



Agenda Report

March 30, 2015

TO: Honorable Mayor and City Council

FROM: Planning & Community Development Department

SUBJECT: PLANNED DEVELOPMENT 34 – 100 W. WALNUT PLANNED DEVELOPMENT (“LINCOLN/PARSONS”)

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 (Attachment A) 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 (Attachment A) establishing Planned Development 34 – 100 West Walnut Planned Development with the Conditions of Approval in Attachment B; and
5. Adopt the Findings (Attachment A) 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; and
8. Direct the City Clerk to file a Notice of Determination before Friday, April 3, 2015.

PLANNING COMMISSION RECOMMENDATION:

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.

The Planning Commission conducted public hearings on January 14, 2015 and February 25, 2015. At the January 14, 2015 Planning Commission Meeting, the Planning Commission received a staff report, opened the public hearing, discussed the project and continued the public hearing to its next meeting. Specifically, the Commission received information and discussed the Final EIR and proposed Mitigation Monitoring and Reporting Program, the proposed Zone Change from CD-1 to PD 34, the Planned Development and proposed findings and conditions of approval. In addition, the Commission received two letters regarding the project, one from the Applicant, and one from the Downtown Pasadena Neighborhood Association. At the conclusion of the meeting, the Commission directed staff to review and analyze the letters and continued the public hearing pending completion of the proposed Development Agreement.

At the February 25, 2015 Planning Commission Meeting, the Planning Commission received a staff report, and discussed the project further, focusing the discussion on the proposed Development Agreement and deal points. The motion to approve included four modifications to the project and the Development Agreement:

- 1) elimination of condition of approval #68 at the request of the Department of Transportation,
- 2) elimination of Section 10.I. of the development agreement committing the applicant to satisfy the City's Inclusionary Housing requirement through payment of the in-lieu fee,
- 3) specifying the length of the Development Agreement as a 15 year term with a 5 year option that is contingent upon the commencement of Phase 1 of the project, and
- 4) a clean-up of conflicting language regarding the Rose Bowl Event parking obligations.

EXECUTIVE SUMMARY:

The applicant, PPF OFF 100 West Walnut, LP, proposes to convert the 22.67-acre project site from a single-function office complex with over 900,000 square feet of commercial office space, which features the 12-story Parsons Corporation tower, to a mixed-use office campus and residential community. The project site is bounded by Fair Oaks Avenue on the east, Union Street on the south, Pasadena Avenue on the west and Walnut Street on the north. Holly Street divides the project site into two areas (North Development Area and South Area). The proposed project includes adding the

following uses and buildings to the North Development Area of the site: 1) approximately 612,500 square feet of office uses, of which up to 22,500 square feet could be used for ancillary retail uses; 2) approximately 15,000 square feet of retail uses along the Fair Oaks Avenue frontage; 3) approximately 2,500 square feet of restaurant uses; and 4) 475 residential units. No modifications are proposed for the existing Parsons Corporation towers, or the existing buildings located south of Holly Street (South Area). Parking for the proposed project would be provided via a three-level subterranean parking structure providing a total of approximately 3,322 parking spaces.

The following approvals/clearances are required for the project:

- 1) CEQA Clearance: Certification of the Final Environmental Impact Report, adoption of a Mitigation Monitoring and Reporting Program, and adoption of a Statement of Overriding Considerations;
- 2) Zone Change: To change the zoning designation of the project site from CD-1 (Central District Specific Plan, Old Pasadena) to Planned Development (PD);
- 3) Planned Development: To create a new Planned Development including a PD Plan (PD 34 – 100 W. Walnut Planned Development) for the mixed-use project;
- 4) Development Agreement: A Development Agreement between the City of Pasadena and PPF OFF 100 West Walnut, LP for PD 34 – 100 W. Walnut Planned Development; and
- 5) Design Review: A Commission-level Design Review Permit.

The City of Pasadena has completed the Final Environmental Impact Report (FEIR) for the proposed project. The FEIR analyzed the following environmental topics: 1) land use; 2) transportation; 3) parking; 4) aesthetics, visual character, and views; 5) light, glare, and shading; 6) historic resources; 7) archaeological and paleontological resources; 8) air quality; 9) greenhouse gas emissions; 10) noise and vibration; 11) hydrology; 12) hazardous materials; 13) police protection; 14) fire protection; 15) schools; 16) parks and recreation; 17) libraries; 18) water supply; 19) sewer; 20) solid waste; and 21) energy. The FEIR identified potentially significant effects related to the following topics: 1) transportation; 2) archaeological and paleontological resources; 3) air quality; 4) noise (cumulative only); 5) hazardous materials; 6) police protection; 7) fire protection; and 8) energy. With the incorporation of mitigation measures in the Mitigation Monitoring and Reporting Program (MMRP), the FEIR determined that all potentially significant effects would be reduced to a less than significant level except for 1) transportation; 2) air quality; and 3) noise impacts, which would be significant and unavoidable environmental effects of the project.

The Planning Commission has found that the Environmental Impact Report adequately analyzed the potential environmental impacts of the project and that the findings to approve the Zone Change, Planned Development, and Development Agreement can be made. 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.

BACKGROUND:

The 22.67-acre project site is bound by Fair Oaks Avenue on the east, Union Street on the south, Pasadena Avenue on the west and Walnut Street on the north. Holly Street divides the project site into two areas (North Development Area and South Area). The project site is located within the CD-1 (Central District Specific Plan, Old Pasadena) zoning district, which is intended to maintain and reinforce the historic character of the area, and to support its long-term viability as a regional retail and entertainment attraction through the development of complementary uses, including medium to high-density housing near light rail stations.

The project site is currently developed with office buildings that total 929,585 square feet of floor area, including the 12-story Parsons tower constructed in 1974 and three 4 story wings that connect to the 12-story tower (193 feet in height), as well as surface parking lots. Existing onsite development is concentrated on the northern side of Holly Street, in the center of the North Development Area and is surrounded by large areas of surface parking providing a total of 1,361 parking spaces. The portion of the project site located south of Holly Street (75 N. Fair Oaks Avenue) is currently developed with two 8-story buildings (116 feet in height), constructed in 1977 and 1981 with each building supported by an above-grade parking structure. The existing buildings in the North Development Area are occupied by Parsons Corporation, a multi-service engineering and consulting company, whereas the existing buildings to the south of Holly Street are occupied primarily by office and related uses, including a small credit union. The proposed project would be developed on the existing surface parking lots within the North Development Area. Under the proposed project all existing onsite uses would remain and no project development is proposed south of Holly Street.

The project site is located within the Central District of Pasadena, which is an area developed with mostly commercial uses. Adjacent uses include the proposed Marriott Residence Inn project, an existing restaurant and two story office building located to the north; a gas station, the Marriott Courtyard Hotel, and retail uses to the east; retail and restaurants uses to the south; and the 710 Freeway right-of-way to the west, across Pasadena Avenue. The Memorial Park Gold Line Light Rail Station is located approximately 0.25 mile to the east of the project site.



Figure 1 – Project Site

Adjacent Uses:

North – Commercial
South – Commercial
East – Commercial
West – 710 Freeway Public Right-of-Way

Adjacent Zoning:

North – CD-1 (Central District Specific Plan, Old Pasadena)
South – CD-1 (Central District Specific Plan, Old Pasadena)
East – CD-1 (Central District Specific Plan, Old Pasadena)
West – PS (Public and Semi-Public)

Original Project vs. Proposed Project:

The project description included in the Draft EIR consisted of the following uses: 620,000 square feet of office uses (including 30,000 square feet of ancillary retail uses); 10,000 square feet of restaurant uses; and 475 residential units, including 12 work/live units along a portion of the Fair Oaks Avenue frontage.

