



Council Agenda Report

From: Darcy Delgado, Associate Planner

Subject: Rolling Hills Apartment Project - Request for Approval of 135-Unit Residential Apartments - Planned Development (PD22-08) & Oak Tree Removal (OTR 22-16) at 1025, 1041, 1049 Creston Road (APNs: 009-641-008, -009, -010, -011, and -022)

CEQA Determination: The City Council is being asked to adopt a mitigated negative declaration (SCH 2023030497) (MND) and Mitigation Monitoring and Reporting Plan (MMRP) for the project, which was circulated between Friday, March 17, 2023 and Tuesday, April 5, 2023.

Date: April 18, 2023

Facts

1. The City of Paso Robles has received an application from Red Tail Land Development, LLC to construct a 135-unit multi-family residential project.
2. The project site is approximately 6.12-acre and is located at the intersection of Creston Road and Rolling Hills Road (See Vicinity Map, Attachment 1).
3. The proposed residential development is a 135-unit apartment project, consisting of seven, three-story buildings, and a one-story clubhouse. Of the 135 units, there are 62 one-bedroom/one-bathroom apartments, 52 two-bedroom/two-bathroom apartments, and 21 three-bedroom/two-bathroom apartments. A total of 267 onsite parking spaces are provided (1.98 spaces per unit). There are numerous on-site trees, including three native oak trees, of which one oak tree is proposed for removal.
4. The subject site has a General Plan land use designation of Residential Multiple Family, High Density 20 units per acre (RMF-20); and is within the R4-20, Multiple-Family Residential zoning district.
5. The applicant is requesting to utilize fractional density for 62 of the 135 total units. Since the 62 units are between 601-1000 square feet, they are able to be counted as 0.66 of a density unit. This results in the 62 regular units being equivalent to 41 fractional units.
6. The project will require Planned Development PD 22-08 and Oak Tree Removal Permit 22-16 entitlements.
7. The Planning Commission held a public hearing on March 28, 2023, and considered the facts as presented in the staff report prepared for this project, and accepted public testimony regarding the project, and by a vote of 7-0 voted to recommend the City Council approve the project and associated environmental documents.
8. In compliance with the California Environmental Quality Act (CEQA), an initial study and mitigated negative declaration (SCH 2023030497) were prepared for the project and circulated between March 17, 2023 and April 5, 2023.

Community Outreach

Before both the Planning Commission and City Council hearings, the City sent notices to all owners and tenants of properties within 300 feet of the property and a notice was published in the San Luis Obispo Tribune.

Options

After consideration of public testimony, the City Council should consider the following options:

1. Approve the project by:

- a. Approving Resolution 23-XXX(A) (Attachment 2), certifying mitigated negative declaration SCH 2023030497 and adopting the Mitigation Monitoring and Reporting Plan;
 - b. Approving Resolution 23-XXX(B) (Attachment 3), approving Planned Development 22-08 and Oak Tree Removal 22-16;
2. Amend and adopt the draft resolutions; or
3. Refer the project back to staff for additional analysis; or
4. Deny one or both of the draft resolutions, based on a determination that the project does not meet one or more of the required findings.

Analysis and Conclusions

Project Summary

The project is a 135-unit multiple-family residential project including:

- 7 individual apartment buildings
 - 62 one-bedroom/one-bathroom apartments
 - 52 two-bedroom/two-bathroom apartments
 - 21 three-bedroom/two-bathroom apartments
- 267 total parking spaces
 - 82 single car garages
 - 53 carports
 - 132 uncovered parking stalls
- Fitness/clubhouse building
- Swimming pool
- Shared recreational open space/tot-lot



General Plan Consistency

The project is within the Residential Multifamily (RMF-20) land use designation. According to the 2003 General Plan Land Use Element, the RMF-20 land use designation is intended to “provide the highest permissible density, located where such density can be accommodated through sensitive site and building design”, “meet the needs of persons seeking rental housing units, at various price levels”, “provide housing

in close proximity to schools, shopping, and other services, including public transit”, and “provide a transition zone between single-family residential neighborhoods and higher-intensity land uses”.

