



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
October 3, 2023

TOPIC: Appeal Application Nos. 2023-02 and 2023-03 for Cabrillo Town Center project at 1901 and 1971 East Fourth Street and 515 and 525 North Cabrillo Park Drive (collectively 1901 East Fourth Street).

AGENDA TITLE

Appeal Application Nos. 2023-02 and 2023-03, appealing the decision of the Planning Commission to approve Site Plan Review (SPR) No. 2023-01 and Tentative Tract Map (TTM) No. 2023-03 (County Map No. 19243) to facilitate the construction of a mixed-use development known as Cabrillo Town Center at 1901 and 1971 East Fourth Street and 515 and 525 North Cabrillo Park Drive (collectively 1901 East Fourth Street)

RECOMMENDED ACTION

Adopt a resolution denying Appeal Application Nos. 2023-02 and 2023-03 and upholding the Planning Commission's approval of two resolutions to approve Site Plan Review (SPR) No. 2023-01 and Tentative Tract Map (TTM) No. 2023-03 (County Map No. 19243) to facilitate the construction of a mixed-use development known as Cabrillo Town Center at 1901 and 1971 East Fourth Street and 515 and 525 North Cabrillo Park Drive (collectively 1901 East Fourth Street).

GOVERNMENT CODE §84308 APPLIES: Yes

EXECUTIVE SUMMARY

Andrea Maloney with Sapetto Real Estate Solutions, Inc. and representing Fairfield Realty, LLC. (applicant), on behalf of David A. Colton, trustee of David A. Colton Trust (property owner), is requesting approval of Site Plan Review (SPR) No. 2023-01 and Tentative Tract Map (TTM) No. 2023-03 (for County Map No. 19243) to facilitate the construction of a mixed-use development known as Cabrillo Town Center ("Project") at 1901 and 1971 East Fourth Street and 515 and 525 North Cabrillo Park Drive (collectively 1901 East Fourth Street). Pursuant to sections 2.3 and 8.1 the Metro East Mixed-Use Overlay Zone (MEMU), in order to exercise the option to develop a mixed-use project under the MEMU, a SPR application needs to be approved. In addition, pursuant to Section 34-127, approval of a TTM application is required for projects proposing to create four or more parcels. Staff is recommending approval of the applicant's request due to the project's compliance with the intent of the MEMU by providing a highly quality, mid-rise, mixed-use development within an urban

environment. Moreover, the project meets the intent of the General Plan by promoting a pedestrian-oriented environment and will contribute to the City's housing stock through the production of market-rate ownership and rental housing units, diverse housing product types, and payment of in-lieu affordable housing funds to facilitate the development of affordable housing in Santa Ana.

Table 1: Project Location Information and Applicable Code Sections

Item	Information	
Project Addresses and Council Ward	1901 and 1971 East Fourth Street and 515 and 525 North Cabrillo Park Drive – Ward 3	
Nearest Intersection	Fourth Street and Cabrillo Park Drive	
General Plan Designation	District Center – Medium (DC-3)	
Zoning Designation	Professional (P) and Village Center District of the MEMU	
Surrounding Land Uses	North	Cabrillo Park
	East	Vacant (future Central Pointe Mixed-Use Development site)
	South	Medical Offices
	West	Professional and Medical Offices
Site Size	8.97 acres (390,733 sq. ft.)	
Existing Site Development	The site is currently developed with four offices buildings totaling approximately 87,082 sq. ft. and associated parking and landscape.	
Applicable Zoning Code Sections	Chapters 41 and 34 of the Santa Ana Municipal Code and MEMU	
Entitlements Requested	SPR and TTM	

Planning Commission Action & Background

At its regular meeting on April 24, 2023, and after receiving public testimony on the item, the Planning Commission voted unanimously (6-0-0-1 with Ramos absent) to adopt a resolution approving Site Plan Review (SPR) No. 2023-01 and Tentative Tract Map (TTM) No. 2023-03 (County Map No. 19243) to facilitate the construction of a mixed-use development known as Cabrillo Town Center at 1901 East Fourth Street.

The Planning Commission modified the conditions of approval to require the applicant to coordinate with the Public Works Agency (PWA) to develop a traffic-calming strategy along Cabrillo Park Drive. Specifically, Condition of Approval No. 19 requires the applicant to coordinate with PWA to develop a traffic-calming strategy when the project reaches 70-percent and 95-percent occupancy, and requires the applicant to implement such strategy when feasible and appropriate as determined by the City.

