



FUTURE READY
FOUNTAIN VALLEY
2040 General Plan

GPAC Meeting #3

PlaceWorks

July 17, 2019



Tonight's Meeting

- Status report
- Draft Vision
- Role of the GP in the planning process
- Opportunity sites scenario exercise



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STATUS REPORT

GP Update Schedule

2019 | Framework

- Existing conditions
- Vision and values
- Land use planning

2020 | Preparation

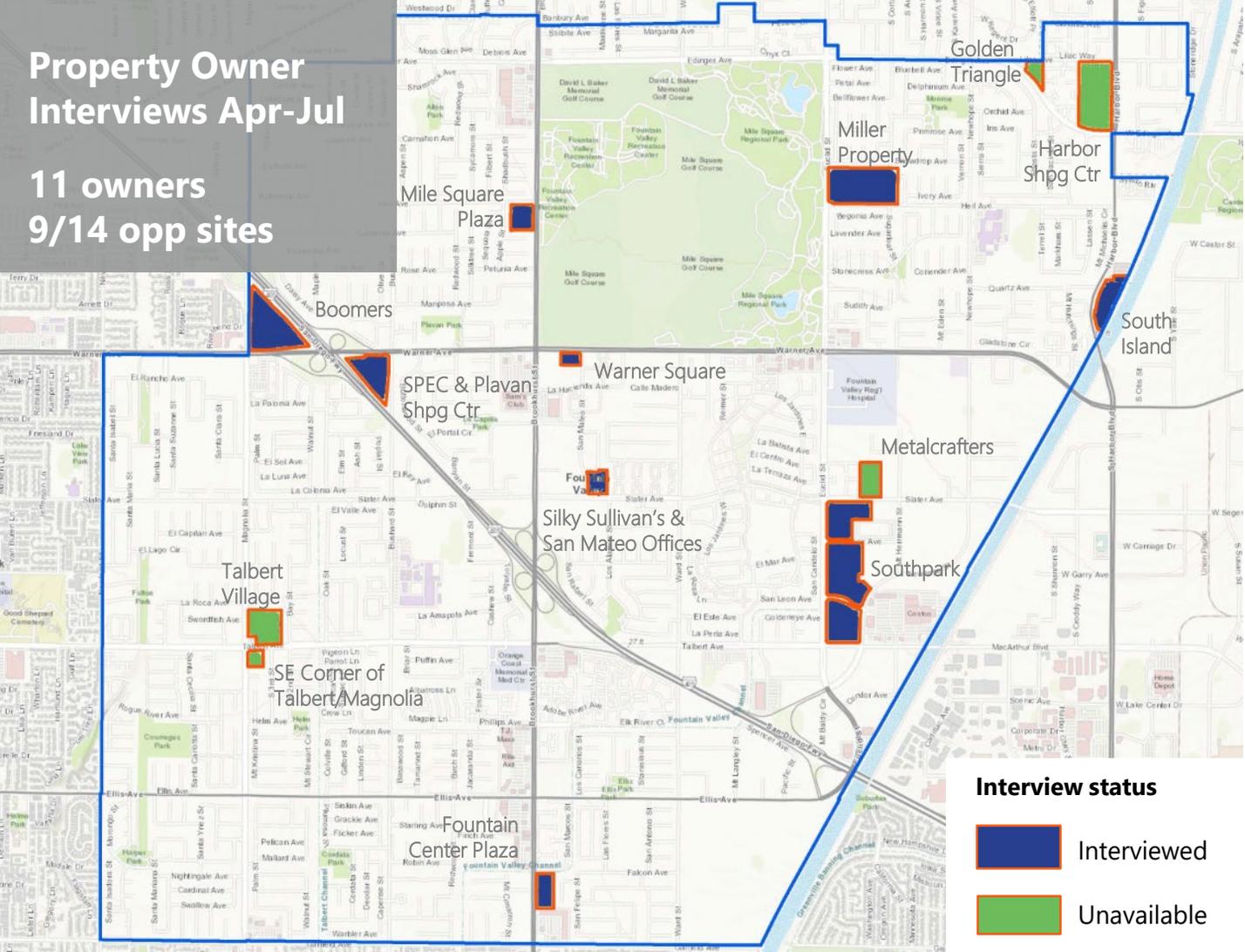
- Final land use alts
- Goal/policy writing
- Draft EIR, tech studies

