

B12 - Permitted in existing neighborhood shopping centers

E13 - Neighborhood shopping centers estimate if plan/zone changes to allow increased residential units

B12 study area defined. This study area focused upon all of the existing neighborhood shopping centers that already permit by zoning additional development for residential use. The sites are identified in light gray on the map in Attachment 1. The following five shopping centers are included in the study area: Westlake Plaza, Davis Manor, University Mall, Oakshade Commons, and the undeveloped Alhambra Center located on the northwest corner of the intersection of Mace and Alhambra.

E13 study area defined. This study area focused upon all of the existing neighborhood shopping centers that do not permit by zoning residential development. The sites are identified in dark gray on the map in Attachment 1. E13 includes all the remaining four neighborhood shopping centers as follows: Oak Tree Plaza, Oakshade Commons, the Marketplace, Anderson Plaza, and El Macero Shopping Center.

Rationale for choosing the study areas. The purpose of this analysis is to determine how much potential exists for residential units in Neighborhood Commercial zoned properties whether permitted by zoning or not. For the E13 neighborhood shopping centers re-zoning is required in order to permit residential uses.

Attachments 2 and 3 show examples of how a typical neighborhood shopping center may convert to a mixed use development. Attachment 2 shows more of the site planning aspects and Attachment 3 shows a possible streetscape transformation.

Projection for Sites B12 and E13. In order to determination of the maximum potential for residential units within a study area, the existing floor area ratio (FAR) is determined by comparing floor area of the existing buildings on a given Neighborhood Commercial zoned center against the square footage of the property. The maximum permitted floor area ratio of 65% (FAR) for mixed use development is applied to determine how much additional floor area can be

constructed upon the site. In each case, it is assumed that the only additional floor area added to the site is for residential use. For the projection, it is assumed that the average residential dwelling unit will be approximately 1,000 square feet with two bedrooms. Standard assumptions are made for parking and open space required for each unit based upon the existing City's standards.

Under existing zoning, buildings with up to three stories are permitted within the neighborhood commercial zones. There are no density caps on residential units. However, there are limitations in the amount of dwelling units permissible in each neighborhood commercial center as established either zoning or the General Plan. The table below provides those limitations.

The maximum capacity for these centers in B12 combined is a range of 173 – 231 dwelling units and for E 13 the capacity range is 158 – 207 dwelling units.

B12– Neighborhood Shopping Centers	Zoning	General Plan Land Use	Residential Use Permitted by Zoning	Limits to Residential Use by Zoning	Limiting Restriction by General Plan	Theoretical Potential # of Residential Units (1,000 sf/unit) with 950 sf/unit for open space and parking
Davis Manor	CR	Neighbor- hood Retail	Yes	Restricted to 2 nd Story	FAR – GP 65% residential use limited to 49%	23 – 39 units
Westlake	PD 10- 81	Neighbor- hood Retail	Yes	12 Units	Zoning	12 units
University Mall	PD 2- 97	Community Commercial	Yes	Restricted to 2 nd Story	FAR – GP 65% residential use limited to 15%	45 – 66 units
Oakshade	PD 5- 95	Neighbor- hood Retail	Yes	Restricted to above 1 st floor	FAR – GP 65% residential use limited to 49%	59 – 71 units
Mace and Alhambra	PD 4- 88 now PD 1- 04	Neighbor- hood Retail	yes	Restricted to above 1 st floor	FAR – GP 65% residential use limited to 49%	34 – 43 units
B 12 Sub Total						173 – 231

E13-- Neighborhood Shopping Centers	Zoning	General Plan Land Use	Residential Use Permitted by Zoning	Limits to Residential Use by Zoning	Limiting Restriction by General Plan	Theoretical Potential # of Residential Units (1,000 sf/unit) with 950 sf/unit for open space and parking
Marketplace	PD 4-93B	Neighborhood Retail	No (Requires Rezone)	N/A	FAR – GP 65% residential use limited to 49%	57 – 68 units
Albertsons (Covell & Anderson)	PD C-N	Neighborhood Retail	No (Requires Rezone)	N/A	FAR – GP 65% residential use limited to 49%	25 - 40 units
Oaktree	PD 16-75B	Neighborhood Retail	No (Requires Rezone)	N/A	FAR – GP 65% residential use limited to 49%	50 – 53 units
El Macero (Nugget)	PD 16-80	Neighborhood Retail	No (Requires Rezone)	N/A	FAR – GP 65% residential use limited to 49%	26 – 46 units
E13 Sub Total						158 - 207

Actual residential development could vary dependent upon whether units are built to the maximum potential FAR for a given site, or if the residential projects are built to occupy the maximum floor area permitted with the existing commercial floor space. The amount of FAR permitted in residential varies between sites, but is generally limited to 49% of the total floor area on the site with the exception of University Mall and Westlake Plaza, which have differing limits to the amount of residential that can be built. University Mall has a Community Retail land use designation in the General Plan and is limited to 15% of the 65% FAR permitted for mixed use on the site. Westlake Plaza is limited to a maximum of twelve dwelling units by zoning.