In response to the comments received on the DEIR, the applicant has refined the project to provide for a more pedestrian-oriented development by removing the work/live

units originally proposed on the ground floor of Fair Oaks Avenue in Area A and adding ground floor retail use along the Fair Oaks Avenue frontage. This would be achieved by relocating 7,500 square feet of retail uses from Phase 2 Area C to Phase 1 Area A. Additional project refinements include:

- 1) Replacing the 12 work/live units with standard residential units;
- 2) Providing 15,000 square feet of retail in Phase 1 Area A along the Fair Oaks Avenue frontage;
- 3) Reducing the restaurant square footage in Phase 1 Area B from 10,000 square feet to 2,500 square feet; and
- 4) Reducing the office square footage in Phase 2 Area C from 410,000 square feet including up to 30,000 square feet of ancillary retail to 402,500 square feet of office including up to 22,500 square feet of ancillary retail.

The overall square footage of the project would not change. The table below outlines the revisions to development phasing and the uses to be provided in each phase and development area. The "Proposed Project" is the project recommended for Council consideration and action.

Draft EIR	Proposed Project
Phase 1 – Area A	Phase 1 – Area A
<ul style="list-style-type: none"> 475 residential units with 12 work/live units on ground floor (Fair Oaks Avenue) totaling 561,000 SF 	<ul style="list-style-type: none"> 475 residential units totaling 561,000 SF No work/live units 15,000 SF retail, ground floor along Fair Oaks Avenue
Phase 1 – Area B	Phase 1 – Area B
<ul style="list-style-type: none"> 210,000 SF office 10,000 SF restaurant 	<ul style="list-style-type: none"> 210,000 SF office 2,500 SF restaurant
Phase 2 – Area C	Phase 2 – Area C
<ul style="list-style-type: none"> 410,000 SF office, including up to 30,000 SF ancillary retail 	<ul style="list-style-type: none"> 402,500 SF office, including up to 22,500 SF ancillary retail
Total square footage: 1,191,000 SF	Total square footage: 1,191,000 SF

Urban Design/Project Revisions:

The revised design has improved the project's pedestrian connectivity and response to the surrounding context, particularly its adjacency to Old Pasadena. The previous design consisted of large, relatively unbroken buildings that did not adequately respond to the sizes and modulation of surrounding buildings; included setbacks from the street edge that weakened the pedestrian environment; and proposed work/live units along Fair Oaks Avenue that did not strongly relate to surrounding land uses. The building volumes have been redesigned to have a greater level of modulation and separation which improves their consistency with the smaller-scaled existing buildings to the east and south, beyond the campus itself. A stronger street-wall is proposed, which, in addition to complying with the zero setback required in the Zoning Code, further defines the public realm and creates opportunities to enhance the pedestrian environment. The previously proposed work/live units along Fair Oaks Avenue are now proposed to be

retail uses, which will further improve the pedestrian environment by creating a rhythm of shop windows and entrances along the street in addition to drawing pedestrian traffic to the site from Old Pasadena, allowing for a more seamless integration of the new project into the surrounding context.

These improvements are both responsive to Design Commission concerns that were expressed at the February 2014 Preliminary Consultation for the project and to design guidelines in the Central District Specific Plan related to the urban design character of new buildings. Specifically, the Building Design series of guidelines encourage new projects to “respect surrounding character,” “mitigate massing and bulk,” “activate the street edge,” and “emphasize human-scale design.” The revised project creates greater opportunities to successfully address these guidelines and ensure that the project positively contributes to the surrounding environment.

When this application was submitted to the City, staff recognized that the previous development of this property effectively impaired pedestrian mobility to and from Old Pasadena and the project site and that this project represented an opportunity to help repair and restore an important component of the City’s urban fabric. Staff from the Departments of Transportation, Public Works and Planning and Community Development analyzed various concepts to achieve an improved pedestrian environment in the project vicinity with the overarching goal of fostering improved pedestrian mobility between Old Pasadena, the subject property and north, across Walnut Street.

Staff studied both a complete streets approach and a road diet. The National Complete Streets Coalition states that “complete streets” are streets that are: “. . . *designed and operated to enable safe access for all users. Pedestrians, bicyclists, motorists and bus riders of all ages and abilities are able to safely move along and across a complete street.*” In essence, complete streets further advance a multi-modal approach to transportation analysis to consider means other than solely vehicular circulation. A road diet typically involves a lane or road width reduction, and is often one component of a complete streets plan utilized to achieve systemic improvements to increase safety and foster alternative modes of transportation.

Based on an analysis of the project’s proposed site plan, existing pedestrian linkages, traffic and circulation patterns and other pending development projects in the vicinity of the site, the project has been modified and revised to incorporate a combination of complete street and urban design principles to achieve a better project. The key project components of these principles are discussed in more detail below.

Fair Oaks at Union

The project incorporates the complete reconstruction of the intersection of Fair Oaks Avenue and Union Street to shorten the pedestrian crossing distance along the north leg of the intersection by constructing a curb extension at the northwest corner of the intersection. This requirement will narrow this section of street and improve pedestrian

access to and from Old Pasadena along Fair Oaks at Union. In addition, as discussed below, this condition has been augmented as requested by the Commission to include softscape/landscaping features to further enhance the pedestrian environment at this location. This component of the project is memorialized by Condition No. 67 of Attachment B and Section 10.f of the Development Agreement.

Sidewalks

The sidewalk widths adjacent to the project site along the Walnut Street and Fair Oaks Avenue frontages will be widened to a minimum of 15-feet to improve the quality of the pedestrian environment. This component, combined with the above improvements at the Union intersection, will create an appropriate pedestrian connection from Old Pasadena to the project site along Fair Oaks Avenue. This component of the project is required by Condition No. 60 of Attachment B and is required to be identified on all building permits associated with the development of new structures in Phase 1.

Improved Multi-Modal Opportunities

Holly Street: The project will extend Holly Street westerly from Fair Oaks Avenue to Pasadena Avenue. The new on-site segment of Holly Street will include the construction of one vehicular travel lane in each direction and new 10-foot width sidewalks on both sides of the street. In addition the Holly Street improvements will include landscaping, street lights, a bicycle and parking lane. This complete streets approach would serve as a multi-modal corridor connecting Fair Oaks Avenue to Pasadena Avenue and enhance on site connections to Old Pasadena. This aspect of the project is required by Condition No. 66 of Attachment B and Section 10.d of the Development Agreement and would be completed prior to the issuance of the Certificate of Occupancy for Phase 1.

Leonard J. Pieroni Street: The project includes the realignment and reconfiguration of the segment Leonard J. Pieroni Street that intersects with Union Street, and which continues as De Lacey Avenue south of Union Street to create a pedestrian-oriented linkage connecting the project to Old Pasadena. To improve the quality of the proposed pedestrian linkage, the project incorporates streetscape improvements including the construction of new 10 minimum width sidewalks on both sides of the street, enhanced lighting and a landscape parkway between the sidewalk and the roadway to create a safety buffer between vehicles and pedestrians. Improvements to Leonard J. Pieroni Street are required by Condition Nos. 68 and 69 of Attachment B and Section 10.e of the Development Agreement and are to be implemented prior to the completion of Phase 1.

Enhanced Urban Form

As initially conceived, the project including meandering setbacks along Fair Oaks Avenue and ground floor uses consisting of live/work and residential units separated from the sidewalk by fencing. This resulted in an inward-looking project that turned its

back to Fair Oaks Avenue and further deteriorated pedestrian linkages to Old Pasadena. As currently proposed, the project includes buildings located at the sidewalk edge along Fair Oaks Avenue with ground floor commercial/retail uses and outdoor patios which encourage pedestrian activity and, combined with the above physical improvements help to achieve improved pedestrian linkages between Old Pasadena, the project site and north across Walnut Street. The requirements for ground floor commercial uses and a zero-foot setback are incorporated into the proposed PD 34 regulations.