2021 | Adoption

- Final GP & EIR
- Public/state review
- Implementation

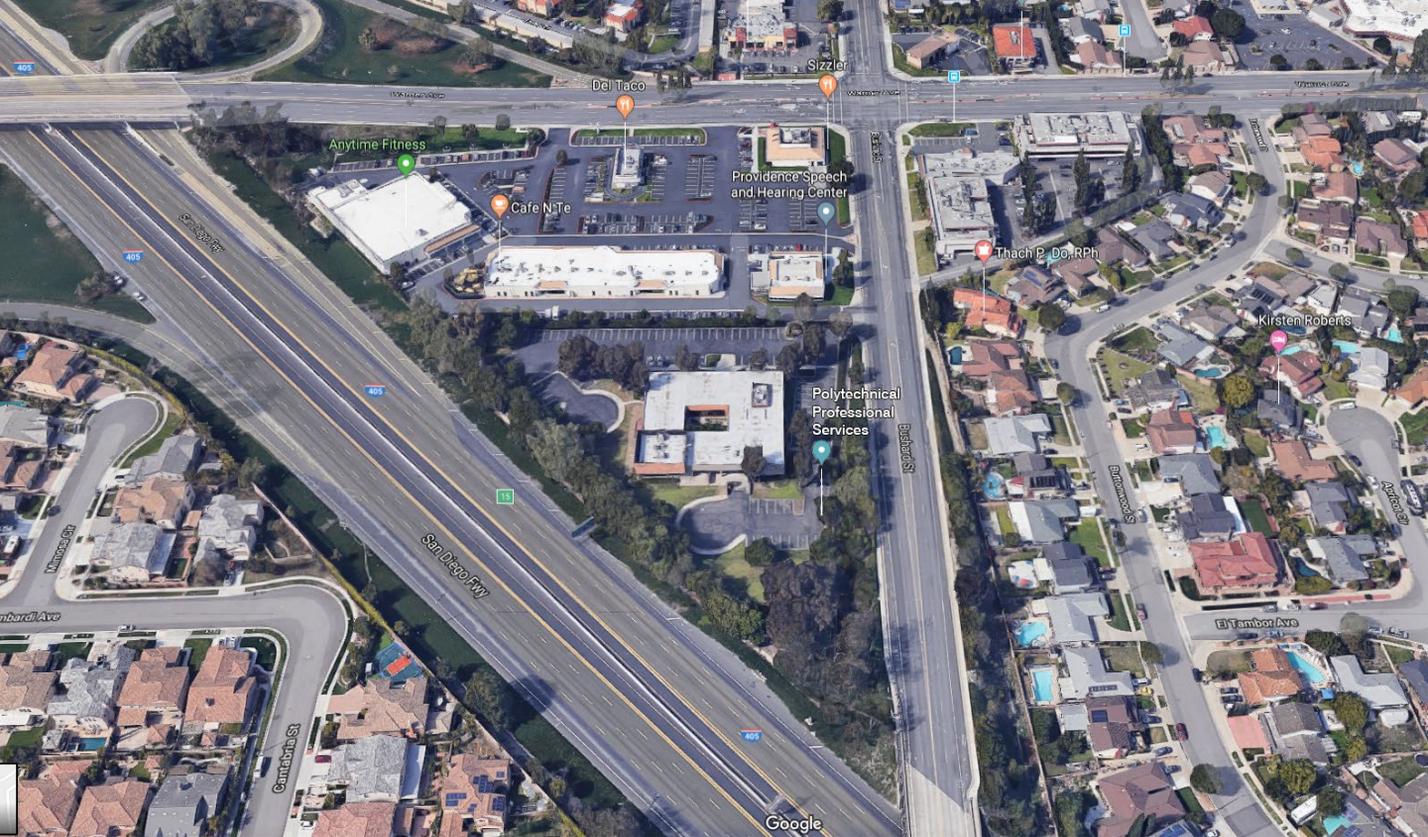
Property Owner Interviews Apr-Jul

11 owners
9/14 opp sites

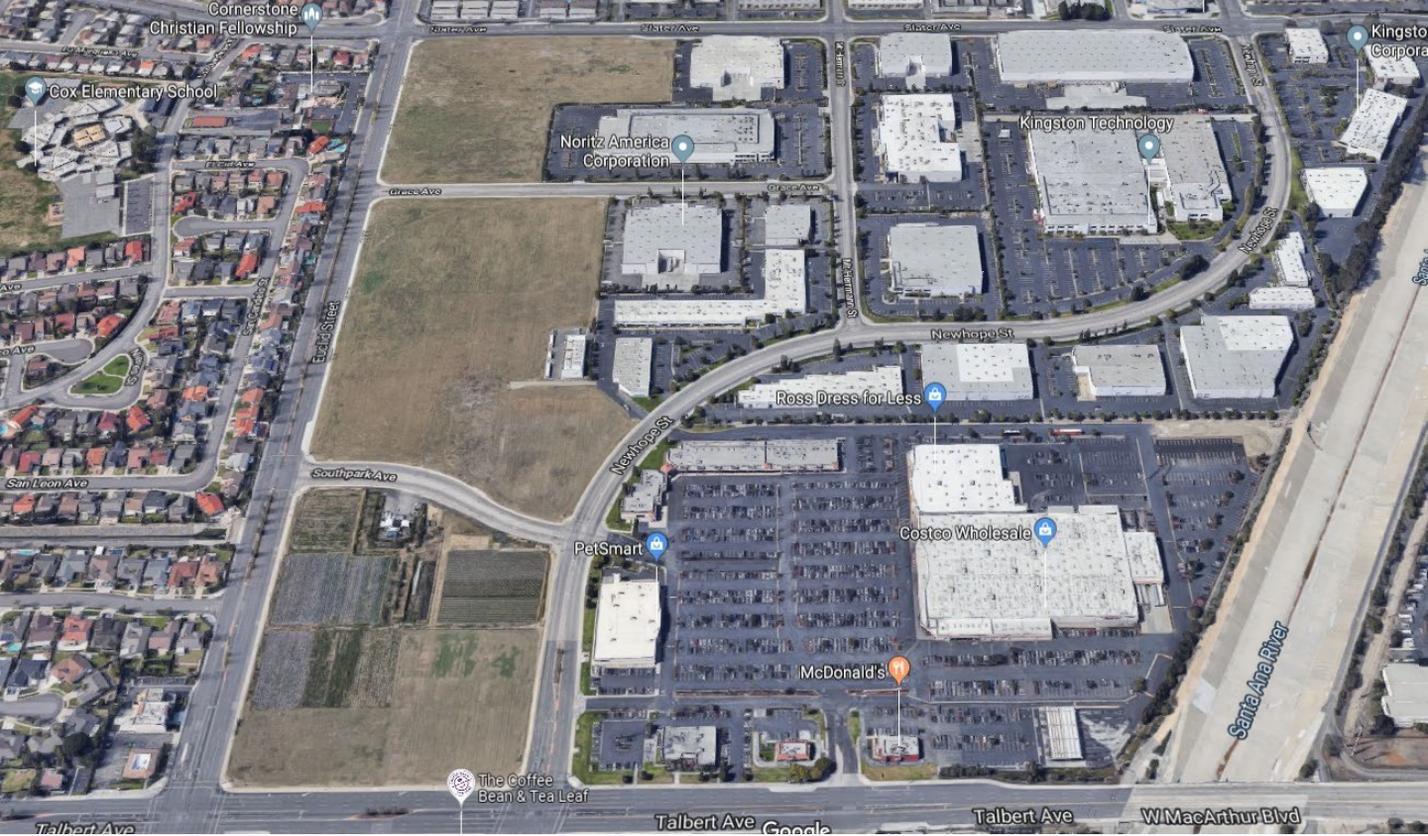




- **Boomers.** Lease with Boomers until 2033. Would love to remain but needs substantial reinvestment. Open to a variety of potential uses.
- **FV Skate Center.** Doing well; no plans to move.
- **Motel 6.** Just purchased/remodeled; 85% occupancy; no plans to move.



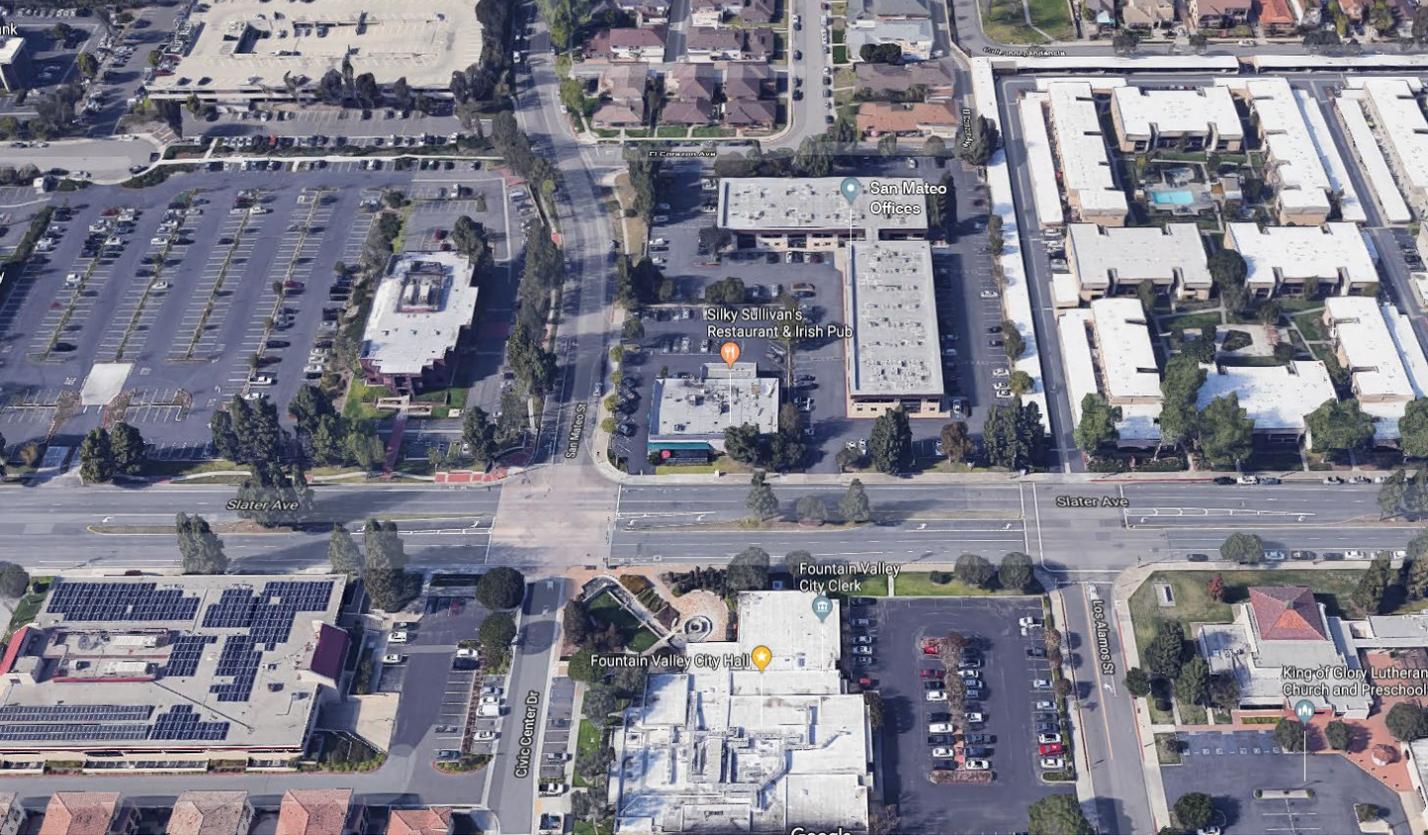
- **Plavan Shopping Center.** Doing well; no plans to move.
- **[SPEC] Polytechnical Prof Services.** Building too old/small, interested in selling. Open to variety of uses; sees highest value in residential; land value may be too high for hotel.



