PLANNING COMMISSION AGENDA REPORT

MEETING DATE: October 23, 2023 **ITEM NUMBER: PH-3**

SUBJECT: PLANNING APPLICATION 23-11 AND TENTATIVE PARCEL MAP 23-03 FOR A COMMON INTEREST DEVELOPMENT CONSISTING OF TWO, TWO-STORY SINGLE-FAMILY DWELLING UNIT CONDOMINIUMS AT 161 CECIL PLACE

FROM: ECONOMIC AND DEVELOPMENT SERVICES DEPARTMENT/ PLANNING DIVISION

PRESENTATION BY: CHRISTOPHER ALDANA, ASSISTANT PLANNER

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RECOMMENDATION

Staff recommends the Planning Commission adopt a Resolution to:

1. Find that the project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) per CEQA Guidelines Section 15315 (Class 15) – Minor Land Divisions.
2. Approve Planning Application 23-11 and Tentative Parcel Map 23-03, subject to conditions.

APPLICANT OR AUTHORIZED AGENT

Josh Martinez is representing the property owner, 161 Cecil Place, LLC.

PLANNING APPLICATION SUMMARY

Location:	161 Cecil Place	Application Numbers:	PA-23-11 and PM-23-03
Request:	A Planning Application for approval of a tentative parcel map to allow individual ownership for two previous approved two-story single-family dwelling units. The residential project was previously approved on December 22, 2022 as Development Review 22-02 to construct two, two-story single-family dwelling units. The project meets all development standards for Common Interest Development including parking requirements.		

SUBJECT PROPERTY:		**SURROUNDING PROPERTY:**	
Zone:	R2-MD (Multiple-Family Residential, Medium Density)	North:	R2-MD; Multiple-Family Residential, Medium Density
General Plan:	MDR: (Medium Density Residential)	South:	R2-MD; Multiple-Family Residential, Medium Density
Lot Dimensions:	Approx. 60Ft X 140 Ft	East:	R2-MD; Multiple-Family Residential, Medium Density
Lot Area:	8,288.5 SF	West:	R2-MD; Multiple-Family Residential, Medium Density
Existing Development:	Two single-story homes were demolished under permit BC-23-00247. Two (2) two-story homes are under construction under permit PA-23-11 and PM-23-03.		

RESIDENTIAL COMMON INTEREST DEVELOPMENT STANDARD COMPARISON

Development Standard	Required / Allowed R2-MD Standards	Proposed / Provided
Density/Intensity:	12 DU Per Acre	10.5 DU Per Acre
Open Space	40% (3,315 SF)	52.4% (4,346 SF)
Building Height	2 stories / 27 FT	2 stories / 27 FT
Setbacks:		
Front	20 FT	20 FT
Side (left / right)	5 FT / 5 FT (no interior side setback required)	5 FT / 5 FT
Rear (1st floor)	20 FT	25’ – 1”
Parking:		
Covered	2 per unit	4
Open	2 per unit	4
TOTAL:	4 per unit	8
Driveway Width	10 FT	16 FT
Driveway Length	19 FT	20 FT
CEQA	Exempt – 15315 (Class 15) – Minor Land Divisions	
Final Action	Planning Commission	

BACKGROUND:

Project Site/Environs

The project site is located south of Cecil Place between Elden Avenue and Orange Avenue. The site consists of one parcel totaling 8,288 square feet. The property is zoned R2-MD (Multi-Family Residential, Medium Density), and has a General Plan Land Use Designation of Medium Density Residential (MDR). The R2-MD Zoning District is intended to promote the development of multiple-family rentals as well as ownership properties. The property is surrounded by similar R2-MD-zoned properties.

Until recently, the site was developed with two single-story homes, which have since been demolished. The applicant submitted a Development Review application in 2022 for the redevelopment of two residential units on a single lot. Pursuant to the Costa Mesa Municipal Code (CMMC), multiple-family residential units are permitted by right in the R2-MD Zoning District; however, because the subject project included new development and proposed second-stories, the proposal required approval of a Development Review application. Pursuant to the CMMC, new second-story development is subject to the City's "Residential Design Guidelines" which includes specific design standards and neighbor noticing requirements. On December 22, 2022, a Development Review staff report was prepared by staff, a notice was circulated to the neighbors and the two-unit development was subsequently approved. The applicant designed the homes in compliance with the standards for a Common Interest Development (individual ownership) with the intention to obtain discretionary review for a subdivision approval (tentative parcel map) at a later date. Since that time, the applicant has obtained building permits and the two new units are under construction.

