



## CITY COUNCIL AGENDA REPORT

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May 20, 2014  
Community Development Department  
Planning Division

**TITLE: P14-0011 AND PUD-101, KOTTINGER GARDENS - CONSIDER A GENERAL PLAN AMENDMENT AND INTRODUCTION OF AN ORDINANCE APPROVING A PLANNED UNIT DEVELOPMENT (PUD) REZONING AND DEVELOPMENT PLAN TO DEMOLISH THE 90 EXISTING SENIOR APARTMENTS AT PLEASANTON GARDENS AND KOTTINGER PLACE, AND CONSTRUCT A 185-UNIT SENIOR APARTMENT PROJECT (KOTTINGER GARDENS) A 6.43-ACRE SITE LOCATED AT 240 AND 251 KOTTINGER DRIVE, 4138 VINEYARD AVENUE, AND 4133 REGALIA COURT (4 PARCELS)**

**APPLICANT: MIDPEN HOUSING CORPORATION**

### **SUMMARY**

The applications are for a high-density residential senior apartment development consisting of 185 units and related parking, community facilities, landscaping, and other related site improvements on a 6.43-acre site at 240 and 251 Kottinger Drive, 4138 Vineyard Avenue, and 4133 Regalia Court. Related land use entitlements include a General Plan Amendment and PUD Rezoning and Development Plan.

### **HOUSING COMMISSION RECOMMENDATION**

On February 20, 2014, the Housing Commission recommended approval of the project to the City Council.

### **PLANNING COMMISSION RECOMMENDATION**

On April 23, 2014, the Planning Commission recommended adoption of the Mitigated Negative Declaration and approval of the General Plan Amendment, PUD rezoning and development plan applications subject to the conditions listed in Exhibit A (Attachment 1B) to the City Council.

### **RECOMMENDATION**

1. Find that the project would not have a significant effect on the environment and adopt a resolution pursuant to the findings of the Mitigated Negative Declaration (Attachment 3);
2. Adopt a resolution recommending approval of P14-0011, General Plan Amendment to change the land use designation of 4133 Regalia Court from Parks and Recreation to High Density Residential (Attachment 2);
3. Find that the proposed PUD rezoning and development plan are consistent with the General Plan;

4. Make the PUD findings for the proposed development plan as stated in the April 23, 2014, Planning Commission staff report (pages 23 through 26 in Attachment 5); and
5. Introduce two draft ordinances approving Case PUD-101, PUD rezoning and PUD Development Plan, subject to the Conditions of Approval, Exhibit "A" (Attachments 1A and 1B).

### **FINANCIAL STATEMENT**

Just as the existing Kottinger Place and Pleasanton Gardens, the proposed Kottinger Gardens would qualify for a property tax exemption due to its continued use for low-income senior housing; and therefore, would not contribute financially for the increased demand for services such as police, fire, etc. However, the applicant would have to pay development impact fees (e. g., in-lieu park dedication fee, public facilities fee, traffic fees, water/sewer connection fees, etc.) that are used to pay for the cost of new City facilities and infrastructure necessitated by development.

### **BACKGROUND**

Kottinger Gardens is the proposed redevelopment of Kottinger Place (50 homes) and Pleasanton Gardens (40 homes) into one integrated affordable housing development with 185 new homes for seniors as envisioned by The Kottinger Place Redevelopment Task Force. Formed by the City Council in 2004, the Task Force's goal has been to evaluate the condition of the aging senior housing properties located on Kottinger Drive and develop a rehabilitation and/or redevelopment plan that would allow for their continued and expanded use as affordable senior housing. The Task Force is comprised of representatives from the City Council, Housing Commission, Parks and Recreation Commission, existing residents, neighbors, and local affordable housing advocates.

While the Task Force initially explored a wide range of rehabilitation and development options, in February 2012 the City Council entered into an Exclusive Negotiating Rights Agreement (ENRA) with MidPen for the purpose of preparing a Predevelopment Analysis Report to explore the following three options:

1. Rehabilitating the existing developments and add a multi-story building to the Kottinger Place site.
2. All new construction on of single and multi-story buildings on the Kottinger Place and Pleasanton Gardens sites.
3. All new construction on the Kottinger Place site only.