- **Southpark.** Family owned for decades; interested in developing in a comprehensive and cohesive manner, and would retain ownership. Happy with current SP zoning but would be interested in adding residential.



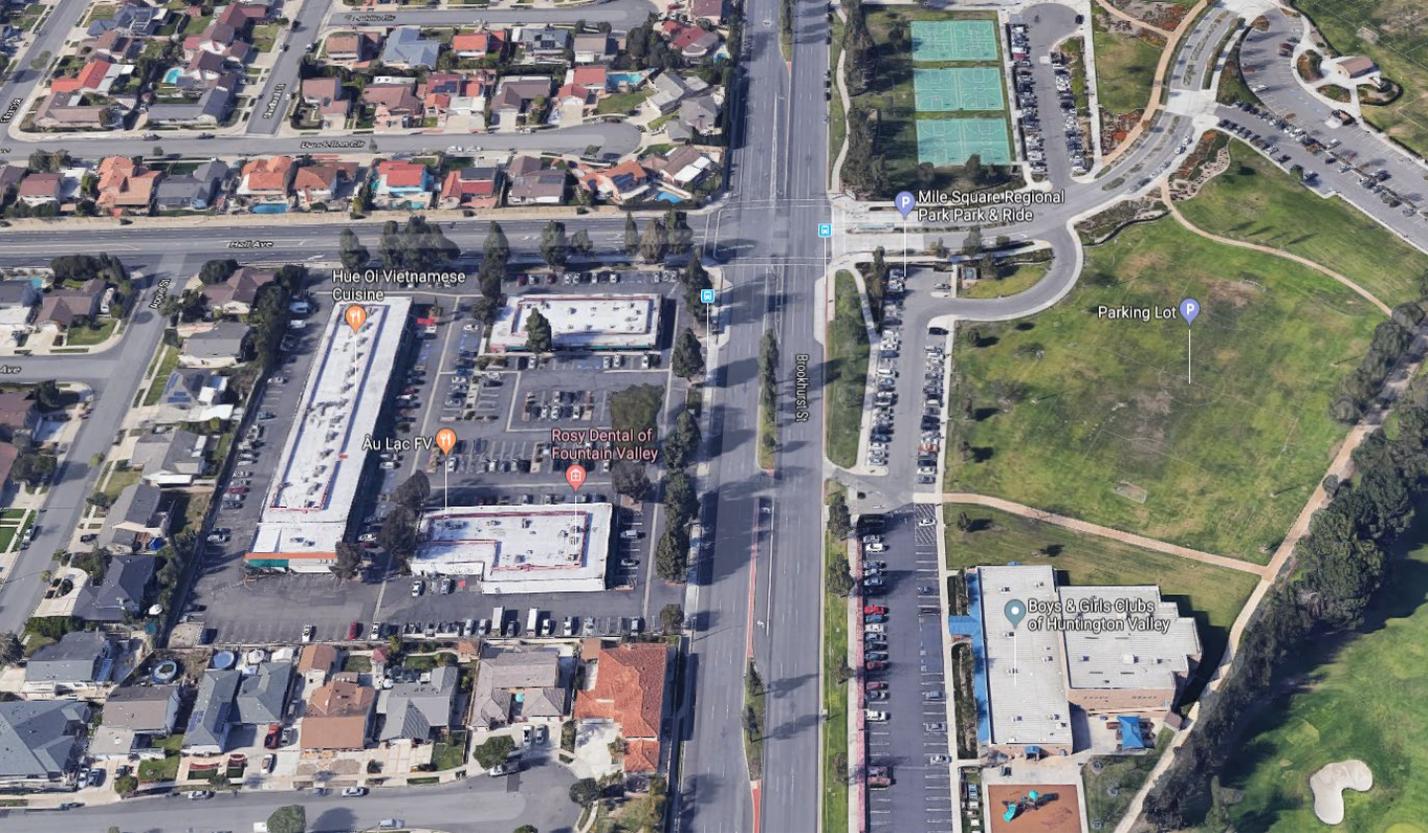
- **A-1 Self Storage.** Third generation owner; sold top 1.95 acres for affordable housing (50 units) but not looking to close storage facility and sell land. Doing well and new housing will only help their business.



- **Silky Sullivan's & San Mateo Offices.** Acquired in 2018 and looking to build mixed-use project: 2-5 stories of high density residential and 5 KSF restaurant. Conducting own outreach but wants to align with GP update.



