

Meeting Date: March 27, 2023 Item Number: 1

MINOR SUBDIVISION AGENDA REPORT

FILE NUMBER: SBDV-0261-2021

FROM: Brian Leveille, Senior Planner

BY: Hannah Hanh, Associate Planner

PROJECT ADDRESS: 2475 Victoria Avenue

APPLICANT: Victoria Crossing LLC

REPRESENTATIVE: Montage Development, Inc.

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1.0 PROJECT DESCRIPTION AND SITE BACKGROUND

Victoria Crossing LLC (Applicant) has applied for a Vesting Tentative Parcel Map (SLO 22-0035) for an airspace subdivision consisting of 33 residential airspace parcels, three (3) commercial airspace parcels, and one (1) airspace parcel for the common area in the mixed-use development (i.e., Victoria Crossing) at 2475 Victoria Avenue (previously addressed as 774 Caudill Street). The project site is an approximate 0.51-acre parcel that is located in the Retail Commercial and Service Commercial Zones with Special Focus Overlay (C-R-SF, C-S-SF) and South Broad Street Area Plan (Figure 1 – Project Site).

On July 16, 2018, the Architectural Review Commission (ARC) reviewed and approved final modifications to the design of the four-story mixed-use development, which consists of 33 residential units, approximately 3,000 square feet of commercial space, a density bonus, and reductions to development standards (ARCH-2628-2016, AFFH-3142-2016, and MOD-1394-2018) (Resolution,



Figure 1 - Project Site

<u>Minutes</u>). The Applicant is proposing an airspace subdivision that would create an airspace parcel for each residential unit and commercial tenant space and the common area (parking, accessways, etc.) (Attachment B – Vesting Tentative Parcel Map). The mixed-use development and its associated site improvements are currently under construction.

2.0 EVALUATION

Per <u>Section 16.08.050(C)</u> (Substituting Parcel Maps for Final Maps), the airspace subdivision is processed as a minor subdivision (e.g., vesting tentative parcel map) because (1) the land consists of a parcel or parcels of land or airspaces having approved access to a public street (Victoria Avenue and Caudill Street); (2) the land is zoned for industrial or commercial use (C-R-SF and C-S-SF); and (3) the City has approval authority regarding street alignments and widths.

Staff has evaluated the proposed vesting tentative parcel map for consistency with <u>Chapter 16.12</u> (Vesting Tentative Maps) and found it may be processed as a vesting map because prior development review approval for the mixed-use development (ARCH-2628-2016, AFFH-3142-2016, and MOD-1394-2018) has been granted per <u>Section 16.12.020(A)</u> (Application Procedures and Requirements). As proposed, the airspace subdivision would create an airspace parcel for each residential unit and commercial tenant space and the common area and does not

SBDV-0261-2021 2475 Victoria Avenue Page 2

include additional physical development. The proposed vesting tentative map meets findings for approval as outlined in Section 16.10.120 (Required Findings for Tentative Map Approval) (Attachment A – Draft Resolution) because the subdivision is consistent with the approved mixed-use development, which was determined to be consistent with applicable policies in the General Plan and development standards in the Zoning Regulations. The development is currently being constructed as approved and therefore remains consistent with the General Plan and Zoning Regulations.

In addition, staff has evaluated the proposed airspace subdivision for consistency with <u>Chapter 16.17</u> (Common Interest Subdivisions and Condominium Conversions) and compliance with standards outlined in <u>Section 16.17.050</u> (Property Improvement Standards for Airspace Subdivisions). No conflicts were identified because there is no additional physical development or changes to the approval. The proposed subdivision does not require exceptions to the <u>Subdivision Regulations</u> or <u>Zoning Regulations</u> and is consistent with the prior approval of the mixed-use development.

3.0 CONCURRENCES

The proposed vesting tentative parcel map has been reviewed by the Planning Division, Housing Division, Building Division, Engineering Division, Fire Department, and Utilities Department. There are no recommended conditions from the departments or divisions; however, some applicable application or code requirements have been provided as reference in the Draft Resolution (Attachment A).

4.0 ENVIRONMENTAL REVIEW

The project is categorically exempt from environmental review under Section 15315 (Minor Land Divisions) of the California Environmental Quality Act (CEQA) Guidelines because it is a subdivision to create airspaces within a mixed-use development that was previously approved and is under construction, is located in an urbanized area that is zoned for residential, commercial, and industrial uses; is consistent with applicable General Plan policies and Zoning Regulations; does not require variances or exceptions from the Subdivision Regulations and is consistent with the previously approved mixed-use development; qualifies for parcel map recordation; and all required services and access to the proposed parcels to local standards are available and will serve the project. Additionally, the parcel was not involved in a division of a larger parcel within the previous two (2) years and does not have an average slope greater than 20 percent.

