

MINUTES
REGULAR PLANNING COMMISSION MEETING
CITY COUNCIL CHAMBERS
1 CIVIC CENTER DRIVE
SAN MARCOS, CALIFORNIA
MONDAY, DECEMBER 2, 2013 - 6:30 PM

CALL TO ORDER

At 6:31 p.m. Chairman Nelson called the meeting to order.

PLEDGE OF ALLEGIANCE

Commissioner Flodine led the Pledge of Allegiance to the Flag.

ROLL CALL

The Secretary called the roll:

PRESENT: COMMISSIONERS: FLODINE, KILDOO (for Jones), MAAS, MINNERY, NELSON, NORRIS, SCHIABLE

ALTERNATE COMMISSIONERS IN AUDIENCE: None.

ABSENT: Rod Jones, James Chinn (Alternate)

Also present were: Planning Division Director, Jerry Backoff; Principal Planner, Garth Koller; Principal Civil Engineer, Peter Kuey; Deputy City Attorney, Avneet Sidhu; Office Specialist III, Lisa Kiss; City Consultant, Sophia Mitchell

CONSENT CALENDAR

1. APPROVAL OF MINUTES, 11/4/13

Action:

COMMISSIONER NORRIS MOVED TO APPROVE CONSENT CALENDAR AS PRESENTED; SECONDED BY COMMISSIONER FLODINE AND CARRIED BY A UNANIMOUS VOTE.

PUBLIC HEARINGS

2. **Case No:** GPA 13-003 / R 13-002 / SP 12-55 / SDP 12-352 / MFSDP 12-52 / TSM 481 / MND 13-003 (P13-0028)

Application of: Milano Holdings, Inc. "Davia Village" (*continued from 11/18/13*)

Request: The Davia Village Specific Plan proposes a mixed-use development consisting of 416 residential units, 15,000 square feet of retail, a 60,000 s.f. neighborhood park, and approximately 170,000 s.f. of landscaping on 11.78 acres. Discretionary actions for the project include a General Plan Amendment, Rezone, Specific Plan, Site Development Plan, Multi-Family Site Development Plan, Tentative Subdivision Map and Mitigated Negative Declaration.

Location of Property: 1001 Armorlite Drive, more particularly described as: Lots 5 and 6 in Block 85 of Rancho Los Vallecitos de San Marcos, in the City of San Marcos, in the County of San Diego, State of California, according to the map thereof No. 806, filed in the office of the County Recorder of San Diego County. Excepting the Southwesterly 242.11 feet. Also excepting the Northwesterly 361.56 feet of said Lot 5. Assessor's Parcel No.: 219-163-48.

Staff Presentation (Garth Koller):

Described request and location. PowerPoint presentation shown. Site is 11.79 acres & occupied by the former Signet Armorlite manufacturing facility. Discussed surrounding area. Palomar Station is under construction to the west and UPS is to the east. Project proposes 416 apartment units, 15,000 s.f. retail and a 1.26 acre neighborhood park. The project included a TSM when first submitted. It is now going forward as apartments rather than condominiums, so it doesn't involve a TSM now. Discussed land use changes and General Plan (GP) Update. Land use change from MU-1 to SPA. They originally proposed 388 condos, and then later increased to 416 apartment units. It requires a Specific Plan to go forward with the higher density. Recent Zoning Update identified it as "Transitional Zone: LI/MU-1." Architecture shown. It's a unique, modern design, 3-4 stories, with metal façade, stucco & concrete. Discussed parking for residential, retail and neighborhood park. A Parking Management Plan will be required. Discussed "Public Benefits & Support for Increased Project Density." The applicant's justification for density increase assumes regardless of unit count, the number of bedrooms is the same & the number of people per bedroom is 1.08. Project has been conditioned to submit to the City annual notarized reports, including copies of leases listing number of residents. If they exceed the population cap in any year, the owner is responsible for paying \$2,000/per resident over the cap. Discussed neighborhood park & amenities. Project is obligated to participate and pay fair share towards the Armorlite Drive/Complete Street concept. Design includes traffic calming, bike & pedestrian movement, industrial traffic and parking. Site location was identified as smart growth area during GP Update. Smart growth anticipates a reasonable density near transit facilities. Staff recommends approval to City Council.