Other Options Considered but Not Implemented

Staff also analyzed the possibility of reducing the number of travel lanes along Fair Oaks Avenue between Walnut Street and Union Street to allow for increased sidewalk widths, a parking lane and a bike lane. However, in order to have maximum effectiveness, such a plan would involve more than just this segment of Fair Oaks and is beyond the scope of improvements reasonably related to this project. In addition, in its evaluation, staff also considered the project's proximity to the freeway, other approved and under construction development projects adjacent to the site on the north side of Walnut Avenue, the decreased vehicular circulation and capacity resulting from narrowing this section of Fair Oaks. As a result these considerations, and in order to achieve an improved pedestrian environment with appropriate linkages to Old Pasadena, the streetscape improvements discussed above have been incorporated into the project in favor of a road diet along Fair Oaks Avenue. However, as proposed and conditioned, the establishment of the project would not preclude future plans or studies to consider and implement a complete streets or road diet plan along this segment of Fair Oaks Avenue, should the City desire to do so.

PROJECT DESCRIPTION:

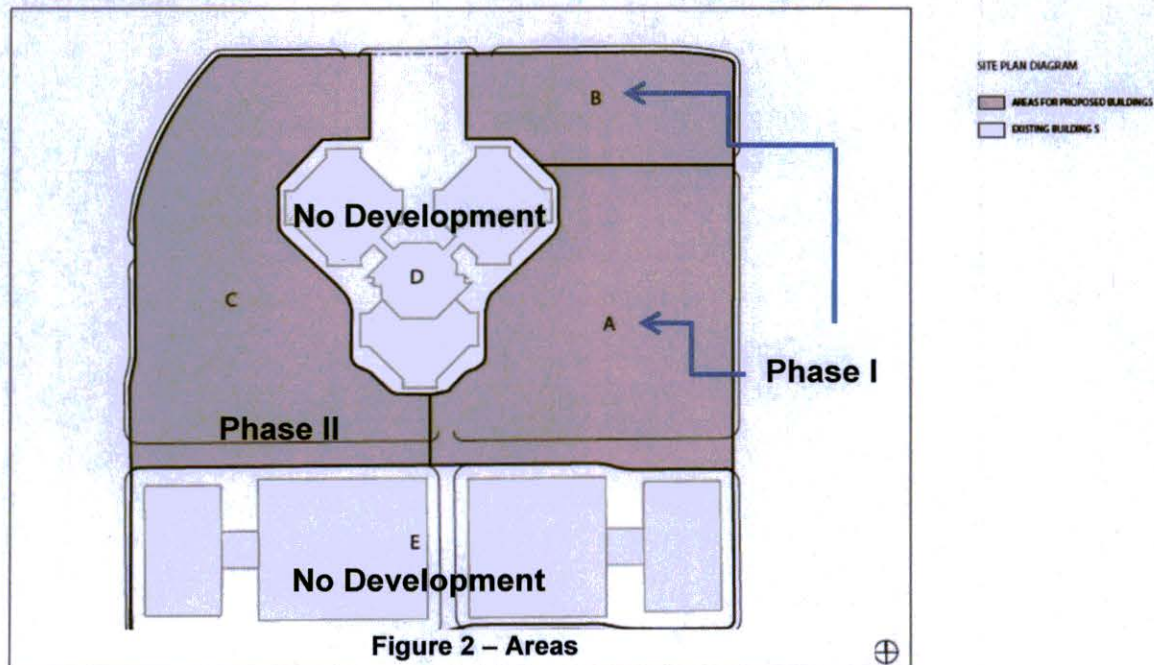
The proposed mixed-use project is located on a 22.67-acre site bounded by Fair Oaks Avenue on the east, Union Street on the south, Pasadena Avenue on the west and Walnut Street on the north. The project site is divided by Holly Street into two areas, with the new development proposed on the surface parking areas located north of Holly Street (the North Development Area). There are no proposed changes to the Parsons Corporation Towers or the existing buildings south of Holly Street located in the South Development Area. The proposed project includes adding the following uses and buildings to the site:

- 612,500 square feet of office uses (including up to 22,500 square feet of ancillary retail uses);
- 15,000 square feet of retail uses along the Fair Oaks Avenue frontage;
- 2,500 square feet of restaurant uses; and
- 475 residential units

Parking for the proposed project would be provided via a three-level subterranean parking structure with 3,322 parking spaces. The project also includes improving and

extending Holly Street as a traffic and pedestrian corridor connecting Fair Oaks Avenue to Pasadena Avenue. Streetscape improvements are also proposed for Holly Street, and Leonard J. Pieroni Street, between Holly Street and Union Street, to facilitate pedestrian travel and provide a better connection between the project site and Old Pasadena. The project also includes a network of interconnected open spaces north of Holly Street. The largest of these spaces is "Holly Plaza," a multi-purpose publicly accessible plaza located at the northwest corner of Holly Street and Leonard J. Pieroni Street.

The 22.67-acre project site would be divided into five different areas, A-E as shown in the map below. The project would be developed in two phases: Phase I includes development of Areas A and B, while Area C would be developed in Phase II; no development is proposed in Areas D and E. Area A would be developed with the 475 residential units and the 15,000 square feet of retail uses along Fair Oaks Avenue, whereas Areas B and C would be developed with commercial uses only. The project's five Areas range in size from 1.86 acres for Area B to 6.62 acres for Area E. Areas A and B (Phase 1 development area) consist of 6.66 acres, whereas Area C (Phase 2 development area) consists of 5.60 acres. As such, development would occur over 12.26 acres, or approximately 54 percent of the 22.67-acre project site.



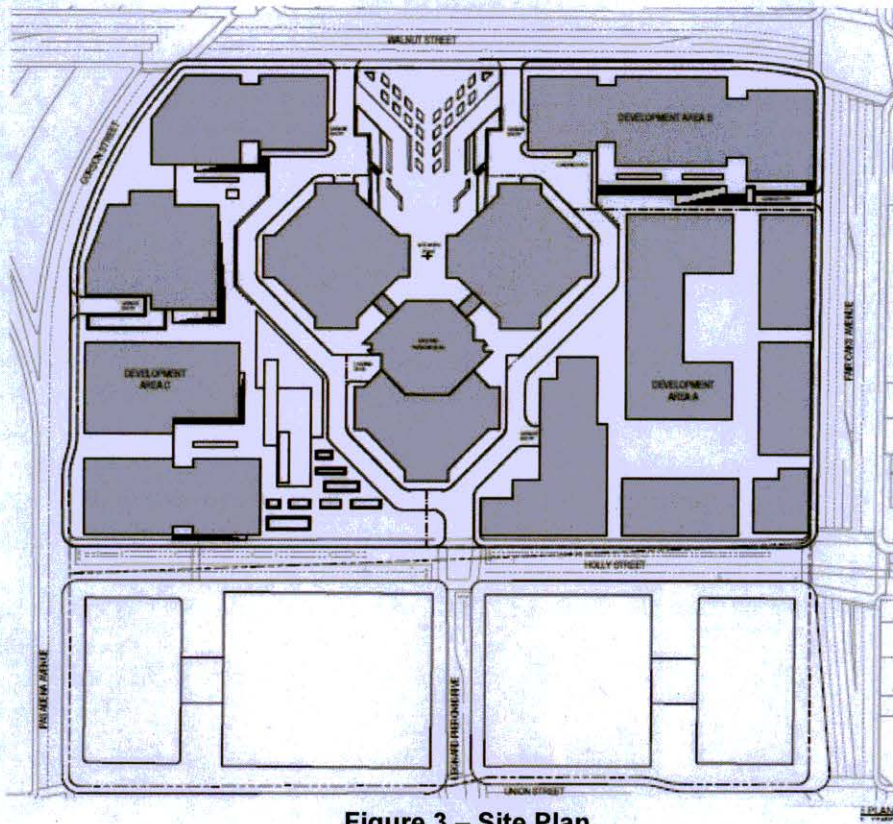


Figure 3 – Site Plan

The development phases are depicted in Table I below. Phase 1 development (east of the existing Parsons Corporation tower) consists of the 475 residential units, the retail along the Fair Oaks Avenue frontage, 210,000 square feet of office uses, and 2,500 square feet of restaurant space. Phase 2 development consists of 402,500 square feet of office uses, of which up to 22,500 square feet could be developed with ancillary retail uses. Phase 1 development is proposed to be completed in 2016, and Phase 2 development (west of the existing Parsons Corporation tower) is proposed to be completed in 2020.