Based on the City Council's review of the Predevelopment Analysis Report, recommendations from the Task Force and the Housing Commission, and public comments, in in October 2012 it selected Option 2 above and authorized the Task Force to work with MidPen to develop a site plan based on this option. In November 5, 2013, the City Council approved the preliminary site plan and overall project concept based on that option, and directed staff to begin processing the project PUD. In

addition, the Council approved a Disposition, Development, and Loan Agreement with MidPen Housing Corporation (MidPen) that establishes the relationship between the City and MidPen relative to project development and ownership, and a Memorandum of Understanding (MOU) with Pleasanton Gardens that memorializes the terms for the anticipated transfer of the Pleasanton Gardens site to the City. Finally, the City Council appropriated \$10 million of Lower Income Housing Funds to provide project financial support.

As currently proposed, the project will be constructed in two phases with the Kottinger Place, Regalia House Site and 4138 Vineyard being in the first phase. The phasing will limit the impacts of tenant relocation and be consistent with various funding sources. Any required tenant relocation will be coordinated by MidPen in close cooperation with the City.

The development pattern and density for the proposed project require a General Plan Amendment and Planned Unit Development rezoning and development plan approvals. These applications require review and recommendation by the Housing Commission, Planning Commission and action by the City Council.

The Housing Commission recommended approval of the proposed project to the City Council at their February 20, 2014, meeting. Part of their recommendation included information related to public financial contributions to the proposed project and loan terms, disposition or property terms, and unit affordability levels. With regard to affordability, none of the units will be market rate, and the affordability levels will range between 30% and 60% AMI, with 30% AMI being maintained for all existing residents.

This project was reviewed and recommended for approval by the Planning Commission at a work session held on March 12, 2014, and at a regular meeting held on April 23, 2014.

For a detailed description of the discussion at these meetings, please see the attached draft minutes in Attachment 5. The project is now before the Council for final decision.

## **SITE DESCRIPTION**

The proposed 6.43-acre project site consists of the following four parcels:

### **1. 240 Kottinger Drive (Existing Kottinger Place) – 3.47 acres**

Kottinger Place is currently improved with 50 affordable senior homes developed in 1972 and owned and operated as a HUD Public Housing property by the Housing Authority of City of Pleasanton. The 50 existing homes consist of 32 studio, 16 one-bedroom, and two two-bedroom units. The site also includes a small community room, laundry facilities, and open space for gardening and socializing. The existing homes are not accessible, making it difficult for residents to age-in-place, and due to demand, the studios often house couples, which has created crowded living environments. The over 40-year old homes are also experiencing increasing maintenance and repair needs. For these reasons, the Task Force determined that demolition of the existing homes should be considered.

**2. 4138 Vineyard Avenue Parcel – 0.51 acres**

This parcel is located northwest of the existing Kottinger Place site and is currently vacant. It was purchased by the City of Pleasanton in February 2011 with the redevelopment of Kottinger Place in mind.

**3. 4133 Regalia Court – 0.50 acres**

This parcel is adjacent to the Kottinger Place and Vineyard Avenue parcel, and is the site of the Regalia House, an unused (due to lack of structural integrity) community facility with parking. The Regalia House has suffered structural damage, is in poor condition and is scheduled for demolition. The proposed parcel is currently a part of Kottinger Village Community Park and is owned by the City of Pleasanton.

**4. 251 Kottinger Drive (Existing Pleasanton Gardens) – 1.95 acres**

Pleasanton Gardens is located directly across Kottinger Drive from the other three project parcels and is currently improved with 40 affordable senior homes developed in 1970. The site and its improvements are currently owned by Pleasanton Gardens, Inc., a nonprofit entity set up by four local churches in the 1960's. It has many of the same design issues and critical needs as Kottinger Place. In addition some of the existing buildings were constructed over a City storm drain culvert and the site has had drainage issues in the past.

If the project is approved, the four parcels will be combined into two parcels under the single-ownership of the City of Pleasanton. During this process, the Regalia Court parcel will also be separated from the existing Kottinger Village Community Park parcel of which it is currently a part.

The uses surrounding the proposed project site consist mainly of existing single-family and multi-family residences of varying ages. This is especially true to the north, south, west, and the eastern edge of the southern portion of the proposed project site. Along the eastern edge of the northern portion of the proposed project site is the existing Kottinger Village Community Park, which is a small community park.