The proposed use is a residential apartment project which is an allowed use at this location. Further, it is in close proximity to nearby schools, the Williams Plaza shopping center, as well as public transit (bus stop located approximately 600 feet east of the site). Because of the proximity to services, the site is ideal for achieving the density level required for this site.

Zoning Ordinance

The site is zoned R-4 20 (Multi-Family Residential, 20 un/ac) which encourages building types that support rental housing. The R4 zoning district is intended to “provide for multiple-family residential development, primarily in the form of apartments and condominiums” (PRMC 21.16I.010). The project is generally consistent with all applicable development standards but is requesting two modifications from the development standards listed under PRMC 21.16I.210 (in accordance with PRMC chapter 21.16I.140), which is the same request the applicant previously requested as part of the project located at 1401 Creston Road (Arrive Apartments). The modifications include:

- Modification to allow multi-family buildings to exceed the limit of four to eight dwelling units per building; and
- Modification to allow multi-family buildings to exceed the maximum of four dwelling units sharing a common entrance to a multi-family building.

The requested modifications are reasonable as they enable the applicant to design a project that matches the density of the site, and results in fewer buildings and greater setbacks from adjacent residences.

Fractional Density

PRMC Chapter 21.16I.060 indicates the purpose of fractional density is to encourage smaller units that are affordable by design. The following density unit values apply to all multifamily residential zoning districts (R-2 through R-5), Uptown/Town Centre zones where multifamily uses are allowed, and in the mixed-use (MU) overlay zone.

- Studio and 1-bedroom dwelling units ≤ 600 square feet = 0.50 density unit
- Studio and 1-bedroom dwelling units 601-1,000 square feet = 0.66 density unit
- 2-bedrooms and greater dwelling units and all dwelling units $> 1,000$ square feet = 1 density unit

The proposed Project consists of 135 apartments on 6.21 acres, or 21.7 units per acre. However, accounting for fractional units as illustrated below, the density is 18.4 units per acre, which is consistent with allowed density for this location.

Fractional Density Calculation

41 fractional units (62 units between 601-1,000 square feet x 0.66 density unit
+ 73 full-size units (73 between 1,001-1,500 square feet x 1.00 density unit)
= 114 total density units (18.4 density units/acre

Building Height

The maximum height permitted for main buildings in the R4 zoning district is 40 feet (PRMC 21.16I.150). The apartment buildings have been designed as three-story tuck-under style buildings with a maximum height of 38 feet and 6 inches.

Open Space

Paso Robles Municipal Code 21.16I.180 requires the equivalent of 375 square feet of usable shared open space for each residential unit. Private open space is given 1.5 times the value as shared open space.

As designed, the project site has an average of 504 square feet per unit for common open space, which meets the requirement for having common open space. Additionally, each unit has a private patio or balcony which provides an additional average of 112 square feet of private open space.

Amenities

For developments of this size, Paso Robles Municipal Code 21.16I.185 requires either a shared laundry room or individual laundry hookups in each unit, and enclosed storage of at least 250 cubic feet for each unit. The project is designed with individual laundry hookups in each unit and has assignable enclosed storage areas for each unit ranging in size from about 260 cubic feet to about 500 cubic feet.

Architecture

The architectural style of the project was greatly inspired by the traditional Spanish forms found throughout the City. The typical elements of this style are the strong forms of the gable roofs, the simple geometry of the massing, elegant execution of details. The exteriors of the buildings are stucco with articulation of wall planes and shall have varied roof forms. Two building types in various sizes are plotted on the site with earth tone color schemes applied strategically, playing off each other in pairs or in contrast to each other. These design considerations give the project a rich village-like quality, blending it with the surrounding neighborhood and broader City context.