On May 1, 2023, Lozeau Drury, LLP, on behalf of the Supporters Alliance for Environmental Responsibility ("SAFER"), submitted an appeal application pursuant to Section 41-645 of the Santa Ana Municipal Code (SAMC) (Exhibit 1) appealing the Planning Commission's approval of SPR No. 2023-01 and TTM No. 2023-03. In addition, on May 3, 2023, Mitchell M. Tsai, on behalf of the Southwest Mountains States Carpenters ("SWMSRCC"), also submitted an appeal application pursuant to Section

41-645 of the SAMC (Exhibit 2) appealing the Planning Commission's approval of SPR No. 2023-01 and TTM No. 2023-03. Both appeals filed are based on compliance with the California Environmental Quality Act (CEQA) and state that the City should have prepared a project-level environmental impact report (EIR) for the mixed-use development.

DISCUSSION

Project Description

The proposed project includes the demolition of four commercial office buildings on four separate legal parcels in order to facilitate construction of the mixed-use development. The development would consist of two integrated parcels. Parcel 1 will consist of a five-story wrap building with 14,900 square feet of live/work space (19 live/work units), 5,800 square feet of leasable commercial space, 6,100 square feet of leasable office space, 449 residential rental units, 898 parking spaces, and 68,167 square feet of open space and amenities. Parcel 2 will consist of eight 3-story townhome buildings containing a total of 58 residential for sale units, 127 parking spaces, and 18,938 square feet of open space and amenities. In addition, the project as a whole will provide a total of 47,810 square feet (1.10 acres) of publicly accessible open space.

Table 2: Project Summary

Item		Parcel 1 – Apartments	Parcel 2 – Townhomes
Lot Size		6.23 acres (271,379 sq. ft.)	2.74 acres (119,278 sq. ft.)
Building Square Footage (excluding parking)		539,649 sq. ft.	122,226 sq. ft.
Building Height/Stories		Five stories (60'-3" in height)	Three stories (37'-1" in height)
Dwelling Units Per Acre (DU/AC)		72.1 DU/AC	21.2 DU/AC
Floor Area Ratio (FAR)		1.9 FAR	1.0 FAR
Number of Units		449 units (rental apartments)	58 units (for-sale townhomes)
Number of Bedrooms Per Unit	Studios	23 units (5%)	None proposed.
	1-bedroom	262 units (59%)	None proposed.
	2-bedrooms	145 units (32%)	12 units (20%)
	3-bedrooms	N/A	34 units (58%)
	4-bedrooms	N/A	12 units (20%)
	Live/Work	19 units (4%)	None proposed.
Range of Unit Size	Studios	598 sq. ft.	None proposed.
	1-bedroom	600 – 871 sq. ft.	None proposed.
	2-bedrooms	1,072 – 1,083 sq. ft.	1,479 sq. ft.
	3-bedrooms	N/A	1,738 – 1,811 sq. ft.
	4-bedrooms	N/A	1,927 sq. ft.
	Live/Work	728 – 1,083 sq. ft.	None proposed.
Commercial Square Footage	Live/Work Space	14,900 sq. ft.	None proposed.
	Retail Space	5,800 sq. ft.	None proposed.
	Office Space	6,100 sq. ft.	None proposed.
Parking		898 spaces (2 per unit)	127 spaces (2.2 per unit)
Interior Amenities		5,721 sq. ft.	580 sq. ft.

Item		Parcel 1 – Apartments	Parcel 2 – Townhomes
Open Space	Private Space	24,148 sq. ft.	9,424 sq. ft.
	Common Space	44,019 sq. ft.	9,514 sq. ft.
Publicly Accessible Open Space		47,810 sq. ft. (1.10 acres)	

Site Planning, Circulation and Architecture

City staff, the developer, and the architects worked closely to ensure the latest principles in site planning and circulation were incorporated into the project. The project site is broken up by two integrated parcels that provide two distinct housing product types to provide a range of housing options both for rent and sale. The project's defining features are the town center plaza along Fourth Street and Cabrillo Park Drive and adjacent to the proposed commercial space, which will activate the pedestrian experience within the development. In addition, the town center plaza has been designed to provide a passive seating area to be enjoyed by the residents, commercial patrons, and visitors of the development.