## Aerial Site View



### PROJECT DESCRIPTION

The applicant proposes to build 185 new and fully-accessible apartments in a combination of single-, two-, and three-story buildings. It is expected that 183 of the new homes will be affordable to low-income seniors and the remaining two homes will be reserved for on-site property managers. The proposed development will also include landscaped open space with shared gardens, pedestrian pathways, and a pedestrian crossing on Kottinger Drive. MidPen Housing Corporation will sign a long-term ground lease with the City of Pleasanton, own the improvements, and provide on-site property management, resident services, and programming in the on-site community rooms, resident lounges, and fitness room. Shared laundry facilities with a minimum of one washer/dryer for every ten homes will also be provided on-site for the residents' convenience.

The proposed parking ratio for the project on both sides of Kottinger Drive is 0.8 spaces per unit, which is the same as the current 0.8 spaces per unit at the existing Kottinger Place and represents an increase to the 0.47 spaces per unit parking ratio currently at the existing Pleasanton Gardens. Existing automobile ownership among the current low-income senior residents was used as an indicator to help determine the proposed parking ratio. A total of 149 parking spaces (64 covered) are proposed. Forty-four spaces will be located on the south side of Kottinger Drive, while 105 spaces will be located on the north side. Additionally, 12 existing parking spaces will be maintained at the northernmost end of the proposed project, adjacent to Vineyard Avenue, and will remain dedicated for Kottinger Village Community Park users only (signage will be posted). Limited street parking is available on both Kottinger Drive and Vineyard Avenue.

Existing site access points will be maintained on both sides of Kottinger Drive. The existing driveway at Vineyard Avenue adjacent to the Regalia House will be shifted west, and the existing driveway for 4138 Vineyard Avenue will be removed and replaced with curb and sidewalk. Additionally, the existing bus stop on Kottinger Drive will be removed and a new bus stop with shelter will be constructed for the residents traveling into Downtown or making connections to other routes within the City. The new bus stop location will be east of the existing bus stop, to be more centrally located between both sides of the proposed project. An identified and slightly raised pedestrian crossing connecting both sides of the project on Kottinger Drive will be improved as shown on the plans as well.

The proposed project's site design, buildings, and landscaping were conceived within the context of Pleasanton's historic downtown, which has roots in both the cottage and farmhouse architectural styles. The buildings downtown are predominantly simple forms with covered front porches that extend the entire width of the home or stoop, lending a sense of symmetry to the building. The materials are generally lap siding with various levels of detailing and trim that is white or a contrasting accent color. The Kottinger Gardens architectural design approach utilizes these fundamental cottage and farmhouse characteristics.

The proposed project will include one, 78,010 square-foot, three-story building (36 feet tall max.), and nine separate single-story buildings ranging in size from 2,830 to 5,800 square feet and 16 to 18 feet tall on the current Kottinger Place, Vineyard Avenue, and Regalia Parcels north of Kottinger Drive. There are a total of 131 homes on this portion of the site, including 126 one-bedroom and 5 two-bedroom homes. One, 31,600 square-foot, two-story building (30 feet tall max.) and four separate single-story buildings ranging in size from 1,430 to 8,850 square feet and 16 to 18 feet tall will be located on the current Pleasanton Gardens parcel south of Kottinger Drive. There are a total of 54 homes on this part of the site, including 50 one-bedroom and 4 two-bedroom homes.

The apartments are designed to include storage, private patios/balconies, Green Building Measures, and accessibility features to help residents age-in-place and live independently for as long as possible. A typical one-bedroom home is 584 square feet and a two-bedroom home is 842 square feet. Full floor plans for all unit types and configurations are provided in Exhibit B-2.

Shared indoor amenities include community rooms on both sides of the street for resident gatherings, resident lounges with computers, a fitness room for group exercise classes, and on-site resident services programming and coordination.

The project site is relatively level. Except for minor grading, the applicant is proposing to generally maintain the existing grades on the entire site. Parking lot and roof drainage would drain into bioretention areas (vegetation-lined swales) and biofiltration planters that would filter contaminants from the parking lot and roof drainage before entering the adjacent City storm drain systems on Kottinger Drive and Vineyard Avenue, as well as the adjacent creek.