Parking

Zoning Ordinance Section 21.22.040 requires 1.5 parking spaces for each multi-family residence with 1 bedroom, 2 parking spaces for each multi-family residence with 2 or more bedrooms, and 1 guest parking space for every 5 dwelling units. Bicycle rack space is required at a rate of 2 spaces for every 10 dwelling units. One motorcycle space is required for every 20 vehicle spaces. Therefore, this project is required to provide 266 car parking spaces, 14 bicycle racks, and 7 motorcycle stalls. The applicant proposes 267 vehicle parking spaces, 27 bicycle racks, and 13 motorcycle stalls, which is more than is required.

Neighborhood Compatibility

In order to address neighborhood compatibility concerns, the applicant has arranged the buildings on the site plan so that the shorter sides of the structures face the existing homes to the north and west. This orientation helps provide more compatible massing and limits the direct line of site into neighboring yards. Additionally, the maximum building height for the RMF-20 zone is 40 feet, and the maximum height of the buildings is 38-feet, 6-inches. Setbacks from neighboring properties range from approximately 40 feet to over 80 feet, which is over the required 20 foot minimum setback to adjacent single family zoned properties. Additionally, parking areas and open space with screening trees line the perimeter of the site to help provide a buffer between the project and the existing homes to the north and west.

Development Review Committee

The project was discussed by the Development Review Committee (DRC) on October 10, 2022. Overall, the DRC had concerns regarding the circulation component of the site, questioning if the flow of traffic onto either Creston Road and/or Rolling Hills would create impacts. Since a traffic study was in progress, the DRC was informed that additional information would be forthcoming and would be provided to the Planning Commission. The DRC also suggested the applicant provide more architectural details to the building, to emphasize pedestrian paths, and demonstrate how lighting could impact adjacent residences. In response to the latter comments, the applicant made several changes to their submittal including adding architectural details to the buildings and providing a photometric site plan for the Planning Commission to review.

Neighborhood Meetings

The applicant held two neighborhood meetings, the first on October 10, 2022 and the second on October 27, 2022. At the neighborhood outreach meetings, concerns raised by the residents were generally related to the transition from the project to the existing neighboring residential uses, lighting and glare, noise

generated by the project, and potential for increased traffic. A large number of questions were answered during the meeting and the applicant made various changes to their plans prior to resubmitting to the City. Ultimately, traffic remained the main concern especially since the traffic study had not yet been released. The following section discusses traffic impacts in more detail.



View of Rolling Hills Road looking northwest

Traffic/Road Improvements

A Traffic Impact Study (TIS) was prepared for this project by Central Coast Transportation Consulting, dated February 2023 (Study available in Attachment 4). The purpose of the TIS is to provide the City with data that can be used to make decisions regarding potential traffic impacts of a proposed project, and any associated improvements that would be required to mitigate these impacts to a level of insignificance as defined by the City's General Plan Policies.

According to the study, the project would generate approximately 941 trips per weekday, including 65 trips during the AM peak hour and 79 trips during the PM peak hour. Various intersections in the vicinity of the site were analyzed during the weekday AM and PM peak hour for both existing conditions and with the project. As noted in the study, the Creston Road/Rolling Hills Road intersection during the AM peak hour operates at Level of Service (LOS) E without the project and LOS F with the project. In addition, the southbound right turn queue exceeds the turn pocket length under Existing Conditions with and without the project during the AM peak hour. The study looked at modifying the intersection to a single lane roundabout as included with the project submittal and as proposed by the Creston Road Corridor project. The roundabout which would improve operations of this intersection to LOS C or better during both peak hours and eliminate queue deficiencies. The City anticipates construction of the roundabout portion of the Creston Corridor Plan to occur approximately Summer 2025-2026. The timing of this construction would most likely be after the project is fully constructed and occupied, based on the applicant's timeline to be finished with construction by the first quarter of 2025.

