

December 4, 2024

ITEM TITLE: 1337 HOLLY DEV. (APPLICANT); CONSTRUCT A NEW 4-STORY, 46-UNIT RESIDENTIAL DEVELOPMENT WITH 48 PARKING SPACES, DETACHED ADU, & A 5,244 SF PARK AT 1368-1376 HOLLY AVE. & 1368 14TH ST. (APN 633-161-14-00, 633-161-13-00, 633-161-12-00) USE-23-0066. (0600-20)

ORIGINATING DEPARTMENT:

Community Development

EXECUTIVE SUMMARY:

The owner of three properties located at 1368 Holly Avenue, 1376 Holly Avenue, and 1368 14th Street, zoned R-2000 (Medium Density Residential), has initiated the process to demolish three existing single-family homes and construct a new 4-story, 46-unit residential development comprised of a 45-unit multifamily building with 6 affordable units (3 very low income and 3 moderate income), 9 accessory dwelling units, and 30 market-rate units) plus one (1) detached accessory dwelling unit with 48 parking spaces and a 5,244 square foot park at 1368 Holly Avenue, 1376 Holly Avenue, and 1368 14th Street (APN 633-161-14-00, 633-161-13-00, 633-161-12-00) in the R-2000 (Medium Density Residential) Zone. The Design Review Board reviewed the project on August 15, 2024, and recommended approval of the project's design with a vote of 3 Ayes, 1 No, 1 member absent.

RECOMMENDATION:

That the City Council adopt Resolution No. 2024-087 approving Site Plan Review (SPR-23-0015), Design Review Case (DRC-23-0015), and categorical exemption pursuant to the California Environmental Quality Act (CEQA) Guidelines Section 15332 Class 32 (In-Fill Development Projects).

RATIONALE:

The proposed project aims to address the housing needs of low-income and moderate-income residents in Imperial Beach. By adding affordable housing units, it aligns with local regulations such as the Imperial Beach Municipal Code (IBMC) Chapter 19.65 Affordable Housing Density Bonus and State regulations including Government Code Section 65915. This development is also in line with Housing Element Goal 1 of the City's Housing Element, which seeks to meet current and future housing demands.

Furthermore, the project proposes the creation of a new 5,244 square foot park in an underserved area of the city. This new park would provide much-needed recreational opportunities for the community and is consistent with the Parks, Recreation, & Access Element Policy P-9 New Park

Land. Although the park is not a requirement for the development proposal, it is being voluntarily proposed for the project.

OPTIONS:

In addition to adopting staff's recommendations, the City Council can:

- Approve the project with modifications by the City Council; or
- Disapprove the project and deny the requested permits by making specific findings for denial; or
- Continue the Public Hearing to a specific future meeting to allow staff to provide additional information upon which a decision can be rendered.



BACKGROUND/ANALYSIS:

An application (USE-23-0066) was submitted to the City on June 11, 2024 for Site Plan Review (SPR-23-0015) and Design Review Case (DRC-23-0015) proposing to demolish three existing single-family residences and construct a new four-story, 46-unit residential development comprised of a 45-unit multifamily building with 6 affordable units (3 very low income and 3 moderate income), 9 accessory dwelling units, and 30 market-rate units) plus one (1) detached accessory dwelling unit with 48 parking spaces and a 5,244 square foot park at 1368 Holly Avenue, 1376 Holly Avenue, and 1368 14th Street (APN 633-161-14-00, 633-161-13-00, 633-161-12-00) in the R-2000 (Medium Density Residential) Zone.

The project site consists of three existing lots that total 34,505.21 square feet (0.79 Acres) that would be consolidated into a single lot as a part of the project. The project would demolish the existing three single family residences and construct a new four-story, 46-unit residential development comprised of a 45-unit multifamily building with 6 affordable units (3 very low income and 3 moderate income), 9 accessory dwelling units, and 30 market-rate units) plus one (1) detached accessory dwelling unit with 48 parking spaces and a 5,244 square foot park. Vehicular ingress and egress to the property would be provided via a full access driveway off of Holly Avenue leading into a ground floor parking area. Three existing curb cuts and driveways, two

located on Holly Avenue and one located on 14th Street, would be removed as a part of the project.