Vehicular access to the parking structure of Parcel 1 is provided via a right-turn only driveway on Fourth Street and another on Cabrillo Park Drive. In addition, a paseo/service lane along the east property line of Parcel 1 will serve as an access lane for emergency vehicles and trash services but will also provide access to a proposed "move-in" area. The applicant is currently working with the adjacent property owner to the east to finalize an agreement for a sight triangle easement for this area. Vehicular access to Parcel 2 is provided via a driveway on Parkcourt Place (which is proposed as a private street) which has been designed to comply with City standards for future expansion to connect to Sixth Street.

The Parcel 1 wrap building has been designed to feature a contemporary architectural style, comparable to current mixed-use residential development communities under construction in the City and the region. The overall design, massing, features, and materials of the building will be compatible with, but differentiated from, the existing development in the neighborhood, including the anticipated Central Pointe Mixed-Use Development to the west, which is entitled and currently in plan check. The contemporary architectural style will include a muted and earth-toned color palette, with high contrast accent colors, a light sand stucco exterior, fiber cement panel siding, metal railings, aluminum storefronts, brick veneer, metal canopies, and high quality architectural detailing (e.g., exterior lighting, entry doors, fenestration, etc.). Moreover, all building elevations are architecturally detailed and designed to be pedestrian-oriented and activating. Overall, the project will include solid construction materials that will ensure that the project ages well for the duration of the building's lifetime.

The Parcel 2 townhouse buildings also feature a contemporary architectural style. The overall design, massing, features, and materials of the buildings will be compatible with, but differentiated from, the multi-family portion of the project. The contemporary architectural style will include fiber cement lap siding, brick veneer, a light sand finish

stucco exterior, vinyl windows, high quality building trim, metal railings, and high quality architectural detailing (e.g., exterior lighting, entry doors, fenestration, etc.). Moreover, the structures are designed to fully screen all mechanical equipment within the structure and parapet walls. These buildings will also include solid construction materials that will ensure that the project ages well for the duration of the building's lifetime.

Commercial Components

Parcel 1 will contain all of the 26,800 square feet of the commercial space. The commercial space will provide 14,900 square feet of live/work space, 5,800 square feet of retail leasable space, and 6,100 square feet of leasable office space. The commercial space and leasing office will be provided on the ground floor, along Fourth Street and Cabrillo Park Drive. The commercial areas have been designed to accommodate a range of uses common within mixed-use structures, such as cafes, small size retail, and neighborhood service uses. The 19 live/work or "shopkeeper" units will also be provided on the ground floor along Fourth Street and Cabrillo Park Drive, and a few flex spaces are provided along Parkcourt Place to further activate the area.

On-Site Parking

On-site parking for Parcel 1 is provided via a 6.5-level parking structure with a total of 898 parking spaces, at a rate of 2.0 parking spaces per unit. Of the proposed 898 parking spaces, 90 parking spaces will be allocated for guest and patrons of the commercial area, with the remaining 808 spaces allocated for residence parking only. As proposed, the retail/commercial and resident guest parking spaces will be located on the ground floor and subterranean level of the parking structure, which will remain ungated. Residents will be provided with a transponder or similar device (e.g., fob or key card, etc.) for remote access to the upper gated residential parking area, accessed from Level 1 of the parking structure. Onsite parking for Parcel 2 is provided via 116 covered parking spaces through tuck-under two-car garages per unit. In addition, 11 surface parking spaces will be provided for guest parking. The townhouse development will be parked at a rate of 2.2 parking spaces per unit. Although not counted as a part of the overall project's parking supply, an additional 23 on-street parking spaces will be provided along Parkcourt Place for visitors and guests.

A Parking Management Plan (PMP), attached hereto as Exhibit 6, was prepared for the project to ensure adequate parking is being provided and managed properly for all project residents, tenants, employees and guests. The PMP identifies how parking stalls will be assigned, how gates will be managed, and how access (keycard, access codes) for residents, guests, employees, and public will be provided. Based on the provided PMP, it is concluded that adequate parking will be provided to satisfy the parking demand for residents, guests, and employees of the project. Nevertheless, to ensure adequate parking is provided for all users of the project, a condition of approval requiring the property owner and/or property management company to implement and

enforce the appropriate parking management strategy recommended in the PMP has been included on the project resolutions.

