

PLANNING COMMISSION STUDY SESSION

TO: Planning Commission
FROM: Ursula Luna-Reynosa, Community Development Director
BY: Hayden Beckman, Senior Planner

SUBJECT:

GENERAL PLAN AMENDMENT NO. 21-001, ZONING TEXT AMENDMENT NO. 21-003, SITE PLAN REVIEW NO. 21-002, ADDENDUM ENVIRONMENTAL IMPACT REPORT NO. 21-002 (BELLA TERRA RESIDENTIAL PROJECT)

APPLICANT/ PROPERTY OWNER:

Kristofer Golder, Bella Terra Associates, LLC, 7777 Edinger Avenue, Suite 133, Huntington Beach CA 92647

LOCATION:

7777 Edinger Avenue, 92647 (Northside of Edinger Avenue, south of Center Avenue, and west of Beach Boulevard)

PROJECT PROPOSAL:

The applicant, Bella Terra Associates, LLC (BTA), proposes General Plan Amendment No. 21-001, Zoning Text Amendment No. 21-003, and Site Plan Review No. 21-002 for the Bella Terra Residential (BTR) project that would facilitate the construction of a new mixed-use infill project. In general, this project is a proposal to increase the maximum development density, revise the previously approved development areas, and create a new set of development standards in the Bella Terra Specific Plan (SP13). The proposed project site is a 3.35 acre portion of the existing Bella Terra Specific Plan area.

The proposed project would redevelop a section of the Bella Terra shopping center by demolishing an existing 149,000 sq. ft. Burlington department store and 33,300 sq. ft. of adjacent retail space, and construct a new seven-story mixed-use infill project consisting of 300 apartment units, ground floor retail and restaurant uses, an above-ground three-level podium parking garage with 404 spaces, and associated hardscape and landscape improvements. The project would not result in any development or changes within other areas of the Specific Plan area.

Background

The existing Bella Terra shopping center and Specific Plan area measures approximately 63 total acres and is bounded by Center Avenue to the north, Edinger Avenue to the south, Beach Boulevard to the east, and the Union Pacific rail line to the west. The Specific Plan area contains approximately 694,422 sq. ft. of commercial retail space, and is anchored by a Kohl's department store, a Costco and ancillary fueling station, a Whole

Foods grocery store, and a twenty-screen movie theatre. In addition to retail and restaurant space, the Specific Plan area includes a 467-unit mixed-use apartment building ("Residences at Bella Terra"), an entertainment plaza with an open-air amphitheater, public art, and open space plaza.

The Bella Terra Specific Plan area was originally developed in the late 1960s as a regional commercial shopping center then known as the Huntington Center. The development included three anchor retail stores, 55 retail tenant spaces, and several freestanding pad retail buildings located along Edinger Avenue and Beach Boulevard.

The Crossings Specific Plan (2000)

In 2000, the City adopted The Crossings Specific Plan, which enabled redevelopment of the site into a more modern regional commercial shopping center. This Specific Plan required environmental review pursuant to the California Environmental Quality Act (CEQA) only upon submittal of a site plan for proposed development. Subsequent to the adoption of The Crossings at Huntington Beach Specific Plan, development of the regional commercial portion of the current Bella Terra Specific Plan area was reviewed and approved with a Mitigated Negative Declaration. Approximately 55 acres of the 63 acres zoned under the Crossings Specific Plan were redeveloped in 2005 totaling 774,962 square feet, and in 2006, the Huntington Center was rebranded as the Bella Terra center. The remaining 8 acres were under separate ownership and remained vacant.

The Village at Bella Terra Specific Plan EIR (2008)

The Crossings Specific Plan was subsequently renamed The Village at Bella Terra Specific Plan in 2008 with a project that established new planning Areas A (47.9 acres) and B (15 acres), and planned for redevelopment of the vacant portion of the site through new development standards and land uses. The City Council approved General Plan Amendment (GPA) No. 07-001 and Zoning Text Amendment (ZTA) No. 07-002 that would facilitate development of a mixed use project and adopted Environmental Impact Report (EIR) No. 07-003 to analyze the potential environmental impacts associated with the project, which included future development within a new Area B portion of the specific plan area. The 2008 project approved a development option that allowed a maximum total building FAR of 1.75, a commercial FAR of 0.2, and a residential density of 45 du/ac, which would permit a maximum of 713 residential units and 138,085 square feet of commercial uses. The GPA option represented an overall square footage increase of 172,606 through a decrease of commercial-only building area, and an increase of 317 residential units.

Bella Terra Specific Plan Amendment (2010)

Then in 2010, the Bella Terra Specific Plan was modified in several ways. The City Council approved GPA No. 10-001 and ZTA No. 10-001, thereby increasing the total for Area A to 52.35 acres, and decreased the boundary for Area B to 10.40 acres, a transfer

of 5.45 acres. The GPA also resulted in an increase in area and use of commercial-only development in Area A, and a reduction in commercial area and residential units within Area B. The associated ZTA also permitted a big box commercial and fuel station use, and established associated design and development standards for such uses within Area A. The Area B mixed-use overlay remained the same as previously analyzed, but with a reduced level of development. These development proposals were analyzed and approved by adoption of an Addendum to EIR 07-003.

