Atascadero City Council
Staff Report - Community Development Department

Viejo Camino General Plan Amendment
Pre-application Review
Authorization for Staff to Process
PLN 2007-1231
(Halcon Properties, LLC)

(Request for site to be re-designated to MDR (Medium Density Residential) which would allow 10 units per acre.)

RECOMMENDATIONS:

1. City Council authorize staff to process the proposed General Plan Amendment application with neighborhood meeting and study session by adopting Draft Resolution A;

or

2. City Council direct staff to further analyze the proposed project and report back to the Council before processing;

or

3. City Council direct staff to not process the project by adopting Draft Resolution B.

DISCUSSION:

Council policy requires City Council review and an authorization to process for all General Plan Amendments applications. The Council's policy also requires all amendments to be reviewed and processed in such a manner as to facilitate citizen participation. The policy suggests the following process:

A. Neighborhood Meeting. The applicant is required to hold a neighborhood meeting to present the request to citizens of the area neighborhoods and for the citizens to identify, list, and discuss issues related to the amendment. The applicant is responsible for organizing and conducting the meeting and attempt to
resolve as many issues as possible before submitting a formal application to the City.

B. Study Session. Staff presents the basic facts of the amendment request to a joint City Council/Planning Commission study session, along with general plan and environmental analysis. Comments from the Planning Commission and the public are received by staff for further consideration. The applicant is responsible for resolving as many issues as possible before submitting a formal application to the City.

Halcon Properties, LLC has acquired properties that they believe should be considered for a single-family, small-lot residential subdivision. This request would require a General Plan Amendment, Zone Change, Planned Development Overlay Zone, Master Plan of Development (CUP) and a Subdivision Tract Map. The site is currently designated as SE (Suburban Estates 2.5-10 ac min lot area). The applicant is requesting the site be re-designated to MDR (Medium Density Residential) which allows 10 units per acre.

Project Summary:
The conceptual project overview consists of a 62 small-lot residential subdivision on a 9.89 acre site. The residential units are proposed as factory-built duplex structures arranged in a zero lot line configuration. The zero lot line layout consists of the duplex unit being divided along the lot property line and having no side-yard setback. The project would have an overall density of 6.2 units per acre.
Situation and Facts:

1. Applicant / Representative: Halcon Properties, LLC
   308 E. Carillo St.
   Santa Barbara, CA 93101

2. Project Address: 11955 and 11975 Viejo Camino (APN 045-401-003, 045-401-004) each within City of Atascadero (San Luis Obispo County)

3. General Plan Designation: SE – Suburban Estate (2.5 – 10 acres minimum)

4. Zoning District: RS (Residential Suburban)

5. Site Area: 9.89 acres

6. Existing Use: Vacated mobile home park

7. Environmental Status: Not determined – Application pending
PRELIMINARY PROJECT ISSUES:

Land Use and Zoning Issues:
The project site’s general plan SE land use designation and RS zoning is currently consistent with adjacent large lot residential properties along Halcon Road. Converting the subject property to a residential multi-family designation would be inconsistent with neighboring properties.

Possible options may include expanding the area of consideration to include all of the adjacent SE (Suburban Estate) properties along Halcon Road.
Planned Development Project Benefits:

Planned Development Overlay Zones require that the project “...offer certain redeeming features to compensate for the requested modification”. The table shown below outlines the Council policy on Planned Development benefits. In order to consider this project request, the project must offer all of the tier 1 benefits.

It appears that the project may not meet the criteria of the Tier 1 Benefit A to provide “Affordable / Workforce Housing” or Benefit B requiring “High Quality Architectural Design.”

<table>
<thead>
<tr>
<th>PD Location</th>
<th>Tier 1 Benefits</th>
<th>Tier 2 Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inside of Urban Core</td>
<td>a) Affordable / Workforce Housing</td>
<td>a) Pocket Parks in larger projects</td>
</tr>
<tr>
<td></td>
<td>b) High Quality Architectural Design</td>
<td>b) Trails / Walkways for Pedestrian Connectivity</td>
</tr>
<tr>
<td></td>
<td>c) High Quality Landscape Design</td>
<td>c) Historic Preservation</td>
</tr>
<tr>
<td></td>
<td>d) Buffering between Urban and Suburban zones (large lot sizes,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>increased setbacks, landscape buffers, etc.)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>e) Higher density to meet Housing Element goals</td>
<td></td>
</tr>
</tbody>
</table>

Affordable Housing:

According to the applicant, the factory-built concept is being proposed to maintain a level of market rate affordability for the entire project. The applicant proposed no deed-restriction; however, the unit prices are anticipated to be at a level (currently proposed at $325,000 to $375,000) within the San Luis Obispo County’s “work force” housing guidelines. The County’s affordability table is referenced on Attachment 5. Staff notes that the City of Atascadero maintains its own inclusionary policy and criteria which differs from the County of San Luis Obispo. Affordable units in Atascadero are those units which meet the City Council’s Inclusionary Housing Requirements as follows:

City of Atascadero’s Inclusionary Housing Policy

1. Projects of 11 or more units must build units or receive a Council approval to pay in-lieu fees.
2. The percentage of units within a project that must be affordable shall be 20%.
3. The distribution of affordable units in multi-family land use areas shall be as follows:
   o 20% Very Low Income
   o 37% Low Income
   o 43% Moderate
4. In-lieu fees shall be collected for all fractional units up to 0.499 units, fractional units of 0.50 and greater shall be counted as 1.0 units.
5. All inclusionary units shall be deed restricted for a period of 30 years.
6. The exterior design and quality standards for affordable units shall be comparable to those of market rate units. Affordable units may be of a smaller size and utilize less expensive interior finishes.

7. Affordable units shall be distributed throughout a project site and not concentrated in one location.

8. Inclusionary units shall be built concurrently with market rate units. A construction timeline shall be approved by the City Council prior to construction.

Based on the City's inclusionary policy the project should be required to provide 12 affordable units in the income categories summarized in the following table:

<table>
<thead>
<tr>
<th>Inclusionary Policy</th>
<th>Fractional Unit Count</th>
<th>Total Units Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>20% of 12 units – Very Low Income</td>
<td>2.40</td>
<td>2</td>
</tr>
<tr>
<td>37% of 12 units – Low Income</td>
<td>4.44</td>
<td>5</td>
</tr>
<tr>
<td>43% of 12 units – Moderate Income</td>
<td>5.16</td>
<td>5</td>
</tr>
</tbody>
</table>

**Design and Architectural Issues:**

The factory-built design lacks architectural variety and detail normally required of planned development projects. In addition, the shape, massing, scale, and rooflines are extremely similar and repetitive because the units would be factory built.

Possible options include but are not limited to providing a variety of roof pitches, wrap-around porches on corner units, variation in porch and porch column design, variation in window types and groupings, and variation in siding, variation in garage door styles and colors. However, the applicant has told staff that adding variations to factory built units is cost prohibitive.

The lack of design features and architectural variety of this factory-built product is evident behind the artist’s tree, shrub, and vine foliage.
Traffic Impacts:
Increasing the density of any of the SE (Suburban Estate) properties will result in additional vehicle trips on adjacent streets as well as the nearby U.S. Highway 101 Santa Barbara interchange. Although traffic impacts have not been analyzed, significant traffic issues associated with the Las Lomas, Dove Creek and San Diego Way residential projects exist in the nearby vicinity. A General Plan Amendment on this or adjacent properties will require detailed traffic and circulation analysis to determine area roadway, bicycle, and pedestrian circulation improvements as well as fair share mitigation for the U.S. 101 / Santa Barbara interchange.

Native Tree Impacts and Grading:
The site contains 329 native trees which are primarily Coast Live Oaks and Blue Oaks. The plans call for 56 trees to be removed; this constitutes 17% of the site’s trees. Many other native trees may be impacted by the development. The project is proposing to create a permanent open space area on the rear portion of the site where many of the Blue Oaks are located. The areas of development will require significant site grading and modification to accommodate construction and drainage facilities.
FISCAL IMPACT:

According to the findings from the Taussig Study, revenue from new residential development including property tax revenues, vehicle licensing fees, sales taxes, and other revenues are insufficient to cover the maintenance and emergency service costs of new development. Based on the revenue projections from the Taussig Study, the City has developed standard Conditions of Approval for new residential planned development projects that require the cost of maintenance and emergency services to be funded by the project through a combination of road assessment districts, landscape and lighting districts and community facilities districts.

If the project is approved for processing, it should be required to be fiscally neutral so the added residential units fund their own on-site improvements and maintenance, as well as their fair share of off-site improvements and impacts to City emergency services.
ATTACHMENTS:

Attachment 1: Draft Resolution A Authorizing GPA Processing
Attachment 2: Draft Resolution B Denying GPA Processing
Attachment 3: Location Map, General Plan and Zoning
Attachment 4: Existing Project Site Aerial
Attachment 5: Proposed Conceptual Site Plan
Attachment 6: Proposed Conceptual Floor Plans and Elevations
Attachment 7: San Luis Obispo County Affordable Housing Table
DRAFT
RESOLUTION A

A RESOLUTION OF THE CITY COUNCIL AUTHORIZING STAFF TO PROCESS A GENERAL PLAN LAND USE DIAGRAM AMENDMENT WITH NEIGHBORHOOD MEETING AND STUDY SESSION FOR A 62 UNIT MULTI-FAMILY RESIDENTIAL PLANNED DEVELOPMENT PROJECT LOCATED AT 11955 AND 11975 VIEJO CAMINO