Open Space and Amenities

Open space and amenities will be provided on the site in a variety of means, including private unit balconies and patios, amenity rooftop deck, ground-level courtyards, and the town center plaza. Parcel 1 will provide 24,148 square feet of private open space, in the form of private decks. With the exception of the proposed studio units, all other units will have a private outdoor deck ranging in size between 53 and 61 square feet. In addition, 44,019 square feet of common open space will be provided. Four courtyards will be provided throughout Parcel 1, including Courtyard 'A' (Apartment Pool) approximately 11,851 square feet in size, Courtyard 'B' ("Entertainment") approximately 6,311 square feet in size, and Courtyards C and D ("The Backyards") proposed at 4,994 and 5,624 square feet in size. These courtyard spaces will be highly amenitized, will create unique outdoor areas within the development, and will function as both passive and active outdoor spaces. Moreover, the outdoor areas will provide functional amenities to residents (e.g., dog run, dining tables, shade structures, fire pits, BBQ, etc.). The open space will also feature a landscape palette with seating options and a variety of hardscaping materials, trees, and shrubs.

Parcel 1 will also provide additional amenities, including 250 cubic feet of personal storage (four-by-eight-foot storage unit), a 2,410-square-foot fitness room, a 1,656-square-foot lounge room, and a 1,655-square foot clubroom. In addition, the development will include a 7,500-square-foot roof terrace located three feet above the parking structure. The terrace would provide outdoor kitchen amenities (e.g., BBQ counters with sit up bar, shade trellis, lounge seating pods, and dining tables); private dining areas (e.g., pendant lighting, BBQ, dining table, and pottery); a view deck with seating and a fire pit; a fireside lounge with soft seating and a fire pit; and passive and active outdoor spaces (e.g., game terrace, "The Pavilion," and "The Lawn"). These passive and active spaces would provide lounge seating, synthetic turf, a media wall, festival lighting, cabanas with lounge seating, a sit-up island counter, lounge area with TV, pool tables, and game tables.

Parcel 2 will provide 9,424 square feet of private open space in the form of private decks. Each townhouse unit will have a second story private deck ranging in size between 109 and 208 square feet. The development will also provide approximately 9,514 square feet of common open space, in the form of a pool and spa courtyard (8,934 square feet) and pool building (580 square feet). The pool and spa courtyard will be centrally located and will provide outdoor dining (e.g., BBQ, overhead shade structures, and dining tables), lounge furniture (e.g., umbrellas, daybeds, chaise lounge seating), a 52-foot long pool, a spa, and matching height date palms. The design and layout of the proposed open space would create a unique outdoor area within the

development, which function as a passive outdoor space and provide functional amenities to residents.

Lastly, the project also includes 47,810 square feet (1.10 acres) of publicly accessible open space via the town center plaza and paseos along Fourth Street, Cabrillo Park Drive, and Parkcourt Place. The town center plaza will include outdoor dining opportunities, decorative hardscape, specimen trees and plantings, umbrellas, seating, and lawn games. The paseo along the east property line of Parcel 1 will include a dog park and the paseos along Fourth Street, Cabrillo Park Drive, and Parkcourt Place will include enhanced pavement, seating, and other street furniture.

Off-Site Improvements

Offsite improvements include a new signalized intersection and crosswalks at Cabrillo Park Drive and Parkcourt Place; this traffic signal is an existing requirement stemming from the entitlement of the adjacent Central Pointe mixed-use project. An exclusive westbound right-turn lane at Cabrillo Park Drive and Fourth Street will also be constructed. Pedestrian circulation would be provided via existing public sidewalks along Fourth Street and Cabrillo Park Drive, which will connect to the project site and to Cabrillo Park to the north of the site. The project will protect the existing sidewalk along project frontage, and if necessary, repair or reconstruct sidewalks along the project frontage.