Backoff: Added that the City expanded the public notification radius area beyond 500 feet. The UPS notification went to a corporate location, so staff contacted the manager at UPS to inform them of the project and future workshop date.

Nelson: Inquired if UPS attended or asked questions?

Backoff: Not to his knowledge.

Sophia Mitchell, Sophia Mitchell & Associates, LLC, City consultant: An Initial Study checklist was prepared which concluded that all environmental impacts could be reduced to below a level of significance. A Mitigated Negative Declaration was circulated for a 30-day review and seven comment letters were received. Discussed traffic conclusions and impacts at various intersections. Impact at Grand Ave./SR-78 EB Ramp: Project increases delay in PM peak hour, the applicant will construct a dedicated right-turn lane, convert existing shared through/right-turn lane to a shared left turn/through lane, modify signal phasing and pay fair share towards these improvements. Discussed traffic at Horizon Year 2035 Scenario & potential project access/conflict with UPS. The northerly project driveway on Bingham Drive will be restricted to a right-turn in/right-turn out only as a project design feature. Due to the age of the buildings on site, there's potential for hazardous materials such as asbestos or lead based paint. Testing and abatement would be done prior to demo. Past manufacturing activities caused soil contamination. Clean up was conducted and is now in a monitoring phase. Recent reports indicate all issues are taken care of. Spoke with hazardous consultant and they're waiting for final letter from RWQCB. As a precautionary measure, a vapor barrier shall be incorporated into the design of the slabs. That would ensure if there was any sort of issue remaining there would be no human health impacts. They shall prepare and implement a Soil Management Plan. Discussed Land Use conclusions. No cultural resources were ID'd. An Archeological & Native American monitor will be required during grading. Discussed areas that are less than significant or no impact. Responses were prepared to all comments. All impacts can be reduced to below a level of significance.

Nelson: Asked why soil is being monitored if all contamination is taken care of?

Mitchell: Remediation has occurred and they do monitoring. The Regional Board is in process of submitting a letter which says the issue is closed. Applicant will have to implement the Plan during construction just in case they find anything.

Nelson: How is it clear?

Mitchell: It's a precautionary measure.

OPEN PUBLIC HEARING

Jim Simmons, Applicant's representative: Indicated they've gone through a long process with staff to work out issues in trying to determine density to allow project to be built. Project is sharing in cost of bridge going over Mission Avenue, the street, building a City park and has gone through an extensive process to clean up the site. Site has been monitored for over 15 years. Testing shows no contamination and next step is to implement the work plan. After building is cleared, it's tested again. If anything is found, it would be cleaned up. There were 37 test wells dug. It's an expensive process to go through and that's why they asked for increased density. Issues raised during Palomar Station process have been resolved by this. The air & water contamination and potential for harm to humans have been removed. Signet Armorlite has left the site and their air permits have been removed. It's an effort to clean up the site and area. Discussed similarity to Palomar Station. Bedroom numbers are the same. Federal guidelines for density consider bedrooms not how many doors there are. Footprint and parking did not

change. City asked for proof, so they did the study and provided mitigation. City would be compensated if they exceed number of occupants.

Jason Simmons, Applicant's representative: Parking was added to make up for some changes and is above what's needed. Bedroom count remained at 625. Three bedroom units were made into two bedrooms. Numbers stayed below what the Housing Element considers severe overcrowding at 1.5 or above. That's how they got to the 885 number. Project is a natural extension of Palomar Station, and is contributing to Armolite and meeting SANDAG requirements. SANDAG likes to see higher densities, above 30 du/ac. Project comes in at 35 du/ac.

Jim Simmons: Indicated they have reached an agreement with staff on all conditions, including most recent staff memo/errata changes.

Nelson: Asked if total bedrooms of 625 equal 625 people?

Jim Simmons: 885 people.

Jason Simmons: 1.5 persons/bedroom.

Nelson: Doesn't understand the math.

Jim Simmons: Indicated they've done research on projects throughout the County. For a 400-unit project it's about 700.

Norris: Commented that they're really packing a lot of people into that area. Who wants to live in these dense places? Is it more just for college areas? They talk about smart growth & vehicle transportation. Asked if there's electrical spaces included?

