

OFFICE OF THE CITY MANAGER

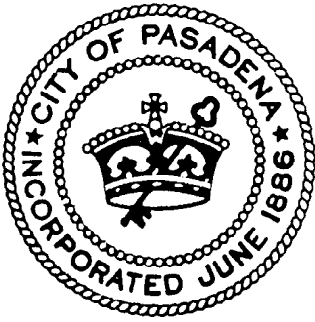
TO: CITY COUNCIL DATE: February 23, 2004
FROM: CITY MANAGER
SUBJECT: AMENDMENTS TO THE CIVIC CENTER SPECIFIC PLAN AND A
PLANNED DEVELOPMENT RELATED TO THE MONTANA I AND
II (355 EAST COLORADO BOULEVARD AND 380 EAST UNION
STREET)

On February 9, 2004, the City Council re-opened and continued the public hearing to February 23, 2004, for the Planned Development and Civic Center Specific Plan amendments related to the Montana I and II development project. Council asked the developer to consider how they might address the concerns raised by the Council and directed staff to review any changes in relation to the Central District Specific Plan.

As of the time of posting the Council agenda, the representatives did not intend to submit changes. They will be bringing additional sketches and possibly a model to the hearing on February 23. They believe these materials will address the Council's concerns.

Respectfully submitted,

Cynthia J. Kurtz
City Manager



Agenda Report

TO: CITY COUNCIL **DATE: FEBRUARY 9, 2004**
FROM: CITY MANAGER
**SUBJECT: AMENDMENTS TO THE CIVIC CENTER SPECIFIC PLAN AND A
PLANNED DEVELOPMENT RELATED TO THE MONTANA I AND II
(355 EAST COLORADO BOULEVARD AND 380 EAST UNION
STREET)**

RECOMMENDATION

It is recommended that the City Council, following a public hearing:

1. Adopt an Initial Environmental Study with Mitigated Negative Declaration;
2. Find that the proposed Civic Center Specific Plan amendments are consistent with the General Plan;
3. Find that proposed Planned Development is consistent with the goals, objectives and policies of the General Plan and the purposes of the Pasadena Municipal Code Title 17 (Zoning), as outlined in the body of the report;
4. Approve the amendments to the Civic Center Specific Plan that relate to the site of The Montana I and II described in the body of the report;
5. Approve the Planned Development for the site that includes the Montana I and II describes in the body of the report;
6. Direct the City Attorney to prepare an ordinance amending the Pasadena Municipal Code and the zoning map to establish the Planned Development with the provisions described below and to prepare a resolution amending the Civic Center Specific Plan with the provisions described below;
7. Approve the De Minimis Impact finding on State Fish and Wildlife Habitat: and,
8. Direct the City Clerk to file a Notice of Determination and a Certificate of Fee Exemption for the California Department of Fish and Game with the Los Angeles county Recorder.

PLANNING COMMISSION RECOMMENDATION

On November 12, 2003, the Planning Commission voted to not support the staff recommendation for the Civic Center Specific Plan amendments and the Planned Development. The Commission's action included a list of concerns about the development project, though it did not provide specific direction for modifying the project, Specific Plan amendments or Planned Development. On January 5, 2004, the City Council directed the Planning Commission to prepare a summary of the deliberations, with "pros and cons," for its recommendation that the amendments and Planned Development be denied, to provide additional information for the Council's consideration of the project.

After the Planning Commission's decision, the applicant submitted revisions to the project description. Because of changes to the proposed project, a new public hearing by the Planning Commission was required, in order for the Council to have the opportunity to adopt provisions that the Commission did not consider on November 12, 2003. On February 4, 2004, the Planning Commission held a public hearing, which had been continued from January 28, 2004. The Commission provided the following list of "pros and cons" and comments concerning the proposed Planned Development:

Pro

1. **Expanded Walkway.** The walkway between the Citibank ("Mutual Savings") building and the parking structure is being expanded to 28 feet.
2. **Reduction in Height.** The PD provides a significant reduction in the height of both Montana I and II from the limits in the existing Civic Center Specific Plan, i.e., current regulatory limit.
3. **Reconcile Competing Plans.** The PD provides the City the opportunity to reconcile competing plans with different visions for this important area in the Civic Center.
4. **Low Density Project.** The Project provides the City with a low density project in the Civic Center, which will have a minimal traffic impact. Some felt that allowable residential density should be increased (without expanding the FAR) to provide additional housing opportunities, and one felt that the opportunity to introduce affordable housing in the Civic Center was being missed.

