



REQUEST FOR CITY COUNCIL ACTION

MEETING DATE: March 22, 2022

TITLE: GENERAL PLAN AMENDMENTS IN PLANNING AREA 4 (LOWER PETERS CANYON) AND PLANNING AREA 33 (IRVINE SPECTRUM CENTER) FILED BY IRVINE COMPANY

Director of Community Development

City Manager

RECOMMENDED ACTIONS

1. Authorize staff to proceed with two General Plan Amendment applications and provide input for subsequent analysis.
2. Direct staff to retain planning and design firm to assist with development of mixed use design standards and visioning efforts associated with incorporating additional residential intensity citywide.

EXECUTIVE SUMMARY

Irvine Company has filed two General Plan Amendment (GPA) applications for future residential development in two planning areas. A GPA is required to update the statistical tables by adjusting the residential dwelling unit caps within each respective General Plan land use category for each affected planning area. A summary of the applications follows:

- a) Planning Area (PA) 4 (Lower Peters Canyon): The application proposes to allow up to 1,400 residential units within the Regional Commercial land use category. This designation applies to the Irvine Marketplace. While residential uses are allowed in various parts of Lower Peters Canyon, they are not allowed in this commercial area. PA 4 is comprised of 1,409 gross acres bounded by Interstate 5 (Santa Ana Freeway) to the south, Jamboree Road to the west, Culver Drive to the east, and Portola Parkway to the north (Attachment 1).
- b) Planning Area (PA) 33 (Irvine Spectrum Center): The application proposes to increase the existing residential unit cap for the Regional Commercial land use category by 1,100 dwelling units from 4,356 to 5,456 units. PA 33 is comprised of 445 acres bounded by State Route 133 (Laguna Freeway) to the west, Interstate 5 (Santa Ana Freeway) to the north, and Interstate 405 (San Diego Freeway) to the south (Attachment 2). PA 33 is a mixed-use planning area integrating regional commercial and entertainment uses with professional offices, residential projects, and accessory retail.

City Council Resolution No. 87-108 requires a City Council scoping session for all GPA requests. The purpose of a scoping session is to provide the City Council with information on proposed requests early in the process and an opportunity to provide direction for subsequent analysis to occur during the project review process.

Staff is seeking direction from the City Council on whether or not to proceed with the proposed amendments for the two planning areas. Should the City Council authorize the GPAs to proceed, it is anticipated that the Transportation Commission, Planning Commission, and the City Council will review the applications by summer 2023.

Concurrently, staff requests City Council authorization to retain a planning and design consulting firm. This consultant would assist in the crafting of design and development standards associated with mixed-use neighborhoods.

COMMISSION / BOARD / COMMITTEE RECOMMENDATION

Not applicable.

ANALYSIS

Irvine Company has filed two separate GPA applications for future residential development in two planning areas. The first GPA application proposes up to 1,400 residential units within the Regional Commercial land use category in PA 4 (Lower Peters Canyon). The second GPA application proposes to increase the existing residential unit cap for the Regional Commercial land use category by 1,100 dwelling units from 4,356 to 5,456 units in PA 33 (Irvine Spectrum).

PA 4 (Lower Peters Canyon)

PA 4 is located in the northwestern portion of the City. The planning area includes a variety of uses including the regional and community commercial centers, research and industrial offices, and residential. PA 4 is currently approved for 7,969 total residential units.

The submitted GPA proposes to change the existing General Plan regulatory caps by:

- Adding up to 1,400 residential units by increasing the residential cap from zero to 1,400 in the Regional Commercial land use category of Table A-1 and 7,969 to 9,369 units in the overall maximum regulatory dwelling unit category; and

Modifying General Plan Table A-1 Footnotes corresponding to the proposed unit increase. The Regional Commercial land use category encompasses the Irvine Marketplace. The Irvine Marketplace as a whole is an approximate 79-acre regional commercial shopping center located east of Jamboree Road, between the Interstate 5 Freeway and Irvine Boulevard. The shopping center includes a variety of uses including

retail anchor stores, in-line retail, a food court area, free-standing restaurants, a health club, and movie theater.

PA 33 (Irvine Spectrum Center)

PA 33 is located in the southeastern portion of the City and is bounded by Laguna Freeway (SR-133), the Santa Ana Freeway (I-5), and San Diego Freeway (I-405). The planning area is approved for 4,356 total residential units. The planning area also includes an existing shopping center, hotels, 4,355 residential units, and office uses.

The submitted GPA proposes to change the existing General Plan regulatory caps by:

- Adding 1,100 dwelling units, which would increase the residential cap from 4,356 to 5,456 units in the Regional Commercial land use category of Table A-1; and
- Modifying General Plan Table A-1 Footnotes corresponding to the proposed unit increase.

The General Plan land use classification for both project areas is Regional Commercial. According to the Land Use Element, this land use category includes “uses intended to serve a broad population base. Businesses in this designation provide a wider array of services such as major department stores, specialty shops, professional offices, hotels and motels, and institutional and government uses. This mix of uses, combined with convenient access to many modes of transportation, also can accommodate the inclusion of high-density residential development.” The additional residential units would be in a higher density range of at least 55 dwelling units per acre, which is consistent with the adopted housing element. Therefore, additional residential units are consistent with the Regional Commercial land use classification.

