transit, and near retail and other commercially developed properties. Adequate parking, circulation, utilities and access would be provided for the development (as detailed in the staff report). The project also would not be out of character for the area because the Mercado District of the Downtown Specific Plan envisions an upscale urban area with a mix of high-density residential and commercial development, and the proximity to the Escondido Transit Center makes the density appropriate. The overall mass and scale of the buildings is appropriate for the proposed location due to the street-oriented

appeal and urban design characteristics, along with the quality of the architectural design and use of a variety of building materials and colors.

- 3. All vehicular traffic generated by the proposed development would be accommodated safely and without causing undue congestion upon adjoining streets, as determined by the Engineering Division and detailed in the preliminary Traffic Assessment that was prepared for the project by Linscott, Law and Greenspan.
- 4. The overall design of the proposed residential mixed-use development would produce an attractive, efficient and stable environment for living, because adequate residential amenities, parking, and landscaping would be provided, and the design of the development is consistent with a high quality, urban infill project that will provide housing opportunities within walking distance of downtown commercial and retail services consistent with the City's vision for the downtown area. The project includes sufficient on-site open space amenities appropriate for this high-density urban development, including a podium and roof-deck common open areas with view decks and outdoor seating areas, and private balconies for each unit.
- 5. The proposed development would be well integrated into its surroundings, because the new structures would incorporate compatible and integrated architecture, materials and colors, and the project would not be visually obstructive or disharmonious with surrounding areas, or harm major views from adjacent properties. The proposed grading design would not result in any manufactured slopes or pads that would create any significant adverse visual or compatibility impacts with adjacent lots, nor block any significant views. Extensive grading is not required to support the project, and the project would not result in the destruction of desirable natural features, nor be visually obstructive or disharmonious with surrounding areas because the site is not located on a skyline or intermediate ridge, and the site does not contain any significant topographical features.
- 6. Utilizing the Planned Development process allows flexibility from the Downtown Specific Plan requirements in order to achieve a high-density residential project in the urban core. The project would provide residential opportunities integrated into a comprehensive and self-contained development, which creates an environment of sustained desirability and stability through the controls offered and regulated through the Planned Development process.
- 7. The project would provide an environment of sustained desirability and stability because city services and adequate access would be provided; adequate parking would be provided; the proposed architecture would be integrated into its surroundings; and the project could serve as a catalyst for further revitalization efforts in the area.
- 8. The improvements are not likely to cause substantial environmental concerns because the property was previously developed as with residential and commercial uses. The site does not contain any sensitive or protected habitat or other environmental concerns as determined during the environmental review. The design of the project and the type of improvements are not likely to cause serious public health problems because the project will not degrade the levels of service on the adjoining streets or drainage system as the project incorporates street

and drainage improvements are part of the project and city sewer and water is available to the site.

9. The general provisions, conditions, and exceptions applicable to the underlying Downtown Specific Plan shall be applied in the planned development zone, unless a different regulation or standard is prescribed by an adopted planned development zone. Development standards related to parking, open space, and sign placement as described in the May 12, 2021 staff report shall be governed by site-specific the Master Development Plan standards, which shall be adopted as part of the zone. All other provisions of the Escondido Zoning Code shall prevail during the implementation and operation of the Project.

No Net Loss

1. No Net Loss Law (Government Code section 65863) applies when a site is included in the jurisdiction's Housing Element's inventory of sites and is either rezoned to a lower residential density or is approved at a lower residential density or affordability level than shown in the Housing Element. The City does not need to determine if this Project or a decision related to this Project would be subject to No Net Loss Law and its remedies. The Project site is not identified in the vacant/underutilized sites land inventory of the City's Fifth Cycle (current) Housing Element (i.e. Figure XI-1 and matrix Figure XI-2 of Chapter XI of the General Plan).

Specific Plan Amendment:

1. The public health, safety and welfare would not be adversely affected by the proposed amendment to the Downtown Specific Plan because the amendment would refine development standards in a manner that would allow a development that would assist in ongoing efforts to promote an economically vibrant downtown with high-density residential uses in close proximity to the Escondido Transit Center.

The proposed action to amend the Downtown Specific Plan to change the location for mandatory ground-floor residential land uses seek to remove governmental constraints aimed at improving, maintaining, and developing housing opportunities in the Escondido community. The Amendment is necessary to ensure future projects are feasible and not unduly constrained by housing development, while facilitating the reasonable application of land use regulation to ensure desired community character is preserved.