Table I Uses and Areas by Phase	
Phase 1 – Area A	
<ul style="list-style-type: none"> • 475 residential units totaling 561,000 SF • 15,000 SF retail, ground floor along Fair Oaks Avenue 	
Phase 1 – Area B	
<ul style="list-style-type: none"> • 210,000 SF office • 2,500 SF restaurant 	
Phase 2 – Area C	
<ul style="list-style-type: none"> • 402,500 SF office, including up to 22,500 SF ancillary retail 	
Total square footage: 1,191,000 SF	

ANALYSIS:

1. Zone Change: To change the zoning designation of the project site from CD-1 (Central District Specific Plan, Old Pasadena) to Planned Development (PD).

The project site is currently zoned CD-1 Central District Specific Plan, Old Pasadena and is within the Northwest Gateway/Parsons precinct of the Old Pasadena sub-district as shown on the “District-wide Map 10: Precinct Concept” of the Specific Plan. As stated in the Specific Plan, the objective of the Old Pasadena sub-district is to, “...protect the numerous historic resources in the area, and to support the long-term viability of its core as a regional retail and entertainment destination through the development of nearby complementary uses, including urban housing near light rail stations and parks.” The Northwest Gateway/Parsons precinct is identified as a regional employment center in the Central District with an emphasis on office and mixed-use as shown on the “District-wide Map 11: Land Use Character Concept” of the Specific Plan. The District-wide Land Use Concept for the Northwest Gateway/Parsons precinct is to, “...continue to serve as a major employment center, anchored by the Parsons corporate complex; however, the addition of mixed-use and residential development will reinforce the diverse, pedestrian character of Old Pasadena.”

Pursuant to Zoning Code Section 17.26.020.C - Purpose and Applicability of Special Purpose Zoning Districts – Planned Development (PD) District, a PD zoning district is intended for sites where an applicant proposes and the City desires to achieve a particular mix of uses, appearance, land use compatibility, or special sensitivity to neighborhood character. The applicant is requesting a zone change to change the zoning designation of the project site from CD-1 to Planned Development to reinforce the objectives Old Pasadena sub-district and the Northwest Gateway/Parsons precinct by developing the site with a mixed-use project by adding commercial and residential uses to the site. The proposed mixed-use project would add complementary uses such as urban housing to Old Pasadena to support the sub-district’s long term viability. The request for a zone change to Planned Development is the mechanism allowed by the Zoning Code, through the approval of City Council, to create a new Planned Development.

Section 17.74.030 (Initiation of Amendments) of the Zoning Code allows a property owner/authorized agent of the property to initiate a zoning map amendment or zone change for their property. The applicant, PPF OFF 100 West Walnut, LP has initiated a zone change for the project site from CD-1 Central District Specific Plan, Old Pasadena to Planned Development for the creation of a new planned development. Pursuant to Section 17.74.060 – Council Action on Amendment of the Zoning Code, the City shall conduct a public hearing and consider the recommendation of the Planning Commission, hear evidence regarding the amendment and approve, approve in modified form, or disapprove the proposed Zoning Map amendment (Zone Change), based upon the findings contained in Section 17.74.070 (Findings and Decision), below.

1. The proposed amendment is in conformance with the goals, policies, and objectives of the General Plan; and
2. The proposed amendment would not be detrimental to the public interest, health, safety, convenience, or general welfare of the City.

The Planning Commission recommended approval of the Zone Change from CD-1 to Planned Development for the proposed mixed-use project based on the findings in Attachment A as discussed below.

1. *The proposed amendment is in conformance with the goals, policies, and objectives of the General Plan.* The proposed zoning map amendment/zone change of the project site from CD-1 Central District Specific Plan, Old Pasadena to Planned Development (PD) has been determined to be in conformance with the General Plan adopted in 1994 and updated in 2004. The General Plan Land Use Element designates the project site within the Central District Specific Plan, which is intended to include a diverse mix of land uses designed to create the primary business, financial, retailing and government center of the City. The proposed Planned Development would meet these goals by preserving the existing Parson Corporation, a major employment center, while providing additional office space and retail and residential options for Pasadena's growing downtown population, including new shopping and dining options for both local residents and regional visitors. The General Plan limits density to 87 dwelling units per acre and floor area ratio to 2.25 within the Central District Specific Plan. The proposed Planned Development would be well under the allowable density at 29.6 units per acre maximum and will be limited to a floor area ratio of 2.15.

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).

2. *The proposed amendment would not be detrimental to the public interest, health, safety, convenience, or general welfare of the City.* The project site is located within the Northwest Gateway/Parsons Precinct of the Central District

Specific Plan. Section 7 Sub-district Planning Concepts of the Plan describes the project site as being “dominated by the Parsons corporate complex, including its surface parking lots. The suburban, auto-oriented character of the complex stands in stark contrast to nearby development, however, mixed-use infill along the street edge would better integrate this area with its surroundings”. Section 4 District-Wide Land Use Concept of the Plan describes the Northwest Gateway/Parsons Precinct as a key employment center with that contribute to a diversified mix of employment activities. The Plan specifically states that the Precinct, “will continue to serve as a major employment center, anchored by the Parsons corporate complex; however, the addition of mixed-use and residential development will reinforce the diverse, pedestrian character of Old Pasadena”. The Specific Plan proposes that the expansive parking lot of Parsons site should establish a more urban character appropriate to the Sub-district, strengthen connections to adjacent uses, and mark the Northwest gateway to Downtown. The proposed zoning map amendment/zone change of the project site from CD-1 Central District Specific Plan, Old Pasadena to Planned Development would allow the conversion of the surface parking lot into a mixed-use project that would meet the goals of the Specific Plan and therefore would not be detrimental to the public interest, health, safety, convenience, or general welfare of the City.

The proposed zoning map amendment/zone change would be beneficial to the public interest and general welfare of the City as it would allow a Planned Development that would include pedestrian-oriented retail uses along the Fair Oaks Avenue frontage, open spaces and linkages which would provide a connection from the project site to Old Pasadena. The Parsons Corporation towers will remain and continue to serve as a key employment center for the Central District. Furthermore, the addition of 612,500 square feet of office uses will further the objectives of the Northwest Gateway/Parsons Precinct as a regional employment center. The proposed project, including the 475 residential units along with retail and restaurant uses, will support the objectives of the Old Pasadena Sub-district to support the long term viability of its core as a regional retail and entertainment destination through the development of nearby complementary uses, including urban housing near light rail stations and parks.

2. Planned Development: To create a new Planned Development (PD) including a PD Plan (PD 34 – 100 W. Walnut Planned Development) for the mixed-use project.

Pursuant to Section 17.26.020.C - Purpose and Applicability of Special Purpose Zoning Districts – Planned Development (PD) District, the PD zoning district is intended for sites where an applicant proposes and the City desires to achieve a particular mix of uses, appearance, land use compatibility, or special sensitivity to neighborhood character. The specific purposes of the PD district are to:

- a. Establish a procedure for the development of large parcels of land in order to reduce or eliminate the rigidity, delays, and inequities that otherwise would result from application of land use regulations and administrative procedures designed primarily for small parcels;
- b. Ensure orderly and thorough planning and review procedures that will result in quality urban design;
- c. Encourage variety and avoid monotony in large developments by allowing greater freedom in selecting the means to provide access, light, open space, and amenity;
- d. Allow certain types of development consistent with the general plan that can be acceptable at a specific location only under standards significantly more restrictive than those of a base district in which the use is permitted;
- e. Provide a mechanism whereby the city may authorize desirable developments in conformity with the general plan without inviting speculative rezoning applications that if granted, often could deprive subsequent owners of development opportunities that do not necessarily result in construction of the proposed facilities;
- f. Encourage allocation and improvement of common open space in residential areas, and provide for maintenance of the open space at the expense of those who will directly benefit from it;
- g. Encourage the preservation of serviceable existing structures of historic value or artistic merit by providing the opportunity to use them imaginatively for purposes other than that for which they were originally intended; and
- h. Encourage the assembly of properties that might otherwise be developed in unrelated increments to the detriment of surrounding neighborhoods.