Building Orientation & Design: The proposed building orientation provides two detached buildings. The primary building is a multi-family structure with four-stories and 45-residential units fronting Holly Avenue and the second structure is a detached ADU fronting Holly Avenue on the southwestern corner of the lot. The ADU has been designed with the same building materials and colors as the adjacent multi-family structure. A concrete staircase fronting Holly Avenue provides direct pedestrian access from Holly Avenue to the multi-family building entrance. The detached ADU is fronting Holly Avenue with a pedestrian entrance located on the eastern elevation of the building which is directly accessible from the sidewalk fronting Holly Avenue. The multi-story residential structure includes both an elevator and stairwell to provide access to the upper floors. Additionally, the ground floor of the multi-family structure provides an enclosed bike storage area with a bike repair station, a lobby, a mailroom, and a gym. The multi-family structure would provide a mix of different unit types including: three studio units, 21 one-bedroom units, 15 two-bedroom units, and six three-bedroom units. Of the 45 residential units, three would be very low income and three would be moderate income units. Recreational open space is provided on the second floor with a courtyard that would include a variety of seating features, tables, shade structures, recreational amenities including a fire pit and grill, and would be landscaped with raised aluminum planters.



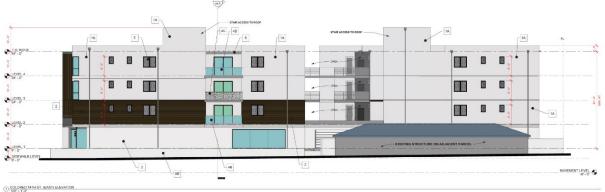
A 5,244 square foot pocket park is being proposed with the project. The pocket park would be located on the southeastern corner of Holly Avenue and 14th Street with the length of the park frontage on 14th Street.

The properties situated to the north, south, east, and west of the project site are in the R-2000 (Medium Density Residential) Zone. The land use of the properties located to the north and east of the property are multi-family, multi-story residential uses. The properties located to the south of the project site are a mix of multi-family, multi-story residences and single-story single-family residences. The properties to the west are single-story multi-family residences in duplex configurations.



<u>Building Materials and Palette:</u> The applicant has proposed a modern building design with a color palette that includes La Habra "snowfall" and La Habra "folkstone" with warm accents of "redwood" cement siding (ref. materials board shown below). A variety of building materials would be utilized for the building's exterior finishes including cement plaster and cement board siding with a wood fiber aesthetic in the color tone "redwood" to emulate wood materials. Milgard style-line windows would be provided along all elevations, balcony railings will be a combination of metal guard rails, glass guard rails, and laser cut metal guard rails to provide varied visual interest along each of the building elevations. The site would be surrounded by a six-foot CMU block wall.







<u>Trash Enclosure</u>: An enclosed trash, recycling, and organics enclosure would be situated within the ground floor parking area not visible from the street. Waste, recycling, and organic pick-up would occur either from the drive aisle utilizing a smaller EDCO truck with a forklift or it would be rolled to Holly Avenue for pick up by EDCO.