Implementation of the 2010 project occurred in two phases, beginning with the construction of the Costco retail building and ancillary gasoline fueling station, which replaced a vacant Mervyn's building and attached retail building. The second phase of the 2010 project included a mixed-use project with 467 dwelling units, associated amenities, and 30,000 square feet of commercial retail and restaurant space, a development now called the "Residences at Bella Terra". The Costco project was completed in 2012, and the Residences were completed in 2014. Aside from the reduction in the maximum amount of permitted residential and commercial mixed uses, all other aspects of the 2010 project were identical to those analyzed in EIR No. 07-003.

In the existing condition, the Bella Terra Specific Plan is comprised of two primary planning Areas; Area A and Area B, each with their own land uses and development standards. Upon project implementation, the existing boundary lines of these Areas would be adjusted. Refer to Table 1.A below. The proposed project would reduce the size of Area A by 7.315 acres (to 45.03 acres), and increase the size of Area B by that same amount (to 17.72 acres).

Table 1.A: Existing and Proposed Area Sizes

Area	Existing Acreage	Proposed Acreage
Area A	52.35	45.03
Area B	10.40	17.72
Total	62.75	62.75

The uses and development standards in Area A would remain unchanged, except that residential uses would be eliminated as an allowable use. Area B would be amended by increasing total acreage to 17.72 acres, and would be further divided into Areas B.1 and B.2. Area B.1, consisting of 10.4 acres, comprises the existing 467-unit "Residences at Bella Terra" mixed use project and includes 29,500 square feet of existing commercial retail development. The uses and development standards applicable to Area B.1 would remain unchanged. Area B.2, consisting of 7.315 acres, is the proposed project site. Table 1.B below reflects the proposed modifications to the Specific Plan Areas and allocation of residential and commercial development.

Table 1.B: Zoning (Specific Plan) Designations

Area	Current Acreage	Proposed Acreage	Current Commercial (sf)	Proposed Commercial (sf)	Current Residential Units (du)	Proposed Residential Units (du)
Area A	52.35	45.03	837,922	640,141	0	0
Area B	10.40	17.72	29,500	69,949	467	767
Total	62.75	62.75	867,422	710,090	467	767
Net Change	0		-157,332 sf		+300 du	

du = dwelling unit
sf = square feet

General Plan Amendment

The subject General Plan Amendment request includes the following:

- A. Revise the General Plan Land Use Map by amending the existing planning area boundaries of the Bella Terra Specific Plan to include the proposed development site being moved into Area B;
- B. Change the current General Plan Land Use designations of Areas A and B:

- 1. **Area A Existing:** CR-F2-sp-mu (F9): Commercial Regional – 0.5 FAR – Specific Plan Overlay – Mixed Use 1.5 FAR (MU-0.5 (Commercial)/Maximum 25 du/acre)

Area A Proposed: CG-sp: Commercial General – Specific Plan Overlay – Maximum 1.5 FAR; and

- 2. **Area B Existing:** CR-F2-sp-mu (F14): Commercial Regional – 0.5 FAR – Specific Plan Overlay – Mixed Use 1.75 FAR (MU-0.7 (Commercial)/Maximum 45 du/acre)

Area B Proposed: M-sp: Mixed Use – Specific Plan Overlay – Mixed Use 1.75 FAR (MU-0.9(Commercial)/Maximum 45 du/acre).

The request for a General Plan Amendment will update the current General Plan land use designations to reflect the current General Plan Land Use Map. Further, the GPA request will move the project site into planning Area B of the Specific Plan, and identify Area B as two portions, with Area B.2 being the proposed project site. By way of amending the current General Plan Land Use designation, the request will a) eliminate the mixed-use designation of Area A, and b) increase the permitted commercial FAR of Area B from 0.7 to 0.9.

Zoning Text Amendment

To implement the project, the existing Bella Terra Specific Plan, which is the applicable zoning document for the entire Specific Plan area, would be modified as a Zoning Text Amendment in the following ways:

- A. Divide Area B into Subareas B.1, the existing Residences at Bella Terra project, and B.2, the proposed project site, to distinguish the two development areas throughout;
- B. Revise the document to reflect revised development standards for Area B.2 only (standards for Area B.1 will remain unchanged):
 - a. Maximum number of stories for the residential portion of the project will be increased from 6 to 7 (existing maximum building height remains unchanged);
 - b. Reduce maximum residential density from 45 dwelling units per acre (du/ac) to 41 du/ac;
 - c. Increase maximum commercial FAR from 0.7 to 0.9;
 - d. Reduce maximum lot coverage from 50% to 36%; and
 - e. Reduce minimum drive aisle width for 90 degree parking stalls from 26 ft. to 25 ft.
- C. Update the parking allocations, pedestrian circulation plan, conceptual circulation plan, and landscape concept; and
- D. Text and Figure revisions to reduce the size of Area A (from 52.35 acres to 45.03 acres), and to increase the size of Area B (from 10.4 to 17.72 acres).