5.0 ACTION ALTERNATIVES

- 5.1 Approve the project based on the findings.
- 5.2 Continue the project. An action continuing the application should include direction to the applicant and staff on pertinent issues.
- 5.3 Deny the project. An action denying the application should include findings that cite the basis for denial and reference inconsistency with the General Plan, Subdivision Regulations, Zoning Regulations, or other policy documents.

6.0 ATTACHMENTS

- A. Draft Resolution
- B. Vesting Tentative Parcel Map

DIRECTOR'S RESOLUTION NO. 23-XX

AN ACTION OF THE COMMUNITY DEVELOPMENT DIRECTOR OF THE CITY OF SAN LUIS OBISPO APPROVING A VESTING TENTATIVE PARCEL MAP (SLO 22-0035) FOR AN AIRSPACE SUBDIVISION, **CONSISTING OF 33 RESIDENTIAL AIRSPACE PARCELS, THREE (3)** COMMERCIAL AIRSPACE PARCELS, AND ONE (1) AIRSPACE PARCEL FOR THE COMMON AREA IN Α MIXED-USE DEVELOPMENT. THE PROJECT IS CATEGORICALLY EXEMPT FROM ENVIRONMENTAL REVIEW, AS REPRESENTED IN THE STAFF REPORT AND ATTACHMENTS DATED MARCH 27, 2023 (2475 VICTORIA AVENUE; SBDV-0261-2021)

WHEREAS, the Architectural Review Commission of the City of San Luis Obispo conducted a public hearing in the Council Hearing Room of City Hall, 990 Palm Street, San Luis Obispo, California on June 20, 2016, approving the mixed-use development in accordance with Resolution No. ARC-1011-16, pursuant to a proceeding instituted under ARCH-2628-2016, Caudill Street Partners, applicant; and

WHEREAS, the City Council of the City of San Luis Obispo conducted a public hearing in the Council Chambers of City Hall, 990 Palm Street, San Luis Obispo, California on July 12, 2016, approving the alternative incentives to provide affordable housing, including a density bonus and reduction in site development standards in accordance with Council Resolution No. 10734 (2016 Series), pursuant to a proceeding instituted under AFFH-3142-2016, Caudill Street Partners, applicant; and

WHEREAS, the Architectural Review Commission of the City of San Luis Obispo conducted a public hearing in the Council Hearing Room of City Hall, 990 Palm Street, San Luis Obispo, California on July 16, 2018, approving modifications to the design of the previously approved mixed-use development in accordance with Resolution No. ARC-1014-2018, pursuant to a proceeding instituted under MOD-1394-2018, Montage Development, applicant; and

WHEREAS, the Community Development Director of the City of San Luis Obispo conducted a public hearing in Conference Room 1 of the Community Development Department, 919 Palm Street, San Luis Obispo, California, on March 27, 2023, for the purpose of considering a vesting tentative parcel map for an airspace subdivision that consists of 33 residential airspace parcels, three (3) commercial airspace parcels, and one (1) airspace parcel for the common area; and

WHEREAS, notices of said public hearings were made at the time and in the manner required by law; and

WHEREAS, the Community Development Director has duly considered all evidence, including the testimony of the applicant, interested parties, and the evaluation and recommendations by staff, presented at said hearing.

Director's Resolution No. 23-XX SBDV-0261-2021 (2475 Victoria Avenue) Page 2

NOW, THEREFORE, BE IT RESOLVED by the Community Development Director of the City of San Luis Obispo as follows:

SECTION 1. <u>Findings</u>. That the Community Development Director hereby grants final approval to the project (SBDV-0261-2021), based on the following findings:

- 1. The proposed subdivision, together with provisions for its design and improvements, is consistent with the General Plan, including compatibility with objectives, policies, and general land uses and programs specified in the General Plan. The resulting airspace parcels for the mixed-use development conform to applicable subdivision design standards as set forth in the City's Subdivision Regulations. Additionally, the mixed-use development is currently being constructed as previously approved, and therefore remains consistent with applicable General Plan policies.
- 2. The site is physically suited for the type and density of development allowed in the Retail Commercial and Service Commercial Zones with Special Focus Overlay (C-R-SF, C-S-SF). The proposed subdivision and mixed-use development on the site will have a minimal impact to surrounding properties because the development has received approval by the Architectural Review Commission and City Council to ensure the proposed development and associated site improvements are consistent with the General Plan and Zoning Regulations.
- 3. The establishment, maintenance, or operation of the project will not, in the circumstances of this particular case, be detrimental to the health, safety, or general welfare of persons residing or working in the vicinity of the proposed use, or detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the City. The mixed-use development has been designed to provide internal compatibility between the residential and nonresidential uses and to be compatible with the scale and character of the neighborhood. The proposed subdivision includes no additional physical development, and the mixed-use development is being constructed with required permits and will comply with relevant Building and Fire Codes.
- 4. The design of the proposed subdivision is not likely to cause serious health problems, substantial environmental damage or substantially and unavoidably injure fish or wildlife or their habitat because the subdivision would occur within a mixed-use development that is under construction and surrounded by existing urban development. Approval of this subdivision is limited to the creation of airspace parcels within previously approved development and does not grant any exceptions or deviations from the Subdivision Regulations, Zoning Regulations, or code requirements.
- 5. The design of the proposed subdivision will not conflict with easements for access through, or use of property within, the subdivision. Any existing easements will remain in place following the subdivision and will be applicable to the newly created parcels. Additionally, the execution of easements and agreements for public utilities, and for access to and use of shared parking facilities and solid waste storage and collection facilities will be required prior to map recordation.

