

City of La Quinta

CITY / SA / HA / FA MEETING DATE: August 5, 2014

AGENDA CATEGORY: BUSINESS SESSION: CONSENT CALENDAR: STUDY SESSION: 2 PUBLIC HEARING:

ITEM TITLE: DISCUSS PROPOSAL FROM MARVIN INVESTMENTS, INC. FOR USE OF CERTAIN CITY OWNED LAND FOR THE PROPOSED VILLAS AT OLD TOWN MIXED-USE DEVELOPMENT LOCATED IN THE LA QUINTA VILLAGE

RECOMMENDED ACTION:

Discuss the Marvin Investments, Inc. mixed use development proposal located in the La Quinta Village, and whether or not the City should formulate a strategy to complete environmental review and the entitlement process for the Village as a whole.

EXECUTIVE SUMMARY:

- On January 6, 2014, the City entered into a purchase and sale agreement with Marvin Investments (Developer) for the sale and future development of 3.4 acres of City property in the La Quinta Village.
- The Developer has crafted a development program involving residential, office and retail uses within five 3-story buildings; a majority of the parking would be housed in an underground garage.
- The Developer and staff are also proposing to use additional City property (the grassed date palm-populated site adjoining the Wellness Center) for storm water retention, while reconfiguring the Library/Wellness Center parking lot to provide additional parking.
- In order to stimulate Village development, staff is seeking Council thoughts regarding a City-initiated effort to complete the environmental and entitlement process for the greater Village to provide for efficiencies in the permitting process.

FISCAL IMPACT:

The Developer would fund \$50,000 of improvements to the Library/Wellness Center parking lot. Expenses exceeding this amount (for parking space shade

structures) would be borne by the City. A Village-wide environmental and entitlement process would cost \$100,000 to \$150,000.

PROPOSAL/ANALYSIS:

The Developer's proposal for the 3.4 acre property entails constructing five 3-story buildings and an underground parking garage in two phases. A total of 84 condominium units and 20,000 square feet of retail/office space will be served by 183 parking spaces (124 underground). Attachment 1 presents a preliminary site plan and elevations. The property would be developed in two phases. The Developer continues to make progress in completing all information necessary for an entitlement application submittal.

Off-Site Stormwater Retention

As the development plans are being refined, the Developer and staff formulated an option to utilize City property outside of the 3.4-acre development envelope for a retention basin. The subject site is located southwest of the Wellness Center, which is currently a turf area with several palm trees (Attachment 2). The Developer proposes to drop the grade up to 3 feet and replant with existing palm trees and turf. The trees would be configured to increase parking opportunities for special events at the Civic Center Campus. The new retention basin could also accommodate some storm water flow from the Library/Wellness Center parking lot. Additional design work is necessary in order to determine if the site can accommodate both without significantly compromising aesthetics. This improvement would be constructed during the second phase of development.

The proposed retention area would benefit the development and improve storm water treatment and conveyance for the Library/Wellness Center parking lot. Proper design would continue the aesthetic benefit this open space provides today.

Library/Wellness Center Parking Lot

Staff and the Developer have also been discussing redesigning the Library/Wellness Center parking lot. The parking spaces would be reoriented to an east-west alignment and provide a seamless relationship with adjacent parking proposed with the new development (Attachment 3). In addition, a pedestrian pathway would be established, linking the new development with the Civic Center Campus. As compensation for the aforementioned retention, the Developer has offered to contribute \$50,000 toward design and construction of the parking lot improvements. The City would be responsible for all additional costs, including establishing new carports. Grant funds may be available to fund purchasing carports that would hold photovoltaic electric generation panels. These improvements would occur in the second development phase.

The parking lot redesign will provide additional parking (up to 17 spaces) as well as merge this lot with parking planned for the proposed development. The redesign would also improve alignment for photovoltaic use should the City wish to establish such a system in the future.

Traffic Analysis

As per City policy, the Developer proceeded with a traffic study scope. The scope identified several intersections and road segments that should be analyzed to determine if upgrades are necessary due to existing service levels and potential degradation due to new development traffic. A rather significant cost and time schedule were subsequently identified to complete the traffic report. As a result, the Developer has questioned staff as to the need for the proposed level of analysis. After review, staff was able to reduce the number of intersections and road segments, which will reduce the cost and time of the traffic study.