Consistent with policies found in the General Plan, the applicant believes both proposed GPA projects will result in:

- Housing being located in areas served by existing infrastructure;
- Floor plans and unit types designed to meet the quality of life and economic needs of recent graduates, young professionals, and essential service providers; and
- A residential lifestyle focused on sustainable frameworks including placing residents within walking distance to major employers and amenities like restaurants, shopping, and entertainment.

State and/or Federal Law

The applicant indicated that the projects were not submitted as a result of any changes to either state or federal law. However, in response to the City's Regional Housing Needs Assessment (RHNA) allocation and the adoption of numerous recent housing bills, the City has included these two project sites in its 2021-2029 Housing Element Sites Inventory, which identified areas of the City that could accommodate residential development to help meet the City's RHNA allocation. In PA 4, the Housing Element update anticipated 1,618 dwelling units with 476 of these units assumed to be affordable, and the applicant is proposing up to 1,400 dwelling units. In PA 33, the Housing Element update anticipated 566 dwelling units and the applicant is proposing 1,100 dwelling units.

Issues to be Analyzed

Staff will evaluate the following issues related to the GPA requests:

- *General Plan Objectives and Policy Consistency*

Staff will ensure project consistency with General Plan objectives and policies, which include land use compatibility, open space, balancing land uses, and economic development. Staff will also evaluate the compatibility of the proposed residential developments in both planning areas with existing surrounding land uses. The applications will be evaluated for compatibility with the City Council-adopted 2021-2029 Housing Element, which identified a residential overlay for retail/commercial sites.

- *Citywide General Plan Update*

The City is undertaking a General Plan update and Zoning Code Amendment to address the residential units identified in the Housing Element update. These applications will be processed within the next three years in order for the City to establish appropriate policies and development standards related to an increase in dwelling units. The applicant is pursuing two GPAs to allow for additional residential units prior to the City's comprehensive General Plan update. Therefore, staff will need to consider and coordinate these applicant-initiated GPA applications in relation to assumptions and policy direction associated with the land use planning and technical evaluation occurring with the City's General Plan update.

Affordable Housing is an important policy area that will be discussed in association with the General Plan Update and in parallel with the evaluation of these applications. Policy direction from the City Council on affordable housing, specifically related to potential changes in the City's inclusionary zoning ordinance, may be applied to these applications. In the absence of any policy direction, the

applications would be subject to the 15% inclusionary housing requirement currently in place. In that situation, the breakdown of affordability by application is as follows:

PA 4 - 1,400 total units
15% inclusionary = 210 very-low, low and moderate income units

PA 33 - 1,100 total units
15% inclusionary = 165 very-low, low and moderate income units

- *Traffic*

Traffic impacts of the proposed GPAs will be analyzed to determine whether the surrounding street system can accommodate the developments that would result with the approval of the amendments. Street and intersection improvements may be required.

- *Environmental Review*

The proposed GPAs will be analyzed to determine if the development resulting from the amendments would result in any significant environmental impacts.

- *Corresponding Applications*

Zone Change applications will be processed concurrently to ensure consistency with the proposed GPAs. Other related discretionary applications that may be processed concurrently with the GPAs, include Master Plans for residential developments, Park Plans for increased parkland dedications and private recreation facilities, and Tract Maps for the subdivision of land.

- *Additional Considerations*

With the proposed increase in development intensity for PAs 4 and 33, the City may want to explore opportunities to request additional public benefits, possibly by way of additional affordable housing requirements as an example. In the past, the City has entered into a Development Agreement with developers to obtain such public benefits. Staff will ensure that these issues are considered as part of the evaluation of the two applications along with any other issues identified by the City Council.

Project Schedule

Staff anticipates the public hearings for the GPA/entitlement process to conclude in summer 2023. The schedule for both projects is largely dependent upon the level of environmental review required and, therefore, could change.

Public Review

The City's review process will provide multiple opportunities for public input. Staff will disseminate information throughout the review of these applications utilizing early notification letters, a project page on City's website, email, and letters to communicate regularly with interested and affected property owners, residential tenants, and homeowner's associations. The public will also be invited, through public notices (mailed and/or posted), to attend and participate in a series of public hearings on the project applications before the Transportation Commission, Community Services Commission, Planning Commission, and City Council.

Request to Engage Planning and Design Professional

The City Council will recall that the recently adopted Housing Element Update identified opportunity sites where additional residential units may be feasible. As Irvine approaches build out of its initial master plan, these opportunity sites largely consist of parcels where infill and/or mixed-use development can be accommodated. This is likely to include the addition of housing at larger commercial centers or densifying certain planning areas around community facilities like the Irvine Transportation Center or places where jobs are plentiful. While this presents intriguing possibilities for mixed-use development in the City, of paramount importance is striking the correct balance and maintaining Irvine's laudable standards for aesthetics, urban design, connectivity, and vitality. City staff feels that engaging the services of a firm with specific expertise to support staff's efforts in evaluating these applications and their proposed transition to mixed uses is appropriate and timely.