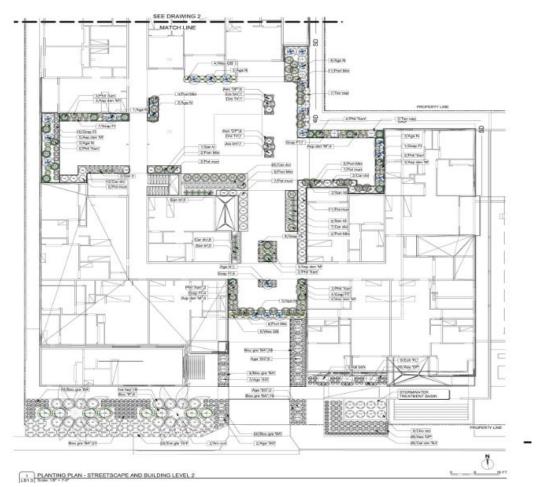
Landscaping: Typically, new residential developments require that 300 square feet of usable open space be provided per unit and not less than fifty percent of the required front yard and street side yard setbacks shall be landscaped and permanently maintained. Per IBMC Section 19.50.020, "Usable open space" means an unobstructed portion of a lot which has a minimum dimension of ten feet in every direction, is landscaped and developed for active or passive recreational and leisure use and is conveniently located and accessible. The project would require 10.800 square feet of open space, not including the ADU's proposed for the project. The project proposes to provide a total of 13,612 square feet of open space with a 5,244 square foot pocket park that would be dedicated to the City, a 4,536 square foot courtyard accessible to all residents, and 3,804 square feet of private balcony space. Additionally, the project is providing 8,448 square feet of planted landscaped area. The pocket park is located on the street side vard of the property adjacent to the eastern property line and a portion is located within the front yard setback fronting the southeastern corner of Holly Avenue and 14th Street, 1,552 square feet of landscaped area is provided within the front yard in addition to the pocket park, 1,000 square feet of landscaped area is provided within the rear yard, and the courtyard proposes to provide 654 square feet of planted areas within planters. The project proposes a variety of different trees, succulents, grasses, shrubs, and cacti. Additionally, the project proposes varying ground cover materials inclusive of permeable pavers, decomposed granite, porcelain pavers, and wood decking.

Pocket Park



Courtyard





TREES



Dracaena marginata 'Tricolor'

SHRUBS AND GRASSES



Asparagus densifiorus 'Myers'

Carex divulsa











SUCCULENTS AND CACTI



Aeonium tabuliforme

Agave attenuata 'Nova'



Graptoveria 'Fred Ives'



Portulacaria afra 'Minima'

munitum

Westringia fruticosa 'Grey Box'

Front and Street Side Yard

GROUND FLOOR PLANTS

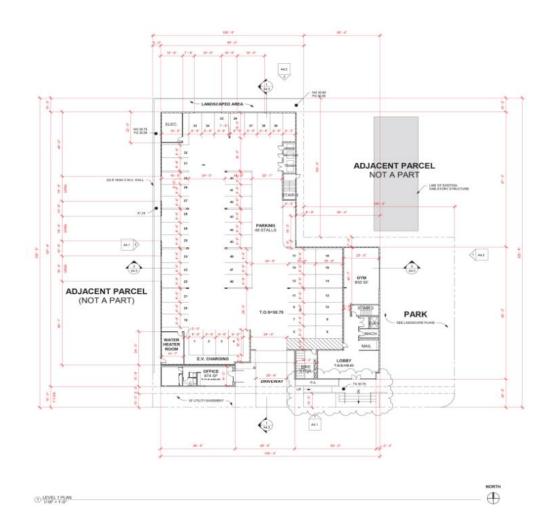


cunninghamiana



<u>Parking</u>: A total of 48 parking spaces are proposed for the project. The applicant is proposing to utilize Government Code Section 65863.2. (a) also known as California Assembly Bill 2097 (AB 2097), which prohibits a local agency from imposing or enforcing any minimum automobile parking requirement on a residential, commercial, or other development project if the project is located within one-half mile of public transit. The applicant stated that the project provides 48 parking spaces exceeding what would typically be required for similar projects per the requirements of California Government Code Section 65863.2. (a). The project would be located within a half mile of public transit located at the intersection of 13th Street and Imperial Beach Boulevard.

To further offset the parking impact, the applicant is requesting the utilization of two on-street parking spaces dedicated for the use of the building residents as an affordable housing development concession and proposing to include both short-term and long-term bicycle parking on site. Additionally, they are proposing to provide a bicycle repair station within the bicycle storage area.