Despite the larger capacity for potential units in neighborhood shopping centers, more recent trends in the downtown area have shown scattered one to two unit projects and mixed-use development, with a new project every one to two years that typically includes five to eight residential units. Developer interest has been steady in recent years. Future interest will hinge on construction costs and market

demand, and if local developers find a profitable niche in mixed-use development. Given the financial feasibility, developer/owner interest, and historical trends, staff finds that a combined estimate of 20 units through 2013 is a reasonable projection in the neighborhood shopping centers.

A specific breakdown between the two study areas involves 12 units for the B12 sites and 8 units for the E13 sites. The rationale for this breakdown of units is because there are more centers in B12 than E13 and housing is already permitted within these centers. Therefore, it is more reasonable to assume more units developing upon the B12 sites than the E13 sites. A staff recommends the Subcommittee consider a recommendation to the Council to rezone all Neighborhood Commercial districts to permit residential uses, consistent with the current General Plan land use designation for all Study Area sites.

Basis.

Financial feasibility: Construction costs have increased in recent years and in most projects exceeds \$200 per square foot. This is true also of neighborhood commercial centers, where there are likely to be additional costs including demolition, parking, and costs of vertical development.

Developer/owner interest: The city has seen a steady occurrence of mixed use projects in downtown from local developers. Additionally, residents within the core-commercial and mixed-use areas have consistently applied to increase residential units on their property. The city continues to have historically low vacancy rates for apartments. As infill sites become less available, pressure to explore developing the centers with housing mixed use projects are likely to increase.

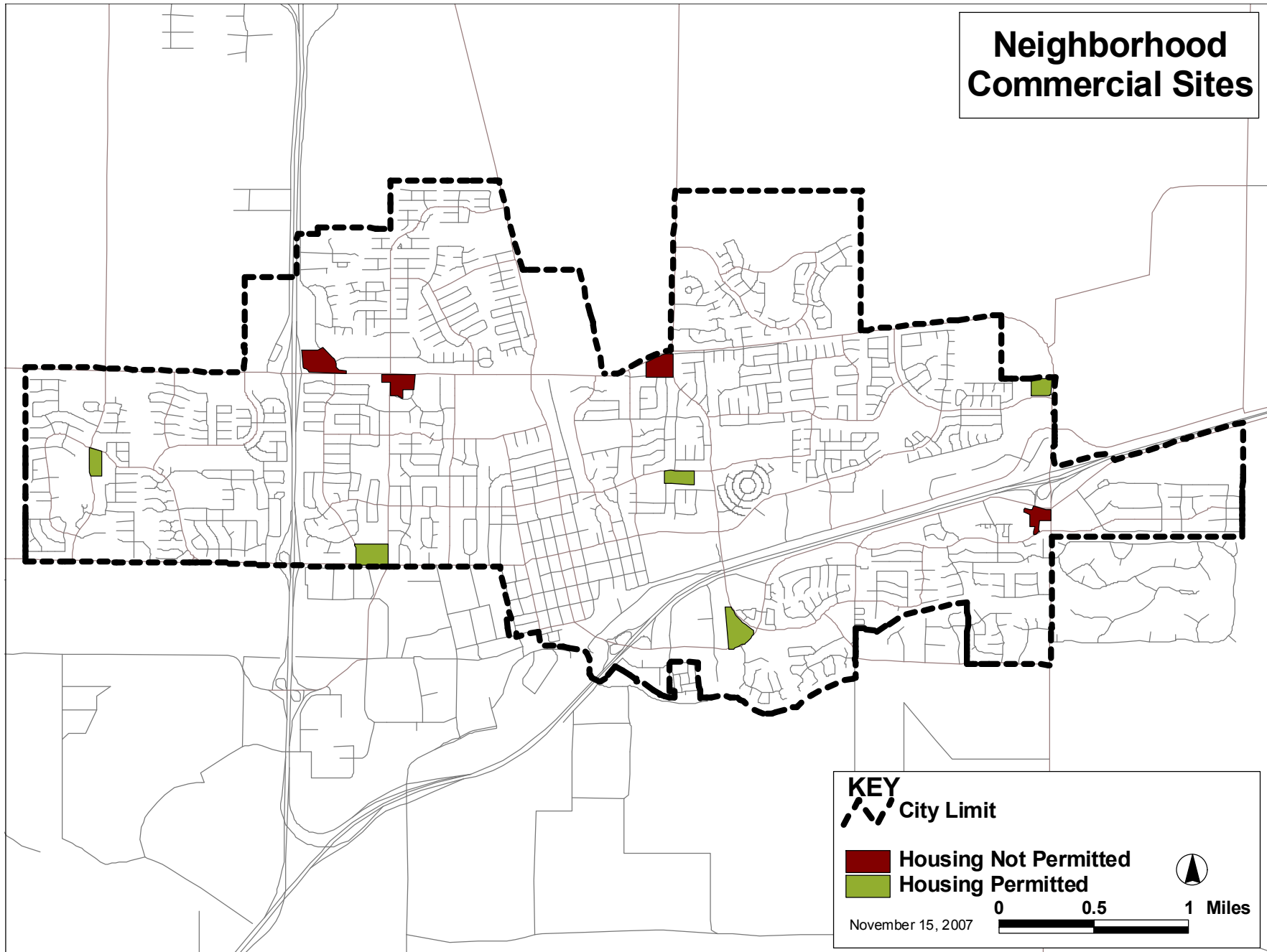
Historical trends: There is no direct historical data from which to draw. This type of development is mixed use and several mixed use developments with retail and office uses on the ground floor with residential uses have developed in the City within the past 10 years. All of these developed in the downtown area. For the purposes of creating historical data we believe that it is reasonable to utilize the historical numbers from the mixed use developments in the downtown. The C4 Downtown projection was 20 units from January 2006 to June 2013.

