

Agenda Report

TO: CITY COUNCIL

DATE: OCTOBER 12, 2009

FROM: CITY MANAGER

SUBJECT: CONDITIONAL USE PERMIT #5317 (INCLUDES ADDITIONAL MINOR CONDITIONAL USE PERMITS), ADJUSTMENT PERMIT #11612, FLOOR AREA INCREASE OF TEN PERCENT, PRIVATE TREE REMOVAL, FINAL ENVIRONMENTAL IMPACT REPORT, AND STATEMENT OF OVERRIDING CONSIDERATIONS FOR IDS PLAYHOUSE COMMERCIAL DEVELOPMENT AT 680 E. COLORADO BOULEVARD

RECOMMENDATION

It is recommended that the City Council at the close of the public hearing take the following actions:

1. Adopt the Resolution Certifying the Final Environmental Impact Report, Adopting Environmental Findings, a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program;
2. Approve the Findings of Fact (Attachment A) with the Conditions of Approval (Attachment B) and the Comprehensive Water Conservation Plan (Attachment C);
3. Approve the Conditional Use Permit for a new non-residential project that exceeds 25,000 square feet (Attachment A);
4. Approve the Minor Conditional Use Permit for a new project that exceeds 15,000 square feet in the Transit-Oriented District (Attachment A);
5. Approve the Minor Conditional Use Permit to establish a commercial parking use (Attachment A);
6. Approve the Adjustment Permit for four deviations from the Zoning Code, including: building height; to exceed FAR in one FAR district; to not construct the building at the property lines on E. Colorado Boulevard and S. El Molino Avenue; and to reduce the required number of loading spaces from five to two (Attachment A);
7. Approve a Floor Area Ratio increase of 10 percent (Attachment A);
8. Approve the Private Tree Removal Application (Attachment A).

REVIEWS BY PLANNING COMMISSION AND DESIGN COMMISSION

On July 13, 2009, the Design Commission conducted advisory review of the project. The Commission concluded by majority vote that the project is generally consistent with the design-related findings, and that the Commission shall have some flexibility in the final review and approval of the project's site plan, building massing and modulation, arrangement of floor plates, in addition to the details that are reviewed in Final Design. The Commission also made some specific recommendations to further modulate and articulate the building.

On July 22, the Planning Commission conducted advisory review of the project that was reviewed by the Design Commission. By unanimous vote, the Commission recommended that the Council disapprove all requested entitlements and not to certify the EIR. The Commission made an additional recommendation (by a 5-3 vote) that if the Council approves any version of the proposed project, that it should be designed to comply with all applicable development standards (e.g., no Adjustments or Variances for height, floor area, etc.), that it does not include an FAR increase, and that the 155 public parking spaces are omitted from the project. Further, the Commission added that if such a project is approved, the EIR should be revised to re-analyze potential traffic and pedestrian safety impacts of the revised project. The majority of the Commissioners asserted that the proposed building is too large and incompatible with other development in the vicinity. Following the meeting, the Commission sent a memorandum to the Council summarizing its action. It is in Attachment L.

EXECUTIVE SUMMARY

The proposal is to construct a five-story office building (75 feet in height) with a subterranean parking garage at the southeast corner of Colorado Boulevard and El Molino Avenue in the Playhouse District. The building would include 159,828 square feet of space with ground floor retail shops and a pedestrian paseo linking the project to the Arcade Lane building to the east. The subterranean garage would have 522 parking spaces, and 155 of these spaces would be available for full-time use by the public.

The project requires several land use entitlements, including an Adjustment Permit for four deviations from the Zoning Code because the site is located in two different Floor Area Ratio districts and three different height districts. The proposal also requests a floor area increase of 10 percent (14,530 square feet) to provide more flexibility in the design and massing of the building and to achieve an economically viable project. The traffic from the project would result in two street segment impacts on El Molino Avenue that cannot be mitigated to a level that is less than significant. Therefore, the project requires a Statement of Overriding Conditions (SOC) for approval. Staff recommends approval of all entitlements and the SOC because the project meets the required findings and complies with many policies and objectives of the Central District Specific Plan and the General Plan.