As a major Village property owner, the City has interest in seeing development successfully occur in the Village. However, with the Village being a new market, demand for residential product in a mixed-use environment is unknown. Similar to the Highway 111 corridor development in the late 1990's, the initial new development in the Village is challenged to afford the cost to construct building and site improvements as well as the expense of off-site improvements. The former redevelopment agency was able to assist with the required California Environmental Quality Act studies and some of the needed infrastructure improvements within the 111 Corridor.

Staff is seeking Council input regarding the City providing assistance with funding traffic and/or other required California Environmental Quality Act studies, and develop a post-redevelopment strategy to fund needed infrastructure improvements. If Council concurs that the City should invest in these studies, staff will work with the Developer to craft a reasonable funding allocation for the traffic study as well as consider the cost for roadway improvements once the study is completed.

Assistance for Other Future Village Development

This development proposal has surfaced the need to define other items in order to facilitate Village development. The Village is like the Highway 111 corridor of the 1990's in that there is development interest but the depth of final user demand will not be known until the first project is leased out. The Village provides the opportunity for the City to establish a pedestrian-oriented community wherein goods and services are close at hand. The City's Trends Forecast as well as planning periodicals show that the next generation is seeking mixed use residential opportunities in a pedestrian-oriented environment. As such, staff outlined the following needs/concepts that should be explored and addressed for the Village. The City addressed many of the same needs in the 1990's in order to prepare the Highway 111 Corridor for the regional commercial development that subsequently ensued.

• Village Area Traffic Analysis: A significant amount of traffic analysis was conducted as part of the 2035 General Plan update, which was completed in February 2013. Further refinement of this analysis, including greater detail and

assumption of land use build out, could significantly minimize the need for traffic studies in the Village area. Should Council wish to consider this further, staff will establish a scope and identify the cost to complete.

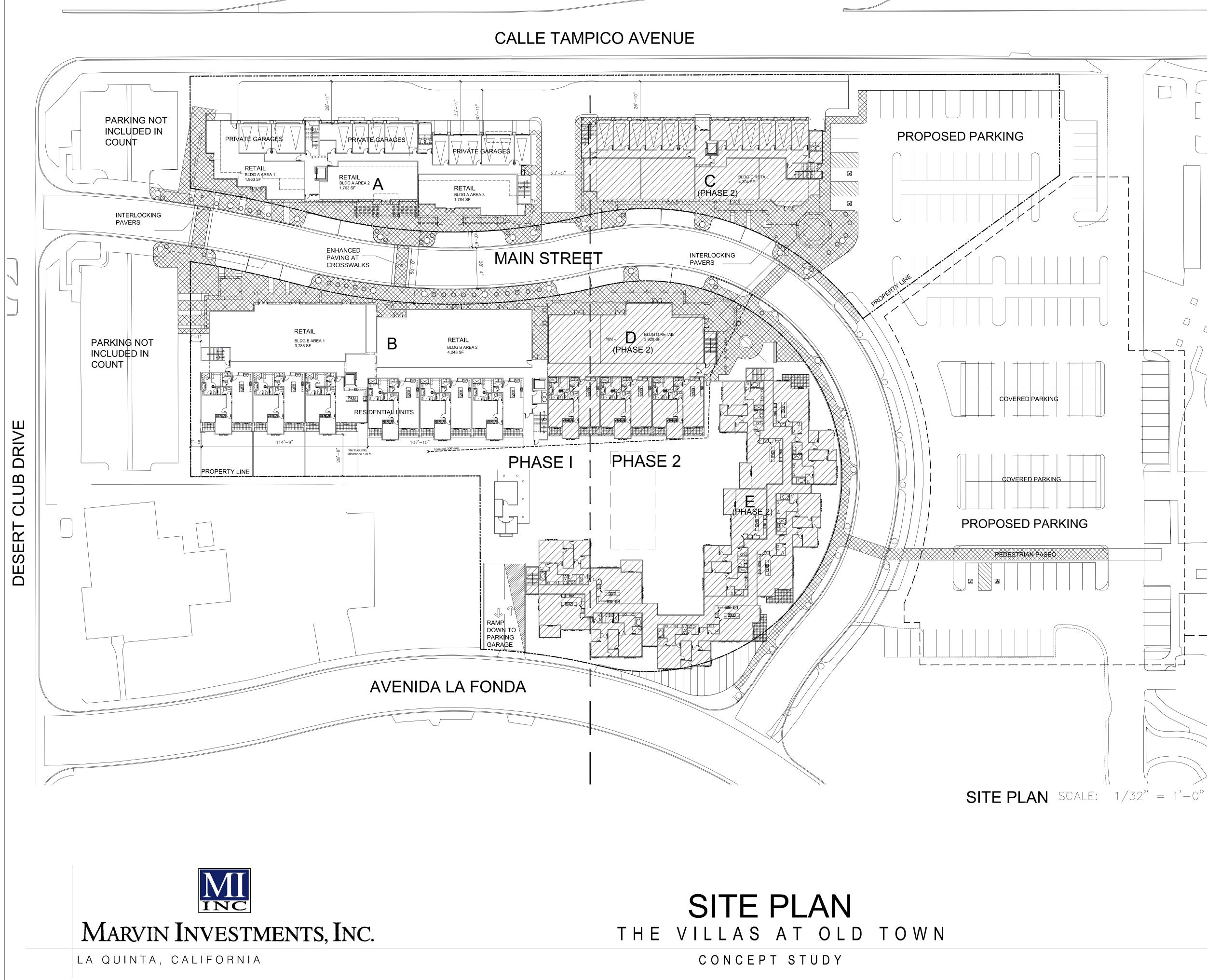
- Pedestrian Scale and Amenities: The current development proposal focuses upon extending the pedestrian scale and sense of place that currently exists within Old Town. Pedestrian circulation is a paramount element of success for a village type environment. Defining key pedestrian connections and traffic calming improvements at this time will be of resource when considering future Village development opportunities. Should Council wish to consider this further, staff will establish a scope and identify the cost to complete.
- Village Parking Requirements and In-Lieu Option: The uniqueness provided by the Village warrants consideration of establishing parking standards unique to this area. Current parking standards are used versus geographic focused, which does not consider the land use characteristics anticipated within the Village. Additionally, the City's parking in-lieu program is often of interest to developers considering Village development opportunities. However, further definition and refinement is necessary in order for it to be successfully utilized. Should Council wish to consider this further, staff will establish a scope and identify the cost to complete.