Con

1. **Retreat from Planning Efforts.** The PD represents a retreat from the planning efforts of the community over the past 20 years as reflected in

the Civic Center/Mid-Town Programming Effort Report (the "Gray Book"), the 1990 Civic Center Specific Plan, and the 2003 Draft Central District Specific Plan.

2. **Respect for Planning Documents.** The PD sends the wrong signal to developers that the City of Pasadena does not stand behind its own planning documents, i.e., the Gray Book, the existing Civic Center Specific Plan, and the Draft Central District Specific Plan.
3. **Design Commission Role.** The use of the PD and the detail it provides really circumscribe the Design Commission's role in overseeing the design of the Project.
4. **FARs.** The FARs for both Montana I and II (i.e., 5.6 and 3.7 on the respective parcels) exceed the FARs set forth in the Draft Central District Specific Plan.
5. **Building Footprint.** The lot coverage for Montana II should be closer to 50 percent and should be calculated in a manner that parallels the lot coverage calculations for the Western Asset Plaza building.
6. **Massing.** The massing of Montana I is too bulky and instead should follow all references to the adopted design guidelines in the Draft Central District Specific Plan. The massing of Montana II should either approximate the Maryland Hotel apartment building or a "wedding cake" massing comparable to that of the Western Asset Plaza setbacks.
7. **Height.** The height of Montana I should not exceed 88 feet with stepback to 75 feet on three sides of the building. The height of Montana II shall not exceed 66 feet per staff's recommendation.
8. **Parking.** The amount of ground level parking at both Montana I and II should be reduced, and the recommendation in the Gray Book that parking be subterranean should be respected. Some Commissioners wanted ground level parking completely eliminated.
9. **Courtyards.** The concept of "courtyards" set forth in the Gray Book and the existing Civic Center Specific Plan should be honored by encouraging a pedestrian-friendly flow in front of the Citibank Building on Colorado.
10. **Mixed Use.** The mixed-use aspect of both Montana I and II should emphasize retail-commercial use on the ground floor and not residential, although residential amenities on the ground floor are acceptable. There was no consensus among the Commissioners as to the acceptability of residential amenities on Union Street.

DESIGN COMMISSION RECOMMENDATION

Staff presented the proposed Specific Plan amendments and the Planned Development provisions that are related to design to the Design Commission on July 14 and 28, 2003.

Concerning the Montana II, the Design Commission recommended that the height be limited to 62 feet, that lot coverage be limited to 50 percent, that 50 percent of the structure be not more than three stories in height, and that the remaining 50 percent of the structure not exceed five stories. In addition, the commission recommended that the design of the building follow the Programming Effort Report guidelines.

For the Montana I, the Design Commission also recommended that the building be required to step back on a third side, in addition to the frontages on Colorado and Euclid, above 75 feet, that no additional height be permitted on the existing parking structure for screening of vehicles, and that the mass of the building is too bulky and should follow the previously adopted design guidelines of the draft Central District Specific Plan.

CITY CENTER IMPLEMENTATION TASK FORCE RECOMMENDATION

On April 8, 2003, the City Center Implementation Task Force reviewed the project (an earlier submittal without subsequent revisions submitted by the applicant) and adopted two motions:

1. The Montana I does not substantially comply with the Gray Book (i.e., Programming Effort Report), however, mitigations could be added that would create support for the project such as the inclusion of a permanent height covenant on the parking parcel, and the expansion of retail uses on Colorado Boulevard to wrap around the corner onto Euclid Avenue.
2. That the Montana II be determined to be in substantial compliance with the Gray Book with the following exceptions: exceed[ing] the allowed height, lack of relationship to the Maryland, and exceeding the massing diagram of the Gray Book.

