DATE: January 12, 2016

TO: City Council

THROUGH: Greg Nyhoff, City Manager
Office of the City Manager

FROM: Ashley Golden, Development Services Director

SUBJECT: Planning and Zoning Permit (PZ) Nos. 15-300-07 (Final Subdivision Map for Tract No. 5672-1); and 15-670-01 (First Amendment to Development Agreement) for Property Located on the Northwest Corner of Ventura Road and Vineyard Avenue. Filed by Ravello Holdings, 211 Village Commons, Suite 11 Camarillo, CA 93012 (For Development Agreement) and City of Oxnard (Tentative Subdivision Map for Tract No. 5672)

CONTACT: Kathleen Mallory, Development Services
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RECOMMENDATION

That City Council:

1. Adopt a resolution approving Planning and Zoning Permit No. 15-300-07 (Final Subdivision Map for Tract 5672-1) for the property located on the northwest corner of Ventura Road and Vineyard Avenue, subject to certain findings and conditions; and

2. Approve the first reading by title only and subsequent adoption of an ordinance approving Planning and Zoning Permit No. 15-670-01 (First Amendment to Development Agreement No. A-7121) for the project known as Devco, filed by Ravello Holdings, LLC.
BACKGROUND

On January 13, 2009, with a 5:0 vote the City Council overturned the Planning Commission actions and approved Planning and Zoning Permit Nos. 06-540-01 (Special Use Permit); 06-620-01 (General Plan Amendment); 06-630-01 (Specific Plan Amendment); 06-570-02 (Zone Change); 07-670-01 (Development Agreement A-7121); and 06-300-01 (Tentative Subdivision Map for Tract No. 5672) for the "Vineyard-Ventura Homes" project which included 201 single family and cluster homes on 25.4 acres. At the same time the City Council overturned the Planning Commissions actions and approved various entitlements to approve the "Ventura Townhomes Project", located just north of the Vineyard-Ventura Homes site. That project consists of 143 two- and three-story townhomes on 9.6 acres. The Development Agreement No A-7121 vested both projects for 30 years (until January 27, 2039). These approvals are referenced as the “Existing Approvals” in the 2009 Development Agreement. On or about June 2009, the City became the owner of the Ventura Townhomes Project (north of the subject site and entitled for 143 units) and a parcel commonly referred to as the "Football Field", which was part of the Vineyard-Ventura Homes project site.

Minor Modification No. 14-140-08 removed the 4.4 acre Football Field parcel (APN 179-0-040-625) and a 0.29 acre portion of land (formerly identified for stormwater detention) (APN 179-0-040-585) from the originally approved residential project (Vineyard-Ventura Homes), reconfigured specific lots, and revised the locations of storm water detention on the site. The removal of the two lots from the Applicant's project resulted in a reduction of units from 201 to 152 “for-sale” residential units, including 93 two-story condominium cluster homes and 59 two-story, single family detached homes. These units, and the development of all three parcels, are entitled per the 2009 Project.

In December 2015, the Development Services Department issued a Verification of Status form (Attachment No. 2), which indicates that the Final Subdivision Map complies with the State Subdivision Map Act, Oxnard City Code requirements, and the previously approved Tentative Subdivision Map. Since all conditions on the tentative map have been satisfied by the Developer, approval of the Final Map is a ministerial action.

The requested Final Subdivision Map proposes a Phased Final Map (5672-1 and 5672-2). Phase 1 (5672-1) involves the creation of 84 lots on 19.24 net acres of vacant land owned by Devco, located on the northwest corner of Ventura Road and Vineyard Avenue. Phase 2 (5672-2) involves the creation of 41 lots on 4.69 acres which are owned by the City, and utilized for football training activities and as a detention basin. The Phase 2 portions of the map establish future development opportunities, and ensure coordinated development, access and infrastructure. All required off-site improvement agreements will be executed prior to issuance of a grading permit.

Development Agreement Amendment:

The Applicant requested modifications to the Development Agreement (DA), mainly to address the removal of the City owned Football Field and the Ventura Townhome Project sites, which modifications are collectively referred to as the First Amendment to the DA. In negotiating the
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First Amendment, the City has also requested modifications as noted below. The Applicant requests a revised payment schedule for its fair share contribution to the City’s cost of constructing certain off-site improvements, which would partially offset the Applicant’s voluntary contribution towards Santa Clara Levee improvements (SCR-3), which were not envisioned or required in the original Project entitlements. The flood protection improvements will not only benefit this Project, but also the South Bank Neighborhood and the golf course.

This First Amendment to the Development Agreement does not change the use or intensity of land uses on the site, and is consistent with the Project that was evaluated by the EIR. Accordingly, none of the conditions for requiring subsequent or additional environmental review under the California Environmental Quality Act (Specifically State CEQA Guidelines 15162-15163) are present in this case. The fee adjustments, date extensions and waiver of requirements do not create any additional environmental impacts not previously analyzed in the EIR.