ENVIRONMENTAL REVIEW

The project is subject to California Environmental Quality Act review for which the City of Irvine serves as the lead agency. Final determination as to the specific type of environmental documentation for each application has not yet been made.

ALTERNATIVES CONSIDERED

The City Council could direct staff to not proceed with one or both of the subject GPAs. The City Council could also direct staff to evaluate amendments involving an increased/decreased number of dwelling units. Furthermore, direction could be given to

explore opportunities for additional public benefits such as providing additional affordable housing requirements.

FINANCIAL IMPACT

General Plan Policy A-5(h) requires the preparation of a fiscal analysis for all GPA applications to evaluate the long-term fiscal impacts to the City. Consistent with this policy, fiscal impact analyses for both applications will be prepared by the City's Budget Office and presented to decision-makers during the public hearing process.

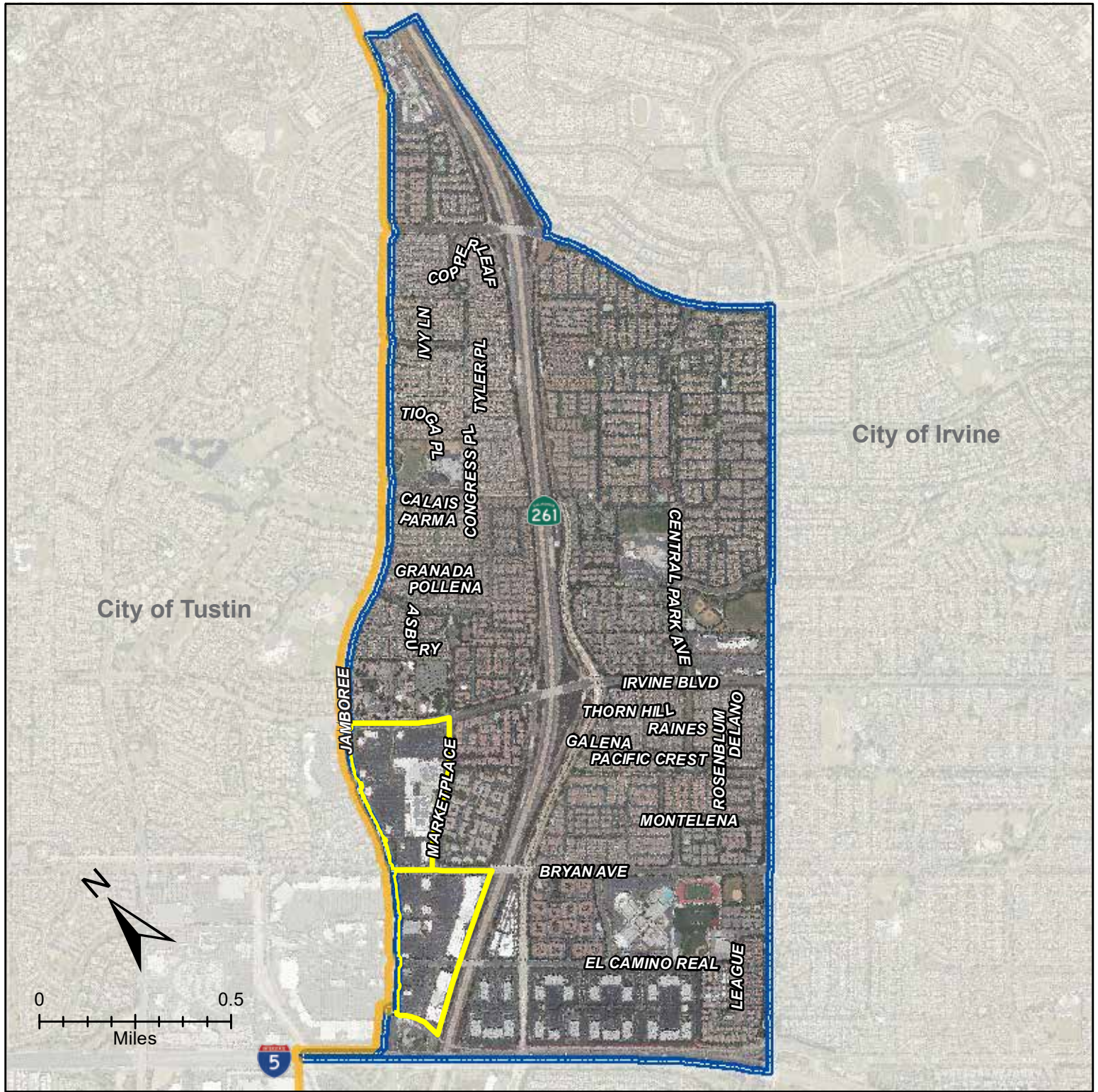
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ATTACHMENTS

1. Vicinity Map for PA 4
2. Vicinity Map for PA 33

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Files: 00863325-PGA; 00863251-PGA



Planning Area 4

- Regional Commercial Category
- Planning Area Boundary
- City Boundary



Planning Area 33

- Regional Commercial Category
- Planning Area Boundary