The applicant recently applied for Design Review for the Planning Commission consideration of a Common Interest Development. If approved, planning applications PA-23-11 and PM-23-03 would allow the aforementioned two units to be sold for individual ownership. Prior to applying for development permits, the applicant provided staff with a "Hold Harmless" agreement which indicates that he acknowledges that the current approval for construction of the units does not obligate any future approval for the proposed subdivision, in that the subdivision application is discretionary and may be denied, approved, or conditionally approved by the Planning Commission.

DESCRIPTION:

The applicant is requesting approval of a Tentative Parcel Map and a Common Interest Development consisting of two attached, two-story single-family dwelling units on one lot with ancillary common spaces. A Common Interest Development allows each unit to be owned/sold independently. Ancillary spaces such as common areas and landscaping would be maintained under common ownership and subject to CC&Rs. The recordation of the Parcel Map is required prior to the sale for individual ownership. As indicated above, the development on the site was previously approved by the City and the current application is specifically for Planning Commission consideration of the proposed

individual ownership of the units. The Costa Mesa Land Use Element Policy LU-1.3 states to "Strongly encourage the development of residential uses and owner-occupied housing (single-family detached residences, condominiums, townhouses) where feasible to improve the balance between rental and ownership housing opportunities".

ANALYSIS:

Residential Common Interest Development

As proposed, the use of the site and density will remain two residential units (no physical changes are proposed to the previously approved development on the site), and the proposed Common Interest Development application would result only in potential future ownership opportunities. Pursuant to the CMMC, Common Interest Developments are permitted in appropriate residential and planned development zones (Including the R2-MD zone) and are subject to Section 13-41, "Residential Common Interest Development Standards and Requirements". As shown in the above Residential Common Interest Development Standard Comparison Table, the existing building complies with the applicable Costa Mesa Municipal Codes, including, but not limited to, front, side, and rear building setback, and maximum height requirements. Each unit is also designed with a two-car garage and provides two uncovered parking stalls pursuant to the CMMC.

Parcel Map

A tentative parcel map is required to convert the existing lot into a residential common interest development. The City's applicable tentative parcel map provisions are indicated in Article 4 (Parcel Maps) of the City's Zoning Code. Additionally, required findings for the approval of a Parcel Map are stipulated in CMMC Section 13-29(G)(13). The proposed common interest development is in compliance with the City's Parcel Map provisions and the required findings are provided below in this report under "Tentative Parcel Map Findings". Pursuant to Section 66474 of the California Subdivision Map Act, a subdivision must be denied if one or more findings are made:

1. *"That the proposed map is not consistent with applicable general and specific plans as specified in Section 65451;*

2. *That the design or improvement of the proposed subdivision is not consistent with applicable general and specific plans;*

3. *That the site is not physically suitable for the type of development;*

4. *That the site is not physically suitable for the proposed density of development;*

5. *That the design of the subdivision or the proposed improvements are likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat;*

6. *That the design of the subdivision or type of improvements is likely to cause serious public health problems; and*

7. *That the design of the subdivision or the type of improvements will conflict with easements, acquired by the public at large, for access through or use of, property within the proposed subdivision. The governing body may approve a map if it finds that alternate easements, for access or for use, will be provided, and that these will be substantially equivalent to ones previously acquired by the public. These provisions shall apply only to easements of record or to easements established by judgment of a court of competent jurisdiction and no authority is hereby granted to a legislative body to determine that the public at large has acquired easements for access through or use of property within the proposed subdivision."*

None of the above findings of Section 66474 can be made or associated with the proposed subdivision.