BACKGROUND

The proposed project has several components:

1. Demolish an existing two-story commercial building and parking lot, and remove 17 trees from the site. One Coral tree is a protected specimen.
2. Construct a new, five-story commercial building of 159,829 square feet (145,422 square feet of office and 14,407 square feet of ground floor retail).
3. Construct a six-level subterranean parking garage with a total of 522 parking spaces. The garage would include 155 spaces for public parking. Garage access is from S. El Molino Avenue.
4. The 155 public parking spaces would be available for public use, including patrons of the local businesses.
5. A plaza (40' x 40') for public use on S. El Molino Avenue.
6. Provide a pedestrian paseo linking the Arcade Lane building and its retail shops to the east with the proposed new retail development and S. El Molino Avenue to the west.

Site Characteristics

The site is 1.36 acres (57,762 square feet). It is located on the southeast corner of E. Colorado Boulevard and S. El Molino Avenue and in the CD-5/AD-2 (Central District, Sub-area 5)/Alcohol Density 2) zoning district. It is developed with a two-story commercial building of 60,000 square feet and a surface parking lot with trees. The building on the site is not identified as historically significant in the Central District Historic Resources Survey of 2003. The site is adjacent to the Playhouse National Register historic district, and is located across the street on from the landmark Pasadena Playhouse on S. El Molino Avenue.

Proposed Building

The proposed office building is five stories with ground floor retail (Attachment I - Plans and Elevations). It is 75 feet in height at the northern portion of the site on E. Colorado Boulevard and steps down to its lowest height of 22 feet in the middle of the block. The building is designed with traditional and contemporary architectural features and a ground floor level that is 17 feet in height. The proposed exterior building materials are precast concrete panels on the walls; large areas of window glazing, and a combination of aluminum and steel for storefronts and details.

The site plan includes an east/west oriented pedestrian paseo in the middle of the site. The covered paseo would connect to the Arcade Lane retail shops through a new opening that would be created in the Arcade Lane building's western wall. The paseo is intended to create a retail node between the new building and Arcade Lane building, and to provide elevator access to the subterranean parking garage. The project also proposes a 40-foot by 40-foot plaza on S. El Molino Avenue. It would be landscaped and available for public use and pedestrian access to the new retail shops. Vehicles would access the six-level subterranean parking garage from a driveway on S. El Molino Ave.

Requested Entitlements and Approval Process

The project requires several land use entitlements. The staff's recommended findings for approval are in Attachment A. Because the project requests an Adjustment Permit, all other associated land use entitlements and the Final Environmental Impact Report require approval by the Council. The requested entitlements include:

Adjustment Permit – The Adjustment Permit (AP) may adjust or modify development standards of the Zoning Code. The AP is intended to provide flexibility to improve a project in which unique site conditions exist that can create constraints to development of a new project. For this project, the development site is unique in that it is divided by three different height districts and two different Floor Area Ratio districts. This project requests four deviations from the Zoning Code:

Height – The building would exceed the maximum allowable height in two of the three height districts on the site. Specifically, a portion of the fourth and fifth floors would exceed the 50 foot height limit by 25 feet in the middle portion of the site; and the third floor would exceed the 35 foot height limit by 9 feet in the rear portion of the site. These portions of the building are located near the interior of the building footprint and away from the streets. Pages H.2 through H.5 of the plans illustrate the portions of the building that exceed the height limit.

Floor Area Ratio – The project proposes to place a majority of the building along Colorado Boulevard instead of meeting the individual FAR requirement in each separate FAR district. The northern portion of the site is in the 3.0 FAR district, and the southern portion of the site is in the 2.0 FAR district. The 3.0 FAR district would have 99,144 square feet and the 2.0 FAR district would have 60,635 square feet. The proposed FAR in the 3.0 district would be 3.02, and the proposed FAR in the 2.0 district would be 1.98. Page H.7 of the plans illustrates the two districts and summarizes the floor area calculations.