EXECUTIVE SUMMARY

The Montana I and II development project consists of two buildings. The Montana I, located on the southeast corner of the block immediately south of City Hall, is 36 units with ground-floor retail, resident activity areas, and parking. The

Montana II is located on the northwest corner of the block that also includes Western Asset Plaza. The Montana II has 25 units, with ground floor commercial and resident activity areas and parking.

The residential units, with ground floor retail and commercial uses, are appropriate for the district. The residential densities of the Montana I and II are 36 and 25 units per acre respectively, significantly below the 87 units per acre permitted on the parcels.

Three aspects of the development proposal especially concerned the Design Commission and Planning Commission and are recognized in this staff recommendation for a Planned Development with amendments to the Civic Center Specific Plan. They are: heights of the two buildings, building floor area, and massing of the structures.

For the Montana I, the Design Commission, the Planning Commission, and the staff recommendation are similar in requiring a significant stepback on three sides of the building above 75 feet, to reduce both the height and the mass of the structure. Concerning the floor area, the Planning Commission recommended that it be reduced by approximately 45 percent to a parcel FAR of 3.0. The staff recommendation for the Planned Development does not require that reduction. Both the Design Commission and the Planning Commission were concerned about the massing, the "bulkiness," of the proposed building. In the Planned Development, staff recommends requiring a significant modulation of the frontages on Colorado Boulevard and Euclid Avenue, with the project subject to design review under the City's design guidelines for the site.

For the Montana II, staff recommends a height limit of 66 feet, a reduction of the project from the six stories proposed (75 feet) to five stories. The Planning Commission recommended a height of 66 feet but also suggested that the building step down. The Design Commission recommended that the overall footprint of the building be reduced to 50 percent lot coverage, and that half the structure be limited to three stories, with a height of five stories (not more than 62 feet) for the remainder of the structure. The Planning Commission recommended that the floor area be limited to a parcel FAR of 3.0. With the reduction of one story in the PD as recommended by staff, the floor area would be comparable to that recommended by the Commission. Finally, both the Design Commission and the Planning Commission were concerned about the massing of the Montana II. The staff recommendation includes a requirement for significant modulation of the Union Street frontage. The Planning Commission said that the massing should either approximate that of the Maryland apartments or be a "wedding cake" comparable to the massing of Western Asset Plaza. The Design Commission said both that the height on fifty percent of the structure should be limited to three stories, as described above, and also that the building should follow the Programming Effort Report guidelines, i.e., be comparable to the massing of the Maryland.

BACKGROUND

The Montana I and II is a mixed-use residential development project of sixty-one units, in two phases, that is proposed for portions of the Civic Center Specific Plan area known as the "Mutual Savings Block" and the "Broadway Block" (Attachment A, Civic Center Planning Area). The Montana I is proposed at the southeast corner of the block that is immediately south of City Hall, the "Mutual Savings Block" (E6 on Attachment A). The Montana II is proposed at the northwest corner of the block that also includes Western Asset Plaza, the "Broadway Block" (E5 on Attachment A).

The City Council received information on the Predevelopment Plan Review (PPR) for the Montana I and II on April 1, 2002. As described for the PPR, the Montana I was a nine-story, 120-foot mixed-use structure with 32 condominium units. The Montana II was a seven-story, 24-unit mixed-use structure. After several discussions with City staff, the applicants submitted a development application for a project of smaller scale. The Montana I was reduced to seven stories; the Montana II was reduced to six stories. The development project application has continued to be revised during the review process.

The Montana I, as revised and currently proposed by the applicant, is a mixed-use residential and retail development of 36 units, resident activity areas, and approximately 7,400 square feet of retail. Retail uses extend along the Colorado frontage to Euclid Avenue. The height is 88 feet, stepping back a distance of 2 or 3 feet around the perimeter of the structure at a height of 75 feet and also recessed a distance of slightly more than 10 feet at the second through seventh stories in the central area of the north and south elevations, with a recess of five feet at the ground level.

The Montana II is a mixed-use residential and retail development of 25 units, resident activity areas, and approximately 2,600 square feet of commercial at the corner of Euclid Avenue and Union Street. The proposed height is 75 feet.

Staff recommends amendments (Attachment D) to the Civic Center Specific Plan and a Planned Development (Attachment E). The Planned Development site also includes the existing office building and parking structure on the Mutual Savings Block.