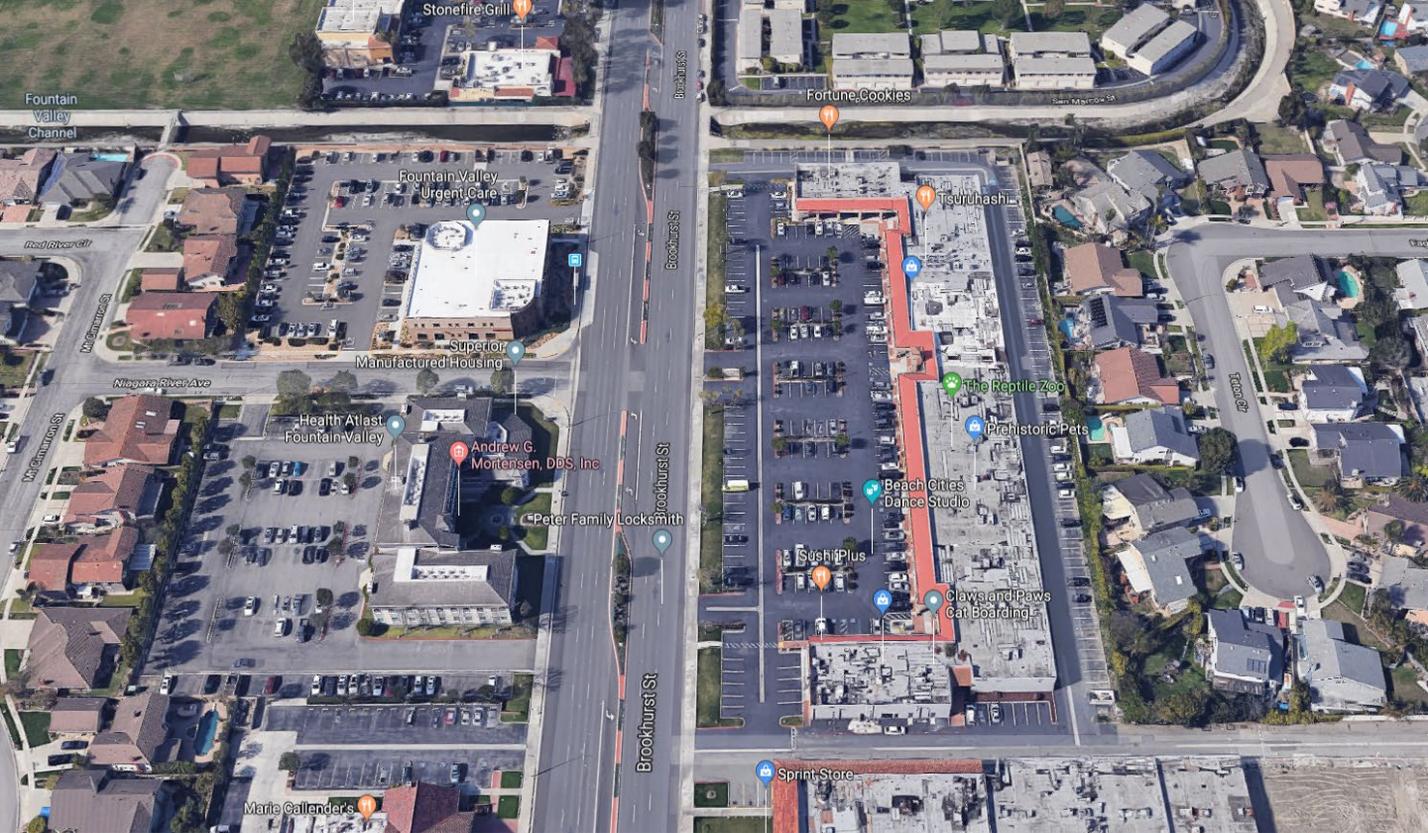
- **Miller.** Family owned for decades; looking to maintain ownership and long-term lease arrangement. Currently designing concepts for luxury apartments at 22+ units per acre with stepped treatment and setbacks to transition to surrounding neighborhood.



- **Mile Square Plaza.** Currently undergoing façade improvement. Open to idea of long-term transition to mixed-use and/or higher density residential, though knows surrounding residents understandably sensitive of intensification.



- **Warner Square.** Family owned for decades; rents are acceptable. Interested in retaining tenants but also open to mixed-use options. Would need sufficient density and shared parking standards to support transition.



- **Fountain Center Plaza.** Family-owned for decades and plan on staying. Portfolio currently all retail but seeing transition to mixed-use long term. Would need adequate density to justify change. Also owns shopping center to the south but just made improvements; longer term transition if ever.

Citywide Market Study (JULY 2019)

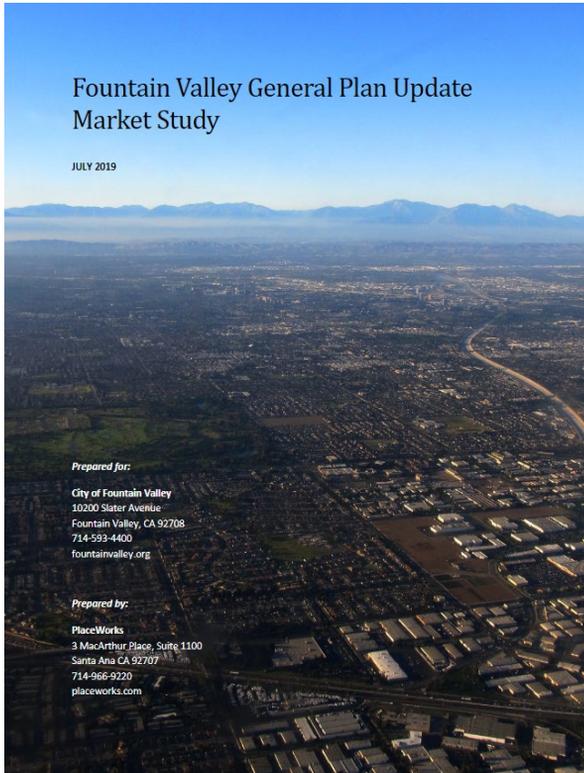


Figure 12: Retail Demand Context Areas

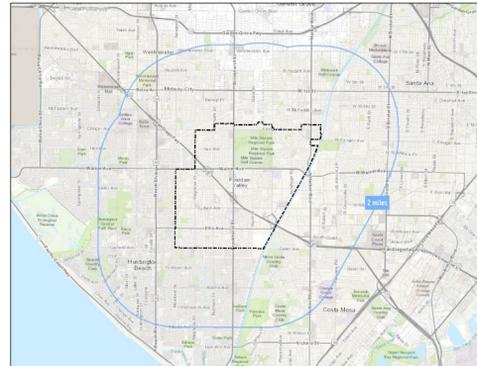


Table 9: Hotel Projects in Development Pipeline, Orange County Airport Area, 2018