<u>Lighting</u>: Exterior wall mounted lighting fixtures have been incorporated in the private balconies on the building facades to enhance the architecture of the building. Six pole lights are proposed to be placed throughout the pocket park along with pedestrian scale lighting to enhance safety and circulation as well as not impact the surrounding neighbors and uses. Pedestrian scale lighting is also proposed in the landscaped areas fronting the building along Holly Avenue and within the courtyard which would be installed within the aluminum raised planters. Per the photometric plan for the project, the project lighting would be restrained in color and brightness. All of the lighting and lighting fixtures are architecturally compatible and scaled to the buildings with consideration for energy efficiency.



General Plan/ Zoning Consistency: Per IBMC Section 19.65.010, to encourage the provision of affordable housing, the City shall provide to developers who meet the requirements established by this chapter and Government Code (GC) Section 65915 (Density Bonus Law) a density bonus and the incentives identified in GC Section 65915. Additionally per IBMC Section 19.65.070, consistent with GC Section 65915, the City may not apply any development standard that will have the effect of physically precluding the construction of an affordable housing development meeting the criteria per GC Section 65915 at the densities or with the concessions or incentives permitted by GC Section 65915, and an applicant may submit to the City a proposal for the waiver or reduction of development standards that will have the effect of physically precluding the construction of a development. The applicant is proposing to provide the public benefit of a park to the community which would be dedicated to the City and to substantially conform with the underlying zoning requirements that would not preclude the construction of the project at the densities allowed per GC Section 65915. As the project is providing 15% of the residential units for very low-income households, the applicant qualifies for three incentives or concessions. There are no minimum or maximum number of waivers that may be requested by the applicant. The City Council will make the determination regarding the proposed incentives/concessions and waivers for the project. The applicant is requesting concessions and waivers on the parking, building height, building separation, floor area ratio, lot coverage, rear yard setback, and processing requirements.

A total of 48 parking spaces are proposed. The applicant is proposing to utilize Government Code Section 65863.2. (a) also known as California Assembly Bill 2097 (AB 2097), which prohibits a local agency from imposing or enforcing any minimum automobile parking requirement on a residential, commercial, or other development project if the project is located within one-half mile of public transit. Based on these requirements, the applicant would be required to provide zero (0) parking spaces including the ADUs. The applicant stated that the project provides 48 parking spaces exceeding what would typically be required for similar projects per the requirements of California Government Code Section 65863.2. Acknowledging the need for additional parking, the applicant is requesting a concession to allow two on-street parking stalls to be dedicated as building parking. To reduce the impact of the on-street parking loss, the project is closing three existing curb cuts and creating one new curb cut on Holly Avenue, this would add two more on street parking spaces than what the existing street configuration provides. To accommodate the 48 parking spaces located within the parking area, the applicant is requesting a waiver to the

minimum length of a parking space. IBMC Section 19.48.090 requires that a parking space adjoining a wall provide an additional foot on the obstructed side, the applicant is requesting to allow the parking spaces to be reduced to 18' in length to include additional parking for residents and to reduce the vehicular impact to the surrounding neighborhood.

Typically, projects require that 60% of the required useable open space for the project be provided at grade unenclosed. To allow for the project to provide off-street parking, the applicant is requesting a waiver to requirement, providing 48.8% of the useable open space at grade unenclosed.

Regarding the proposed building height, the applicant is proposing that the building, measured from the average of the existing grade to the highest point of the structure including the parapets and the staircase enclosure, is 50'. The building would be a four-story structure, and measuring from the average of the existing grade to the roof is 40' in height. The parapets extend above the 40' building height by 2'-6" and the enclosure for the staircase extends above the 40' building height by 10'; these structures may exceed the height limit (ref. IBMC Section 19.40.020). The building is located in the R-2000 Zone which would typically require the building to be two stories or 26' in height. The applicant is stating that imposition of the building height requirements would preclude their ability to accommodate the density that is allowed per GC Section 65915, therefore, they are requesting a waiver to the building height requirements to allow two additional stories and a total building height of 40' to the roof of the structure with an additional 10' to allow for the parapets and staircase enclosure.