Jim Simmons: Staff didn't bring it up, but could incorporate it. Trying to encourage people to walk and use bridge.

Norris: Would like to see electrical parking spaces.

Jim Simmons: Add as a condition. It's something they could do.

Norris: Asked if the public restroom in the retail area can be used in the evening?

Jim Simmons: City parks are open dawn to dusk. It may be open even later and would close when retail closes. Owner would maintain and close.

Norris: Asked about the size?

Jim Simmons: To be determined by final park design and City.

Flodine: Commented that he really likes the modern architecture, it's phenomenal. He has not seen this creative approach to density before. Discussed density. The way it's proposed has come up with a certain number of bedrooms total. You could come in and make the same argument and say they're going to have lofts & one bedroom's so that's why they should have 500 units, same square footage and footprint.

Jim Simmons: Commented that they didn't just decide on 416 units. Looked at the whole cost, including the street @ \$800,000, a bridge @ \$2 M, paying fair share, clean up of site, building public park & maintenance. At 354 doors it wasn't a reality, it wouldn't pencil out. They stayed within same footprint, but changed mix of bedrooms with same number of bedrooms, but more doors. It was a workable compromise. Gave City a mitigation measure that no one else has ever done, if they exceed 1.49 persons per bedroom, they'll pay \$2,000/person over the population cap.

Flodine: Asked where the money would go and what it would be used for?

Jim Simmons: The General Fund. It's the City's money to do with as they see fit. Tried to reduce impacts and control number of people.

Jason Simmons: Project pays full PFF fees for the 416, 17% increase over the GP.

Flodine: Wished the City would have required a Fiscal Impact Analysis instead of the Public Benefit Analysis. Their report talks of benefits not the revenue and expenses. Because they weren't required to do one, there isn't an analysis of the expenditures of the project, so there's no mechanism to look at that.

Jim Simmons: They've gone through discussions with staff and City Manager. The nexus that the City applies to PFF and CFD's that are paid by all the units is based on how many doors there are. It's by unit count, 416 doors. If they exceed 1.49 persons per bedroom, there's a way to make up the difference. City Manager wants to make sure it doesn't become a mini-dorm, with multiple kids in one bedroom.

Nelson: Asked how they'll monitor who lives there?

Jim Simmons: They're required to. Tenants can be removed if in violation.

Jason Simmons: Property management goes in and checks units several times a year. They know what to look for and want to capture everyone on the lease.

Jim Simmons: They want it controlled because it costs them money if there are additional people.

Nelson: Asked if any for sale units?

Jim Simmons: Rental only.

Nelson: Doesn't feel anyone uses the retail in the mixed-use projects.

Jim Simmons: This project is different & has more density. The college has 30,000 students, the Sprinter station is the largest one on the line, there's a connection between Palomar and CSUSM, the rail trail, bus, plus walking distance to Grand Plaza. It's smart growth.

Nelson: Inquired if they communicated with UPS? It's hard to see the brown trucks at night.

Jim Simmons: Yes, they're okay. The area will have more lights. Project won't conflict with their driveway. UPS would like their driveway realigned which the project will do if they can. The City has offered them opportunities to discuss project, but they've chosen not to.

Nelson: There are people with vests on directing traffic at night. It's hectic there.

Simmons: The street will be widened by the Davia project, including sidewalks and a median.

Minnery: Asked about the \$2,000/person and whether it's two or twenty?

Jim Simmons: It's per person.

Flodine: The MND included a letter from Regional Water Quality Control Board. It said no subsurface improvements. The site plan shows pools.

Jim Simmons: Conditions by RWQCB show they can have pools if there's a vapor barrier between bottom of pool and soil. That's been worked out with them, will be approved by them and letter modified.