- 2. The proposed amendment to the Downtown Specific Plan would not be detrimental to surrounding properties because it would assist in implementation of the vision and goals identified in the Specific Plan. The proposed changes would have no effect on the residential density allowed in the area and would not allow any new commercial uses that are not already permitted in the Specific Plan. Additionally, the amendment would allow a development that would increase the residential population in an area where public transportation is readily available and would support the economic viability of existing and future businesses in the project vicinity.
- 3. The proposed amendment to the Downtown Specific Plan would be consistent with the General Plan because it would not increase residential densities allowed by the General Plan,

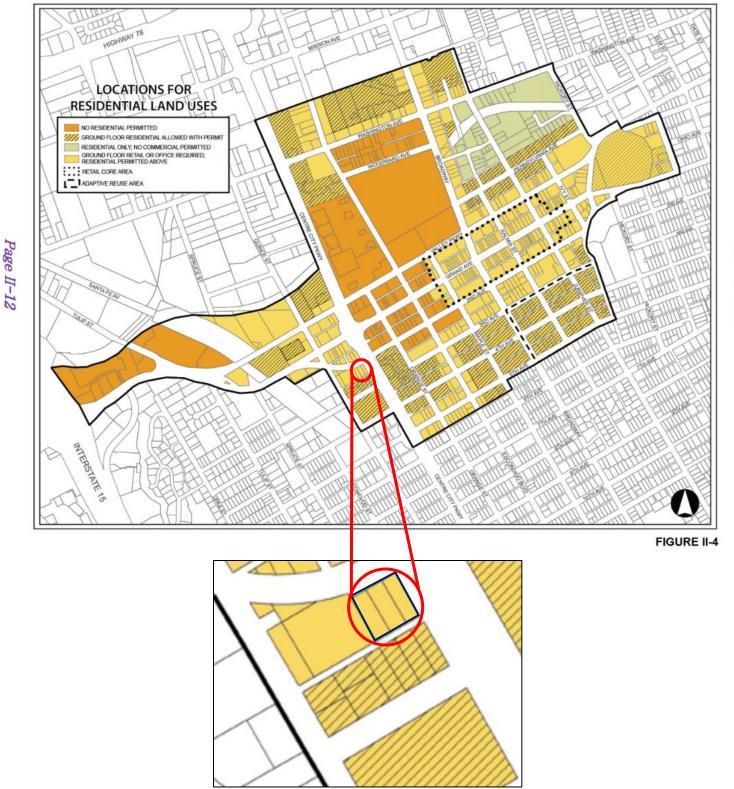
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would not detrimentally impact levels of service on area roadways, would not unduly burden public services in the area, and would be consistent with the transit-oriented development opportunities envisioned for the project area. It would also retain the General Plan vision which states the Downtown Specific Plan shall provide a range of retail, office, financial, cultural and residential opportunities. The specific plan goal to create an efficiently organized, aesthetically pleasing and vibrant downtown is further enabled and enhanced as a result of the proposed amendment.

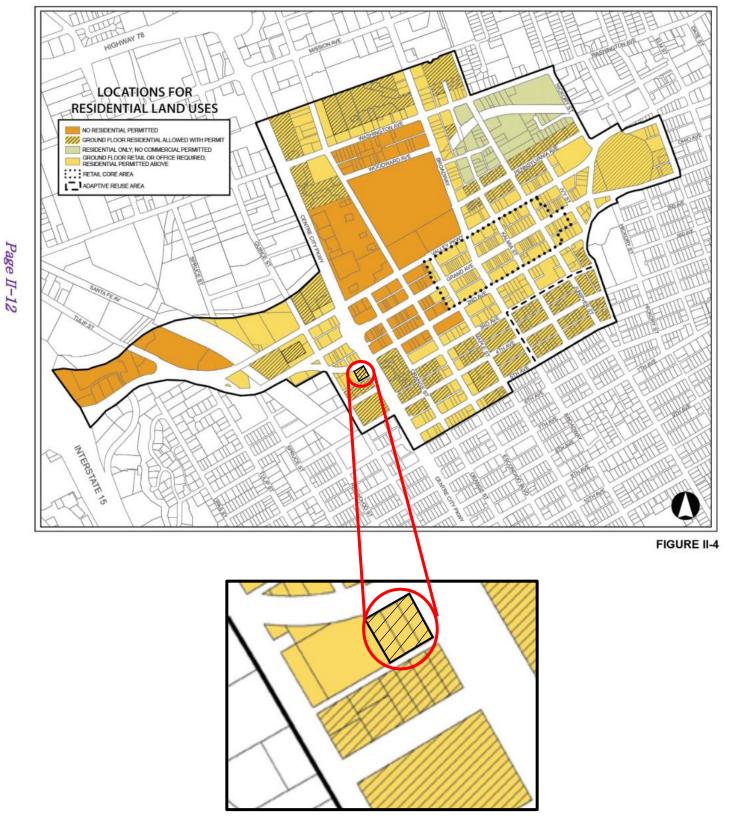
DSP Figure II-4

Revise Figure II-4 of the Downtown Specific Plan to allow ground floor residential uses on the subject property through the Planned Development application process, as depicted below on the following pages.

EXISTING FIGURE II-4 (detail area shown for clarity)



EXISTING MAP



AREA OF MAP REVISION

EXHIBIT "D" SUB 20-0001, PHG 20-0009, and ENV 20-0001