Affordable Housing Opportunity and Creation Ordinance Compliance

The City's inclusionary housing ordinance, known as the Affordable Housing Opportunity and Creation Ordinance (AHOCO) (SAMC Sec. 41-1900 et seq.), applies to housing projects proposing five or more units that are also requesting an increase in allowable density or are located in certain sections of the City that were "up-zoned" to allow additional residential development after November 28, 2011, including residential overlay districts. As the proposed project is located within the MEMU and is seeking to develop a project per its standards, the project is subject to the AHOCO requirements of the production of affordable housing or payment of in-lieu fees. Pursuant to Section 41-1904(c) of the SAMC, the applicant has selected the option to pay in-lieu fees. Based on available figures for the project, the project will contribute an estimated \$8,043,600 in in-lieu fees, which must be spent on production of affordable housing in the City of Santa Ana. Table 3 below illustrates the calculation methodology.

Table 3: AHOCO In-Lieu Fee Calculation

Estimated Habitable Sq. Ft.	In-Lieu Fee Per Habitable Sq. Ft.	Final Estimated Total (Habitable Sq. Ft. Multiplied by In-Lieu Fee)
Parcel 1 = 386,314 sq. ft.	\$ 15.00 per sq. ft.	\$5,794,710
Parcel 2 = 149,926 sq. ft.		\$2,248,890
Total:		\$8,043,600

Senate Bill (SB) 330 Application

SB 330 became effective on January 1, 2020, and established a statewide “housing emergency” until January 1, 2025, which was extended until 2030 through the passage of SB 8. The senate bill amended Government Code Section 65941.1 with the broad goals of facilitating increased production of new residential units, protecting existing units, and providing for an expedited review and approval process for housing development projects through submittal of a “preliminary application.” It is important to note that since the application was submitted under SB 330, the project is required to comply with the objective zoning code standards applicable to the property, but only to the extent that they facilitate the development at the density allowed by the General Plan, 90 dwelling units per acre (du/ac) per the District Center-Medium High (DC-3) General Plan land use designation and a decision on the project must be made in no more than five public hearings.

On May 11, 2022, the applicant submitted a Senate Bill (SB) 330 Preliminary Application for the proposed project. The preliminary application was deemed complete by staff on June 9, 2022, and since then, the applicant worked with staff to address all development standards.

Analysis of Appeal

Appeal Application No. 2023-02 (SAFER)

Pursuant to Section 41-645 of the SAMC, the appellant is requesting that the City Council overturn the Planning Commission’s decision approving SPR No. 2023-01 and TTM No. 2023-03 based on compliance with the California Environmental Quality Act (CEQA). Specifically, the appellant states that: (1) The decision of the Planning Commission was in “violation” of CEQA; (2) The City’s determination that the Project was analyzed in the 2010 Metro East Mixed Used (MEMU) Overlay Zone EIR and Subsequent EIR was incorrect; (3) The Project would have new and different significant environmental impacts that were not analyzed in the MEMU EIR; and (4) That a project-specific EIR should have been prepared to analyze the Project.

Staff notes that the appellant does not provide any substantial evidence that the Project would result in any new or more significant impacts than analyzed in the Certified EIR or that new mitigation is required. Moreover, the appellant does not provide information as to why they believe a project-specific EIR should have been prepared, or what new and different significant environmental impacts would result from the Project that have not already been analyzed in the EIR and Subsequent EIR. Nevertheless, a comprehensive response on the appeal items previously outlined has been prepared and can be found in Exhibit 10.

Appeal Application No. 2023-03 (SWMSRCC)

Pursuant to Section 41-645(a) of the SAMC, this appellant is requesting that the City Council overturn the Planning Commission's decision approving SPR No. 2023-01 and TTM No. 2023-03 and provides four main reasons to substantiate the request, including: (1) Requirement of a local workforce; (2) Training requirements to prevent community spread of COVID-19 and other infectious diseases; (3) CEQA compliance; and (4) Inconsistency with the City's General Plan.

In addition, the City received a supplemental comment letter on August 17, 2023, from Mitchell M. Tsai, on behalf of the SWMSRCC. Staff notes that this letter is outside of the 10-day appeal period, as outlined in Section 41-645(b) of the SAMC. Therefore, the subsequent appeal items do not satisfy the requirements of SAMC Section 41-645 and should not be considered. Nonetheless, staff has prepared a comprehensive response on all appeal items received (original appeal letter and supplemental), which can be found in Exhibit 10.

MEMU Site Plan Review

Pursuant to Section 41-595.5 of the SAMC and sections 2.3 and 8.1 of the MEMU, approval of a Site Plan Review by the Planning Commission is required for any project wishing to develop per the MEMU standards. In accordance with Section 8.2 (Findings for Granting a MEMU Overlay Zone Site Plan Review Approval) an analysis of the project's compliance with the MEMU is provided in Table 4 below.