The proposed amendments and Planned Development do not accommodate the project as currently proposed. First, as proposed by the applicants the top story of the Montana I steps back three feet on the north and south elevations and two feet on the east and west elevations, and the structure is recessed slightly more than ten feet above the ground floor in the central areas of the north and south elevations, as a result of earlier revisions. The Specific Plan amendments and Planned Development standards recommended in this report require that the top

story step back eight feet from both the Colorado and Euclid property lines and also on the north elevation, though no setback is required on the west elevation, away from the street. This provision, which will result in a loss of floor area on the top story is intended to reduce the visual impact of height above 75 feet. By limiting parking to those spaces serving the retail uses and by restricting the number of drive entrances to one, the PD will alter significantly the proposed ground floor plan.

Second, the recommendation does not accommodate the six-story Montana II structure, as currently proposed. The Planned Development reduces the height limit from the proposed 75 feet to 66 feet, thus reducing the structure to five stories. In addition, the overall Planned Development FAR limit of 3.3 effectively reduces the Montana II floor area in accord with the reduction in building height. The requirement for a significant modulation of the Union Street frontage modifies the proposed floor plans and may reduce floor area. The limitations on ground floor parking and drive entrances restrict use of the ground floor.

The staff recommendation responds to several recommendations and comments of the Design Commission and the Planning Commission, but it does not incorporate them completely. The relationship between the staff recommendation and comments provided by the Planning Commission is discussed in the Analysis.

Design review of the project will take place as a separate approval following action by the City Council on the Planned Development and the Specific Plan amendments.

Civic Center Specific Plan Amendments

Amendments to the Civic Center Specific Plan are proposed in this report. They affect the provisions for the Mutual Savings Block and the Broadway Block. The amendments, shown as they amend the existing text, are attached (Attachment D). For the Montana I block, i.e., the "Mutual Savings Block," the amendments increase the width of the pedestrian walk on the east side of the office building to 28 feet, reduce the total height of the building to 88 feet, while relaxing limits over portions of the site, reduce the area required for a courtyard at the center of the block, and make additional changes shown in Attachment D.

For the Montana II, amendments reduce the permitted height to 66 feet, eliminate requirements related to diagonal view corridor that was previously eliminated on the remainder of the block, the Western Asset Plaza site, modify setback requirements, and make additional changes shown in Attachment D.

Planned Development

Staff recommends a Planned Development to establish the zoning regulations and standards for the whole of the Mutual Savings Block and for the parcel at the northwest corner of the Broadway Block. At present, regulations and standards are set by the Zoning Code provisions for the CD-2 and CD-3 Subdistricts (for the Mutual Savings Block) and CD-16 Subdistrict (for the parcel on the Broadway Block), by the Zoning Code Central District (CD) maps, and by the Civic Center Specific Plan. The Civic Center Specific Plan controls in the instances when the Zoning Code and the Specific Plan conflict. In addition, guidance for development of the site is given in the Civic Center/Mid-town Programming Effort Report, which the City Center Task Force submitted to the City Council in 1998, and by the draft Central District Specific Plan.

A Planned Development (PD) would establish the zoning regulations and development standards for the project site, replacing the existing CD-2, CD-3, and CD-16 Central District Subdistricts. The development standards recommended by staff for this Planned Development do not accommodate either the Montana I or the Montana II as currently proposed by the applicant.

The provisions of the Planned Development are attached (Attachment E). The Planned Development limits total development on the Planned Development site as a whole to 3.3 and the number of residential units to 65. For the Montana I, the PD limits height to 88 feet, while requiring that the building step back 8 feet above the height of 75 feet on three sides. It requires both a pedestrian walkway and a midblock courtyard. The PD limits parking on the ground floor, while requiring significant retail area on the Colorado Boulevard frontage. Other provisions are shown in Attachment E.

For the Montana II, the PD limits height to 66 feet. Building coverage is limited to 63 percent. At least 2,600 square feet of commercial area is required on the ground floor. Parking is limited to those spaces serving commercial uses only.