The proposed PD zoning district shall be consistent with all land use classifications of the General Plan. The rezoning of a site to the PD district shall require the simultaneous approval of a PD Plan and shall be defined as the ordinance adopting the PD zoning district as well as the accompanying conditions established by the Planning Commission (Zoning Code Section 17.26.020.C.3 - Adoption of a PD zoning district and accompanying PD plan). The PD Plan sets the development standards for the PD and shall comply with the following standards.

1. The density of a residential development under a PD plan shall not exceed the density allowed in the Land Use Element of the General Plan.
2. In the CD district, no PD plan may authorize a greater height than that permitted by Figure 3-8 - Central District Maximum Height.
3. The performance standards of Section 17.40.090 shall apply.

The proposed PD 34 – 100 W. Walnut Planned Development complies with the development standards stated above as discussed in the Development Standards section below.

Pursuant to Zoning Code Section 17.26.020.C.3 - Adoption of a PD zoning district and accompanying PD plan, the Council shall consider the Commission's recommendation to reclassify the subject property to a PD zoning district, which is accompanied by a recommendation on the PD Plan. The findings required for the PD zoning district are the same as the findings for a zone change as stated below.

1. The proposed amendment is in conformance with the goals, policies, and objectives of the General Plan; and
2. The proposed amendment would not be detrimental to the public interest, health, safety, convenience, or general welfare of the City.

The proposed PD Plan is provided herewith.

Development Standards

The following section provides information on the proposed PD and its compliance and deviations from Zoning Code Chapter 17.30 Central District Specific Plan. As shown in Table II below, the proposed project would comply with all development standards of Zoning Code Chapter 17.30 Central District Specific Plan with the exception of 1) setbacks along Walnut Street (10-foot setback in lieu of 5-feet); 2) open space requirements using the Zoning Code's Mixed – Use and Urban Housing standards; and 3) parking (project is over parked to ensure existing and future demand is met).

Table II Development Standards Compliance		
DEVELOPMENT STANDARDS:		CODE COMPLIANT?
Floor Area Ratio (per Figure 3-9 – Central District Maximum Floor Area Ratio):		
Maximum Permitted	Proposed	
2.25 or 2,221,886 square feet	2.15 or 2,120,585 square feet	YES. PD will restrict square footage to 100,000 less FAR
Residential Density (per Figure 3-6 – Central District Maximum Residential Density):		
Maximum Allowed	Proposed	
87 dwelling units/acre or <u>1,396</u> dwelling units	29.6 dwell units/acre or 475 dwelling units (Total parcel area that includes Area A where the dwelling units are located is 16.05 acres. Therefore 16.05 acres / <u>475</u> dwelling units = 29.6 dwelling units per acre).	YES
Lot Coverage:		
Maximum Permitted	Proposed	
No standard	65 percent	N/A
Building Height (per Figure 3-8 – Central District Maximum Height):		
Maximum Permitted	Proposed	
60' or 75' when utilizing height averaging	60' or 75' when utilizing height averaging	YES
Setbacks (per Figure 3-7 – Central District Required Setbacks and Section 17.50.350):		
Required	Proposed	
Along Fair Oaks Ave: 0 build to property line	0 build to property line	YES
Along Walnut St: maximum 5 feet	10 feet	NO. Increased setback

Development Standards:		Code Compliant?
Along Pasadena Ave: minimum 10 feet required	10 feet	YES
Along Holly St: no standard, private street	Area A: 8 feet maximum Area B: 10 feet maximum	N/A
Along Union St: 0 build to property line	No change to existing buildings.	N/A existing
Parking Requirement:		Code Compliant?
Required	Proposed	
612,500 SF office = 1,379 spaces (Phase 1: 473 + Phase 2: 906)	Phase 1 – 1,500 spaces Phase 2 – 1,822 spaces	NO Project provides surplus parking to accommodate existing and anticipated parking demand of surrounding area.
15,000 SF retail = 34 spaces (Phase 1)		
2,500 SF restaurant = 19 spaces (Phase 1)		
Residential units (Phase 1) 475 units = 713 spaces 475 units = 48 guest spaces		
Phase 1 – 1,287 Phase 2 – 906 Required New Construction: 2,193 Existing Required: 2,092 Total Required: 4,285	Total Proposed: 3,322 New Construction + 2,571 Existing Parking (140 North of Holly plus 2,431 South of Holly) Total Provided: 5,893 (1,608 surplus)	

Open Space (per Zoning Code Section 17.50.160 Mixed Use Projects and Section 17.50.350 Urban Housing):		
Required	Proposed	Code Compliant?
<p>Mixed Use:</p> <ul style="list-style-type: none"> Minimum of 150 square feet of community space for each dwelling unit <p>Open space required: 71,250 SF</p> <p>Urban Housing:</p> <ul style="list-style-type: none"> Minimum of 30 percent of the net floor area of a residential structure must be provided as open space. <p>Total open space required: 146,421 SF</p>	<p>Residential:</p> <ul style="list-style-type: none"> Minimum of 200 square feet of usable open space per residential unit = 95,000 SF <p>Primary and secondary open space areas:</p> <ul style="list-style-type: none"> Primary (Holly Plaza at Holly St/L. Pieroni Dr.) - Minimum of 35,000 SF Secondary open space areas - Minimum of 20,000 SF <p>Total open space provided: 150,000 SF (Average of 315 SF per unit).</p>	<ul style="list-style-type: none"> YES in terms of overall minimum square footage provided. NO as Code requires minimum of 30 percent be set aside for residents only. Proposed open space provided for residents and public. NO as Code only allows up to 35 percent of a residential unit's useable open space be provided as a balcony or similar area available to residential occupants. Proposing up to 50 percent.

Residential Density

As shown in Figure 3-6 (Central District Maximum Residential Density) of the Zoning Code, the maximum allowed residential density for this site is 87 dwelling units per acre. The maximum number of dwelling units allowed for the entire 22.67-acre site is 1,972 residential units. However, the residential units are proposed in Area A of the project site which is 16.05 acres. This would allow a maximum density of 1,396 dwelling units. The PD is proposing a maximum of 475 dwelling units which is 29.6 dwelling units per acre and is well below the maximum allowable density. The PD Plan will limit the maximum allowable density at 475 units or 29.6 dwelling units per acre.

The project is subject to the City's Inclusionary Housing Ordinance (Section 17.42 of the Zoning Code) which requires 15 percent of residential units be restricted at affordable rental prices with a minimum of 10 percent of the units be rented to low-income households and five percent of the units be rented to low or moderate-income households. Optionally, a developer may satisfy the Inclusionary Housing Ordinance through payment of an 'in-lieu fee' or by providing "off-site" affordable units. At this time, the applicant has indicated that the Inclusionary Housing Ordinance will be satisfied by paying the in-lieu fee. Pursuant to Section 17.42.050 (Alternatives to Units within Project) of the Zoning Code, one-half of the in-lieu fee must be paid prior to the issuance of a building permit for any part of the residential portion of the project. The remainder must be paid prior to the issuance of a Certificate of Occupancy.

Floor Area Ratio

The maximum allowable Floor Area Ratio (FAR), the ratio of building size (not including parking areas) to size of the site, is 2.25, as shown in Figure 3-9 (Central District Maximum Floor Area Ratio) of the Zoning Code. With a total lot area of 22.67 acres, the total maximum allowable FAR for all buildings on this site is 2,221,886 square feet. Including the existing buildings on the site, the total building square footage will be 2,120,585 square feet, which is a FAR of 2.15 and 100,000 square feet less than allowed. The PD Plan will restrict the project to 2.15 FAR.