The floor area ratio (F.A.R) requirement in the R-2000 zone is 75% percent and the maximum lot coverage is 50% percent, however, the applicant is providing 117% F.A.R. and 62% lot coverage. Additionally, the rear yard setback in the R-2000 zone is 10', while the applicant is meeting the rear yard setback requirement on most of the structure, the portion of the northern elevation that is located on the eastern side of the lot is proposing a 3' reduction in the requirements for a 7' rear yard setback. The applicant states that the F.A.R, lot coverage, and rear yard setback requirements would preclude their ability to accommodate the density that is allowed per GC Section 65915, therefore, they are requesting a waiver for these development standards.

The applicant stated that to enable the project development which is inclusive of a public pocket park and affordable units to be feasible, the allowance for nine converted ADUs and the construction of one detached ADU is necessary. Typically, the R-2000 zone requires that no buildings shall be located less than ten feet from any other building on the same lot. To facilitate the development of the detached ADU, one of the project concessions the applicant is requesting is for a reduction of the building separation requirements from ten feet to six inches. Additionally, to facilitate the development of the nine ADUs, the applicant is requesting that the construction of non-habitable space and subsequent conversion of the space into ADU's within the multi-family structure be allowed to be processed concurrently.

The proposed project would provide affordable housing and a pocket park that would provide necessary recreational open space in an underparked area of the community. The project is consistent with Chapter 19.65 Affordable Housing Density Bonus, GC Section 65915, and is consistent with the City's adopted 6th Cycle Housing Element by providing affordable housing.

DESIGN REVIEW BOARD:

The Design Review Board reviewed the project on August 15, 2024. It recommended approval of the project's design with a vote of 3 Ayes, 1 No, 1 member absent with the following recommendations:

• The City should not grant any dedicated street parking spaces for the project.

- The project should designate off-street parking spaces to individual units and clearly label each space.
- Enhance screening to reduce lighting impacts, especially to the northeast corner.
- Coordinate with neighbors to mitigate privacy concerns.
- Address concerns about building height and views.
- Reduce the building to 3 stories or less.
- Provide additional parking. Adequate parking is crucial for the project's viability.
- Require the developer to return to the DRB if the park is not dedicated to the City.
- DRB recommends that the City Council carefully consider the waivers/concessions per state law, specifically those that would allow for height increases and reduced setbacks.
- Include one or more family-sized units with 2-3 bedrooms.
- Provide more certainty regarding the park's future status as a public park.
- Consider alternative designs that may have less impact on neighbors.
- Consider increasing the amount of Transportation Demand Management Strategies.

The applicant carefully considered the Design Review Board's recommendations and implemented necessary changes to the proposed housing development design where feasible. Most notably, the applicant limited the light impact on the northeast corner by having balcony wall sconces but no common area wall sconces and adding landscaping in the courtyard level on the northeast corner.

In instances where the Design Review Board's recommendations were deemed impractical or infeasible, the applicant has submitted detailed justifications for the alternative decisions made (reference Attachment 5).

GENERAL PLAN/ ZONING CONSISTENCY: The proposed development is subject to the R-2000, Medium Density Residential, zoning requirements. The purpose of the R-2000 zone is to provide for the development of detached and attached single family and multifamily dwellings in a moderately intense residential living environment in typically one and two story dwelling units. Typical of this zone are detached and attached single family dwellings, duplexes, apartments, condominiums and townhomes. The proposed project would provide a multifamily structure providing market rate and affordable housing, meeting the intent of the land use designation.