ANALYSIS

The Civic Center Specific Plan established prescriptive standards for site plan, building form, and certain aspects of design on the sites of the Montana I and II. When the Specific Plan was adopted in 1990, the City expected and encouraged nonresidential development on the sites. The provisions both of the Specific Plan and also of the Zoning Code are intended to regulate and accommodate the development of nonresidential development there.

Among those provisions are height limits of 150 feet, 130 feet, and the height of the Mutual Savings building, with step back requirements, to accommodate office

development. The Specific Plan also includes a site plan illustrating required courtyard areas for the Mutual Savings Block and a requirement for a view corridor between structures that were permitted to be 150 feet in height on the Broadway Block. The Zoning Code also set maximum lot coverage at 50 percent for parcels in the Broadway Block, where the 150-foot height is permitted. Each of these provisions is proposed for replacement by the amendments and the Planned Development.

After the Planning Commission hearing on February 4, 2004, staff modified the proposed Planned Development to respond to several Planning Commission comments. The staff recommendation does not fully address the comments provided by the Planning Commission, however. The Planned Development limits FAR on the PD site as a whole to 3.3, which has the effect of limiting development on the Montana II to an FAR of approximately 3.0. The FAR of the proposed Montana I building would not be reduced by the PD.

The PD limits coverage on the Montana II site to 63 percent, rather than reducing it significantly toward 50 percent.

The Planning Commission recommendation that the Montana I step back eight feet above 75 feet on a third frontage, in addition to the two street frontages previously recommended, is incorporated in the PD.

The PD requirements for modulation on the two street frontages of the Montana I and also on the Union Street frontage of the Montana II recognize the comments about the massing of both the Montana I and II. The PD, however, does not incorporate the Commission's recommendation that the Montana II should be redesigned either to approximate the massing of the Maryland apartments or with "wedding cake" massing comparable to that of the Western Asset Plaza stepbacks.

The amount of ground level parking and parking-related area in both the Montana I and II is reduced under the PD by the requirement that the parking serve only the retail and commercial uses and that there be only one drive entrance in each building.

The courtyard requirement remains as previously recommended, because the 28-foot pedestrian walkway is intended to encourage the flow of pedestrians from the front of the bank building through the site.

In response to the Commission comments about the mix of uses on the ground floor, the PD requires that retail uses have a depth of 30 feet on the Colorado frontage of the Montana I, while also limiting further the parking on the ground floor.

Draft Central District Specific Plan

The City Council conceptually approved a Central District Specific Plan, to establish a project description for preparation of an environmental impact report, on December 8, 2003. The draft Specific Plan includes proposals for height, floor area ratio (FAR), residential density, and setbacks, as well as general provisions. It is important to note, however, that these proposals have not yet been adopted as regulations and standards and are subject to revision and also that the Montana I and II project was submitted prior to staff developing its recommendation on the draft Central District Specific Plan. A comparison of the development project, as proposed, with the Draft Central District Specific Plan is provided in Attachment G.

For the sites of both The Montana I and II, the height limit in the draft Specific Plan is 75 feet. The draft Plan would reduce the currently permitted heights on the Montana I and Montana II parcels by 55 feet and 75 feet respectively. The draft Specific Plan also provides for heights to 90 feet over not more than 30 percent of the footprint if the overall average does not exceed 75 feet, thus limiting the height to less than 75 feet over a portion of the footprint. A height exceeding the 75 feet limit, using 75 feet as the average, would require Design Commission approval. The height of the Montana I (88 feet), as proposed by the applicant, exceeds the 75-foot height limit, while the height of the Montana II (75 feet), again as proposed by the applicant, complies.

The maximum FAR, in the draft Specific Plan, is 3.0 both on the Montana I site and on the Montana II site, though a small northern portion of the block that includes the Montana I site, along Union Street immediately south of the City Hall, has a proposed FAR of 2.25. The Draft Specific Plan provides the option of a ten-percent increase with Planning Commission approval where unique factors are involved. Maximum residential density is 87 units per acre for both sites. The FAR of the project as proposed, with the existing Mutual Savings building and the parking structure (which is not counted as floor area in the FAR), is 3.5. The FARs on the individual parcels are 5.6 and 3.7 for the Montana I and II respectively, as proposed by the applicant. Staff recommends an FAR of 3.3 for total floor area (including existing structures) on the PD site as a whole, which would reduce development project floor area. Both development project phases comply with the permitted residential density of 87 units per acre.

