



ATTACHMENT F

LAND USE ANALYSIS

Santa Fe Flores Townhomes Land Use, Public Benefit and Infrastructure and Community Services Analysis

Santa Fe Flores Townhomes

Land Use Analysis

Project Description

The Santa Fe Flores Townhome project is a proposed 46 unit for sale multi-family project located at the northwest corner of South Santa Fe Avenue and North Las Flores Road in the Business-Industrial neighborhood within the City of San Marcos. The project sits on 3 parcels totaling 2.6 acres, two of which are currently zoned R-3-10 and one parcel zoned commercial. The 3 parcels will be combined into one parcel and the General Plan Amendment requested is to have all 3 parcels zoned R-3-6 which allows the 46 units to be 3 stories in height. There are significant recreational improvements in the project to service the families moving into the project including young children's play areas, dog walking and relief areas, barbecue areas as well as older children's play areas and a cornhole lawn game built into the project.

The project is requesting a General Plan Amendment from Medium Density Residential 2 (MDR2) to Medium High Density Residential (MHDR) for APN's 217-161-18,19 and a GPA from Commercial (C) to Medium High Density Residential (MHDR) for the northern portion of APN 217-161-17 (a total of 0.37 acres) as well as a rezone of all three of the parcels to R-3-6. Such action would be consistent with the adopted 2021-2029 Housing Element Update of the City of San Marcos.

This action will lead to a comprehensive package of all three parcels becoming a for sale medium high density project (MHDR) while being rezoned to R-3-6. The purpose of the GPA and rezone is to achieve a balanced and compatible mix of land uses in the area of South Santa Fe Avenue to meet the future needs of the residents of San Marcos which will further promote high quality development standards and land use patterns that encourage long term environmental sustainability.

A R-3-6 zone allows 20-30 units per acre, which for a 2.6 acre site plan could accommodate between 52-78 units. It is infeasible to meet even the lowest density (52 units) on this site for a number of reasons. Local government policies, site topography constraints, and urban infill constraints all coupled together only allow for a maximum density of 46 units on this site plan. Even without all the site topography and urban infill constraints, the City has a policy limiting any site with a single point of access to no more than 50 units. So even if the other constraints didn't limit the density even further, which they do, the maximum number of units the City would permit would be 50 units. Other constraining local governmental policies which limit the density to 46 units include open space/recreational amenity requirements, landscaping requirements as well as

building setbacks. The recently adopted Active Transportation Plan (ATP) for expanded bike lanes fronting the project further limits the buildable area on the site. Lastly, the R-3-6 zone also limits the height of the buildings to 3 stories.

Site topography and other site constraints also work to constrain the site to 46 units. The property consists of a steep slope going from at grade along South Santa Fe Avenue and rising up the hill to the north. The existence of North Las Flores Drive is the eastern constraint to the site and the existence of Gourmet Liquor limits the site to the west and south. To the north the site is constrained by the location of the Sprinter tracks and the Inland Rail Trail.

The site is a classic urban infill property where it is completely surrounded by already developed properties. This reduces the ability of the project to place various required development conditions (such as storm water retention and treatment, recreational and open space amenities) to a different location as can happen with greenfield development sites. When you include all of these constraints; local government policies, site topography and urban infill constraints the site is left with a maximum number of units of 46 which is slightly less than the maximum of 50 units that would be permitted on the site, per local government policy.

The General Plan Amendment/Rezone will comply with and implement General Plan Goals and Policies to include LU 1 - "Achieve a balanced and compatible mix of land uses" by providing a logical transition between existing and new land uses. The project will also implement LU 2 - "High quality and sustainable development" by promoting land use patterns that encourage long-term environmental sustainability and LU 3 - "Community connections" by providing a land use pattern that is compatible with and supports a variety of mobility opportunities and choices. The project provides new residents a walkable, bike friendly and transit oriented community in conjunction with NCTD's Bus Route 305 stop immediately in front of the project along South Santa Fe Avenue, a pedestrian and bike friendly project with immediate access to the Inland Rail Trail to the north of the project as well as a traditional mobility opportunity with a fully functional and improved South Santa Fe Avenue which provides access to all of North County.

The General Plan Amendment/Rezone will also implement LU 7 - "Growth Management, Healthy and Safe Community" by providing an urban infill work force housing project that will take advantage of existing built out transportation infrastructure (South Santa Fe Avenue) but adding to the infrastructure by providing an additional IOD of 8 feet beyond the current right of way for future multimodal transportation improvements including expanded and improved bike lanes.