Site Plan (Full Site)



Perspective Elevations





**Sample Elevations: One-story Building Elevations**



**Sample Elevations: Three-Story Building Elevations**



## Proposed Color/Material Palette

### KOTTINGER GARDENS COLOR PALETTE

<b>HARDIE BOARD AND BATTEN SIDING</b>						
	ELDER CREEK	BARNWOOD	BLUFF STONE	NOTTINGHAM FOREST	PORCH SWING	MOUNT TAM
<b>HARDIE HORIZONTAL LAP SIDING</b>						
	ELDER CREEK	BARNWOOD	BLUFF STONE	NOTTINGHAM FOREST	PORCH SWING	
<b>BUILDING BODY PAINT COLORS</b>						
	ELDER CREEK	BARNWOOD	BLUFF STONE	NOTTINGHAM FOREST	PORCH SWING	MOUNT TAM
<b>ROOF/DOOR AND ACCENT COLORS</b>						
	GAF "CHARCOAL"	SNOWGLOBE WHITE	TIFFANY AMBER	NECTAR OF THE GODS	DAPPER GREY HOUND	SEVILLE SCARLET

**\* ALL PAINT COLORS ARE KELLEY MOORE**

The landscape design provides a hierarchy of outdoor spaces ranging from public to private, seeking to foster a healthy senior community by facilitating social interaction. This hierarchy provides a variety of opportunities for residents to interact with the outdoor space at different times during the day or year. There are a variety of outdoor spaces programmed for relaxing, socializing, and recreation. These include large common open spaces adjacent to the community rooms on both sides of Kottinger Drive, as well as a patchwork of courtyards and shared vegetable gardens. Each upper floor home has a private deck, which overlooks gardens and toward the surrounding hills and horizon.

Most existing on-site trees are proposed for removal. In some cases, the final location of the homes was adjusted to protect the most healthy and prolific trees, making them focal features scattered throughout the project. Using the Arborist's Report as a guide (Exhibit H), the applicant evaluated each existing tree to determine overall suitability for the proposed project. Each tree's location, species, size, and health was taken into consideration. Of the 146 trees evaluated on-site, 22 trees (15 Heritage Trees) will be retained and 124 (45 Heritage Trees) will be removed. The landscape plan proposes to plant approximately 100 new trees on the subject site.

Plant materials are intended to provide seasonal interest and the plant palette reflects the architectural character. In addition to the common gardens, a private porch or balcony can accommodate garden ornamentation, and provide an opportunity for residents to personalize their individual space. An automatic water-efficient irrigation system, Bay-Friendly landscape practices for healthy soil and water conservation, and

selection of plants that are well-adapted to the local climate and setting will aid overall long-term maintenance.

An internal path system will link to the perimeter Kottinger Village Community Park trail at multiple locations, encouraging residents to access and enjoy park amenities. While it is important to integrate with the park, it is also important to clearly distinguish the Kottinger Gardens open space system and paths. Where the internal path system intersects with the public path on the perimeter, the landscape portals will be designed to distinctly identify these private pedestrian entries.

No detailed signage information has been provided for the proposed project at this time. Given its residential character, it is anticipated minimal signage would be proposed for the project.

The proposed project will involve a limited amount of temporary resident relocation to accommodate the new construction. In order to minimize the number of households who will need to move off-site in order to build the new homes, the construction will be phased. This will allow a majority of residents to stay in their current homes until their new home is constructed and ready for move-in. The first phase is expected to occur on the Vineyard Avenue Parcel, Regalia Parcel, and a portion of the Kottinger Place Parcel. The second phase would include the remainder of the Kottinger Place Parcel and the entire Pleasanton Gardens Parcel. The applicant has communicated frequently with the residents to inform them of their relocation rights and has engaged a relocation consultant to ensure that all relocation activities are conducted according to Federal and State laws and requirements.

### **HOUSING COMMISSION ACTION**

At its February 20, 2014, meeting, the Housing Commission recommended approval of the proposed project as designed.

### **PLANNING COMMISSION ACTION**

The Planning Commission held a public hearing on April 23, 2014, to review and provide a recommendation to the Council for the proposed project. The item was placed on the consent calendar and unanimously recommend to the Council for approval on a 4-0 vote subject to staff's recommended conditions.

### **DISCUSSION**

As the project has been conditioned, staff is satisfied with the site design, density, housing type and affordability, building design, and open space/amenities. The design of the project has evolved significantly to address concerns of the Planning Commission, Task Force, current Pleasanton Gardens and Kottinger Place residents, and the neighborhood residents. The attached Planning Commission staff report (Attachment 5) presents a more thorough discussion of the project, including: the General Plan Amendment and conformity, zoning and uses, site plan, traffic and circulation, parking, noise, grading and drainage, building design, signage, Universal Design, Green Building, Climate Action Plan, school impacts, landscaping, tree removal, and affordable housing.

## **PUD FINDINGS**

Please refer to the attached Planning Commission staff report (Attachment 5), pages 23 through 26, for a discussion of the considerations needed to approve the proposed PUD development plan.