Michael Hunsaker, resident, representing PODL: Indicated he was asked to review project. Primarily questions are parking & finances. Asked if the \$2,000 applies per year, month or day? To avoid overcrowding, it should not be financially advantageous to the City or Developer for lawbreaking. If overpopulated, immediate action should be taken within 30 days. All extra rent should be forfeited to the City. Haven't seen anything on fees for affordable housing? Are there in-lieu fees? Or, will 25% be put in affordable category? Some student housing is considered affordable. Need some sort of designation that can be followed. Parking is insufficient and the parking meters will only make it worse. Students will park on other streets. The industrial business parking is already heavily impacted. This has all the makings of a parking disaster like The Quad and Lake San Marcos. The Parking Management Plan is undefined. The Plan should be definitely part of the approval process. CFD fees are too low for apartment dwellers. If allowing greater density because of mass transit and they're going to be using more of it, they should be paying a larger percentage. Lighting should be an annual fee, not 18 months. They should pay the same as everyone else year-round. Don't see anything for drainage fees. In the past, this has been the greatest CFD building charge there is, yet there's nothing. If there are changes to residential, it should be covered by CUP's for the specific use because there are different impact fees regarding higher density, greater use and production of traffic.

Kildoo: Asked Mr. Husaker who asks him to look at projects?

Hunsaker: Residents of San Elijo, Twin Oaks, Lake San Marcos and businesses on Armorlite.

Kildoo: Over-population creates impact issues, extra wear & tear, not profit. Commission should have asked about Affordable Housing.

Backoff: This is an apartment project, not a for sale project. Under recent court case, City can't charge or require it on a rental project. Initially, it was a condo project and then would have included it. City doesn't have ability to require it unless the law changes.

Norris: Asked about lighting fee?

Backoff: 18 month lighting fee is generally required until City accepts and takes over.

Norris: Asked about CFD fee?

Jim Simmons: It's in the best interest of the owner to control population. Affordable Housing is not included because it can't be required by state law. Everyone does the energizing at 18 months, and then it's based on taxes. CFD's apply and are paid yearly in their tax bill. The project is not doing anything different than anyone else.

Nelson: Asked when bridge will be built?

Jim Simmons: Will be complete before Davia project starts construction.

Nelson: Inquired why they changed it from condos?

Jim Simmons: Didn't pencil out.

CLOSE PUBLIC HEARING

Backoff: Reminded Commissioner's of the two staff memo's/errata change sheets.

Nelson: Commented that he was bothered by a statement in Staff Report. Asked if the project is being crammed in because City is getting a lot of money for it?

Backoff: There are a lot of benefits including revenue fees. The General Plan was changed to accommodate mixed-use near transit.

Nelson: Seems the City is getting rid of commercial/industrial jobs and the residents are next to mass transit and have to leave the City to go to work.

Backoff: Trying to reduce vehicle miles traveled. Some people will use it.

Nelson: Californians are defined by their cars. You can hardly get downtown now using the Sprinter. Asked Commissioner Norris if he could go to work on the Sprinter?

Norris: Takes 1.5 hours. He feels the electric vehicles are the way to go.

Action:

COMMISSIONER KILDOO MOVED TO RECOMMEND APPROVAL TO CITY COUNCIL OF GPA 13-003 AS SET FORTH IN RESOLUTION PC 13-4369

Norris: Asked if they could put in the electrical chargers?

Action:

KILDOO: WITH MODIFICATIONS AS PER STAFF MEMO #1 & #2/ERRATA'S DATED 12/2/13; SECONDED BY COMMISSIONER SCHAIBLE AND CARRIED BY THE FOLLOWING ELECTRONIC VOTE;

AYES: COMMISSIONERS: FLODINE, KILDOO, MAAS, MINNERY, NELSON, NORRIS, SCHAIBLE

NOES: COMMISSIONERS: NONE

ABSENT: COMMISSIONERS: NONE

ABSTAIN: COMMISSIONERS: NONE

COMMISSIONER KILDOO MOVED TO RECOMMEND APPROVAL TO CITY COUNCIL OF REZONE13-002 AS SET FORTH IN RESOLUTION PC 13-4370 WITH MODIFICATIONS AS PER STAFF MEMO #1 & #2/ERRATA'S DATED 12/2/13; SECONDED BY COMMISSIONER SCHAIBLE AND CARRIED BY THE FOLLOWING ELECTRONIC VOTE;