Table 4: MEMU Findings for Site Plan Review Approval

Finding	Project Compliance
That the proposed development plan is consistent with and will further the objectives outlined in Section 1.2 for the MEMU.	<p>The project will create a new mixed-use development within close proximity to office buildings, Cabrillo Park, Mabury Park, and less than two miles from Downtown Santa Ana, which provides additional opportunities to live, work, and play. The proposed project includes two distinct market-rate housing product types, including a townhouse development and mixed-use residential development. Each townhouse building will be three-stories in height, while the mixed-use building will be five-stories with ground floor commercial/retail and residential units on upper floors, wrapped around a 6.5-level parking structure. The height of the buildings will blend in with the heights of the nearby office buildings, which range from single-story, three-story and eight-story buildings.</p> <p>The project will be built to California Building Code standards, which include energy and water conservation measures and will improve pedestrian mobility by providing new sidewalks and parkways along Fourth Street and Parkcourt Place. In addition, the publically accessible linear park along Parkcourt Place will serve as a link to the Cabrillo Park to the north. Each residential unit will have storage opportunities for personal</p>

Finding	Project Compliance
	<p>bicycles. Additionally, public transit bus service is provided in the project area by the Orange County Transportation Authority (OCTA). Four OCTA bus routes operate within the vicinity of the project site on First Street, Fourth Street, Seventeenth Street, and Tustin Avenue, which consists of the following: OCTA routes 60, 64, 71, and 463.</p> <p>The commercial space has been designed with retail floor heights of approximately 20 feet with storefronts that will be visible from Fourth Street and Cabrillo Park Drive. In addition, the commercial space links directly to an on-site public plaza at the corner of Fourth Street and Cabrillo Park Drive which will include outdoor dining opportunities, decorative hardscape, specimen trees and plantings, umbrellas, seating and lawn games. In addition, the ground floor residential units along Parkcourt Place will have doors and patios with direct access to the street to help activate the street.</p>
<p>That the proposed development plan is consistent with the development standards specified in Section 4 of the MEMU.</p>	<p>The project is consistent with the development standards specified in Section 4 of the MEMU including land use, height, minimum development site area, building frontages, publically accessible open space, private/common open space, building setbacks, and parking and access. The propose project is a mixed-use development that has been well designed to fit within the Village Center District. Further, the access and egress for the project has been thoroughly review by the Public works Agency for compliance with all applicable development standards.</p>
<p>That the proposed development plan is designed to be compatible with adjacent development in terms of similarity of scale, height, and site configuration and otherwise achieves the objectives of the Design Principles specified in Section 5 of the MEMU.</p>	<p>The project is consistent with the development standards specified in Section 5 of the MEMU. The building is designed with a high quality design that includes varied massing, changes in form, and is comprised of high quality materials including a light sand stucco exterior, fiber cement panel siding, metal railings, aluminum storefronts, brick veneer, metal canopies, and high quality architectural detailing (e.g., exterior lighting, entry doors, fenestration, etc.). During the development review process, staff provided extensive design comments, which resulted in higher-quality building materials, an increase in the commercial square footage (i.e., live/work), and building elevations that are architecturally detailed and designed to be pedestrian-oriented. The commercial storefronts are enhanced with cornices and metal canopies and the primary access to the commercial uses will be from Fourth Street and Cabrillo Park Drive. The project promotes pedestrian activity with landscaping and publically accessible open space.</p>
<p>That the land use uses, site design, and operational considerations in the proposed development plan have been planned in a manner that will result in a compatible and</p>	<p>The project is consistent with the development standards specified in Section 7 of the MEMU. The project has been designed to ensure compatibility between the residential and non-residential uses on site. The commercial uses have separate entrances from the residential uses, and the parking management plan will manage parking between the residential</p>

Finding	Project Compliance
harmonious operation as specified in Section 7 of the MEMU.	and nonresidential uses. On-site lighting will be consistent with Chapter 8 of the SAMC.

Tentative Tract Map

Subdivision requests are governed by Chapter 34 and Chapter 41 of the SAMC. Pursuant to Section 66473.5 and 66474 of the California Subdivision Map Act, applications for tentative tract maps are approved when it can be shown that findings can be made in support of the request.