The General Plan Amendment/Rezone will also assist in implementing LU 9 - "High Value Community Facilities" and LU 10 - "Fire Protection, Emergency Services and Law

Enforcement" by participating in police, fire and lighting/landscaping CFD's as well as contributing required public facility fees to assist regional infrastructure improvements. The project as a R-3-6 zoned site is superior to the existing zoning (R-3-10 and commercial) and will contribute valuable new multi-family for sale units to the City's housing portfolio. The site has been dormant for 40 plus years and it suggests that a new approach to development would be a responsible and timely approach to move the site into a more modern developable state which will serve the city well over time. The proposed project provides a number of significant public benefits, as described herein and the project as proposed with a General Plan Amendment/Rezone should be approved and implemented as soon as practicable. The proposed project provides a number of significant public benefits by implementing a number of General Plan Goals including LU-13 - "Water Supply and Services" by utilizing the closest water provider, VID and including the most modern technology to reduce water usage and waste on a per capita basis as well as LU 14- "Wastewater" by utilizing the closest sewer service provider, Buena Sanitation District, to ensure a safe and healthy wastewater system.

The Santa Fe Flores Townhome project blends in nicely with the surrounding land uses and produces a multi-family project on an urban infill project on properties which have been vacant for quite a long time due to challenging topography. The surrounding land uses are a mix of multi-family, single family, mobile homes, industrial, commercial and an older duplex community most of which could use a new project to hopefully stimulate some property owners to update/rehabilitate their properties.

Regional Connectivity

Regionally, the project is about 1 mile from connecting to State Highway 78 which feeds both Interstate 15 and Interstate 5. The site sits immediately adjacent to an NCTD bus stop (Route 305) which runs along Mission Road, South Santa Fe Road and other direct routes between the Escondido Transit Center and the Oceanside Transit Center. The General Plan Amendment/Rezone will also assist in implementing General Plan goal M-1 - "Efficient local and regional circulation system" and General Plan Goal M-3 - "Alternative modes of travel" by constructing a project with immediate access to NCTD Bus Route 305, the Inland Rail Trail while providing all 46 residential units with EV charging capability. New residents can literally take a bus from their front yard to go east or west along Route 305 passing through a number of transit centers, the closest being the transit/Sprinter center at Palomar Community College. In addition, the regional transportation network allows the residents of this project to access employment, shopping and entertainment options within the City of San Marcos as well as other regional facilities such as employment hubs.

Housing

Multi-family for sale residential development within the Santa Fe Flores Townhome project will encompass 2.6 acres and will include a maximum of 46 for sale units which will provide a family focused workforce housing project with all units being 3 bedroom units which should be attractive to a wide variety of family buyers. The project is a work force related, urban infill product that will, at a minimum, provide the city additional units to meet their RHNA numbers as well as paying in-lieu fees to the city to meet the intent of the City's Housing Element. The Santa Fe Flores Townhome project is consistent with the goals contained within the City of San Marcos Housing Element of the City's General Plan.

Surrounding Land Uses

The Santa Fe Flores Townhome project is compatible with all of the adjacent land uses. To the east across North Las Flores Drive is an affordable multi-family project, the north, buffered by the Sprinter tracks is a single family residential neighborhood (Rancho Santa Lina), to the northwest is industrial, to the west is commercial (Gourmet Liquor) and to the south across South Santa Fe Avenue is a mixture of multi-family rental projects, a mobile home park, and an older neighborhood consisting of duplexes and single family homes. This property is a perfect transition between industrial, commercial and residential uses in the neighborhood.

Viability of Site As Commercial or Rental Multi-Family/Land Use Analysis

This site has been sitting vacant for more than 40 years due to challenging topography, man-made improvements (the Sprinter line/railroad tracks, North Las Flores Drive and South Santa Fe Avenue), and a lack of a cohesive plan for development. The 3 parcels will be combined into a single parcel generating an attractive 3 story for sale multi-family project while eliminating a commercially zoned parcel that will never develop commercially due to topographic challenges. The site has never been a good commercial or industrial property, which was its previous zoning and while the current owners attempted to develop a rental multi-family project on a portion of the site, they discovered the costs of construction outweighed the ability of the project to generate rental income. By expanding the development by .37 of an acre of commercial north of Gourmet Liquor the project makes financial sense as a for sale townhome project, eliminates a difficult decaying urban infill site and produces a project that will assist in providing the City, new growth in an area of the City that has seen little in the way of

new upgraded development. In addition, the site has a bus stop practically in the front yard of the project as well as fronting on a major arterial (South Santa Fe Avenue) and has immediate access to the North Inland Rail Trail that, when completed, will run from Oceanside to Escondido to allow pedestrians and bicyclists a safe trail to use for a wide variety of purposes.

The development site plan consists of 3 separate parcels. Two parcels are zoned R-3-10 in keeping with a previous approval in 2023, and the third parcel (.37 acres) is zoned commercial and is being purchased from Gourmet Liquor and will be added to the overall site plan consisting of a total of 2.6 acres. The proposed project will amend the General Plan and Rezone all three parcels to R-3-6 which permits the project to move forward in a comprehensive development package of 46 for sale 3 bedroom multi-family residences in a 3 story configuration. All 3 parcels will be modified through a TSM and boundary adjustment to a single parcel with R-3-6 zoning.