Height and Height Averaging

Figure 3-8 (Central District Maximum Height) of the Central District zoning district shows specific allowable heights throughout the Central District. For this site, a maximum height of 60 feet is permitted, although through height averaging (see explanation below), portions of the building may be as tall as 75 feet.

Height is measured from the lowest elevation of the existing grade at an exterior wall of the structure to the highest point (ridge or parapet) of the structure. In addition, rooftop appurtenances on commercial and industrial structures are permitted to exceed the maximum allowable height by up to 15 feet provided the total area of the roof they cover

is not more than 25 percent of the roof area (the Design Commission has the authority to approve a height of exception of 20 feet for rooftop appurtenances).

Height averaging (Zoning Code Section 17.30.050.B) is a discretionary process by which the Design Commission may approve additional height above the maximum allowed. The purpose of height averaging is to provide flexibility in developing a viable project that also protects view corridors, provides visual transitions in height and massing, emphasizes intersections or other prominent locations and contributes to a more visually compelling skyline. The amount of additional height that can be approved through the height averaging process is limited to no more than 30 percent of the building footprint, provided that the average height over the entire footprint does not exceed the maximum building allowable height.

In order to approve height averaging, the Design Commission must make a number of findings. These findings include analyses that the additional height preserves views, provides for a more interesting skyline, will result in a superior design, will not be injurious to adjacent properties or uses, and is consistent with the objectives and policies of the Central District Specific Plan and General Plan. In the event that the Design Commission is unable to make the necessary findings to allow the additional height, the project shall be designed to comply with the 60-foot maximum allowable height.

Setbacks

The Central District zoning district has site-specific setback requirements shown on Figure 3-7 (Central District Required Setbacks) of the Central District Specific Plan section of the Zoning Code. While some of setback requirements vary for a site depending on whether the project is residential or non-residential, Section 17.50.160 (Mixed-Use Projects) of the Zoning Code requires that mixed-use projects such as this be considered as non-residential projects for the purpose of determining the appropriate setback requirement.

For this site, the setback requirement is that non-residential structures shall be constructed at the property line (i.e. zero setback) along Fair Oaks Avenue and Union Street whereas along Walnut Street a building may be set back no more than five feet. The intent of having zero, or a minimal setback, is to engage pedestrians at the sidewalk and avoid the 'unfriendliness' of having unused areas between the sidewalk and a building. Along Pasadena Avenue a minimum ten foot setback is required to provide for a buffer from the freeway right-of-way. There is no setback requirement for Holly Street as it is a private street, however the PD Plan is proposing an eight foot maximum setback along Holly Street in Area A and a ten foot maximum setback in Area B. No new development is proposed along Union Street.

The PD Plan will comply with all setback requirements, including the zero setback/build to property line along Fair Oaks Avenue, with the exception of portions along Walnut Street. The PD Plan proposes up to a maximum setback of ten feet along Walnut

Street where the Code allows a maximum of five feet. The increased setback is to provide for a buffer and to soften the edge for the proposed office uses from the future hotel development across Walnut Street.

Parking

The project site is located within the Central District Transit Oriented Development (TOD) Area as it is located within 1/4 mile of the Memorial Park Gold Line Light Rail Station (Figure 3-5 Central District Transit Oriented Area). Non-residential projects within the TOD areas receive a parking reduction in order to encourage transit usage in conjunction with a safe and pleasant pedestrian-oriented environment. The parking reductions are as follows (Zoning Code Section 17.50.340.D Parking Requirements):

- a. Office uses. For the uses offices - administrative business professional and offices - governmental, the minimum amount of required off-street parking shall be reduced by 25 percent, and this reduction shall be the maximum allowed number of parking spaces.
- b. All other nonresidential uses. For all other nonresidential uses the minimum amount of required off-street parking shall be reduced by 10 percent, and this reduction shall be the maximum allowed number of parking spaces.

The residential portion of the project shall provide 1.5 spaces for each unit for units 650 square feet or more to a maximum of 1.75 spaces per unit.

Additionally, a project within the CD-1 Central District, Old Pasadena receives a parking reduction of 25 percent for the nonresidential portion of a mixed-use project (Zoning Code Section 17.46.250.E CD-1 Old Pasadena parking requirements).

As shown in the Development Standards Compliance table above, taking into account the TOD and CD-1 parking reductions, the total number of parking spaces required for the existing onsite buildings with the addition of the new construction is 4,285 parking spaces. The proposed project is to be constructed on the existing surface parking lot that currently has a supply of 1,361 parking spaces that would be eliminated with the new construction. Parking for the proposed project would be provided via a three-level subterranean parking structure with a minimum of 3,322 parking spaces. The existing 140 parking spaces located under the pod buildings north of Holly Street and the existing 2,431 parking spaces located within the parking structures located south of Holly Street will remain. The new subterranean parking structure in addition to the existing parking will provide 5,893 parking spaces, which is 1,608 parking spaces above Code required. The 1,608 surplus parking spaces would be used for existing and anticipated demand by surrounding land uses.

Open Space

The City's Zoning Code includes open space requirements that vary based on the type of development that is proposed. Pursuant to Zoning Code Section 17.50.160.H Community space requirements, mixed-use projects must provide a minimum of 150 square feet of community space for each dwelling unit. In addition to these requirements, Zoning Code Section 17.50.350.E Open space required, sets forth the City's Urban Housing open space standards which requires a minimum of 30 percent of the net floor area of a residential structure be provided as open space. The project is requesting that the PD process provide flexibility with Urban Housing standards and allow the project to provide its open space in publicly accessible areas (instead of private areas) and to allow up to 50 percent of the total open space to be provided in the form of balconies (instead of 35 percent).

As shown in the Development Standards Compliance table above, the open space requirements of the project's residential component would be met through useable private open spaces provided within Area A as well as the publically accessible primary and secondary open space areas. The project would provide 200 square feet of useable open space within Area A per residential unit. Due to the size of the project site and its design as an integrated development, the open space areas available to the on-site residents would extend beyond Area A to include the primary Holly Plaza open space area of 35,000 square feet and secondary open space areas of 20,000 square feet as well as the existing Walnut Plaza that connects Walnut Street to the Parsons tower.

Based on the availability of 150,000 square feet of total open space and an average of 315 square feet of on-site open space per proposed residential unit, the project's proposed open space would exceed the standards of the City's mixed-use open space requirements (Section 17.50.160) as well the City's Urban Housing standards (Section 17.50.350). Therefore, the project's proposed open space plan would meet the intent and would not conflict with the open space requirements of the Zoning Code.

Allowable Land Uses

In regards to allowable land uses, the Planned Development would be more restrictive on uses allowed than the Central District Specific Plan.

As analyzed above, the proposed Planned Development would comply with all development standards of Zoning Code Chapter 17.30 Central District Specific Plan with the exception of 1) setbacks along Walnut Street (10-foot setback in lieu of 5-feet); 2) open space requirements using the Zoning Code's Mixed – Use and Urban Housing standards; and 3) parking (project is over parked to insure Rose Bowl event parking is available). In conclusion, staff recommends approval of PD 34 – 100 W. Walnut Planned Development and the accompanying PD Plan for the mixed-use project based

on the findings in Attachment A (and discussed below) and subject to the conditions of approval in Attachment B.

1. *The proposed amendment is in conformance with the goals, policies, and objectives of the General Plan.* The proposed zoning map amendment/zone change of the project site from CD-1 Central District Specific Plan, Old Pasadena to Planned Development for the creation of Planned Development 34 – 100 W. Walnut Planned Development, has been determined to be in conformance with the General Plan adopted in 1994 and updated in 2004. The General Plan Land Use Element designates the project site within the Central District Specific Plan, which is intended to include a diverse mix of land uses designed to create the primary business, financial, retailing and government center of the City. The proposed Planned Development would meet these goals by preserving the existing Parson Corporation, a major employment center, while providing additional office space and retail and residential options for Pasadena's growing downtown population, including new shopping and dining options for both local residents and regional visitors. The General Plan limits density to 87 dwelling units per acre and floor area ratio to 2.25 within the Central District Specific Plan. The proposed Planned Development would be well under the allowable density at 29.6 units per acre maximum and will be limited to a floor area ratio of 2.15.