AYES: COMMISSIONERS: FLODINE, KILDOO, MAAS, MINNERY, NELSON, NORRIS, SCHAIBLE

NOES: COMMISSIONERS: NONE

ABSENT: COMMISSIONERS: NONE

ABSTAIN: COMMISSIONERS: NONE

COMMISSIONER KILDOO MOVED TO RECOMMEND APPROVAL TO CITY COUNCIL OF SP 12-55 AS SET FORTH IN RESOLUTION PC 13-4371 WITH MODIFICATIONS AS PER STAFF MEMO #1 & #2/ERRATA'S DATED 12/2/13; SECONDED BY COMMISSIONER SCHAIBLE AND CARRIED BY THE FOLLOWING ELECTRONIC VOTE;

AYES: COMMISSIONERS: FLODINE, KILDOO, MAAS, MINNERY, NELSON, NORRIS, SCHAIBLE

NOES: COMMISSIONERS: NONE

ABSENT: COMMISSIONERS: NONE

ABSTAIN: COMMISSIONERS: NONE

COMMISSIONER KILDOO MOVED TO RECOMMEND APPROVAL TO CITY COUNCIL OF SDP 12-352 AS SET FORTH IN RESOLUTION PC 13-4372 WITH MODIFICATIONS AS PER STAFF MEMO #1 & #2/ERRATA DATED 12/2/13; SECONDED BY

COMMISSIONER SCHAIBLE AND CARRIED BY THE FOLLOWING ELECTRONIC VOTE;

AYES: COMMISSIONERS: FLODINE, KILDOO, MAAS, MINNERY, NELSON, NORRIS, SCHAIBLE

NOES: COMMISSIONERS: NONE

ABSENT: COMMISSIONERS: NONE

ABSTAIN: COMMISSIONERS: NONE

COMMISSIONER KILDOO MOVED TO RECOMMEND APPROVAL TO CITY COUNCIL OF MFSDP 12-52 AS SET FORTH IN RESOLUTION PC 13-4373 WITH MODIFICATIONS AS PER STAFF MEMO #1 & #2/ERRATA DATED 12/2/13; SECONDED BY COMMISSIONER SCHAIBLE AND CARRIED BY THE FOLLOWING ELECTRONIC VOTE;

AYES: COMMISSIONERS: FLODINE, KILDOO, MAAS, MINNERY, NELSON, NORRIS, SCHAIBLE

NOES: COMMISSIONERS: NONE

ABSENT: COMMISSIONERS: NONE

ABSTAIN: COMMISSIONERS: NONE

ORAL AND WRITTEN COMMUNICATIONS

Juli Smith, resident: Received notice for the Oakcreek project, which is directly across the street from her residence and where she has managed the mobile home park property for the last six years. In '04, the Mobile Home Park granted an easement to the City for a drainage ditch to be built on the backside of their property. For the last five years she has called each January to check on the status of it. It's now overrun with weeds & in bad condition and she believes contributes to a water table issue on land she is responsible for. Concerned about the new project & development and what will happen to drainage area? Will there be one? They've looked into having engineers come out. The City has come out and done excavations of the water to determine where the water is coming from. That was three years ago and she has not gotten a response on it. This is a mobile home park with rising water tables. Homes are sinking into the ground and pillars are rusting. She's concerned that more construction will increase water table issue on their land. It's been almost 10 years since easement was granted. She has tried for many years to find a remedy. Every year she is told, it's the Civil Engineers, it's the Army Corp of Engineers, and not the City. Since the houses were built above, water table has risen. This new project will make it worse. There's a drainage ditch with standing water and rising water table. They can't afford to pay millions to prove it. City made a promise of a drainage ditch. They gave it to the City, granted easement and received no money. It's currently over run with trees, rats & homeless people. She is constantly calling vector control out. The citizens are paying for it every year. She doesn't know what else to do. She'd like it on a future agenda.

The residents want to come. She doesn't want to tell the residents about the latest Notice yet. Inquired how they can get it on an Agenda or if it's scheduled to be added?

Nelson: Advised her that the Planning Commission can't take action but can get her some answers.

Backoff: It's the Oakcreek/Mashburn project, which is still a ways down the road. They're doing a Fiscal & Market Analysis. The easement is for drainage purposes. City did get a temporary permit from agencies to do clean up. It's not a CIP project. Staff would need to look into it. Indicated he just heard about it a week ago. Would need to get input from Engineering & get back to her.