Building Setbacks – The building proposes to have setbacks range from five to 25 feet along S. El Molino Avenue. The applicant is requesting these setbacks in order to provide publicly accessible outdoor spaces, and to provide a wider sidewalk area to accommodate pedestrians for special events.

Loading - The project proposes a total of two loading spaces instead of the six that are required by the Zoning Code. They would be located on the ground floor that would have vehicular access from a driveway on S. El Molino Ave.

Floor Area Ratio Increase of 10 Percent – The project requests to exceed the maximum allowable building square footage by 10 percent. On the subject site, the maximum allowable floor area is 145,299 square feet. A ten percent increase in floor area is equivalent to 14,530 square feet. In the Central District, the Zoning Code allows for a project to receive an increase in floor area by a maximum of ten percent with specific findings. One finding is that the additional floor area is necessary to achieve an economically feasible development.

Conditional Use Permit – This is required for all new developments of 25,000 square feet or greater.

Minor Conditional Use Permit - To establish a commercial parking use for the 155 public spaces in the subterranean parking garage. The application proposes to distribute these spaces among different parking levels. No public spaces are proposed on the first subterranean level.

Minor Conditional Use Permit (TOD) – For a new Transit Oriented Development (TOD) project. The site is located in a Transit Oriented District and the project is required to encourage transit usage in conjunction with a pedestrian-oriented environment.

Private Tree Removal – To remove one protected specimen *Ethrythrina caffra* (Coral tree). There are a total of 17 trees on the property and the rest of the trees are unprotected and would also be removed. The protected tree is located in the middle of the site where the building and parking garage would be located. Photographs of the tree are shown in Section VI of the application booklet on CD.

ANALYSIS AND STAFF RECOMMENDATION

Staff recommends approval of the project based on its comprehensive plan that combines new commercial development with public amenities. The project is designed to be integrated within the existing development in the Playhouse District by complementing the existing pedestrian and ground floor retail character of the neighborhood. The office use is compatible with other commercial development in the vicinity and is consistent with the standards for Transit Oriented Development. The provision of public parking near the Pasadena Playhouse and other commercial uses enhances the viability of the neighborhood and supports the district. With the recommended conditions concerning design, traffic and transportation, and public infrastructure improvements, the project meets the findings required for approval of all requested entitlements. The staff's detailed analysis is in Attachment E.

The site's unique condition, being located in three different height districts and two different Floor Area Ratio districts, justifies the requested exceptions to the Zoning Code. These conditions create difficulty in designing a large office building that achieves a combination of important elements: efficient floor plates for interior operations and circulation; a visually interesting exterior appearance with varied massing to reduce scale and achieve compatibility; and provide a site plan with adequate ground level open space. The office and retail operations would function sufficiently with the two proposed loading spaces without impacts to adjacent properties or the public.

The Adjustment Permit and the additional ten percent of floor area (14,530 square feet) for the project provide flexibility to achieve a better designed building and site plan. One of the required findings is that the additional floor area is necessary to achieve an economically feasible development. The financial analysis of the project and two alternatives was prepared by Keyser Marston Associates (Attachment H). The analysis concludes that in order to achieve a sufficient rate of return on the project, the project with the ten percent floor area increase and the provision of the proposed 155 public parking spaces is the most economically feasible alternative.

The project complies with many of the policies and objectives of the Central District Specific Plan and the General Plan (Attachment F), including:

Design

The proposed building includes setbacks from the street, step-backs on the upper floors, and ground floor open spaces that achieve a more modulated building with greater physical separation from the Playhouse. The pedestrian paseo, public plaza, and storefront retail development integrate the project with the commercial streetscape and strengthen pedestrian connections within the district.

An alternative design could strictly conform to the standard height and floor area regulations of the Zoning Code and still include the majority of the proposed square footage. However, the building would have large, simple massing and long, unbroken facades (Attachment J).

The five-story height and varied massing of the building are compatible with existing development in the vicinity, which is developed with a mix of land uses as envisioned by the Specific Plan. The neighborhood includes buildings of different heights, ages, and architectural character. Notable tall buildings in the vicinity are Trio Apartments (five stories), Archstone apartments (five stories), historic Lloyd's Bank building (eight stories), and the tower of the historic Pasadena Playhouse (80 feet). A perspective aerial view of the proposed project and surrounding development in the Central District is in Attachment K.

