



April 27, 2015

TO: Honorable Mayor and City Council
FROM: Planning & Community Development Department
**SUBJECT: PLANNED DEVELOPMENT 34 – 100 W. WALNUT PLANNED DEVELOPMENT (“LINCOLN/PARSONS”)
*CONTINUED FROM THE MARCH 30, 2015 MEETING***

RECOMMENDATION:

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

1. Adopt a Resolution certifying the Final Environmental Impact Report (SCH # 2013071018) adopting findings, and adopting the Mitigation Monitoring and Reporting Program; and
2. Adopt a Resolution adopting a Statement of Overriding Considerations for the project; and
3. Adopt the Land Use Findings for a Zoning Map Amendment to change the zoning of the site from CD-1 (Central District Specific Plan, Old Pasadena) to Planned Development; and
4. Adopt the Land Use Findings establishing Planned Development 34 – 100 West Walnut Planned Development with the Conditions of Approval in Attachment A; and
5. Adopt the Findings to approve a Development Agreement for the project; and
6. Conduct first reading of an Ordinance for a Zoning Map Amendment to change the zoning of the site from CD-1 (Central District Specific Plan, Old Pasadena) to Planned Development 34 – 100 W. Walnut Planned Development; and
7. Conduct first reading of an Ordinance to approve a Development Agreement for the project; including recommended changes detailed in the body of the report; and
8. Direct the City Clerk to file a Notice of Determination before Friday, May 1, 2015.

COMMISSION REVIEW:

This project has been through an extensive public review process, including two meetings before the Design Commission and four meetings before the Planning Commission, including a study session to discuss the urban design issues. On February 25, 2015 the Planning Commission held a public hearing and recommended to certify the Final Environmental Impact Report, adopt the Findings for the Zoning Map Amendment, adopt the Conditions of Approval for the Planned Development, and approve the Development Agreement for the project located at 100 W. Walnut Street by unanimous (8-0) vote.

EXECUTIVE SUMMARY:

At its meeting of March 30, 2015, the City Council considered this project and, following a staff presentation and public comment and deliberation; identified three outstanding items: 1) zoning parking credits; and 2) labor utilizing local hire and 3) entering into a “Community Benefits Agreement”. The City Council continued the project to April 27, 2015 to allow staff to work with the applicant to address these issues.

DISCUSSION:

A discussion of each of the three outstanding issues is provided below.

Zoning Parking Credits: The City Council expressed concern regarding this section of the proposed Development Agreement because it only required the applicant to, “... work in good faith...” with the City to allow a portion of the extra parking spaces to be utilized for parking credits. Staff has worked with the applicant to modify the language of the Zoning Parking Credit portion of the Development Agreement in Section 10 (g) to require the applicant to provide a stronger commitment to enter into a separate agreement with the City:

Should the City desire to amend the Old Pasadena Parking Credit program to include the subject property and accommodate the project, PPF or its successor or assigns will provide at least 50% of the total number of parking spaces provided above zoning code requirements to be included within the pool of parking credits allocated to the District. PPF shall enter into an agreement to memorialize this commitment. The agreement shall specify the total number of spaces to be provided for zoning credits, the hours of availability of the parking spaces and shall not otherwise restrict PPFs utilization of said parking spaces, provided, however, that such spaces allocated in the District shall not be deducted from the Property's parking count for the purposes of determining compliance with Code parking requirements; and, nothing herein shall require PPF to change its customary parking operations

Local Hire: The Development Agreement presented to the City Council on March 30, 2015 did not include any language requiring that the construction of the project would incorporate any local hiring requirements. In consideration of public comment and the City Council's deliberation regarding the benefits of including a local hire requirement, the applicant is proposing to modify the Development Agreement. The 100 West Walnut project is expected to be a major source of investment, jobs, and opportunity for Pasadena, including the creation of over 4,000 construction-related jobs over six years. To help ensure that these jobs benefit the local community directly, and to create an active pipeline for career-oriented employment opportunities, a new Section 10 (I) is proposed:

Local Hire. PPF agrees to implement a local hire initiative that will give priority hiring consideration to local workers and businesses, with the goal of directing 20% of building construction related jobs and contracting opportunities to Pasadena residents and Pasadena-based businesses.

PPF will also explore opportunities for mentoring and apprenticeships for participants so that the project will serve as a training ground and springboard for future employment and contracting opportunities. The company will do extensive outreach to promote and advertise the local hire program, including participating in job fairs in Pasadena, placing notices in local and online media, and posting information on a dedicated website to encourage potential participants to apply directly and track their applications. In addition, PPF agrees to make a good-faith effort to engage Local Businesses to obtain at least 15% of the building materials required to construct the buildings, provided that these materials are readily available and comparably priced to the same materials available elsewhere.

Community Benefits Agreement: The City Council also discussed the issue of a Community Benefits Agreement (CBA). A CBA is a project-specific agreement between a developer and a broad community coalition that details the project's contributions to the community. CBAs may include many different components, including, but not limited to those associated with labor, the environment and affordable housing issues. In this case, no CBA is proposed, but instead, the applicant has proposed a Development Agreement to memorialize the public benefits associated with the project.