WHEREAS, a proposal has been received from Halcon Properties, LLC, 308 E. Carillo St., Santa Barbara, CA 93101 (Applicant and Property Owner), to consider a project consisting of a General Plan Land Use Diagram Amendment for a 62 unit multi-family residential Planned Development project located at 11955 and 11975 Viejo Camino, (APN 045-401-003, 045-401-004); and,

WHEREAS, the Atascadero City Council considered authorizing staff to process the proposed application with neighborhood meeting and joint City Council/Planning Commission study session during a regular meeting on September 25, 2007 consistent with the City’s General Plan Amend Policy; and,

NOW THEREFORE, the City Council of the City of Atascadero, hereby resolves to authorize the process of a General Plan Land Use Diagram Amendment at 11955 and 11975 Viejo Camino.
On motion by Council Member ________________________, and seconded by Council Member ____________________, the foregoing resolution is hereby adopted in its entirety by the following roll call vote:

AYES: (   )

NOES: (   )

ABSTAIN: (   )

ABSENT: (   )

ADOPTED:

CITY OF ATASCADERO, CA

______________________________
George Luna
Mayor

ATTEST:

Marcia McClure Torgerson, C.M.C., City Clerk

APPROVED AS TO FORM:

______________________________
Rob Schultz, Interim City Attorney
DRAFT RESOLUTION B

A RESOLUTION OF THE CITY COUNCIL DENYING AUTHORIZATION FOR STAFF TO PROCESS A GENERAL PLAN LAND USE DIAGRAM AMENDMENT FOR A 62 UNIT MULTI-FAMILY RESIDENTIAL PLANNED DEVELOPMENT PROJECT LOCATED AT 11955 AND 11975 VIEJO CAMINO

WHEREAS, a proposal has been received from Halcon Properties, LLC, 308 E. Carillo St., Santa Barbara, CA 93101 (Applicant and Property Owner), to consider a project consisting of a General Plan Land Use Diagram Amendment for a 62 unit multi-family residential Planned Development project located at 11955 and 11975 Viejo Camino, (APN 045-401-003, 045-401-004); and,

WHEREAS, the Atascadero City Council considered authorizing staff to process the proposed application during a regular meeting on September 25, 2007 consistent with the City’s General Plan Amend Policy; and,

NOW THEREFORE, the City Council of the City of Atascadero, hereby resolves to deny the authorization for staff to process any General Plan Land Use Diagram Amendment at 11955 and 11975 Viejo Camino.
On motion by Council Member _________________________, and seconded by Council Member ______________________, the foregoing resolution is hereby adopted in its entirety by the following roll call vote:

AYES: (   )

NOES: (   )

ABSTAIN: (   )

ABSENT: (   )

ADOPTED:

CITY OF ATASCADERO, CA

______________________________
George Luna
Mayor

ATTEST:

_______________________________________
Marcia McClure Torgerson, C.M.C., City Clerk

APPROVED AS TO FORM:

_______________________________________
Rob Schultz, Interim City Attorney
ATTACHMENT 3: Location Map, General Plan & Zoning

Area of conversion from Residential Suburban to Multi-Family Residential
ATTACHMENT 5: Proposed Conceptual Site Plan
ATTACHMENT 6: Proposed Conceptual Floor Plans
ATTACHMENT 6: Proposed Conceptual Floor Plans

[Diagram showing floor plans with labeled rooms including Master Suite, Guest Beds, Bathrooms, Kitchen, Dining, and Garage areas.]
ATTACHMENT 6: Proposed Conceptual Elevations
ATTACHMENT 6: Proposed Conceptual Elevations
ATTACHMENT 6: Proposed Conceptual Elevations
ATTACHMENT 7: San Luis Obispo County Affordable Housing Table

Affordable Housing Standards - Inland Areas
SAN LUIS OBISPO COUNTY DEPARTMENT OF PLANNING AND BUILDING
County Government Center San Luis Obispo, California 93408 Telephone (805) 781-5601

This bulletin summarizes the county’s affordable housing standards for non-coastal areas, including maximum household incomes, home purchase prices and rents. These standards are effective January 19, 2007.

Income limits:
The state defines family income groups as follows: “Extremely Low Income” is defined by Health and Safety Code Section 50106 as 30% of county median income, “Very Low Income” is defined by Health and Safety Code Section 50105 as 50% of county median income; “Lower Income” is defined by Health and Safety Code Section 50079.5 as 80% of county median income; “Moderate Income” is defined by Health and Safety Code Section 5093 as 120% of county median income; “Workforce” is defined by Title 22 of the County Code as 160% of county median income.