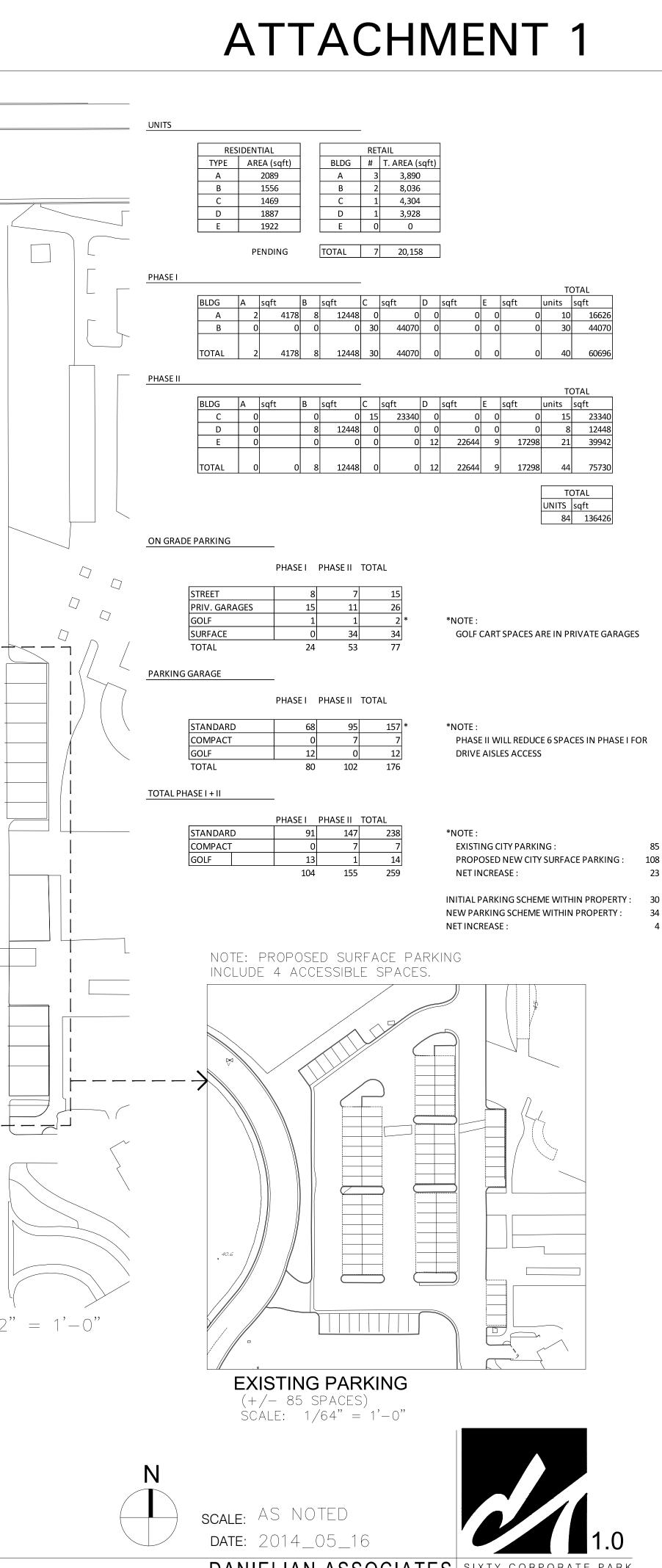
Staff seeks direction on the Developer's proposed retention plan, Library/Wellness Center parking lot redesign, the traffic analysis, and the items listed to assist other future Village development.