The applicant has explored the issue of unionized labor and wages as part of this project, and set up a meeting to engage in a dialogue with labor representatives. While the applicant has proposed an extensive public benefits package, including a local hire provision, the applicant is not proposing additional changes to the Development Agreement that would include a Project Labor Agreement or other requirement that would dictate wages, the selection of contractors and subcontractors, or other aspects of construction.

SUMMARY OF DEVELOPMENT AGREEMENT BENEFITS

As indicated in the table below, the proposed development agreement includes many public benefits including those changes outlined in this report.

| | |
|--|--|
| 1. <u>Reimbursement of Costs</u> | The Developer will pay for costs of the additional environmental review up to \$100,000. |
| 2. <u>Development of the Entirety of Phase 1</u> | The Developer will be required develop all of Phase 1 of the project at one time. This will ensure that development of residential, office, retail and restaurant uses along Fair Oaks Avenue occurs together. |
| 3. <u>Construction of Holly Street Extension</u> | In Phase 1, the Developer will extend Holly Street between Fair Oaks and Pasadena Avenue. |
| 4. <u>Leonard Pieroni Drive Beautification</u> | In Phase 1, the Developer will reconfigure Leonard Pieroni Street and construct sidewalks and landscaping in order to create a walkable street that connects to Old Pasadena |
| 5. <u>Fair Oaks/Union Street Improvement</u> | In Phase 1, the Developer will reconfigure the intersection of Fair Oaks Avenue and Union Street to shorten the pedestrian crossing distance along the north side of the intersection. |
| 6. <u>Zoning Parking Credits</u> | Should the City amend the Old Pasadena Parking Credit program to include the project, the developer will provide 50% of the excess parking spaces to be made available to the City and Old Pasadena business and patrons through the parking credit program. |
| 7. <u>Rose Bowl Event Parking</u> | The Developer will allow the site's parking to be used as a shuttle location for Rose Bowl events. The Developer will provide at least 2,500 parking spaces during Phase 1 construction and at least 3,000 parking spaces at all other times for Rose Bowl Events. When the project has been fully constructed, 3,700 spaces will be made available on weekends and national holidays, including New Year's Day. The Developer will provide this parking through the remaining 28 years of the UCLA lease to play football at the Rose Bowl. |
| 8. <u>Public Open Space Easement</u> | The Developer will provide Holly Plaza as public open space. |
| 9. <u>Public Art and Holly Street Monument</u> | The Developer will use \$500,000 beyond the minimum requirement for on-site art. The art may include a monument where Holly Street ends. |
| 10. <u>Preservation of Public Art On-site</u> | The existing sculptures designed by George Rickey on the project site shall be retained. If the sculptures are relocated, the City of Pasadena's Arts and Culture Commission will approve of the new location. |
| 11. <u>Local Hire</u> | The developer will commit to the goal of hiring 20% of construction employees, 20% of contractors and sourcing 15% of construction materials from within the City of Pasadena as a part of a multi-faceted program to engage the local labor community in the construction process. |

Staff has worked with the applicant to address the concerns raised by the Council at the March 30, 2015 City Council meeting and supports the overall project and the changes to the Development Agreement. With the proposed modifications to the Development Agreement, staff recommends that the City Council certify the FEIR, adopt of the MMRP and a statement of overriding considerations, and adopt the approval of the Zone Change, Planned Development, and Development Agreement, based on the findings in Attachment A, and, as to the Planned Development, subject to the conditions of approval in Attachment B.

COUNCIL POLICY CONSIDERATION:

The project supports several city goals by targeting growth in the urban core, providing workplace office space to promote a diverse economic base, and providing housing opportunities. The project supports the following General Plan goals:

In addition, the project is consistent with the goals of the General Plan by furthering the following Objectives and Policies: Objective 1 Targeted Development (Policy 1.3 Transit-Oriented and Pedestrian-Oriented Development and Policy 1.4 - Mixed-use); Objective 2 Open Space (Policy 2.3 Urban Open Spaces); Objective 3 Affordable Housing; Objective 5 Character and Scale of Pasadena (Policy 5.7 Enhanced Environment and Policy 5.10 Spatial Attributes); Objective 10 Diverse Economy (Policy 10.2 Transit Oriented Development, Policy 10.3 Business Expansion and Growth, Policy 10.6 New Business, Policy 10.9 Healthy Business Community, and Policy 10.10 Regional Center); Objective 11 Job Opportunities (Policy 11.2 Employment Diversity and Policy 11.7 Increase Jobs); Objective 12 Fiscal Health (Policy 12.1 Retail); Objective 20 Land Use/Transportation Relationship (Policy 20.3 Bicycles/Pedestrians); and Objective 22 Transit/Pedestrian Coordination (Policy 22.1 – Urban Design).

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.

Respectfully submitted,



VINCENT P. BERTONI, AICP
Director of Planning & Community
Development

Prepared by:



David Sanchez
Planner

Concurred by:



David Reyes
Deputy Director of Planning &
Community Development

Approved by:



MICHAEL J. BECK
City Manager

Attachments: (1)

Attachment A – Revised Conditions of Approval