



## Legislation Text

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**File #:** 15-1136, **Version:** 2

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Recommendation to declare ordinance approving an application for a Development Agreement pursuant to Chapter 21.29 of the Long Beach Municipal Code; directing the City Attorney to prepare a Development Agreement embodying the application and key terms of the Development Agreement as approved by the City Council; and authorizing and directing the City Manager to execute, on behalf of the City of Long Beach, a Development Agreement with The Long Beach Project Owner, LLC and DEM Investment Company, LLC, for the Riverwalk Residential Development Project and Oregon Park construction, read and adopted as read.

(District 8)

On October 15, 2015, the Planning Commission reviewed this project and conducted a public hearing, at the conclusion of which the Planning Commission recommended the City Council act to approve the recommendation.

The developer proposes to build a new residential community of 131 detached single-family dwellings on the site of the former Will J. Reid Boy Scout Camp located at 4747 Daisy Avenue. The quasi-triangular site is 10.56 acres (460,092 square feet) in area, and is bounded by the Los Angeles River bicycle and pedestrian path on the west, a railroad on the south, and abuts an existing neighborhood of single-family dwellings in the R-1-N zoning district on the north and northeast (Exhibit A - Location Map). Both Oregon and Daisy Avenues terminate on the northeast edge of the project site. The project site and adjacent neighborhood are southwest of the intersection of Del Amo Boulevard and Long Beach Boulevard.

The developer proposes to construct a gated community of 131 single-family dwellings on individual lots, ranging from 2,405 to 6,329 square feet in area, with an average lot size of 3,218 square feet. All streets within the development would be privately owned, with access to homes provided by a 34-foot-wide ring road, with 20-foot-wide secondary access drives to homes not accessible directly from the ring road. Public street access to the development would be provided through a large circular drive and gated entry at the terminus of Daisy Avenue. A gate at the terminus of Oregon Avenue provides emergency access to the development, but would not be used for regular access (Exhibit B - Plans).

Each single-family dwelling would be two or three stories high, with unit sizes ranging from approximately 2,100 to 2,900 square feet, in four different unit plans. Units adjacent to the existing residential area on the north and northeast edges of the development would be limited to two stories in height in order to provide a considerate transition of height and building volume between the project and the adjacent neighborhood. Units in the center and

on the southern and western ends of the project site would be two and three stories in height, up to a maximum building height of 38 feet. The average unit size is 2,505 square feet, and each unit is provided with a two-car garage of approximately 400 square feet. On-site guest parking is required at a rate of one space for each four units. The developer proposes to provide 40 spaces, 7 more than required by code. Guest parking will be located on the outer side of the main ring road, and will be restricted to visitors only-residents cannot use these parking spaces for personal vehicles or trailers that do not fit in their garages.

The development includes an approximately 15,000-square-foot recreation center, consisting of a pool, spa, and lounge deck with chairs and cabanas. A recreation center building contains bathroom and shower facilities, a covered lounge, entry tower, and a 583-square-foot community meeting room, in addition to smaller storage and equipment rooms. Immediately east of the recreation center is a 6,283-square-foot turf area that provides additional outdoor recreation space, while having a dual function as a stormwater retention basin. Further to the north, immediately west of the access gate onto Oregon Avenue, a 6,600-square-foot "tot lot" pocket park provides additional outdoor recreation space within the development.

All streets, sidewalks, and driveways within the development, as well as all common facilities and amenities, will be privately owned and maintained. This includes the recreation center, pocket park, perimeter walls, fences, and gates, as well as the retention basin and storm drain connection, and the sewer lift station and sewer connection. A Homeowner's Association (HOA) will be created, and will be responsible for managing the ongoing maintenance of all common improvements and facilities. The HOA also will be responsible for enforcing the maintenance and appearance standards for each dwelling, as well as enforcing parking restrictions (including use of the guest parking spaces), and managing the placement of trash carts for refuse collection. Additionally, the HOA will be responsible for the maintenance of the public sidewalk, parkways, and street trees on Daisy and Oregon Avenues adjacent to the development. Through the inclusion of Covenants, Conditions, and Restrictions (C,C,&Rs), adequate provision will be made for the long-term maintenance and upkeep of the development by the HOA.

A General Plan Amendment is required in order for this project to be approved. The current General Plan designation on the site is Land Use District (LUD) #11-Open Space/Parks, reflecting its former use as a Boy Scout camp. Staff has selected LUD #3A-Townhomes as the best fit for the proposed project, as it allows the construction of detached single-family dwellings at moderate densities on large, undeveloped sites. LUD #3A allows densities of up to 25 dwelling units per acre (DU/ac), and the Riverwalk project's density would be approximately half of that, at 12.5 DU/ac (Exhibit C - General Plan Amendment Map).

The project requires a Zone Change as the site's current zoning, "I" (Institutional), reflects its former use as a Boy Scout camp. The I zoning district only allows residential development at R-1-N density and lot sizes of approximately 7 DU/ac on 6,000-square-foot lots. However, the I zone is not a protective, single-family, low-density zoning district, as it primarily allows for

government offices, hospitals, college campuses, and large churches, among other large and intense land uses.