Report prepared by: Les Johnson, Community Development Director Report approved for submission by: Frank J. Spevacek, City Manager

Attachments: 1. Preliminary site plan and elevations

2. Map of proposed retention basin/ Parking Configuration





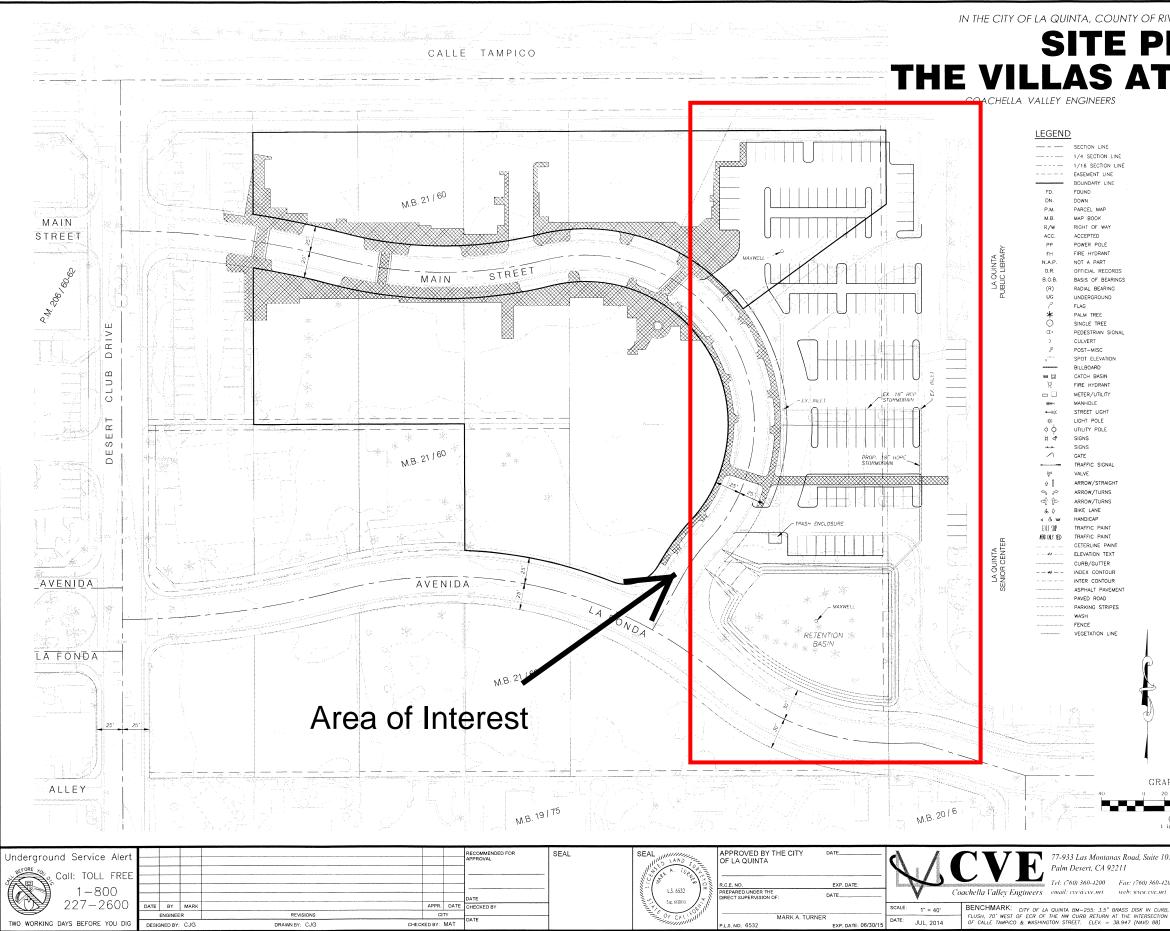
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ATTACHMENT 2