Targeted development of an underutilized property

The Central District Specific Plan's sub-district concept for the Playhouse District encourages infill development that will make the district's streets more appealing and close gaps in the street wall. The Plan states that the existing lack of continuity in parts of the district should be remedied through more intense, mixed use development, and orientation to the street is critical. The Plan specifically recommended that the subject site is developed with mixed-use development (which may include ground floor retail with upper floor office space) to replace the existing one-story building. The proposed project is consistent with this concept.

Public parking

The proposed 155 parking spaces for public use would address the high demand for daytime public parking in the Playhouse District. This demand was documented in parking study in 2005 that was adopted by the City Council. The Study concluded that a shortage of 300 daytime parking spaces exists in the district. The subject site was identified as a potential location for additional public parking as part of private/public venture. The site currently has 45 parking spaces which are used by the public in the evenings. This parking would be replaced by the new project.

Transit Oriented Development (TOD)

The development standards of the TOD provide for a mixture of land uses in close proximity to light rail stations, and encourage transit usage in conjunction with a safe and pleasant pedestrian-oriented environment. The proposed office development (with ground floor retail) is located within walking distance of the Lake Avenue Gold Line station and provides an opportunity for a substantial number of employees to use public transit for commuting.

Economic development

The proposed office development will create approximately 765 jobs. The employees in the development will use the services (retail, restaurant, etc.) in the vicinity and strengthen the business activity in the district. The retail uses will draw additional customers to the Playhouse District and enhance and reinforce the pedestrian retail character of Colorado Boulevard and El Molino Avenue.

Final Environmental Impact Report and Statement of Overriding Considerations

The Final Environmental Impact Report identifies two street segment impacts on the two blocks of El Molino Avenue on the immediate north and south sides of Colorado Boulevard. These impacts cannot be mitigated to a level of less than significant, and therefore a Statement of Overriding Considerations (SOC) is required for approval of the project. It should be noted that any proposed office development on the subject site exceeding 32,000 square feet would result in the same unavoidable and significant street segment impacts as the proposed project. A summary of the EIR is in Attachment G.

The recommended Statement of Overriding Considerations cites public benefits of the project, including economic development, job creation, and the provision of public parking. All other potential environmental impacts would be mitigated to less than significant with the approval of the recommended Mitigation Monitoring Reporting Program. The EIR sets forth an as up-to-date as possible picture of the ever-changing water shortage situation as of the publication date of the Final EIR. However, even after circulation of the Draft EIR and publication of the Final EIR, the City continues to take action to address the shortage at the local level as changing circumstances dictate. A summary of the most up-to-date water supply policies is provided as Attachment C to this staff report.

FISCAL IMPACT

The cost of the project reviews and permits will be paid to the City by the applicant. The project will generate income to the City.

CONCLUSION


Staff recommends approval of all entitlements with recommended conditions, the EIR, and the Statement of Overriding considerations. The project has provides contextual design, enhancement of pedestrian activities, public parking, and economic development. The design will continue to be developed and refined in the design review process.

Respectfully submitted



Michael J. Beck
City Manager

Approved by:



Richard J. Bruckner
Director of Planning and Development

Prepared by:



John Steinmeyer
Senior Planner

Attachments:

- A. Findings of Fact
- B. Conditions of Approval
- C. Comprehensive Water Conservation Plan
- D. Zoning Analysis of Applicable Development Standards
- E. Analysis of Requested Entitlements
- F. Compliance of the Project with the General Plan and the Central District Specific Plan
- G. Summary of Final Environmental Impact Report
- H. Financial Analysis for Floor Area Ratio Increase of Ten Percent
- I. Plans and Elevations
- J. Alternative Building Design that Conforms to Existing Zoning Envelope
- K. Aerial Perspective of Project and Vicinity
- L. July 23, 3009 Planning Commission Memorandum to City Council