The proposed General Plan Amendment and Rezone will address the unsuitability of the current General Plan/Zoning and allow for a comprehensive project that provides high quality housing versus a hodgepodge of commercial mixes in with a medium high density rental property that can not be financed in the current interest rate environment. The modified proposal will allow for a for sale medium high density project that is an improvement to the current General Plan/Zone designation and allows for a project that is compatible with all adjacent land uses while improving the neighborhood through high quality design, ownership opportunities while providing the future residents a number of mobility choices. The current General Plan and Zoning (MDR2 and zoning of R-3-10 and commercial) does not provide the same comprehensive land use opportunity to the future residents as does the proposed General Plan/Rezone of medium high density (MHDR) and R-3-6 zoning.

Therefore as evidenced in Figure 1 (site location with existing General Plan Use), and Figure 2 (site location with Proposed General Plan Use), and Figure 3 (Existing Zoning), and Figure 4 (Proposed Zoning) as well as Table 1 (General Plan Consistency/Compatibility Analysis) this project is a consistent and compatible land use for the location and is consistent with the Goals and Policies of the City of San Marcos General Plan Land Use Element.

Public Benefits

A number of public benefits have been identified and are discussed below.

1. A total of 200 temporary construction jobs will be created for the project's construction. This will exceed the number of jobs created to build either

commercial or industrial facilities. While these jobs are only temporary, they will add to the City's economy during construction.

2. Provide 46 for sale townhomes, all with 3 bedrooms which will provide an in-fill work force housing project which will help reduce the regional housing shortage and specifically help the City of San Marcos meet the RHNA numbers.
3. Payment of funds toward needed city and region-wide infrastructure. The project's PFF and CFD fair share contributions support a range of city-side maintenance and improvement programs including but not limited to circulation streets, SR-78 interchanges, NPDES programs, technology improvements, parks and habitat conservation fees.
4. Payment of in-lieu affordable housing fees will assist the city to meet their RHNA numbers as well as providing true affordable housing units throughout the City.
5. Environmental benefits include reduced traffic volumes from multi-family residential versus commercial and industrial uses. The reduction in ADT translates into a reduction in air and GHG emissions and less traffic on the road.
6. Elimination of an urban in-fill visual eyesore with an attractive townhome project with a continuity of landscape design, both along South Santa Fe Avenue and North Las Flores Drive.

The proposed project will provide a high quality project comprehensively zoned as R-3-6 which will blend in with surrounding land uses while providing numerous public benefits as listed above. Adoption of the General Plan Amendment/Rezone will assist in providing this neighborhood with a high quality project with modern architecture, recreational amenities, and will hopefully stimulate additional redevelopment within the immediate neighborhood to include opportunities for home ownership by future residents.

Infrastructure and Community Services

The project will either construct infrastructure or contribute funds to offset previously constructed infrastructure. In addition, the project will pay fees to the city of offset impacts to community services for the following areas:

1. School fees.
2. Parks, recreation and open space impacts.
3. Fire and Police services.
4. Library services.
5. PFF infrastructure fees for various long- term improvements.
6. Solid Waste Disposal.

7. CFD's for landscaping, traffic signals, and other city maintenance programs.

Water and sewer infrastructure will be constructed by the project and future water and sewer service costs will be borne by the project. Library services will be collected via taxes collected by the County of San Diego and solid waste services will be provided by fees charged to the residents. All infrastructure required for the project will be constructed by the development.

The project will be served by the Buena Sanitation District (BSD) for sewer, Vista Irrigation District (VID) for water and San Marcos Unified School District (SMUSD) for K-12 education services and will pay all appropriate fees required by those agencies and through the MND process. The project is not located within the Buena Sanitation District boundaries but BSD has accounted for the required sewer capacity caused by this development and will process an Out of Area Service Agreement through the San Diego Local Agency Formation Commission (LAFCO) as it has for other west City projects. The Vista Irrigation District has previously provided a will serve letter based on a water service analysis provided in 2023 and has reconfirmed their ability to serve the project.

Conclusions

Considering all the factors analyzed herein, the proposed project would be superior to the existing R-3-10 and commercial zoning currently on the 3 parcels. The site's proximity to mass transit, the Inland Rail Trail, and a major arterial, South Santa Fe Avenue lends itself to a work-force housing urban in-fill project that is transit oriented and is well suited for residential growth near employment and transit opportunities. The project as an R-3-6 zoned site is superior to the existing zoning and will contribute valuable new multi-family for sale units to the city's housing portfolio. The fact that the site has laid dormant for 40 years or more, suggests a new approach would be a responsible and timely approach to move the site into a developable state which will serve the city well over time. The proposed project provides a number of significant public benefits, as described herein and the project as proposed should be approved and implemented as soon as possible.