<u>Zoning:</u>

STANDARDS	PROVIDED/PROPOSED	
Floor Area Ratio and Lot coverage requirements are		
as follows:	requirement in the R-2000 zone is	
The maximum allowable floor area ratio shall be	75% percent and the maximum lot	
seventy-five percent, and the maximum lot coverage	coverage is 50% percent, however,	
shall be fifty percent. Garages or covered parking	the applicant is providing 117% F.A.R.	
areas shall be excluded from the floor area ratio	and 62% lot coverage. Additionally,	
requirements.	the rear yard setback in the R-2000	
	zone is 10', while the applicant is	
Yard requirements for the R-2000 zone are as follows:	meeting the rear yard setback	
	requirement on most of the structure,	
A. Front Yard. There shall be a minimum front	the portion of the northern elevation	
yard of fifteen feet, provided that the front of a	that is located on the eastern side of	
garage shall be set back a minimum of twenty	the lot is proposing a 3' reduction in	
feet.	the requirements for a 7' rear yard	
	setback. The applicant states that the	

		F.A.R, lot coverage, and rear yard setback requirements would preclude their ability to accommodate the density that is allowed per GC Section 65915, therefore, they are requesting a waiver for these development standards.	
В.	Side Yard. There shall be a minimum side yard on each side of five feet.	The project meets the side yard	
C.	Rear Yard. There shall be a minimum rear yard of five feet if on an alley and ten feet if no alley.	setback of 5', the front yard setback of 15', and the street side yard setback of 10'.	
D.	Street Side Yard. There shall be a minimum street side yard of ten feet.		
E.	Additional yard requirements in relation to single family homes. In considering site plan review or design review for projects adjacent to a single family house, consideration shall be given to increased yard set-backs for upper floors in order to preserve the values of the single family home		
	Space and Landscaping Requirements	Typically, new residential developments require that 300 square	
 A. Not less than fifty percent of the required front yard and street side yard setbacks shall be landscaped and permanently maintained. The remainder of the required yard may be used for driveways and walkways. B. Landscaping shall be provided within the parking and permanently shall be provided within the parking permanently shall be provided within the parking permanently shall be provided within the parking permanently permanently shall be provided within the parking permanently permanent		feet of usable open space be provided per unit and not less than fifty percent of the required front yard and street side yard setbacks shall be landscaped and permanently maintained. Per IBMC Section 19.50.020, "Usable open space" means an unobstructed portion of a lot	
area or immediately abutting it.		which has a minimum dimension of ten feet in every direction, is landscaped and developed for active	

 C. There shall be a minimum four-foot landscaped area between the structure and any parking located in front of the structure. D. There shall be a minimum three-foot-wide landscaped area between the parking area and each side lot line when parking is located between the structure and the street. E. Prior to issuance of any building permit, a complete landscaping plan shall be submitted to the Community Development Department for approval. Such approval shall be subject to appeal in the manner set forth in Sections 19.84.070 through 19.84.090. F. Landscaping and required watering system shall be installed prior to the use of the premises. All landscaping material in required landscaping areas shall be permanently maintained in a growing and healthy condition, including trimming, as appropriate to the landscaping material. G. A permanent irrigation system shall be installed to serve all landscaped areas. 	or passive recreational and leisure use and is conveniently located and accessible. The project would require 10,800 square feet of open space, not including the ADU's proposed for the project. The project proposes to provide a total of 13,612 square feet of open space with a 5,244 square foot pocket park that would be dedicated to the City, a 4,536 square foot court yard accessible to all residents, and 3,804 square feet of private balcony space. Additionally, the project is providing 8,448 square feet of planted landscaped area. The pocket park is located on the street side yard of the property adjacent to the eastern property line and a portion is located within the front yard setback fronting the southeastern corner of Holly Avenue and 14th Street, 1,552 square feet of landscaped area is provided within the front yard in addition to the pocket park, 1,000 square feet of landscaped area is provided within the rear yard, and the courtyard proposes to provide 654 square feet of planted areas within planters. The project is proposing a variety of different trees, succulents, grasses, shrubs, and cacti. Additionally, the project is proposes varying ground cover materials inclusive of permeable pavers, decomposed granite, porcelain pavers, and wood decking.
The minimum lot size for any new lot created in the R- 2000 zone shall be six thousand square feet. (IBMC Section 19.16.040)	The project is proposing a lot consolidation where two lots would be consolidated and a boundary adjustment would be made resulting in two lots. Each resulting lot would measure approximately 27,500 square feet and 5,244 square feet.
Every new lot created in an R-2000 zone shall have a minimum width along a street of fifty feet (Section 19.16.050).	The new lots would meet the minimum width along a street of 50 feet.