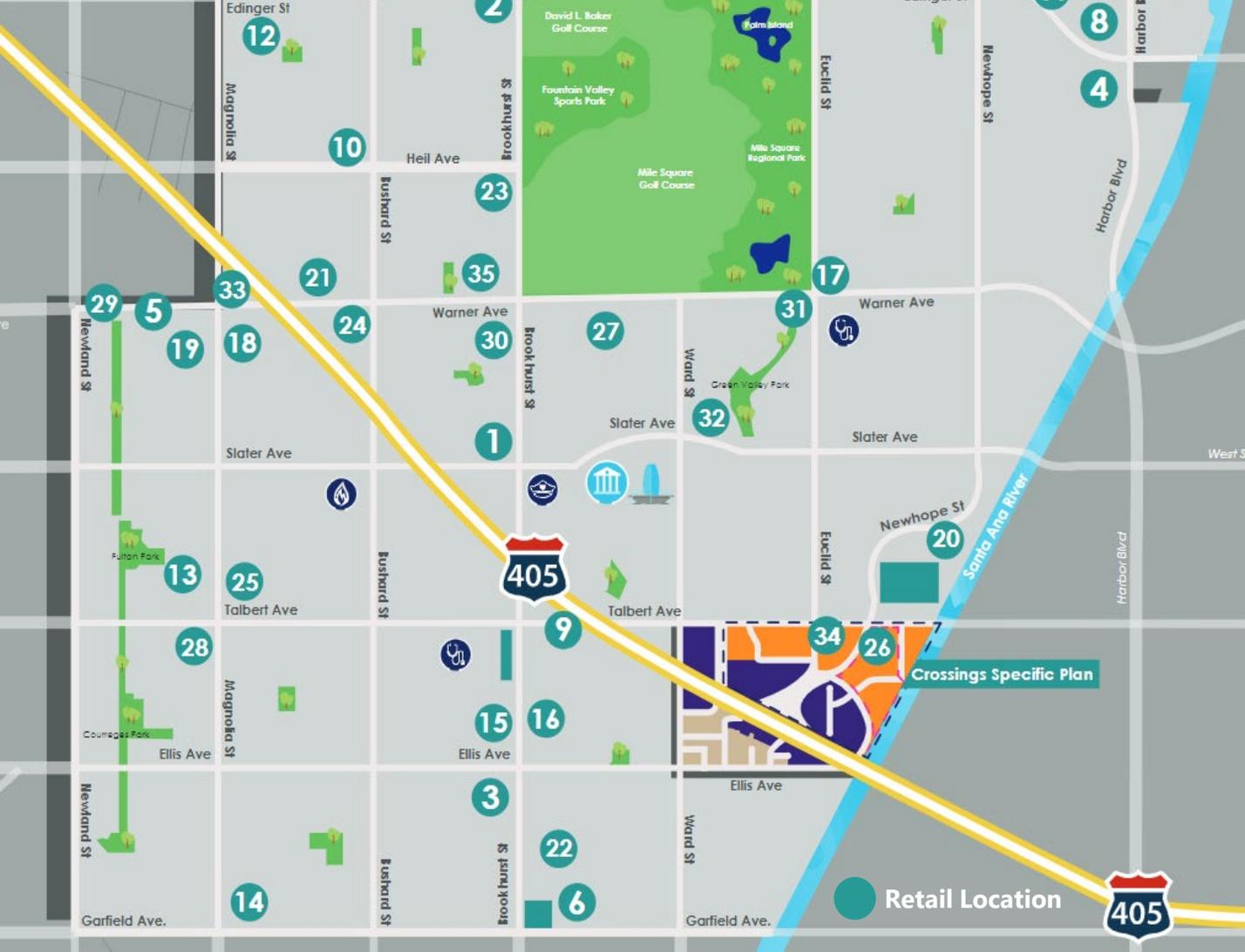
Hotel Name	Capacity	City
Banc & Office Hotel	225	Irvine
Staybridge Hotel	208	Irvine
Landmark	386	Irvine
Towneplace Hotel	165	Irvine
Marriott Gateway	252	Irvine
Homewood Suites	161	Irvine
Hampton Inn	135	Santa Ana
Tapestry Hotel	142	Santa Ana

Source: Notable Development Projects Map, City of Irvine; Major Development Activity Report, City of Santa Ana.

Citywide Market Study (JULY 2019)

RETAIL

- Currently performing well and capturing spending by non-residents.
- Future retail growth currently limited by retail saturation in central OC and shift to online shopping; exceptions:
 - Convenience goods: food & beverage, health & personal care, and miscellaneous stores
 - Comparison goods: building materials, garden equipment & supply, and clothing stores



Citywide Market Study (JULY 2019)

HOTEL

- Uncertain demand
 - 1,800 rooms already approved/in pipeline
 - Individual chains may be interested, but may not be willing to pay

Citywide Market Study (JULY 2019)

OFFICE

- Strong demand
 - Keep current buildings fully leased
 - Justify new construction on vacant land
 - But, not enough to justify tearing down functional buildings
- Estimate City could support another 657,000 square feet by 2045

Citywide Market Study (JULY 2019)

INDUSTRIAL

- Very strong demand
 - Keep current buildings fully leased
 - Justify new construction on vacant land
 - Justify tearing down functional buildings
- Estimate City could support another 421,000 square feet by 2045

QUESTIONS?



**FUTURE READY
FOUNTAIN VALLEY**
2040 General Plan



DRAFT VISION

Draft Vision



Purpose of the Vision

The Vision Statement for the Fountain Valley General Plan is the framework that expresses the community's shared outcomes for the City's future.

It defines expectations for what Fountain Valley will be 20 years in the future as defined by its physical character; quality of life; variety of businesses; fiscal balance; and housing, economy, environment, safety, and comparable indicators.

These expectations are based on community values concerning the characteristics and qualities of life that are important today and should be retained in the future, as well as how the community should evolve and respond to changing conditions.

A Portrait of Fountain Valley in 2040



A Portrait of Fountain Valley in 2040



Fountain Valley—the best small town in Southern California—is regionally recognized as a premier community where people desire to live, learn, work, and grow.

We have worked together as a community to preserve the quality of life, while also capitalizing on the region's foundational changes in demographics, economics, and technology.

Throughout these years of change, we have continually looked for and found guidance in our General Plan.

Living in Fountain Valley



Living in Fountain Valley

A blue-tinted photograph of a playground. In the foreground, a woman in a red top and white shorts is running. To her right, a young girl in a black top and white pants is also running. In the background, a man in a white shirt and red shorts is standing near a yellow structure. The playground equipment includes a wooden beam, a yellow circular structure, and a blue structure. The overall scene is active and family-oriented.

Fountain Valley is a nice place to live, work, and raise a family.

We have wonderful neighborhoods, fantastic recreational options for all, a wealth of community and cultural activities, great schools, reputable health care options, and a wide range of shopping, dining, and employment opportunities.

Residents find value and fulfillment through involvement in civic, social, and faith-based endeavors.

Growing in Fountain Valley



Growing in Fountain Valley

We have maintained and enhanced the beauty and safety of our neighborhoods, while diversifying our housing stock to provide residential opportunities across ages and incomes.

Property owners continue to reinvest in homes and neighborhoods and the City continues to invest in the public realm and services.

We grow strategically to carefully blend the new with the old, employ environmentally sustainable practices, and attract and retain strong and emerging markets.

We carefully plan for our future to ensure that we know where we are going, and that our public facilities and infrastructure meet demands, are well maintained, are efficient and cost effective, and are environmentally sustainable.

Learning in Fountain Valley

COASTLINE
COMMUNITY COLLEGE



Learning in Fountain Valley

Fountain Valley Unified School District, our high schools, and our community college are nationally ranked as top tier education providers.

Our graduates are prepared to continue their training and education; become successful tradespeople, artists, professionals, and entrepreneurs; and grow into the leaders of tomorrow and caring members of the community.

Our culture of lifelong learning has enabled residents of all ages to grow and benefit from changes in technology and the economy.

Working in Fountain Valley



Working in Fountain Valley

Our local economy has flourished over the last two decades.

A number of national and global firms make Fountain Valley their home, attracted by our strategic location and our small-town charm.

Nevertheless, entrepreneurship is our city's economic calling card.

Affordable locations, loyal customers, inclusive business networking, and a supportive municipal government have provided the foundation for new businesses to start, grow, and prosper.

In turn, many of these businesses provide the shopping, dining, entertainment, and recreation options that make our neighborhood and community commercial districts some of the most popular gathering places in Orange County.

Governance in Fountain Valley



Governance in Fountain Valley

Throughout the changing times, our local government has provided consistent, wise, and transparent stewardship of our community, our economy, and our local environment.