GENERAL PLAN CONFORMANCE:

Pursuant to the City's General Plan Land Use Element, the Medium-Density Residential designation (MDR) is intended to support single-and multi-family developments with a density of up to 12 units to the acre. In compliance with the General Plan, the project proposes an approximate density of 10.5 units to the acre. The proposed residential Common Interest Development is in conformance with the City's General Plan, including:

1. **Policy LU-1.3**: "Strongly encourage the development of residential uses and owner-occupied housing (single-family detached residences, condominiums, townhouses) where feasible to improve the balance between rental and ownership housing opportunities".

   Consistency: The proposed project would allow for two new residential units in the City to be privately owned.

2. **Policy LU-2.9:** Require appropriate building setbacks, structure orientation, and placement windows to consider the privacy of adjacent residential structures within the same project and on adjacent properties.

   Consistency: The proposed project is designed in a manner that complies with both the Common Interest Development standards and the City of Costa Mesa Residential Design Guidelines. These design measures have ensured appropriate setbacks, open space, height, massing, and offsetting. Special consideration has been given to window placement, which allows for maximum privacy of adjacent residential structures. The proposed design of the condominiums is consistent with code requirements and General Plan Policy LU-2.9.

3. **Objective LU-4A:** Encourage new development and redevelopment to improve and maintain the quality of the environment.

   Consistency: The proposed project will replace two existing residences in compliance with the CMMC and the City's Residential Design Guidelines. Therefore, the project is consistent with this objective.

JUSTIFICATIONS FOR APPROVAL:

Pursuant to CMMC Section 13-29 (g), "Findings", in order to approve the proposal, the Planning Commission shall find by the evidence presented in the administrative record that the project substantially meets required specified findings. Staff recommends approval of the proposed project, based on the following assessment of facts and findings, which are also reflected in the draft Resolution.

Common Interest Development Findings – Design Review Findings

Pursuant to CMMC Section, 13-40 (1) all new residential common interest development projects shall be processed according to the design review procedures contained in Chapter III Planning Applications. The information presented for the residential common interest development PA-23-11 complies with CMMC Section 13-29(g)(14), findings for Design Review in that:

- The project complies with the City of Costa Mesa Zoning Code and meets the purpose and intent of the residential design guidelines, which are intended to promote design excellence in new residential construction, with consideration being given to compatibility with the established residential community. This design review includes site planning, preservation of overall open space, landscaping, appearance, mass and scale of structures, location of windows, varied roof forms and roof plane breaks, and any other applicable design features.

  This project complies with the City of Costa Mesa Zoning Code Common Interest Development standards and the Residential Design Guidelines. The intent of these regulations is to promote excellent design and construction with consideration to the neighboring properties. The design includes covered and uncovered parking requirements, adequate open space, private storage areas, and common areas. The homes are designed to meet massing and offset standards, and include materials that improve the immediate neighborhood aesthetics.

- The visual prominence associated with the construction of a two-story house or addition in a predominantly single-story neighborhood has been reduced through appropriate transitions between the first and second floors and the provision of second-floor offsets to avoid unrelieved two-story walls.

The project consists of constructing two (2) two-story homes that are designed with appropriate massing and offsetting. Windows are strategically placed on the second floor to provide additional privacy from neighboring properties. There is a 2nd story home north of the project site and a one-story home south of the project site. The homes are designed so that there are no unrelieved two-story walls.

- As applicable to affordable multi-family housing developments, the project complies with the maximum density standards allowed pursuant to the general plan and provides affordable housing to low or very-low income households, as defined by the California Department of Housing and Community Development. The project includes long-term affordability covenants in compliance with state law.

  This project does not consist of an affordable multi-family housing development and does not incorporate any density bonuses for housing. The project is consistent with all development standards for common interest developments, and the underlying zoning designation, and is complies with the maximum density standards allowed under the general plan.

Tentative Parcel Map Findings

The information presented for the Tentative Parcel Map complies with CMMC Section 13-29(g)(13), findings for a Parcel Map, in that:

- *The creation of the subdivision and related improvements is consistent with the General Plan, any applicable specific plan, and this Zoning Code.*

  The proposed development conforms to Policies LU-1.3, LU-2.9, and LU-4A of the City's 2015-2035 General Plan. The proposed common interest development conforms to the Costa Mesa Zoning Code requirements in that the proposed project includes one lot with two residential units that are designed consistent with the City's Residential Design Guidelines.