<table>
<thead>
<tr>
<th>Persons in Family</th>
<th>Extremely Low Income</th>
<th>Very Low Income</th>
<th>Lower Income</th>
<th>Median Income</th>
<th>Moderate Income</th>
<th>Workforce</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$13,500</td>
<td>$22,450</td>
<td>$35,950</td>
<td>$44,900</td>
<td>$53,900</td>
<td>$71,840</td>
</tr>
<tr>
<td>2</td>
<td>$15,400</td>
<td>$25,700</td>
<td>$41,100</td>
<td>$51,400</td>
<td>$61,600</td>
<td>$82,240</td>
</tr>
<tr>
<td>3</td>
<td>$17,350</td>
<td>$28,900</td>
<td>$46,200</td>
<td>$57,800</td>
<td>$69,300</td>
<td>$92,480</td>
</tr>
<tr>
<td>4</td>
<td>$19,250</td>
<td>$32,100</td>
<td>$51,350</td>
<td>$64,200</td>
<td>$77,000</td>
<td>$102,720</td>
</tr>
<tr>
<td>5</td>
<td>$20,800</td>
<td>$34,650</td>
<td>$55,450</td>
<td>$69,300</td>
<td>$83,200</td>
<td>$110,880</td>
</tr>
<tr>
<td>6</td>
<td>$22,350</td>
<td>$37,250</td>
<td>$59,550</td>
<td>$74,500</td>
<td>$89,300</td>
<td>$119,200</td>
</tr>
<tr>
<td>7</td>
<td>$23,850</td>
<td>$39,800</td>
<td>$63,650</td>
<td>$79,600</td>
<td>$95,500</td>
<td>$127,360</td>
</tr>
<tr>
<td>8</td>
<td>$25,400</td>
<td>$42,350</td>
<td>$67,800</td>
<td>$84,700</td>
<td>$101,600</td>
<td>$135,520</td>
</tr>
</tbody>
</table>

Sample maximum sales prices: (see footnotes)

<table>
<thead>
<tr>
<th>Unit Size (Bedrooms)</th>
<th>Extremely Low Income</th>
<th>Very Low Income</th>
<th>Lower Income</th>
<th>Moderate Income</th>
<th>Workforce</th>
</tr>
</thead>
<tbody>
<tr>
<td>Studio</td>
<td>$22,000</td>
<td>$49,000</td>
<td>$75,000</td>
<td>$153,000</td>
<td>$215,000</td>
</tr>
<tr>
<td>1</td>
<td>$28,000</td>
<td>$58,000</td>
<td>$88,800</td>
<td>$178,000</td>
<td>$249,000</td>
</tr>
<tr>
<td>2</td>
<td>$34,000</td>
<td>$68,000</td>
<td>$102,000</td>
<td>$202,000</td>
<td>$282,000</td>
</tr>
<tr>
<td>3</td>
<td>$39,000</td>
<td>$77,300</td>
<td>$115,000</td>
<td>$226,000</td>
<td>$315,000</td>
</tr>
<tr>
<td>4</td>
<td>$44,000</td>
<td>$84,900</td>
<td>$126,000</td>
<td>$246,000</td>
<td>$341,000</td>
</tr>
</tbody>
</table>

Note 1: Homeowner association fee assumed at $150 per month.
Note 2: Mortgage financing assumed at 7.22% fixed rate for 30 years (per HSH Associates for week ending 08/17/07).
Note 3: Prices shown are preliminary estimates and may be revised.
Note 4: Actual sales price limits will be determined by the County on a case-by-case basis.
## Maximum rents: (see footnotes)

<table>
<thead>
<tr>
<th>Unit Size (Bedrooms)</th>
<th>Extremely Low Income</th>
<th>Very Low Income</th>
<th>Lower Income</th>
<th>Moderate Income</th>
<th>Workforce</th>
</tr>
</thead>
<tbody>
<tr>
<td>Studio</td>
<td>$337</td>
<td>$561</td>
<td>$674</td>
<td>$1,235</td>
<td>$1,884</td>
</tr>
<tr>
<td>1</td>
<td>$386</td>
<td>$643</td>
<td>$771</td>
<td>$1,414</td>
<td>$1,928</td>
</tr>
<tr>
<td>2</td>
<td>$434</td>
<td>$723</td>
<td>$867</td>
<td>$1,590</td>
<td>$2,168</td>
</tr>
<tr>
<td>3</td>
<td>$482</td>
<td>$903</td>
<td>$963</td>
<td>$1,766</td>
<td>$2,408</td>
</tr>
<tr>
<td>4</td>
<td>$520</td>
<td>$986</td>
<td>$1,040</td>
<td>$1,906</td>
<td>$2,599</td>
</tr>
</tbody>
</table>

Note 1: These rent limits include allowances for utilities as determined by the Housing Authority of the City of San Luis Obipo (805-543-4478).

Note 2: Rent limits are updated whenever the State issues its annual update to median incomes, generally in April of each year.

Updated: 8/22/2007