Use of R-1-N development standards are not consistent with a new large subdivision, or the current goals and objectives of providing flexible residential development options with enhanced site planning, unit designs, and community amenities. Staff, therefore, proposes to create a Planned Unit Development (PUD) zoning district that could be used for this and other, similar large scale residential projects currently in the development pipeline or on potential infill sites on suitably large lots.

The PUD zoning will allow the City to consider proposals, such as this one, on fairly large undeveloped parcels of land, at densities and configurations that are not accommodated by current traditional zoning districts. Major benefits of PUDs include the ability to cluster or concentrate density on certain portions of a site, while reserving other portions as community open space or other community benefits. A PUD also enables the City to allow a consistent internal street system for the development with better consideration for each unit, as well as fine-tuning the individual siting and setbacks for each unit without being constrained by a one-size-fits-all set of development standards. The new PUD zoning district would have the zoning symbol "RP" (Residential, Planned Unit Development) followed by a number specifying the permitted density in DU/ac. In this case, the project would receive a new zoning designation of RP-13, specifying a maximum density of 13 DU/ac (Exhibit D - Zone Change Map).

The project also requires a Site Plan Review approval for the site layout and architecture, and a Vesting Tentative Tract Map (Exhibit E - Vesting Tentative Tract Map No. 72608) to allow the subdivision of land. Staff is able to make positive findings for each of the requested entitlements, as well as the General Plan Amendment, Zone Change, and Planned Unit Development zone discussed above, and is satisfied that the project meets the requirements and the intent of the Zoning Regulations for the approval of these permits (Exhibit F - Riverwalk Findings). Staff has included conditions of approval to ensure that the objectives of consistent, high-quality design for this project will be met, and the interests of the City will be protected (Exhibit G - Conditions of Approval).

Additionally, a Development Agreement is proposed, governing the construction of certain off-site improvements. The Development Agreement accomplishes several objectives for the City and the developer. The agreement allows the developer to construct a number of major off-site improvements, including the construction of Oregon Park, the installation of a new traffic signal at Oregon Avenue and Del Amo Boulevard, and street resurfacing and improvements along portions of Daisy Avenue, Oregon Avenue, and 48<sup>th</sup> Street. These improvements will then be credited toward the development impact fees for parks and transportation improvements that otherwise would be required to be paid in full. Since the Planning Commission hearing, staff recommends additional public improvements be included as part of the Development Agreement. This includes additional street resurfacing and curb and gutter reconstruction of 48<sup>th</sup> Street from Oregon Avenue to Long Beach Boulevard; Pacific

Avenue from Del Amo Boulevard to the railroad embankment; and 49<sup>th</sup> Street from Oregon Avenue to Long Beach Boulevard.

For the Riverwalk project, the developer normally would be required to pay a Park and Recreation Facilities Fee (PRF) in the amount of \$604,308.24. For the construction of Oregon Park, the developer expects to expend approximately \$2.25 million; thus, the entire amount due for PRF would be credited. The developer also would normally pay a Transportation Improvement Fee (TIF) of \$147,375. The developer is expected to expend approximately \$1.65 million in traffic improvements, including the new signal at Del Amo Boulevard and Oregon Avenue, and the additional street resurfacing requested by staff. Thus, the entire amount of the TIF would be credited. Both departments of Parks, Recreation and Marine and Public Works support the granting of the fee credits. Two ordinances are required to allow these credits.

The Development Agreement ties the issuance of certificates of occupancy in the project to the completion of these off-site improvements, to ensure they are carried out before the project is completed. Also, the developer will be required to post a bond for these off-site improvements, to provide against the eventuality of the project being delayed or not completed. The Development Agreement vests the developer's rights to develop the property, and keeps the project approvals in place for a period of 10 years, or until the project is completed, whichever is earlier.

The proposed Oregon Park, located at 4951 Oregon Avenue, was previously approved by the Planning Commission on August 5, 2010 (Case No. 1002-28). However, the General Plan Amendment from LUD #10-School and Institutional to LUD #11-Open/Space and Parks, and the Zone Change from "I" (Institutional) to "P" (Park) is still pending City Council approval (Exhibit H - Oregon Park Findings). Construction of Oregon Park would require that the City Council act to approve the General Plan Amendment (see Exhibit C - General Plan Amendment Map) and Zone Change (see Exhibit D - Zone Change Map).

Public hearing notices were distributed in accordance with the requirements of Chapter 21.21 of the Long Beach Municipal Code. Notices were also sent to those who spoke at the Planning Commission hearing on October 15, 2015, and those individuals who submitted EIR comments. All public comments not received as part of the EIR process (discussed below) are attached (Exhibit I - Public Comments). A notice of public hearing also was published in the Long Beach Press-Telegram in accordance with code requirements.