Elected and appointed officials are connected to and responsive to the community they serve.

Residents and businesses are engaged in civic affairs because they know what is going on and their voices are heard in public decision-making.

The City of Fountain Valley is an employer of choice, attracting and retaining dedicated and highly qualified staff who provide effective and efficient public services.



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Because we have worked together, respectfully and inclusively as a community, Fountain Valley has become an even nicer place to live and do business.



Draft Vision

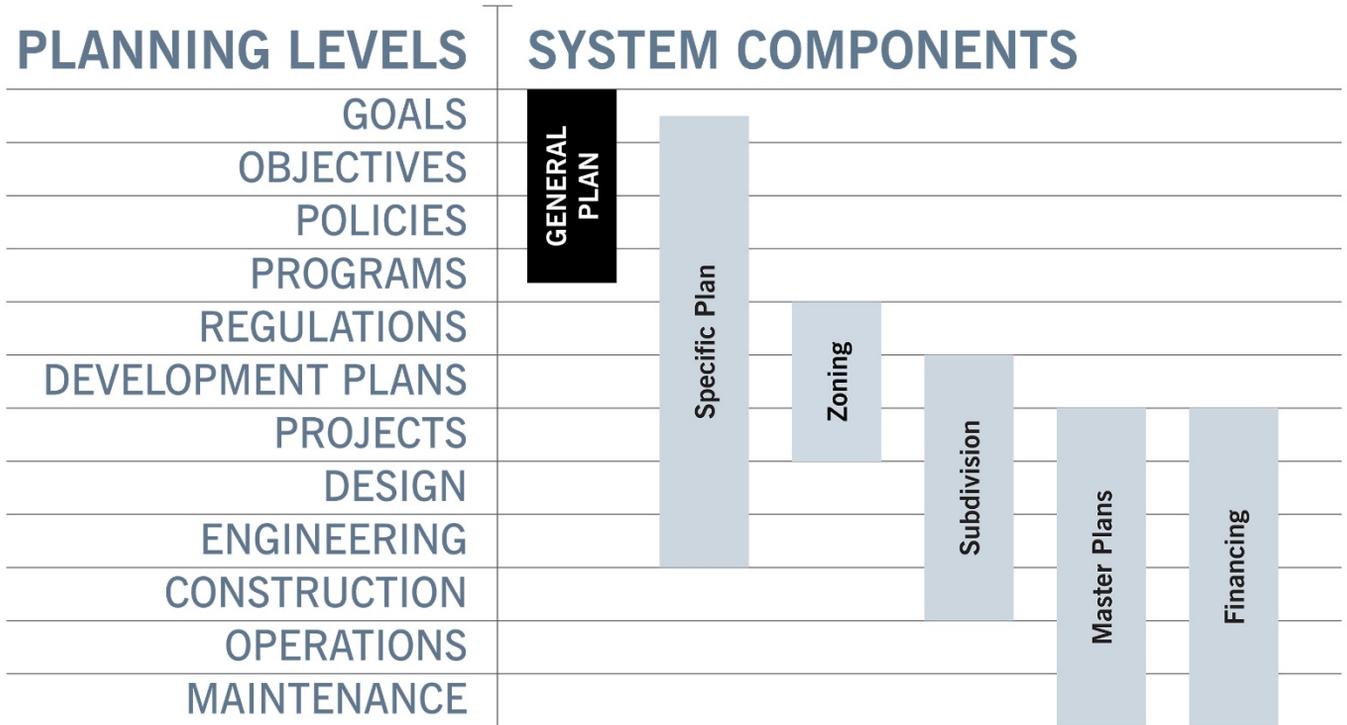
- Questions?
- Anything missing?
- Please submit any ideas for wordsmithing in writing

GENERAL PLAN'S ROLE IN PLANNING



planning system

HOW THE GENERAL PLAN RELATES TO OTHER PLANNING AND DEVELOPMENT GUIDANCE TOOLS



General Plan impact



How does the General Plan bridge vision and reality?

General Plan impact



Potential Actions/Programs:

1. Design guidelines for gathering spaces
2. New zoning standard that requires gathering spaces in certain commercial districts
3. Financial incentive provided by City (e.g. sales tax rebate over limited period)

General Plan impact



Sample GP Goal:

Redeveloped or revitalized commercial centers that provide a mix of uses that are fiscally beneficial and complement surrounding neighborhoods.

Sample GP Policy:

We require commercial development projects to provide public gathering spaces commensurate with the size and scale of the project and market they are intending to serve.

General Plan impact



FV Vision Excerpt:

...many of these businesses provide the shopping, dining, entertainment, and recreation options that make our neighborhood and community commercial districts some of the most popular gathering places in Orange County.

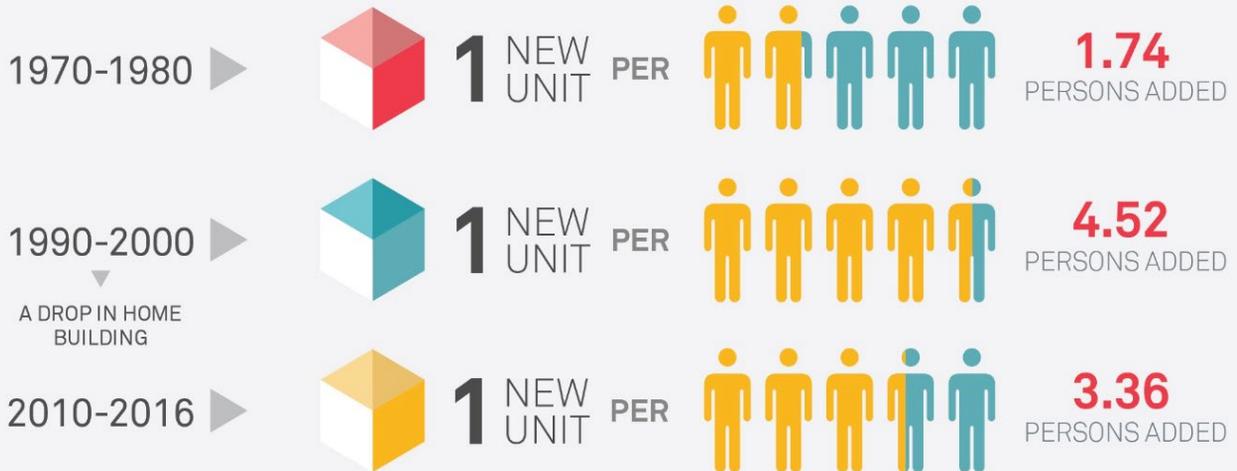
Opp Site Scenario Exercise

Purpose:

- Understand state law (RHNA) requiring the City to accommodate housing growth
- Review potential growth scenarios and the City's land resources
- Conduct an exercise to identify desired approach and strategies to accommodate affordable housing

RHNA 101

Housing Shortage



RHNA 101

- RHNA | regional housing needs assessment
- Objectives
 - Increase overall housing supply
 - Expand mix of housing types, tenure, and affordability
 - Promote more efficient development patterns
 - Improve relationship between location of jobs and housing
- 8-year planning period
 - 5th cycle: 2013-2021
 - 6th cycle: 2021-2029