According to the draft Specific Plan, mixed-use structures are to be built to the property line on Colorado and Euclid. On Union Street, mixed-use development is allowed to set back up to five feet. The Montana I complies with the standards, but the Montana II setback on Union exceeds the setback that would be permitted.

In the draft Specific Plan, residential units are not permitted on the ground floor on Colorado Boulevard. The units are on the second to seventh floor of the Montana I, so it complies.

In addition, the draft Specific Plan modifies and incorporates as design recommendations, in Appendix C of the draft Specific Plan, some of the recommendations of the Civic Center/Mid-town Programming Effort Report.

Consistency with the General Plan

The amendments to the Civic Center Specific Plan and the Planned Development are consistent with the City's General Plan and will advance specific objectives and policies.

Land Use Element

Objective 1 – Targeted Development: Direct higher density development away from Pasadena's residential neighborhoods and into targeted areas, creating an exciting urban core with diverse economic, housing, cultural, and entertainment opportunities.

Policy 1.4 – Mixed Use: Authorize and encourage mixed-use development in targeted areas, including in-town housing, live-work spaces and in-town commercial uses.

Policy 15.1 – Sizes and Types (of housing): Provide a range of housing sizes and types for the many sizes and types of families in the community.

Housing Element

Policy 2.1 – Encourage the production of housing appropriate to all economic segments of the population, including lower-, moderate-, and upper-income housing, to maintain a balanced a community.

Policy 2.2 – Direct new development along transit corridors, close to employment and activity centers; and encourage mixed-use developments.

Consistency with the Purposes of the Zoning Code

The proposed Planned Development is consistent with the purposes of the Zoning Code. Among others, a Planned Development has the following purposes:

- Ensure orderly and thorough planning and review procedures that will result in quality urban design;

- Encourage variety and avoid monotony in large developments by allowing greater freedom in selecting the means to provide access, light, open space, and amenity.

Other Issues

Inclusionary Housing—The applicant proposes to comply with the inclusionary housing ordinance by payment of fees in lieu of constructing the units onsite as part of the project.

Employment Opportunities--The developer has volunteered to implement a program to hire local and minority workers for construction of the project.

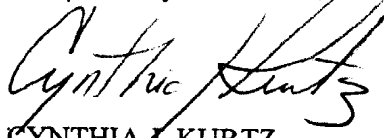
ENVIRONMENTAL

A revised Draft Initial Environmental Study of the Planned Development, amendments to the Civic Center Specific Plan, and the development project as revised currently proposed by the applicant is attached (Attachment H). With mitigation, there are no significant impacts. Mitigation is necessary for land use and planning (1.a., page 7), air quality impact during grading and construction (5.a., page 14), additional traffic on the Euclid Avenue street segment between Colorado Boulevard and Union Street (6.a., page 17), and noise during construction (10.b., page 23). The drive entrances are located on the Euclid Avenue street segment between Colorado Boulevard and Union Street, with 3,750 average daily trips (cumulative base, 2004). With completion of both Montana I and II, the number of daily trips would increase by approximately ten percent, an impact to be mitigated by installation of a closed circuit television connection to the Traffic Management Center to monitor operation and performance. With mitigation, the Traffic Management Center can enhance performance of Euclid Avenue and Colorado Boulevard.

FISCAL IMPACT

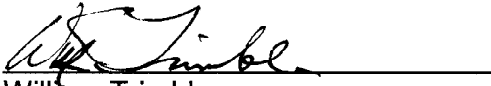
Fees for review and approval applications will cover expenditures for processing, permitting, inspections, and monitoring. Construction tax from the project will be substantial. Development on the two vacant parcels will increase property tax revenue. The applicant anticipates payment of substantial fees in lieu of constructing inclusionary housing units on site.

Respectfully submitted,



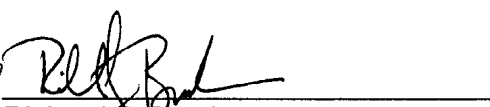
CYNTHIA J. KURTZ
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Planner

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JRP 

Richard J. Bruckner
Director of Planning and Development