In addition, the proposed Planned Development 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).

2. *The proposed amendment would not be detrimental to the public interest, health, safety, convenience, or general welfare of the City.* The project site is located within the Northwest Gateway/Parsons Precinct of the Central District Specific Plan. Section 7 Sub-district Planning Concepts of the Plan describes the project site as being "dominated by the Parsons corporate complex, including its surface parking lots. The suburban, auto-

oriented character of the complex stands in stark contrast to nearby development; however, mixed-use infill along the street edge would better integrate this area with its surroundings". Section 4 District-Wide Land Use Concept of the Plan describes the Northwest Gateway/Parsons Precinct as a key employment center that contributes to a diversified mix of employment activities. The Plan specifically states that the Precinct, "will continue to serve as a major employment center, anchored by the Parsons corporate complex; however, the addition of mixed-use and residential development will reinforce the diverse, pedestrian character of Old Pasadena". The Specific Plan proposes that the expansive parking lot of the Parsons site should establish a more urban character appropriate to the Sub-district, strengthen connections to adjacent uses, and mark the Northwest gateway to Downtown. The proposed zoning map amendment/zone change of the project site from CD-1 Central District Specific Plan, Old Pasadena to Planned Development for the creation of Planned Development 34 – 100 W. Walnut Planned Development, would allow the conversion of the surface parking lot into a mixed-use project that would meet the goals of the Specific Plan and therefore would not be detrimental to the public interest, health, safety, convenience, or general welfare of the City.

The proposed zoning map amendment/zone change to create the Planned Development would be beneficial to the public interest and general welfare of the City as it would allow a Planned Development that would include pedestrian-oriented retail uses along the Fair Oaks Avenue frontage, open spaces and linkages which would provide a connection from the project site to Old Pasadena. The Parsons Corporation towers will remain and continue to serve as a key employment center for the Central District. Furthermore, the addition of 612,500 square feet of office uses will further the objectives of the Northwest Gateway/Parsons Precinct as a regional employment center. The proposed Planned Development, including the 475 residential units along with retail and restaurant uses, will support the objectives of the Old Pasadena Sub-district to support the long term viability of its core as a regional retail and entertainment destination through the development of nearby complementary uses, including urban housing near light rail stations and parks.

The Planned Development shall comply with the Conditions of Approval, all applicable Fire Department standards, Building and Safety Division standards, the Zoning Code, the approved Planned Development Plan, and the certified Final Environmental Impact Report and Mitigation Monitoring Reporting Program to ensure that the proposed amendment would not be detrimental to the public interest, health, safety, convenience, or general welfare of the City.

3. Development Agreement: A Development Agreement between the City of Pasadena and PPF OFF 100 West Walnut, LP for PD 34 – 100 W. Walnut Planned Development.

Development Agreement

Pursuant to Zoning Code Section 17.66.020.A – Initiation, the consideration of a development agreement may be initiated by the property owner(s) or other persons having a legal or equitable interest in the property proposed to be subject to the agreement or an authorized agent of the owner(s). The applicant, PPF OFF 100 W. Walnut, LP has initiated a development agreement for the proposed project. An application for a development agreement shall be considered by the Planning Commission and decided by the Council (Zoning Code Section 17.66.030). The contents of a development agreement shall include the following:

1. Mandatory provisions. A development agreement entered into in compliance with this Chapter shall contain the mandatory provisions specified by State law (Government Code Section 65865.2 [Agreement contents]).
2. Permissive provisions. A development agreement entered into in compliance with this Chapter may contain the permissive provisions specified by State law (Government Code Section 65865.2 [Agreement contents]).

The development agreement shall be approved only if the following findings of fact can be made in a positive manner (Zoning Code Section 17.66.040.G.8 Findings). The development agreement:

- a. Would be in the best interests of the City;
- b. Is in conformance with the goals, policies, and objectives of the General Plan and the purpose and intent of any applicable specific plan, and this Zoning Code;
- c. Would not be detrimental to the health, safety, and general welfare of persons residing in the immediate area, nor be detrimental or injurious to property or persons in the general neighborhood or to the general welfare of the residents of the City; and
- d. Is consistent with the provisions of State law (Government Code Sections 65864 through 65869.5.)

A summary, analysis and staff recommendation of the proposed Development Agreement is provided below.

Proposed Project Benefits

The proposed term of the DA that would benefit the project applicant is:

1. Section 2b.5: 15 year term. The proposed DA would vest the project approvals for a period of 15 years. An option to extend the agreement upon completion of the Phase 1 is included for a period of five (5) years. This vesting in effect locks in the existing ordinances, rules and regulations applicable to the project, and limits the City's ability to apply any future changes to those rules to the project, during the term of the DA. These vested rights further the policy set forth in the Development Agreement statutes of assuring "to the applicant for a development project that upon approval of the project, the applicant may proceed with the project in accordance with existing policies, rules and regulations, and subject to conditions of approval, [which] will strengthen the public planning process, encourage private participation in comprehensive planning, and reduce the economic costs of development." (Cal. Govt. Code Sec. 65864(b).)

Proposed City Benefits

The proposed terms of the DA that would benefit the City are as follows:

1. Section 10 b.: Reimbursement of Project Approval Costs. The applicant will be responsible for the costs to process the Project Approvals, including legal and environmental processing costs related to the Project not to exceed \$100,000.
2. Section 10 c.: Development of the Entirety of Phase 1. The applicant will be required to concurrently pull building permits for all buildings in Phase 1 of the project, ensuring a continuous street wall at the sidewalks edge along Fair Oaks and a mix of residential, office, retail and restaurant uses.
3. Section 10 d.: Construction of Holly Street Extension. Prior to the issuance of a final Certificate of Occupancy for Phase 1, the applicant will extend Holly Street westerly from Fair Oaks to Pasadena Avenue.
4. Section 10 e.: Leonard Pieroni Drive Beautification. Prior to the completion of Phase 1, the applicant will be required to reconfigure Leonard Pieroni Street and provide sidewalks, as well as landscaping, on both sides of the street into order to provide a pedestrian-oriented street that connects to Old Pasadena.
5. Section 10f.: Fair Oaks/Union Street Improvement. Prior to the completion of Phase 1, the applicant will be required to reconfigure the intersection of Fair Oaks Avenue and Union Street to shorten the pedestrian crossing distance along the north leg of the intersection by constructing a curb extension at the northwest corner of the intersection.
6. Section 10 g: Zoning Parking Credits. If the City were to amend the existing boundaries of the Old Pasadena Parking Credit District, this section of the DA would require the applicant to work in good faith with the City to enter into an

agreement to allow up 50% surplus parking spaces provided in the project to be added to the pool of available parking credit spaces.

7. Section 10 h.: Rose Bowl Event Parking. The applicant would be required to continue the practice of allowing public parking at the site during Rose Bowl events. As proposed, the applicant is required to make at least 2,500 Parking Spaces available during Phase 1 Construction and at least 3,000 Parking Spaces available at all other times for all Rose Bowl Events. In addition, upon completion of Phase 2 of the project, 3,700 spaces will be made available on New Year's Day. The applicant shall also ensure that construction activities at the Project Site do not displace the shuttle pick-up/drop off location for Rose Bowl Events is provided along Pasadena Avenue adjacent to the project site consistent with past practice.

The Rose Bowl event parking portion of the agreement also includes a clause requiring the applicant execute an irrevocable license agreement memorializing the parking obligations for Rose Bowl events for a period of 28 years, which coincides with the balance of the lease for UCLA football games to be played at the Rose Bowl.