Staff assumptions.

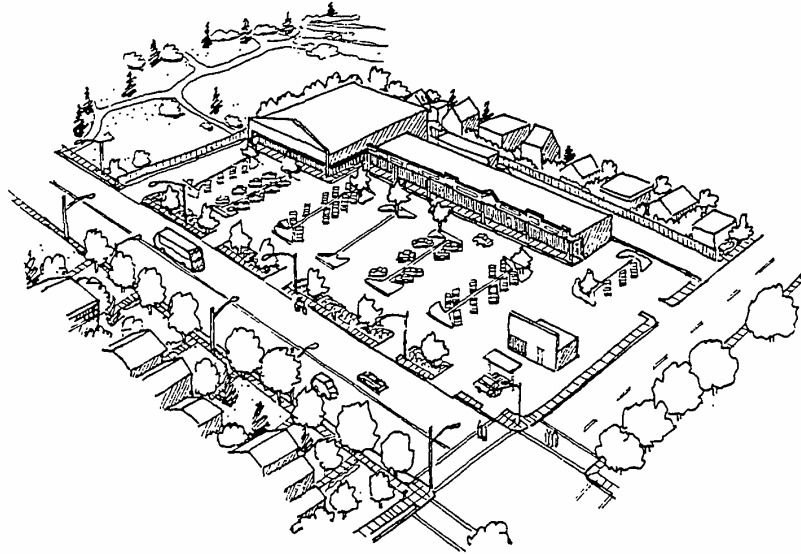
Residential units average 1,000 square feet and two bedrooms. Parking and open space require an additional 950 square feet of area per unit on the lot. No additional incentives or changes in zoning to facilitate greater interest in residential development in the Neighborhood Commercial zones. There is no greater likelihood of more units being constructed than what has been constructed historically.

Committee member notes/comments.

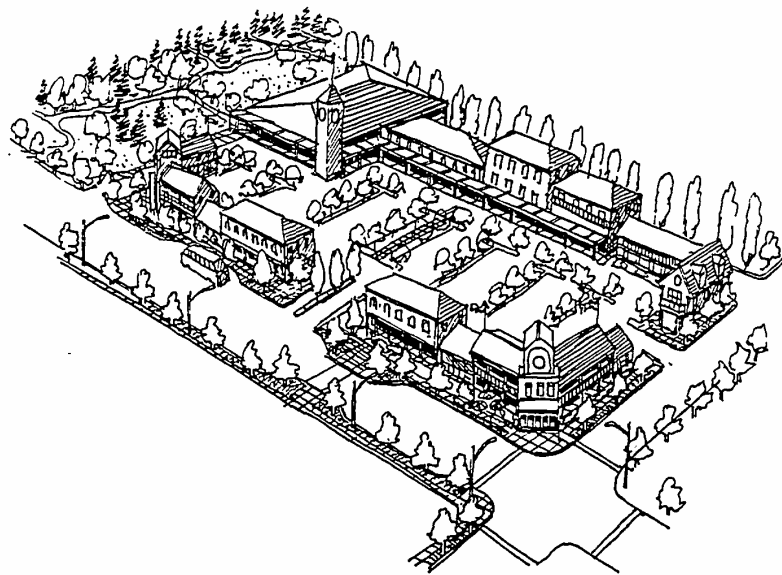
Attachment 1



Attachment 2



Typical Existing Low Intensity Commercial Center -
Floor Area Ratio Approximately 25%



Potential Mixed Use Center Development Pattern -
Floor Area Ratio Approximately 60%

Figure 12: Infill/Transit-Oriented Development Concepts

Attachment 3

Before



After