The following is a brief discussion of the requested First Amendment to the DA:

1. **Off-Site Improvements, First Amendment to DA, Section 5.8:**

   **Background:**
   
   a. Pursuant to Section 5.8 of the 2009 Development Agreement, the City built two (2) potable water lines, three (3) gravity sewer lines, a sewer force main, and a recycled water line, which are further described in Exhibit “H” to the 2009 Development Agreement (the “Off-Site Improvements”).

   b. Pursuant to Section 10.2 of the 2009 Development Agreement, changes minor in nature can be approved administratively, and as such on May 14, 2015 staff revised Exhibit H pursuant to Section 5.8(±) of the 2009 Development Agreement that:

   (1) reflects the actual costs of constructing those Off-Site Improvements; and

   (2) reduces Devco’s fair share of those costs to account for the transfer of the Ventura Townhomes Project and Football Field sites to the City. (A copy of that revised form of Exhibit H is attached hereto as Exhibit “B” to the Attachment 5.)

Per the 2009 DA the Developer is to reimburse the City for Developer’s fair share costs of Off-Site Improvement’s constructed by City per revised Exhibit H by December 31, 2012 ($1,807,855). The 2009 DA did not provide for an interest payment for the Off-Site Improvement costs. With the addition of an interest payment, from December 31, 2011 through the effective date of the DA Amendment for these costs, the First Amendment to the DA would increase that amount to $2,129,926. Therefore the First Amendment results in an additional payment of $322,071 to the City for the Off-Site Improvement costs.

Per 5.8 (c) and (d) of the DA, the Developer is electing to construct a Sewer Lift Station. Accordingly, under 5.8(d)(i) of the DA the City is to reimburse the Developer within 90 days of invoice from the Developer. The First Amendment to the DA increases the timeframe for reimbursement for the Sewer Lift Station to 365 days. Extending the City’s payback window
by 275 days will allow the City additional time to fund the project. It is anticipated that the Developer carrying the interest on the City’s portion of the cost of this improvement for additional 275 days will cost them $41,933.

2. Santa Clara Levee (SCR-3) Contribution, Amendment to DA, not in 2009 DA:

The Devco site is not currently located in a designated area of special flood hazard as defined by the City’s Floodplain Ordinance, although the Federal Emergency Management Agency may be reviewing the Flood Insurance Rate Maps applicable to the Devco/Ravello site. Because the site is not in a special flood hazard area the 2009 DA did not require contribution towards flood control improvements.

The City and County of Ventura are negotiating a Cooperative Project Delivery and Funding Agreement for the Santa Clara River Levee (SCR-3) Improvement Project (Victoria Ave to the Union Pacific Railroad Crossing). The First Amendment to the DA requires the Developer to make a fair share payment of $1,376,000 toward the anticipated levee improvement costs. The City will this money to pay a portion of the City's financial contribution for the SCR-3 Levee Improvement project.

Based on 152 residential units in the Project, Developer shall pay $9,052.63 to the City toward Developer’s Fair Share of Levee Improvement Costs at issuance of each building permit for each unit in the Project. The entire outstanding balance of the Developer’s Fair Share of Levee Improvement Costs shall be paid by Developer to the City within sixty (60) calendar days after the City provides written certification to Developer that Ventura County Watershed Protection District has awarded a final, binding contract for the construction of the SCR-3 Levee Improvements to a third party. (The County anticipates awarding the SCR-3 construction contract in the Summer of 2016 and completing the construction in the Spring of 2018). If Developer defaults on its obligation to make the aforementioned payment, the City may refuse to issue any further building permits for the Project until the payment is made in full. So long as the Developer is in compliance with this DA, the City will continue to issue building permits and final inspections for the Project even if any portion of the Project Site covered by Tentative Map No. 5672-1 is hereafter designated as being in an area of “special flood hazard,” a “Floodplain” or “Flood-Prone Area” as those terms are defined in Chapter 18 of the Oxnard City Code.

3. Access Easement, Amendment to DA:

The original development project included three sites (Devco Site, Football Field, Townhome Site), therefore an access easement through the subject site to access the City owned Football Field parcel was not envisioned or required in the DA. The First Amendment to the DA provides for an access easement through the subject site to the Football Field site for the benefit of a new residential development on the Football Field site. This provision allows the City, and any future owners, to maintain direct access from Vineyard Avenue and Ventura Road to the Football Field parcel. The Developer is providing this access easement at no cost to the City.
FINANCIAL IMPACT

In exchange for the Applicant receiving a revised payment schedule with a capped interest payment (totaling $2,129,926 including interest) for its fair share contribution to the City’s cost of constructing certain off-site improvements, the City in turn benefits as follows:

- The Applicant voluntarily contributes $1,376,000 toward the levee improvement costs, which was not envisioned or required in the Project entitlements.

- The Applicant agrees to construct the Sewer Lift Station referenced in Exhibit H. The City shall have three hundred and sixty five (365) days to reimburse Developer instead of ninety (90) days.

- The Applicant agrees to provide the City, and any future owners, direct access to the Football Field at no cost to the City.

In addition to building permit, plan check, outside agency, and other less significant developer impact fees, the Project will be subject to the following estimated and approximate fees based on current fee rates for 152 units:

Traffic Impact ($1.2 million), Golf Course Development ($2.2 million), Affordable Housing Fees ($884,000), Capital Growth Fee ($472,000), and Art in Public Places ($81,000).

ATTACHMENTS

1 - Reduction of Final Map
2 - Verification of Status Form
3 - City Council FSM Resolution
4 - Development Agreement A-7122, January 27, 2009
5 - First Amendment to Development Agreement No. A-7121
6 - Ordinance, DA Amendment