IN THE CITY OF LA QUINTA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

SITE PLAN THE VILLAS AT OLD TOWN IULY. 2014 OWNER/APPLICANT MARVIN INVESTMENTS, INC. 78–100 MAIN STREET, SUITE 206 LA QUINTA, CA 92253 ASSESSORS PARCEL NUMBERS 770-123-011 & 770-124-010 LEGAL DESCRIPTION LOTS 62-66 EXCEPT THE NORTHERLY 20 FEET, LOTS 68-71 AND LOTS 76-77, ALL OF DESERT CLUB TRACT UNIT NO. 4, IN THE CITY OF LA QUINTA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21, PAGE 60, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA. ACREAGE 3.40 AC., ± - NET BASIS OF BEARINGS UTILITIES WATER: COACHELLA VALLEY WATER DISTRICT. (760) 398-2651 SEWER: COACHELLA VALLEY WATER DISTRICT. PEDESTRIAN SIGNA .(760) 398-2651 ELECTRIC: IMPERIAL IRRIGATION DISTRICT. (800) 303-7756 GAS: THE GAS COMPANY (800) 427-2200 TELEPHONE: VERIZON (800) 483-5000 CABLE: TIME WARNER (760) 340-1312 ZONING EXISTING: VILLAGE COMMERCIAL LAND USE EXISTING: VILLAGE COMMERCIAL SCHOOL DISTRICT DESERT SANDS UNIFIED SCHOOL DISTRICT TOPOGRAPHY AERIAL SURVEY PERFORMED BY AEROTECH MAPPING FEB, 2014 THOMAS GUIDE COORDINATES MAP PAGE 849, GRID F-7, G-7 ASPHALT PAVEMENT BASIS OF BEARINGS THE BASIS OF BEARINGS FOR THIS SURVEY IS THE E-W ONE-QUARTER SECTION LINE OF SECTION 6, T.GS., R.7E. S.B.M., AND THE CENTERLINE OF CALLE TAMPICO BETWEEN AVENIDA BERMUDAS & DESERT CLUB DRIVE, AS SHOWN ON P.M. 206/60-62, O.R. COUNTY OF RIVERSIDE, STATE OF CALIFORNIA. BEING: N89*51'06"E R6E R7E 36 31 1 6 31 32 755 6 5 ⁷⁶⁵ AVENUE 50 TAMPICO SITE GRAPHIC SCALE 6 AVENUE 52 12 7 7 8 (IN FEET) 1 inch = 40 ft 6. T.6S., R.7E N.T.S. ITY OF LA QUINTA, RIVERSIDE COUNTY, STATE OF CALIFORNIA SHEET No 77-933 Las Montanas Road, Suite 101 A.P.N. 770-123-011 & 770-124-010 SITE PLAN THE VILLAS AT OLD TOWN 1 Tel: (760) 360-4200 Fax: (760) 360-4204 web: www.cve.net OF 1 SHT EXHIBIT "B"

, M.B. 21/60, N1/2 NW1/4 SW1/4 SEC. 6, T.6S., R.7E. S.B.M. FILE No.

MARVIN INVESTMENTS, INC. JOB No. 14102