RHNA 101



Regional growth

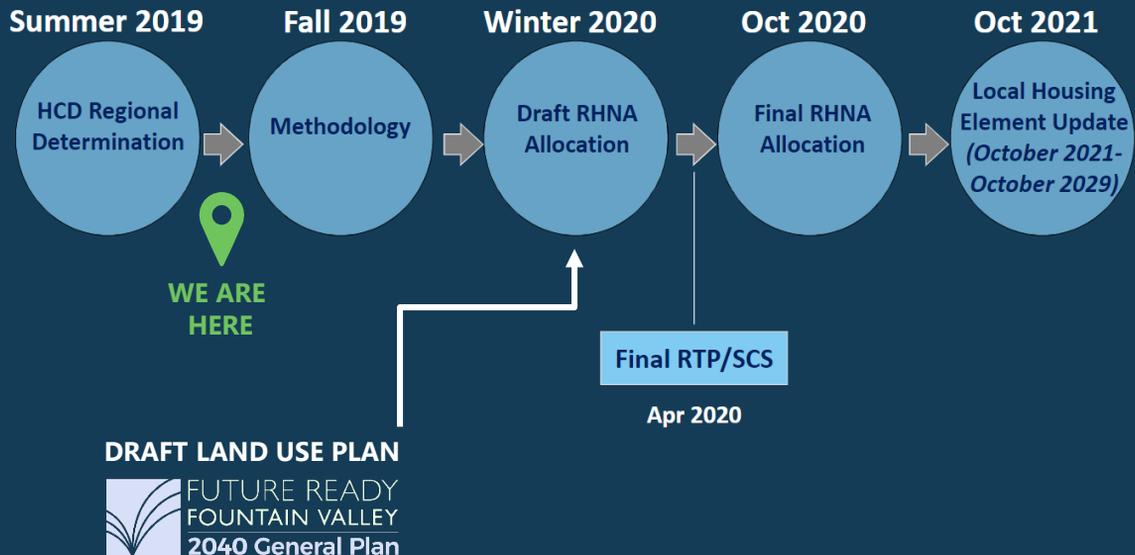


**RHNA for each
city & county**



RHNA 101

RHNA Timeline



Current RHNA allocation

- Area median income (AMI)
 - Calculated by county
 - Revised annually for state/fed housing programs
 - \$92,700 Orange County 2018 (4-person hhld)
- Income categories
 - very low (<50% AMI)
 - low (50-80% AMI)
 - moderate (80-120% AMI)
 - above moderate (>120% AMI)

City's RHNA allocation

- 2013-2021 | 358
 - 83 very low (<50% AMI)
 - 59 low (50-80% AMI)
 - 65 moderate (80-120% AMI)
 - 151 above moderate (>120% AMI)
- Estimated 2021-2029
 - 400 to 1,400 total units
 - **160 to 560 lower income units**

The estimates are derived from the Center for Demographic Research (2019) as derived from SCAG's working draft methodology; not intended final or conclusive in any manner.

How to accommodate RHNA

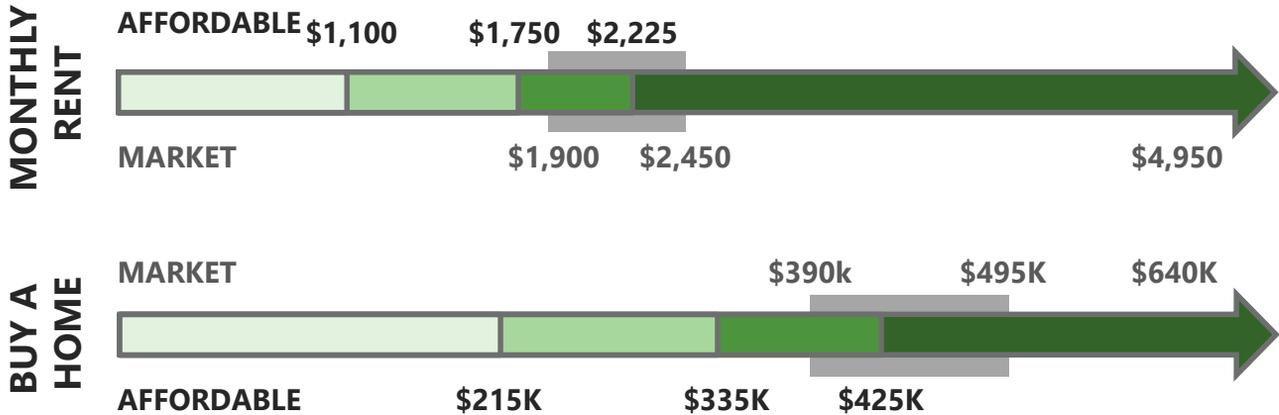
- Existing/proposed projects
- 2nd units / accessory dwelling units (*ADUs*)
- Vacant land
- Underutilized land [*higher threshold than before*]
- Mixed-use [*max 50%, CA Gov Code 65583.2(h)*]
- 30 du/ac for lower income [*default density standards, CA Gov Code 65583.2(c)(3)(B)*]
- Build or maintain capacity until 2029 [*capacity throughout planning period, CA Gov Code 65863(a)*]

What is affordable?

Annual Income

Income Category

<\$44K		very low
\$44-\$70K		low
\$70-\$89K		moderate
>89k		above moderate



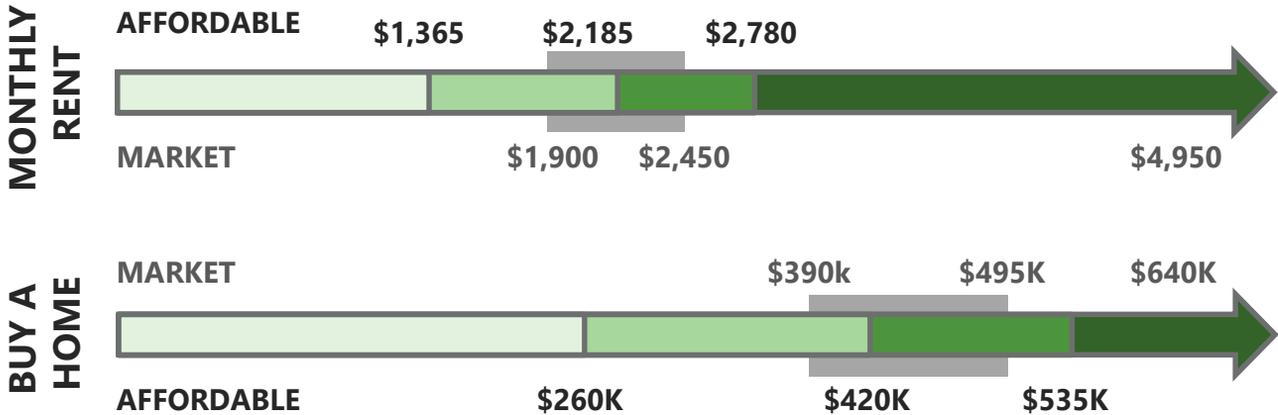
Sources: Both: 2018 HCD Income Limits; Market rates 2019; Apartments.com (rental); Zillow (owner)
 Assumptions: Rental 30% income max, 2-bedroom units; Owner: 10% down payment, 1.125% property tax, 4% APR

What is affordable?