Specifically, findings related to the proposal need to be made that find the project is consistent with the General Plan, the site is physically suitable for the type and density of the proposed project, the proposed project will not cause substantial environmental damage or substantially and avoidably injure fish and wildlife or their habitat, the proposed project will not cause serious public health problems, or the proposed project will not conflict with easements necessary for public access through or use of the property must be made. Using this information staff has prepared the following analysis, which, in turn forms the basis for the recommendation contained in this report. In analyzing the applicant's request, staff believes that the following analysis warrants approval of the tentative tract map.

The applicant is seeking approval of a tentative tract map (County Map No. 19243) to create two legal lots, one of which will be subdivided for condominium purposes for the townhome portion of the site. Upon completion of the subdivision, the lots will continue to be utilized for residential use in the form of attached tuck-under unit type structures (townhouse development), and commercial/residential mixed-use (wrap building). In reviewing the project, staff determined that the proposal as conditioned is consistent with the various provisions of the City's General Plan. As an SB 330 application, the proposed development has been found to be consistent with the objective general plan standards for the property.

Further conditions of approval have been included to ensure the site's landscaping, architectural design, and Covenants, Conditions, and Restrictions (CC&Rs) continue to be in compliance with all applicable standards of the SAMC and the MEMU in the future. Further, no adverse environmental impacts to fish or wildlife populations were identified as the project site is located in a built-out, urbanized area. The project will also maintain all required easements. Finally, the tentative tract map was found to be consistent with the California Subdivision Map Act and Chapter 34 of the SAMC.

Public Notification and Community Outreach

Project notifications were posted, published, and mailed in accordance with City and State regulations for both the Planning Commission hearing and the City Council appeal hearing. In addition, staff contacted the provided contacts for the Lyon Street and Mabury Park neighborhood associations to ensure they were aware of the project and

public hearing. At the time this report was printed, no issues of concern were raised regarding the proposed development.

The applicant also held two community meetings in conformance to the Sunshine Ordinance notification requirements. The first meeting was on held Monday, August 15, 2022 and the second meeting was held on Thursday, November 10, 2022. Both meetings were publicly noticed in the OC Register, posted on the City's website, and invitation mailers were sent to all addresses within a 1000-foot radius of the project site, as well as local community organizations. Participants asked questions about the project timing and construction impacts, affordability levels, project density, and about potential traffic and parking impacts to the community. Approximately 18-25 individuals attended both meetings. Materials from both meetings are posted to the project's City webpage for public viewing.

FISCAL IMPACT AND ECONOMIC ANALYSIS

The applicant retained the services of The Concord Group (TCG) to prepare a fiscal and economic impact analysis of the proposed project which included confirmation of the rent/revenue levels for the product offerings as well as the primary fiscal and economic benefits to the City from the proposed development (Exhibit 7). To validate the findings of the analysis, the City retained the services of the Economic and Planning Systems, Inc. (EPS) to peer review the study.

TCG's analysis reveals positive economic and fiscal impacts from the proposed development due to the project site's location in a high-value, jobs-rich area surrounded by employment centers and mixed-use commercial developments. The report's conclusions about the proposed project are noted in Table 5 below.

Table 5: Key Findings of the Proposed Project

Topic	Proposed Project
Mixed-Use Market Assessment	Due to the mixed-use environment and strong access and visibility, the rental apartments, for-sale townhomes, and ground floor retail are well positioned within the market.
Fiscal Impact Analysis	Based on a total construction budget of \$249 million, the project is projected to generate a recurring revenue of approximately \$22.8 million (which includes \$10,452,020 in Property Tax, \$4,574,958 in Property Tax in-lieu of Motor Vehicle Licenses fees, \$3,210,515 in Utility Use Tax, \$3,838,764 in Resident-Derived Sales Tax, and \$717,990 in Retail Sales Tax) over the next 25 years after build-out period (three years of construction). Total City expenditures over the next 25 years after build-out are expected to be \$14.5 million (which includes police, fire, and other services) resulting in net revenue of \$8.3 million.
Employment Impacts	During construction, the project will generate approximately 1,913 jobs (1,266 direct, 323 indirect, and 323 induced). After completion, the project will maintain approximately 32 jobs (21 direct, 6 indirect, and 6 induced).
Permit Fees	The City will receive approximately \$15.5 million in revenue from permit fees, AHOCO in-lieu fees, park impact fees, and other development impact fees.