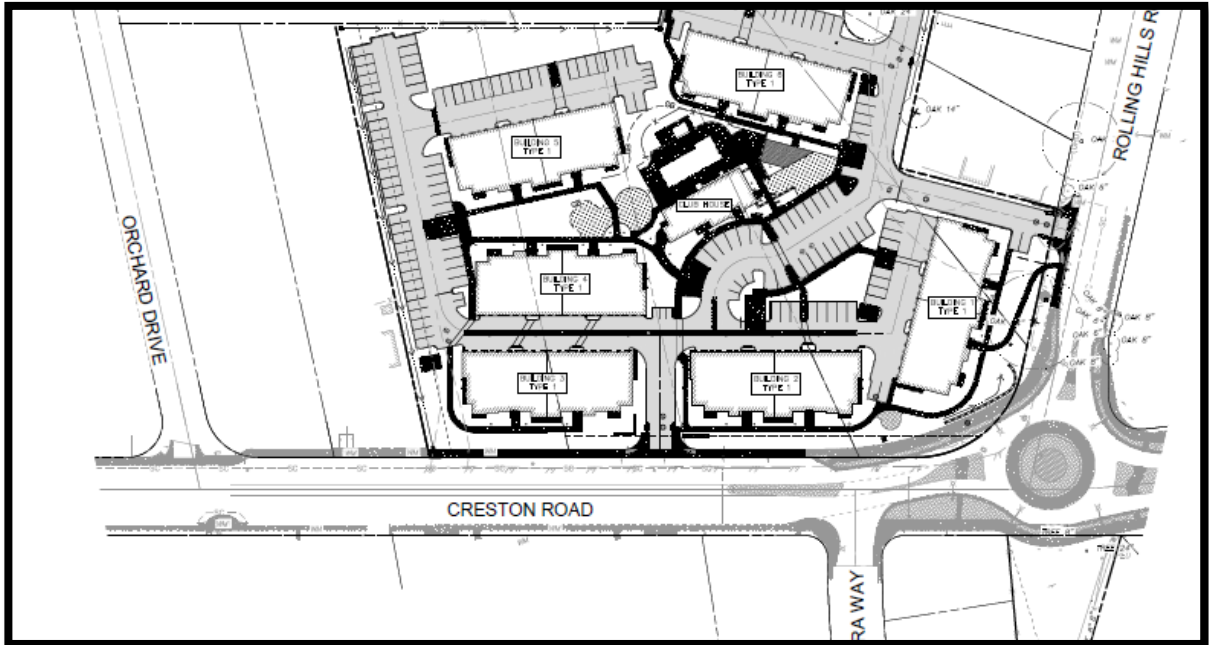
Site Access and On-Site Circulation

The project proposes a driveway on Creston Road and a driveway on Rolling Hills Road. The project will have full access at the Rolling Hills Road driveway, but will be limited to left-in, right-in, right-out only at

the Creston Road driveway. To accommodate left turns into the site on Creston Road and reduce conflicts points along this corridor, a short median in the two-way left turn lane will be required. The median will allow left turns into the site and the driveway across Creston Road but would restrict outbound left turns.

Roundabout at Creston Road and Rolling Hills Road

Consistent with the City's Circulation Element, as well as the recent Creston Road Complete and Sustainable Streets Corridor Plan (Corridor Plan), the north side of Creston Road from the project frontage to Orchard Drive will be improved with curb, gutter, sidewalk, pavement widening, and new striping for travel and bike lanes. The addition of a roundabout is also planned at the intersection of Creston Road and Rolling Hills Road, with construction to occur approximately Summer 2025-2026.



Plan view of roundabout



View of Creston Road looking northwest with proposed roundabout improvements

Oak Tree Removal Request

There is one (1) 44-inch native valley oak (Tree # 82) that is proposed for removal. Although the site plan has shown that the tree could be retained, due to the health of the tree being poor, having structural issues and past failures, and the likelihood of future failure once frontage improvements for Rolling Hills Road are made (which is within the tree's critical root zone), two Arborists recommended the tree be removed. Mitigation trees (totaling 11-inches in diameter) are being provided with the new landscape plan for the project to mitigate for the loss of the tree proposed for removal.