Director's Resolution No. 23-XX SBDV-0261-2021 (2475 Victoria Avenue) Page 3

SECTION 2. <u>Environmental Review.</u> The project is categorically exempt from environmental review under Section 15315 (Minor Land Divisions) of the California Environmental Quality Act (CEQA) Guidelines because it is a subdivision to create airspaces within a mixed-use development that was previously approved and is under construction, is located in an urbanized area that is zoned for residential, commercial, and industrial uses; is consistent with applicable General Plan policies and Zoning Regulations; does not require variances or exceptions from the Subdivision Regulations and is consistent with the previously approved mixed-use development; qualifies for parcel map recordation; and all required services and access to the proposed parcels to local standards are available and will serve the project. Additionally, the parcel was not involved in a division of a larger parcel within the previous two (2) years and does not have an average slope greater than 20 percent.

SECTION 3. <u>Approval.</u> The Community Development Director does hereby approve the vesting tentative parcel map for this airspace subdivision (SLO 22-0035). The following applicable application or code requirements are provided for reference:

Applicable Application or Code Requirements

- 1. The subdivision shall be recorded with a parcel map. The parcel map preparation and monumentation shall be in accordance with the City's Subdivision Regulations, Engineering Standards, and the Subdivision Map Act. The parcel map shall use U.S. Customary Units in accordance with the current City Engineering Standards.
- 2. The parcel map, exhibits, and legal descriptions shall be prepared by a California Licensed Land Surveyor or Civil Engineer authorized to practice land surveying.
- 3. A separate application, checklist, supporting documents, and a map review fee shall be submitted to the Engineering Division to process the parcel map to recordation. The submittal shall include a current title report. An electronic copy of the title report with embedded links to referenced documents is preferred. If not available, the submittal shall include a copy of each of the pertinent referenced documents.
- 4. The proposed and required monumentation for this "Airspace (3D) subdivision" shall be in accordance with the Subdivision Map Act, City's Subdivision Regulations, and as determined by the City. The surveyor of record shall contact the Engineering Division of the Community Development Department to discuss the expectation and strategy for monumentation, including the need for any interior and/or offset monuments prior to preparation and submittal of the parcel/final map.
- 5. The parcel map may need to include any pertinent public or private easements, limits of common areas, and any specific maintenance areas. The parcel map submittal shall include a copy of the covenants, conditions, and restrictions (CC&Rs) or other appropriate maintenance agreement for the operation and maintenance of the several common building systems and appurtenances.
- 6. Park in-lieu fees shall be paid for each of the newly created units prior to map recordation. The fee shall be based on fee schedule in effect at the time that the Vesting Map was

deemed complete. The vested fee shall include any codified CPI or CCI increases accordingly. The final fee may include a unit count credit for dwellings that were demolished and a flat rate credit for any previously paid Construction Dwelling Unit Tax.

7. For condominiums or airspace subdivisions, the subdivider shall provide individual electrical, phone, television, water service, and related utility meters or sub-meters to each unit in accordance with the subdivision regulations, approval of the affected utility companies, and to the satisfaction of the City Utilities Department.

Indemnification

8. The applicant shall defend, indemnify, and hold harmless the City and/or its agents, officers and employees from any claim, action or proceeding against the City and/or its agents, officers, or employees to attack, set aside, void, or annul, the approval by the City of this project, and all actions relating thereto, including but not limited to environmental review ("Indemnified Claims"). The City shall promptly notify the applicant of any Indemnified Claim upon being presented with the Indemnified Claim and the City shall fully cooperate in the defense against an Indemnified Claim.

The foregoing document was passed and adopted this 27th day of March, 2023.

Community Development Director Michael Codron By: Rachel Cohen, Hearing Officer