Impacts to Neighboring Commercial	Redevelopment of the site from commercial/office uses will not negatively affect the local neighborhood as the market performance suggest an oversupplied commercial zone. Given the vacant office space surrounding the site, there exists the opportunity to relocate onsite existing office tenants within the local neighborhood. Moreover, the project's proposed commercial space and live/work units are expected to be absorbed by the market.
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ENVIRONMENTAL IMPACT

In accordance with the California Environmental Quality Act (CEQA) and the CEQA Guidelines, the project is within the scope of the 2007 Metro East Mixed-Use Overlay Zone Environmental Impact Report (EIR) and 2018 Subsequent EIR (SEIR) (SCH No. 2006031041). The 2007 EIR and 2018 SEIR anticipated potential development of 5,551 residential units, 963,000 square feet of commercial development, and 690,000 of office development. The 2007 EIR and 2018 SEIR analyzed impacts related to aesthetics, agriculture/forestry, air quality, biology, cultural resources, geology/soils, greenhouse gas emissions, hazards and hazardous materials, hydrology and water quality, land use and planning, mineral resources, noise, population/housing, public services, transportation/traffic, tribal cultural resources, and utilities. The EIR and SEIR concluded that there would be significant and unavoidable impacts associated with air quality, noise, and transportation/traffic, and mitigation measures were developed and recorded through an approved Mitigation Monitoring and Reporting Program (MMRP). As required by the MMRP, a traffic impact analysis (Exhibit 9G) was prepared for this project by Linscott, Law and Greenspan, Engineers (LLG). The analysis evaluated the existing operating conditions at 25 intersections, estimated the trip generation potential of the project, and forecasted future near-term and long-term operating conditions without the proposed project. Based on the analysis, off-site improvements are required at various intersections and at difference timeframes, as identified in the traffic analysis which the project will comply with.

The previously prepared 2007 EIR and 2018 SEIR adequately described the project's environmental setting, significant impacts and alternatives, and mitigation measures related to each impact. There are no substantial changes with respect to circumstances under which the project is undertaken that will require major revisions to the EIR. There is no new information of substantial importance, and there are no new environmental impact or mitigation measure needed. All applicable mitigation measure, attached hereto as Exhibit 8, applied to the previously prepared 2007 EIR and 2018 SEIR will be applied to this project.

CONCLUSION

Based on the analysis provided within this report, staff recommends that the City Council adopt a resolution denying Appeal Application Nos. 2023-02 and 2023-03 and upholding the Planning Commission's approval of a SPR No. 2023-01 and TTM No.

2023-03 to facilitate the construction of a mixed-use development known as Cabrillo Town Center at 1901 East Fourth Street.

FISCAL IMPACT

There is no fiscal impact associated with this action.

EXHIBIT(S)

1. Appeal Application No. 2023-02 – Lozeau Drury, LLP on behalf of SAFER
2. Appeal Application No. 2023-03 – Mitchell M. Tsai on behalf of SWMSRCC
3. Supplemental Comments – Mitchell M. Tsai on behalf of SWMSRCC, Dated August 17, 2023
4. Resolution Denying Appeal Applications 2023-02 and 2023-03 and upholding the Planning Commission's approval of SPR No. 2023-01 and TTM No. 2023-03
5. [April 24, 2023 – Planning Commission Staff Report](#)
6. Parking Study & Management Plan
7. Fiscal and Economic Impact Analysis
8. MEMU Mitigation Monitoring and Reporting Program
9. Peer Reviewed Technical Memorandum and Exhibits
10. 9A. Air Quality Technical Report
11. 9B. Historic Resources Report
12. 9C. Geotechnical Report
13. 9D. Greenhouse Gas Technical Report
14. 9E. Phase 1 Environmental Site Assessment
15. 9F. Noise Technical Report
16. 9G. Traffic Impact Analysis
17. 9H. Vehicle Miles Traveled (VMT) Screening Assessment
18. 9I. OCTA Route 064
19. 9J. Updated Traffic Circulation Analysis Addendum
20. 10. Response to Appeal Comments

Submitted By: Minh Thai, Executive Director of the Planning and Building Agency

Approved By: Kristine Ridge, City Manager