California Environmental Quality Act

Pursuant to CEQA, the city has prepared an Initial Study/Mitigated Negative Declaration (MND) (SCH No. 2023030497) for the Project. The MND prepared for this project that the City Council is being asked to adopt includes the MMRP, the findings and follow-up contained in this staff report, all attachments, the resolutions and accompanying attachments, and testimony received as a result of the public notice. The MND found that although the proposed project would generate potentially significant impacts to Air Quality, Biological Resources, Cultural Resources, Transportation, and Tribal Cultural Resources, the implementation of mitigation measures would reduce all potentially significant impacts to less than significant. A summary of proposed mitigation measures for the entirety of the project includes preconstruction surveys for special status species, oak tree protection measures, monitoring during ground disturbing activities, and providing frontage improvements for traffic. For a full list of mitigation measures, see Exhibit B, Draft Resolution A. These mitigation measures have been incorporated as conditions of approval for the Project.

The MND was made available for public comment from March 17, 2023 through April 5, 2023 to local agencies, designated Native American Tribes under AB 52, on the city's website, at Paso Robles Community Development Department, and at the Paso Robles Library. The Notice of Intent to Adopt a Mitigated Negative Declaration was made available by the following methods to indicate the availability of the environmental document during the public comment period: (i) published in the Tribune Newspaper, a newspaper of general circulation; (ii) filed with the San Luis Obispo County Clerk; (iii) filed with the State Clearinghouse; (iv) mailed to various interested persons, agencies, and tribes; and (v) posted on the City's website.

Since the publishing of the MND, one comment letter from the San Luis Obispo Air Pollution Control District (SLOAPCD) has been received on the MND (Exhibit C of Draft Resolution A). In response to the comment letter, additional analysis is provided below to supplement the MND and changes were made to the required mitigation measures listed in the Mitigation Monitoring and Reporting Plan (Exhibit B of Draft Resolution A). The additional information in this staff report constitutes minor changes and does not result in alterations to the degree of impact or significance conclusions presented in the MND and therefore does not constitute significant new information. Rather, the change serves to merely clarify and strengthen the content of the MND. Therefore, recirculation of the MND is not required under State CEQA Guidelines section 15073.5. The MND and this staff report constitute the Final MND, and are available for review on the City's website.

SLOAPCD Comments

The San Luis Obispo Air Pollution Control District (SLOAPCD) submitted comments on the Project with recommendations to include additional construction phase conditions, and to elevate fugitive dust measures that were already conditions to the project to be included as mitigation measures in the Mitigation Monitoring and Reporting Plan. Since the majority of these measures were already recommended, staff agrees that these can be included in the MMRP. Additionally, SLOAPCD commented on the operational phase of the project, but did not request any new mitigation measures be applied. For greenhouse gas (GHG) emissions, SLOAPCD recommended additional mitigation measures be applied to the project since they have established an interim guidance document that is intended to supersede the 2012 SLO County APCD Handbook, although no formal adoption of these standards has occurred. These newer guides are generally recommended based on the current trends and best practices and are "in the spirit of SB 32's 2030 GHG reduction target". The comments to include additional operational GHG reductions include committing the project to receive 3Cprime power from Central Coast Community Energy and using landscape providers that will use only zero-emission landscape equipment. These recommendations appear appropriate to include in the project's MMRP, as they will bolster the GHG reduction efforts to be in line with best practices and interim thresholds SLOAPCD is targeting.

Fiscal Impact

There is no direct fiscal impact from approving the recommended actions.

Recommendation

That the City Council take the following actions:

- a. Approve Resolution 23-XXX(A) certifying mitigated negative declaration SCH 2023030497 and adopting the Mitigation Monitoring and Reporting Plan;
- b. Approve Resolution 23-XXX(B) approving Planned Development 22-08 and Oak Tree Removal 22-16.

Attachments

1. Vicinity Map
2. Resolution 23-XXX(A)
3. Resolution 23-XXX(B)
4. Traffic Study
5. CEQA - Initial Study/Mitigated Negative Declaration
6. Mail Affidavit
7. Newspaper Affidavit