Smith: Indicated she e-mailed Mr. Koller all of the information.

Kildoo: Asked which park?

Backoff: Bosstick Industrial Park. Integral Development has proposed a GPA/Rezone/SP to change it to high-density residential.

Smith: Mobile Home Park is directly across the street on Bosstick.

3. **Case No:** GPA 13-007 / SPA 13-005 (P13-0060)

Application of: Loma San Marcos *(continued from 11/18/13)*

Request: Approve an amendment to the General Plan to change the descriptive reference from "SPA (Movie Studio)" to "SPA (Lomas San Marcos)," and a Specific Plan Amendment to change the title throughout the Specific Plan from "Specific Plan (Movie Studio)" to "Specific Plan (Lomas San Marcos)."

Location of Property: 1601 San Elijo Road, more particularly described as: All that portion of the northwest quarter of Section 33, Township 12 south, Range 3 west, San Bernardino base and meridian, in the City of San Marcos and County of San Diego, State of California, according to official plat thereof. Assessor's Parcel No.: 223-080-41 & 42.

Staff Presentation (Garth Koller):

Described request and location. PowerPoint presentation shown. The applicant only seeks a name change and agrees that there will be no change to the land use. It doesn't affect any prior approvals. Because there is no other change, it's not subject to CEQA review. Staff recommends approval to City Council to amend all name references in GP and SP to Loma San Marcos.

Nelson: Why?

Backoff: They felt when identified on GP as San Marcos Studios, it had a negative aspect and they claim they had difficulty selling the property. It's part of resolving outstanding litigation and settling lawsuit. The same SP that calls out for the studios is still in effect. It's just a name change.

Kildoo: Asked if the two resolutions will take care of it?

Backoff: Yes.

Flodine: Inquired who pays the cost of changing documents?

Backoff: The City. Cost was waived.

Nelson: Asked if the City still wants a movie studio there long term?

Backoff: That's what the current land use designation is and what's been approved. Until someone changes the GP & SP, that's what it is.

Nelson: Commented that his brother works for Warner Brothers and he says most studios are moving to NC. They don't want to stay in CA.

OPEN PUBLIC HEARING

No comments.

CLOSE PUBLIC HEARING

Action:

COMMISSIONER KILDOO MOVED TO RECOMMEND APPROVAL TO CITY COUNCIL OF GPA 13-007 AS SET FORTH IN RESOLUTION PC 13-4378; SECONDED BY COMMISSIONER NORRIS AND CARRIED BY THE FOLLOWING ELECTRONIC VOTE;

AYES: COMMISSIONERS: FLODINE, KILDOO, MAAS, MINNERY, NELSON, NORRIS, SCHAIBLE

NOES: COMMISSIONERS: NONE

ABSENT: COMMISSIONERS: NONE

ABSTAIN: COMMISSIONERS: NONE

COMMISSIONER KILDOO MOVED TO RECOMMEND APPROVAL TO CITY COUNCIL OF SP 13-005 AS SET FORTH IN RESOLUTION PC 13-4379; SECONDED BY COMMISSIONER NORRIS AND CARRIED BY THE FOLLOWING ELECTRONIC VOTE;

AYES: COMMISSIONERS: FLODINE, KILDOO, MAAS, MINNERY, NELSON, NORRIS, SCHAIBLE

NOES: COMMISSIONERS: NONE

ABSENT: COMMISSIONERS: NONE

ABSTAIN: COMMISSIONERS: NONE

PLANNING DIRECTOR COMMENTS

Backoff: Reminded Commissioner's that four Planning Commission seats are open.
Commissioner Schaible has reapplied.

Norris: Indicated he will re-apply.

Backoff: There is a new application form and it's due by Dec. 9th.

PLANNING COMMISSIONERS COMMENTS

Nelson: Mr. Chinn resigned today.

ADJOURNMENT

At 7:51 p.m. Commissioner Nelson adjourned the meeting.



Dean Nelson, Chairman
SAN MARCOS PLANNING COMMISSION

ATTEST:



Lisa Kiss, Office Specialist III
SAN MARCOS PLANNING COMMISSION