## **PUBLIC NOTICE**

Notices of these applications were sent to surrounding property owners and tenants within a 1,000-foot radius of the site. Staff has provided the location and noticing maps within the attached Planning Commission staff report (Exhibit M of Attachment 5) for reference. At the time this report was published, staff had not received public comments regarding these applications.

## **ENVIRONMENTAL ASSESSMENT**

A Mitigated Negative Declaration has been prepared for the proposed project. Based on an initial study, staff believes that the project-related impacts are mitigated, with the mitigation measures incorporated in the project's design or required by conditions of approval, and that there would be no significant or unmitigated environmental impacts. Staff, therefore, believes that the Negative Declaration can be issued in conformance with the California Environmental Quality Act (CEQA). If the City Council concurs with this environmental assessment, it must make the finding that the Negative Declaration is adequate to comply with all of the requirements of CEQA.

## **PROJECT UPDATE**

As the City Council is aware, review of this PUD represents a major advancement of this project and the efforts of the Task Force and the Housing Commission. However, a number of important steps are still required prior to the development moving forward. First, MidPen is currently working with HUD regarding a Section 18 Technical Assistance Review that is a preliminary step leading to a formal application requesting HUD approval allowing the demolition of Kottinger Place and HUD financial participation in the new development. Based on the current schedule, staff anticipates recommending the City Council authorize submittal of the formal Section 18 application in June/July of this year. Assuming approval from HUD (anticipated in September/October of 2014), the next step involves obtaining Lower- Income Housing Tax Credit (LIHTC) financing for Phase I of the project that will include construction of 131 new units on the Kottinger Place site. Approval of LIHTC's is a competitive process coordinated by the California Tax Credit Allocation Committee (CTCAC) and based on its schedule and other required approvals, staff anticipates that construction of Phase I would begin in late 2015 or early 2016.

Phase II of the project, that includes construction of 54 units on the Pleasanton Gardens site, is also dependent upon receipt of additional LIHTC approvals and this process will take place after the commencement of construction of Phase I. Redevelopment of the Pleasanton Gardens site does not require HUD approval for demolition.

Assuming all approvals, staff will be working with MidPen to develop a detailed tenant relocation plan that minimizes the impact on the individuals residing in both developments. Overall, staff anticipates that a number of residents currently residing at

Kottinger Place will need to be temporarily relocated during Phase II relocation after which they, and all of the tenants at Pleasanton Gardens, will be relocated to the new development on the Kottinger Place site. Relocation responsibilities are heavily regulated to minimize impacts and MidPen has considerable experience coordinating these processes with all age groups, including seniors.

During all future phases of the development, staff anticipates keeping the City Council and the Housing Commission fully engaged in the process and will continue to rely on the Task Force if needed to address critical project issues.

Submitted by:

Approved by:

Brian Dolan  
Director of Community Development

Nelson Fialho  
City Manager

Attachments:

- 1-A. Draft City Council Ordinance for PUD-101, PUD Rezoning with Exhibit A, Zoning Unit Map
- 1-B. Draft City Council Ordinance for PUD-101, PUD Development Plan with Exhibit A, Recommended Conditions of Approval
2. Draft City Council Resolution approving the General Plan Amendment with Exhibit A, General Plan Land Use Designation Map
3. Draft City Council Resolution adopting the Mitigated Negative Declaration
4. B-1. Applicant Project Narrative dated, "Received January 14, 2014"  
B-2. Vicinity Map, Site Plan, Building Renderings, Elevation Drawings, Landscaping Plans, and Civil Drawings dated "Received February 20, 2014"  
B-3. Color palette dated, "Received February 20, 2014"
5. April 23, 2014, Planning Commission Staff Report with the following exhibits:
  - C. March 12, 2014, Planning Commission Work Session Meeting Minutes
  - D. Applicant's Response to March 12, 2014, Planning Commission Work Session comments dated, "Received March 26, 2014"
  - E. DRAFT Mitigated Negative Declaration
  - F. DRAFT Mitigation Monitoring and Implementation Plan
  - G. GreenPoint Multifamily Checklist
  - H. Arborist report prepared by HORTScience dated July 3, 2013
  - I. Traffic study prepared by W-Trans dated February 13, 2014
  - J. Landscape plan State Model Water Efficiency Landscape Ordinance certification letter dated February 14, 2014
  - K. February 20, 2014 Housing Commission Meeting Minutes
  - M. Location and Noticing Maps