Annual Income

Income Category

<\$55K		very low
\$55-\$87K		low
\$87-\$112K		moderate
>112k		above moderate



Sources: Both: 2018 HCD Income Limits; Market rates 2019; Apartments.com (rental); Zillow (owner)
 Assumptions: Rental 30% income max, 2-bedroom units; Owner: 10% down payment, 1.125% property tax, 4% APR

What does affordable look like?











EVgo Charging Station

Duke's Cafe

Bath & Beyond

LCR Electronics Inc

Eastpark Dr

Oakcrest Terrace
Apartments

Oakcrest Ct

Oakcrest







La Cascada Taqueria

Michoacan Meat Market

10860 Merritt Street

183

Randazzo Enterprises













Just Like the Model

Granite Court

2858 Kelvin Avenue

Life Storage

The Kelvin Apartments

Life Storage

Kelvin Ave

Kelvin Ave

Kelvin Ave

Kelvin Ave

Kelvin Ave

Good

Murphy Ave

Murphy Ave

Murphy Ave

Murphy Ave

Approved project



South Harbor Island

- 50 affordable units on 1.94 ac
(will count toward 2021-2029 RHNA if built after Oct. 2021)

Approved specific plan



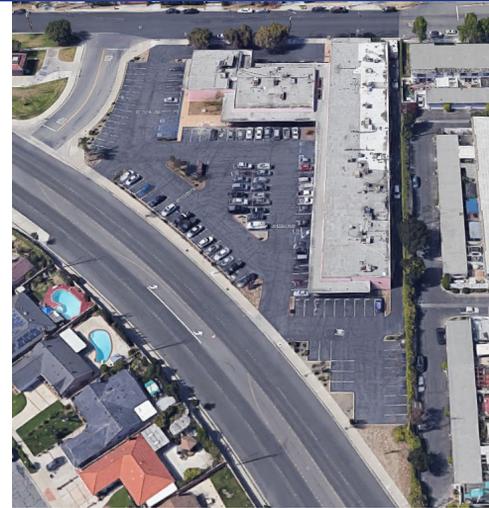
Fountain Valley Crossings



Crossings Specific Plan

- Up to 491 new residential units attached single family and multi-family form-based, allows higher density housing

Zoned for affordable housing



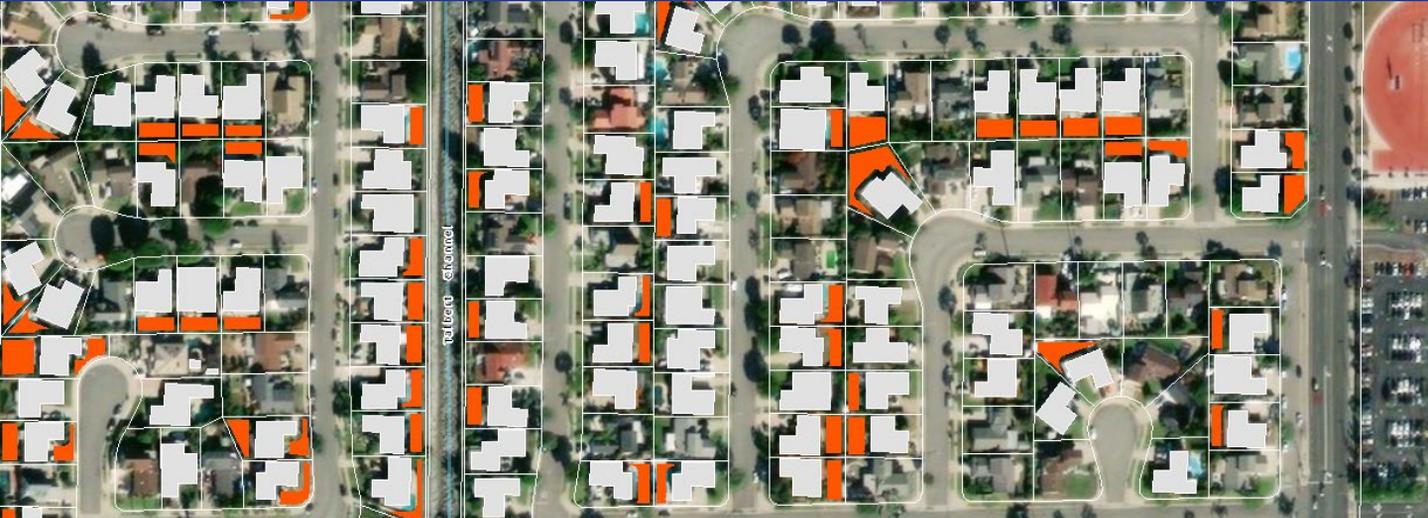
South Harbor Island

- 2.9 ac = 86 units
(remaining parcels suitable for reuse)

Golden Triangle

- 2.3 ac = 69 units

ADUs / 2nd units



12,574 parcels with single family homes

- 7,810 \geq 7,200 sq. ft. lots
 - ~4,000 \geq **800 sq. ft.** in back yard & meet setbacks
- Assume 1 %
- 40 to 78 ADUs

Current capacity

Approved project: 50 affordable units*

Approved specific plan: 491 units*

- Do not count for purposes of this exercise

Land zoned for affordable housing

- Golden Triangle = 69 units
- South Harbor Island = 86 units
- ADUs = 40 units

Total current capacity: 195 lower income units

RHNA allocation scenarios

- 400 units (160 lower income)
 - Current capacity: 195 lower income units
 - **Vacant opportunity sites** can be used for market rate housing
 - **Other opportunity sites** can be used for commercial, mixed-use, or market-rate housing

Further analysis needed for RHNA:

NONE

RHNA allocation scenarios

- 1,400 units (560 lower income)
 - Current capacity: 195 lower income units
- Balance 365 lower income units
 - Need enough to maintain capacity through 2029
 - **Vacant sites** will need to be zoned 30 du/ac
 - **Other sites** will be needed; must allow 100% residential and require at least 50% residential

Further analysis needed for RHNA:

NONE – Realistically, we need all sites

RHNA allocation scenarios

- 900 units (360 lower income)
 - Current capacity: 195 lower income units
- Balance 165 lower income units
 - **Option 1.** A few sites zoned, reserved, and built for 100% affordable housing
 - **Option 2.** Inclusionary requirement for all new housing projects
 - 10-15% of units for affordable; or
 - Equivalent in-lieu fee
 - **Option 3.** Both

**QUESTIONS &
5-MIN BREAK**

Opp Site Scenario Exercise

- **Objective: identify sites for 360 affordable units**
- Where: opportunity sites
- How: use chips to indicate location and intensity
 - Each table has 54 yellow chips
 - Current capacity for affordable housing already on the table (can redistribute if desired)
 - Locate affordable units using numbered chips



market rate
10 units/acre



Affordable units
varying density

Next steps

- **August**
 - Prepare development concepts
- **September/October est**
 - Public outreach (high school, college, general community)
 - Property owner outreach (review concepts)
- **TBD**
 - Draft RHNA & GPAC meeting #4 on Land Use Alternatives

Get involved and stay connected

- Electronically

- E-blasts: sign up via FV Notify Me
- Web: **www.fountainvalley.org/1282/General-Plan-Update**
- Email: **planning.building@fountainvalley.org**
- Social Media:
 - Twitter: @fv_cityhall
 - Facebook: @fountainvalleycalif
 - Instagram: fvproud



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THANK YOU!