No principal building or structure shall exceed two stories or twenty-six feet in height, whichever is less. No accessory building or structure shall exceed fifteen feet in height. (IBMC Section 19.16.060).	The applicant is proposing that the building, measured from the average of the existing grade to the highest point of the structure including the parapets and the staircase enclosure, is 50'. The building would be a fourstory structure, and measuring from the average of the existing grade to the roof is 40' in height. The parapets extend above the 40' building height by 2'-6" and the enclosure for the staircase extends above the 40' building height by 10'; these structures may exceed the height limit (ref. IBMC Section 19.40.020). The building is located in the R-2000 Zone which would typically require the building to be two stories or 26' in height. The applicant is stating that imposition of the building height requirements would preclude their ability to accommodate the density that is allowed per GC Section 65915, therefore, they are requesting a waiver to the building height requirements to allow two additional stories and a total building height of 40' to the roof of the structure with an additional 10' to allow for the parapets and staircase enclosure.
No buildings shall be located less than ten feet from any other building on the same lot. (Section 19.16.070)	A detached accessory dwelling unit is proposed on the same lot. To facilitate the development of the detached ADU, one of the project concessions the applicant is requesting for a reduction of the building separation requirements from ten feet to six inches.
The number of required off-street parking spaces for residential uses shall be as follows: R-2000: two spaces per dwelling unit, fifty percent enclosed. (IBMC 19.48.030)	Per Imperial Beach Municipal Code Section 19.48.030, the number of off- street parking spaces for residential uses shall be two spaces per dwelling unit, fifty percent enclosed. A total of 48 parking spaces are proposed for the project. The applicant is proposing to utilize Government Code Section 65863.2. (a) also known as California Assembly Bill 2097 (AB 2097), which prohibits a local agency from imposing

or enforcing any minimum automobile parking requirement on a residential, commercial, or other development project if the project is located within one-half mile of public transit. The applicant stated that the project provides 48 parking spaces exceeding what would typically be required for similar projects per the requirements of California Government Code Section 65863.2. (a). The project would be located within a half mile of public transit located at the intersection of 13th Street and
Imperial Beach Boulevard. To further offset the parking impact, the applicant is requesting the utilization of two on-street parking spaces dedicated to the use of the building residents as an affordable housing development concession and proposing to include both short-term and long-term bicycle parking on site as a transportation demand management strategy. Additionally, they are proposing to provide a bicycle repair station within the bicycle storage area.

Surrounding Land Use and Zoning:

Surrounding Properties	Surrounding Zoning	Surrounding
		Land Use
North	R-2000 (Medium Density Residential)	Residential
South	R-2000 (Medium Density Residential)	Residential
East	R-2000 (Medium Density Residential)	Residential
West	R-2000 (Medium Density Residential)	Residential

ENVIRONMENTAL DETERMINATION:

This project may be categorically exempted from the requirements of the California Environmental Quality Act (CEQA) as a Class 32 project pursuant to CEQA Guidelines Section 15332 (In-Fill Development Projects).

COASTAL JURISDICTION:

This project is not located in the coastal zone as defined by the California Coastal Act of 1976.

FISCAL IMPACT:

The applicant has deposited \$4,500 to fund the processing of their application. Subject to the authorization via an approved Density Bonus Agreement, the applicant has requested a waiver of the City permitting and planning fees. This is contingent upon the standing of the approvals of the project entitlements by the City Council and would require an approved Density Bonus Agreement.

ATTACHMENTS:

Attachment 1: Resolution No. 2024-087 Attachment 2: Architectural Plans, Materials Board & Colored Elevations Attachment 3: Landscape Plans Attachment 4: Project Renderings Attachment 5: Response Letter to Design Review Board Recommendations