The applicant is also requesting revisions to the Specific Plan that would extend the period of effectiveness for an approved Site Plan Review from 1 year to 5 years, and minor edits to clarify the applicable affordable housing requirements for the project to be consistent with Section 230.26 Affordable Housing of the Huntington Beach Zoning and Subdivision Ordinance (HBZSO). A legislative draft of the revised Bella Terra Specific Plan (SP13) is included as Attachment No 5.

Site Plan Review

All new projects within the Bella Terra Specific Plan area are implemented through a Site Plan Review process, with the exception of interior tenant improvements, general maintenance and repair, or other minor construction activities that do not result in the intensification of use. The applicant has filed Site Plan Review No. 21-002 for the construction of the proposed project.

As previously identified, the project consists of the demolition of an existing 149,000 sq. ft. Burlington department store and 30,000 sq. ft. of adjacent retail space, and the construction of a new seven-story mixed-use infill project consisting of 300 apartment

units, ground floor retail and restaurant uses, an above-ground three-level podium parking garage with 404 spaces, and associated hardscape and landscape improvements. Approximately 352,000 sq. ft. would be developed with residential uses, and approximately 40,000 sq. ft. would be developed with commercial uses, which includes approximately 15,000 sq. ft. of existing retail that would remain in place.

The residential portion consists of 300 residential dwelling units, comprised of a mix of studio apartment units, 1, 2, and 2 bedroom + den residential dwelling units, and 15,000 sq. ft. of common area for residential amenities and a leasing area. Attachment No. 1 includes an overview of the proposed development site, with proposed circulation routes and access points.

Affordable Housing Plan

The proposed project includes a draft Affordable Housing Plan (Attachment No. 4) consistent with the following requirements, based on 300 dwelling units:

- A. 15% of new residential dwelling units (45 units total) would be offered as affordable units and restricted by covenant for approximately 55 years.
- B. 60% of the affordable units (27 units total) would be restricted to moderate-income households earning not more than 120% of the County of Orange (County) median income.
- C. 40% of the affordable units (18 units total) would be restricted to very low-income households earning not more than 50% of the County median income.

CEQA:

The City of Huntington Beach is the Lead Agency, responsible for deciding whether to approve the proposed project to redevelop a section of the Bella Terra Specific Plan, in consideration of the potential environmental effects that could result from project implementation. The subject site, the Bella Terra Specific Plan, has been developed to date pursuant to the analysis and findings of EIR No. 07-003, adopted by the City Council in 2008, as well as the 2010 projects discussed above, analyzed by a 2010 Addendum to EIR No. 07-003.

The City's review of the proposed project is limited to examining the environmental effects associated with differences between the proposed project and the approved project as reviewed in The Village at Bella Terra EIR No. 07-003, and the 2010 Addendum to EIR No. 07-003. Pursuant to the State CEQA Guidelines, the City has prepared an Addendum to EIR No. 07-003 to provide decision makers with a factual basis for evaluating the specific environmental impacts associated with the proposed project, and to determine whether there are changes in circumstances or new information of substantial importance that would require preparation of a subsequent or supplemental EIR. The Village at Bella Terra EIR No. 07-003 and Addendum to EIR No. 07-003 (2010 Addendum) remain valid

and are the certified/approved CEQA documents for future planning actions associated with implementation of the Bella Terra Specific Plan.

As such, a 2022 Addendum to EIR No. 07-003 has been prepared and will be used to determine whether the proposed project falls within the scope analyzed in EIR 07-003 and the 2010 EIR Addendum. Based on review of the facts presented in the 2022 Addendum to EIR 07-003, staff recommends that an Addendum is the appropriate documentation to comply with CEQA. The rationale and facts for this finding are provided in the body of the 2022 EIR Addendum (Attachment No. 3).

PLANNING ISSUES:

The intent of this Study Session report is to introduce the scope of the requests that comprise the proposed project. The Planning Commission is scheduled to consider action on the subject project in a public hearing at the next regular meeting, the staff report for which will include additional project details, analysis, and staff recommendations.

The primary issues for the Planning Commission to consider when analyzing the project are:

- The General Plan Amendment request to change the Land Use Map designation and modify the existing Area A and B boundaries;
- The Zoning Text Amendment request to modify the Bella Terra Specific Plan (SP13) and create Area B.2 and applicable development standards consistent with the proposed project;
- Potential environmental impacts and mitigation measures as analyzed in the 2022 Addendum to EIR No. 07-003;
- Compatibility with surrounding land uses; and
- The project's overall conformance with the goals, objectives, and policies of the General Plan.

PUBLIC HEARING DATE:

The proposed project is scheduled for public hearing at the September 27, 2022 Planning Commission public hearing.

ATTACHMENTS:

1. Site Plans, Floor Plans, and Elevations Received and Dated December 21, 2021
2. Bella Terra Residential Project Narrative
3. Draft 2022 Addendum to EIR No. 07-003 (No Appendices)
4. Draft Affordable Housing Plan
5. Legislative Draft of Proposed Bella Terra Specific Plan (SP13)