## ENVIRONMENTAL REVIEW

In accordance with the California Environmental Quality Act (CEQA) and the CEQA Guidelines, an Environmental Impact Report (Exhibit J - EIR 01-15) was prepared for the proposed residential project. A Notice of Preparation (NOP) for this EIR was distributed to public agencies and made available for public review and comment for a CEQA-required 30-day NOP review period that started on September 4, 2014, and ended on October 3, 2014.

The City received 25 written comments during this NOP review period, including a petition with over 200 signatures in opposition to this project. Two Scoping Meetings were held during this review period, on September 24, 2014, and September 30, 2014, to further solicit public comment on the scope and content of the EIR.

The Draft EIR was distributed to public agencies and made available for public review and comment for a CEQA-required 45-day EIR review period that started on May 5, 2015, and ended on June 18, 2015. The Planning Commission held a study session on the Draft EIR on May 21, 2015. The City received 23 separate written comments on the Draft EIR during this review period. In some cases, the same person sent more than one written comment. These written comments and the City's written responses to these comments are provided in the Final EIR. This Final EIR also includes the Draft EIR text with minor edits based on public comments and the Mitigation Monitoring and Reporting Program. Text edits provided in the Final EIR did not substantially alter the Draft EIR environmental analysis or change the conclusions of the Draft EIR regarding potential project environmental impacts. The Final EIR determined that the project, in compliance with all recommended mitigation measures, would not result in any significant adverse environmental impacts.

The preparation and public availability of this EIR has been carried out in compliance with the provisions of CEQA and the CEQA Guidelines. Staff, therefore, recommends that the City Council certify EIR 01-15.

The Planning Commission certified a Negative Declaration for the Oregon Park project on August 5, 2010. This certification was not subsequently appealed to the City Council. This Negative Declaration is attached for the City Council's review (Exhibit K - ND-04-10).

This matter was reviewed by Assistant City Attorney Michael J. Mais on October 20, 2015, and by Budget Management Officer Victoria Bell on October 23, 2015.

Because the request includes a Zone Change and Zoning Amendment, Section 21.25.103.A.1 of the Zoning Regulations requires a hearing on this item by the City Council within 60 days of the Planning Commission hearing, which took place on October 15, 2015.

Pursuant to the Development Agreement, the developer will make the following public improvements at its expense: construction of Oregon Park; installation of a new traffic signal at Oregon Avenue and Del Amo Boulevard; and street resurfacing and improvements along portions of Daisy Avenue, Oregon Avenue, Pacific Avenue, 49<sup>th</sup> Street, and 48<sup>th</sup> Street.

Given that the developer expects to expend approximately \$3.9 million for the public improvements, the proposed Development Agreement would credit the Park and Recreation Facilities Fee (PRF) of \$604,308 and the Transportation Improvement Fee (TIF) of \$147,375, for a total revenue amount of \$751,683 that would not be received by the City.

The Development Agreement also requires the establishment of a traffic mitigation fund,

established through a \$100,000 nonrefundable contribution from the developer. The funds will be held in a reserve account in the Department of Public Works. Expenditure of the fund is at the sole discretion of the City to mitigate traffic impacts which might result from the project.

To protect the City's interest in the event of potential delays and non-completion of the project, the developer will be required to provide a performance bond in an amount equal to 115 percent of the total costs of both the offsite and onsite improvements. The performance bond will be required before any permits are issued and held until completion of the Oregon Park maintenance period.

When the Oregon Park maintenance period ends, the Parks, Recreation and Marine Department (PR) will be responsible for ongoing operation and grounds maintenance of the park, which would include irrigation, landscaping and debris removal. Based on current year costs, the annual General Fund cost for operation and maintenance is estimated to be approximately \$16,800, starting in late FY 17 or early FY 18. Based on full build-out, current tax rate, and projected pricing of the 131 Riverwalk homes, the total annual property tax is estimated to be approximately \$900,000. The City's share of this property tax is approximately 21 percent or \$189,000. The anticipated property tax revenue to the General Fund could be sufficient to offset the additional operation and maintenance costs of Oregon Park, and will be reviewed as part of the FY 17 or FY 18 budget process.

The number of local jobs created by the project will not be known until the developer completes hiring and construction has commenced.

Approve recommendation.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LONG BEACH APPROVING AN APPLICATION FOR A DEVELOPMENT AGREEMENT PURSUANT TO CHAPTER 21.29 OF THE LONG BEACH MUNICIPAL CODE; DIRECTING THE CITY ATTORNEY TO PREPARE A DEVELOPMENT AGREEMENT EMBODYING THE APPLICATION AND KEY TERMS OF THE DEVELOPMENT AGREEMENT AS APPROVED BY THE CITY COUNCIL; AND AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE, ON BEHALF OF THE CITY OF LONG BEACH, A DEVELOPMENT AGREEMENT WITH THE LONG BEACH PROJECT OWNER, LLC AND DEM INVESTMENT COMPANY, LLC, FOR THE RIVERWALK RESIDENTIAL DEVELOPMENT PROJECT AND OREGON PARK CONSTRUCTION

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APPROVED:

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