- *The proposed use of the subdivision is compatible with the General Plan.*

  The proposed project is compatible with the applicable Medium Density Residential (MDR) General Plan land use provisions and density.

- *The subject property is physically suitable to accommodate the subdivision in terms of type, design, and density of development, and will not result in substantial environmental damage nor public health problems, based on compliance with the Zoning Code and general plan, and consideration of appropriate environmental information.*

The City's Zoning Code and General Plan allows for common interest developments in the R2-MD zone, and as proposed the project does not exceed the permitted density. The design of the units are compatible with the neighborhood and no environmental impacts are anticipated.

- *The design of the subdivision provides, to the extent feasible, for future passive or natural heating and cooling opportunities in the subdivision, as required by State Government Code section 66473.1.*

  The overall design and physical condition of the proposed project achieves a high standard of appearance, quality, and safety. The open space and yard areas provide natural cooling and the landscape and open space areas consist of a mixture of permeable and non-permeable materials reducing the amounts of water runoff. The project is in compliance with current building codes and will be more energy efficient than the previously existing residential development.

- *The division and development will not unreasonably interfere with the free and complete exercise of the public entity and/or public utility rights-of-way and/or easements within the tract.*

  The proposed parcel map does not propose to modify any existing easements and will not interfere with the free and complete exercise of any public entity or utility rights-of-way or easements.

- *The discharge of sewage from this land division into the public sewer system will not violate the requirements of the State Regional Water Quality Control Board pursuant to Division 7 (commencing with State Water Code section 13000).*

  As required, the property is connected to the public sewer system and is required to comply with all applicable water quality related laws and regulations.

ENVIRONMENTAL DETERMINATION:

The project is exempt from the provisions of the California Environmental Quality Act (CEQA) per Section 15315 (Minor Land Divisions) which allows for the division of property in urbanized areas zoned for residential, commercial, or industrial use into four or fewer parcels when the division is in conformance with the General Plan and zoning, no variances or exceptions are required, all services and access to the proposed parcels to local standards are available, the parcel was not involved in a division of a larger parcel within the previous two years, and the parcel does not have an average slope greater than 20-percent. The proposed residential common interest development subdivision is zoned for residential development, includes a two-unit airspace subdivision to be located on one parcel, does not require any variances or exceptions, all services to the property are provided, was not involved in a previous subdivision approval within the last two-years and is located on a property with less than a 20-percent slope.

ALTERNATIVES:

The Planning Commission has the following alternatives:

1. *Approve the project*. The Planning Commission may approve the project as proposed, subject to the conditions outlined in the attached Resolution.
2. *Approve the project with modifications*. The Planning Commission may suggest specific changes that are necessary to alleviate concerns. If any of the additional requested changes are substantial, the item should be continued to a future meeting to allow a redesign or additional analysis. In the event of significant modifications to the proposal, staff will return with a revised Resolution incorporating new findings and/or conditions.
3. *Deny the project*. If the Planning Commission believes that there are insufficient facts to support the findings for approval, the Planning Commission must deny the application; provide facts in support of denial, and direct staff to incorporate the findings into a Resolution for denial. If the project were denied, the applicant could not submit substantially the same type of application for six months.

LEGAL REVIEW:

The draft Resolution has been approved as to form by the City Attorney's Office.

PUBLIC NOTICE:

Pursuant to CMMC Section 13-29(d) three types of public notification have been completed no less than 10 days prior to the date of the public hearing:

1. Mailed notice. A public notice was mailed to all property owners and occupants within a 500-foot radius of the project site. The required notice radius is measured from the external boundaries of the property.
2. On-site posting. A public notice was posted on each street frontage of the project site.
3. Newspaper publication. A public notice was published once in the Daily Pilot newspaper.

As of this report, no written public comments have been received. Any public comments received prior to the October 23, 2023 Planning Commission meeting will be provided separately.

CONCLUSION:

Approval of the Common Interest Development and Tentative Parcel Map would allow for the individual ownership of two previously approved residential units located in the City, and is consistent with General Plan Land Use Element Policy LU-1.3 which states to "Strongly encourage the development of residential uses and owner-occupied

housing (single-family detached residences, condominiums, townhouses) where feasible to improve the balance between rental and ownership housing opportunities".