8. Section 10 i.: Public Open Space Easement. As proposed, the DA would require the applicant to dedicate Holly Plaza, as open space throughout the life of the Project.
9. Section 10 j.: Public Art and Holly Street Terminus Monument. Above and beyond the City's regulations relative to public art, the applicant will provide an additional \$500,000 for on-site art, which may include a monument to provide a visual terminus of Holly Street.
10. Section 10 k.: Preservation of Public Art On-site. The sculptures designed by George Rickey that are in place on the Project site, and as shown in the photographs in Exhibit D, attached hereto and incorporated herein by reference, shall be retained on site. If required to be relocated from current locations, any new locations shall be approved by the City of Pasadena's Arts and Culture Commission.

Staff and the applicant are in agreement with all of the proposed elements of the proposed DA with the exception of the term of the license agreement to provide Rose Bowl event parking. The applicant proposes that the provision of the agreement to provide Rose Bowl event parking coincide with the term of the Development Agreement.

GENERAL PLAN AND SPECIFIC PLAN CONSISTENCY:

Policies and Objectives

The proposed Planned Development project has been determined to be consistent with the General Plan adopted in 1994 and updated in 2004. The General Plan Land Use Element designates this site within the Central District Specific Plan, which is intended to include a diverse mix of land uses designed to create the primary business, financial, retailing and government center of the City. The proposed project will meet these goals by preserving the existing Parson Corporation, a major employment center, while providing additional office space and retail and residential options for Pasadena's growing downtown population, including new shopping and dining options for both local residents and regional visitors. The General Plan limits density to 87 dwelling units per acre and floor area ratio to 2.25 within the Central District Specific Plan. The proposed Planned Development would be well under the allowable density at 29.6 units per acre and will be limited to a floor area ratio of 2.15.

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).

The project also meets the following Planning Objectives of the Central District Specific Plan: 1 (Specify Quality Growth); 2 (Identify Growth Areas); 3 (Develop Urban Land Patterns); 4 (Expand Open Space Network); 5 (Build Housing Downtown); 11 (Provide Economic Opportunity); 12 (Diversify Downtown Economy); 13 (Encourage Business Retention); 14 (Promote Job Growth); 15 (Maintain Fiscal Health); 22 (Reduce Auto Dependency); 25 (Promote Transit Usage); 26 (Make Downtown Walkable); and 28 (Build Sub-district Connections).

Central District Specific Plan: Sub-district Planning Concepts: Old Pasadena

The project site is located within the Northwest Gateway/Parsons Precinct of the Central District Specific Plan. Section 7 Sub-district Planning Concepts of the Plan describes the project site as being "dominated by the Parsons corporate complex, including its surface parking lots. The suburban, auto-oriented character of the complex stands in stark contrast to nearby development; however, mixed-use infill along the street edge would better integrate this area with its surroundings". Section 4 District-Wide Land Use Concept of the Plan describes the Northwest Gateway/Parsons Precinct as a key employment center with that contribute to a diversified mix of employment activities. The Plan specifically states that the Precinct, "will continue to serve as a major

employment center, anchored by the Parsons corporate complex; however, the addition of mixed-use and residential development will reinforce the diverse, pedestrian character of Old Pasadena”. The Section proposes that the expansive parking lot of Parsons site should establish a more urban character appropriate to the Sub-district, strengthen connections to adjacent uses, and mark the Northwest gateway to Downtown. This is to be achieved by developing the surface parking lot with mixed-use infill development (housing or office over shops).

The proposed project includes the conversion of the surface parking lot into a mixed-use development with pedestrian-oriented retail uses along the Fair Oaks Avenue frontage, open spaces and linkages which would provide a connection from the project site to Old Pasadena. The Parsons Corporation towers will remain and continue to serve as a key employment center for the Central District. Furthermore, the addition of 612,500 square feet of office uses will further the objectives of the Precinct as a regional employment center. The proposed project, including the 475 residential units along with retail and restaurant uses, will support the objectives of the Old Pasadena Sub-district to “protect the numerous historic resources in the area, and to support the long term viability of its core as a regional retail and entertainment destination through the development of nearby complementary uses, including urban housing near light rail stations and parks.”

Central District Specific Plan: District-wide Urban Design Concept

Urban Design Concept Components

The Central District Specific Plan makes recommendations for specific urban design concepts for the Central District (Section 6 of the Central District Specific Plan). These components, Downtown Linkages, The Public Realm, and The Private Realm directly influence the, “...physical design character for the Central District...” Further, these concepts and strategies are intended to create a, “...mixed-use urban center...” that places importance on the safety and comfort of pedestrians.

Through the Design Review process, the Design & Historic Preservation staff and Design Commission will utilize these concepts as part of their review of the project. However, the following brief summaries, and how the proposed project addresses them, have been included for the City Council.

Downtown Linkages

The Specific Plan’s Urban Design Concept’s Downtown Linkages component emphasizes diverse Sub-districts that are interconnected and complementary to Downtown. The component encourages physical and visual linkages that create a more integrated and accessible Downtown from a pedestrian point of view. This concept also emphasizes pedestrian connections and routes between activity centers with

streetscape improvements and pedestrian-oriented improvements to improve walkability.

The project would respond to this planning concept by developing the existing onsite parking lots with a mix of land uses and pedestrian-friendly open spaces and linkages that enliven the street front and invite pedestrian interest throughout the project site. The project also includes “gateway” elements at Pasadena Avenue and Walnut Street to highlight this primary entrance into Old Pasadena in accordance with the Sub-district design concept, including a 10-foot-wide planted sidewalk and pedestrian connections to the Existing Parsons Walnut Street Plaza. The Project’s open space network would also connect with the Primary Focal Intersection at Fair Oaks Avenue/Walnut Street, the Civic Terminus Axis at Leonard J. Pieroni Street and Union Street, and the Important Pedestrian Crossing at Fair Oaks Avenue/Union Street identified in Section 7 of the Central District Specific Plan. The project includes a courtyard at the corner of Fair Oaks and Walnut Street that would respond to and meet the intent of the Primary Focal Intersection designation at Fair Oaks Avenue/Walnut Street.

The Public Realm

The Public Realm Design Guidelines in the Central District Specific Plan include Community Character guidelines that apply to the project, particularly at the public-private interface along the project edges. These guidelines promote increased physical and pedestrian connectivity, the protection of view corridors, the reuse of existing buildings and landscapes, sensitive infill development, transitions between residential and non-residential uses, and the incorporation of civic art. Based on the proposed site plan, the project would include numerous design features that enhance pedestrian connectivity through the project site and connections with the surrounding community, as well as design features to protect public views. The project also preserves the existing on-site buildings and integrates them into the project design. To enliven the street front and invite pedestrian interest, activity-generating building uses such as lobbies, restaurant uses, pedestrian plazas, and retail uses are proposed along the street frontage. These uses at a pedestrian level would be another way of integrating the new buildings and public spaces with the existing buildings in the surrounding area.

The Private Realm

The Private Realm Design Guidelines in the Central District Specific Plan are grouped into three categories: Site Planning, Building Design, and Urban Residential. The Site Planning guidelines outline an integrated approach to site planning that encourages individual developments to include design features that contribute to a coherent sense of the whole Central District. The Building Design guidelines provide recommended design features to ensure quality building design that is reflective of and compatible with the surrounding urban fabric. The Urban Residential guidelines recognize the unique design considerations that apply to residential uses in urban settings.

The project's layout and development standards, would meet the requirements of the Private Realm Design Guidelines in the Central District Specific Plan. Examples of this include the following:

- Mixed-use development;
- Extension of Holly Street to Pasadena Avenue;
- Streetscape program for Holly Street (on-site portion) and Leonard J. Pieroni Street;
- Limitations on building heights;
- Minimum and maximum building setbacks;
- Building articulation standards;
- Holly Plaza design requirements;
- Secondary open space design requirements;
- Residential open space requirements;
- Courtyards along Pasadena Avenue and at the corner of Fair Oaks and Walnut Street; and
- Lighting.

As the project would be built out over several years, the Citywide Design Principles and Central District Specific Plan Design Guidelines have been incorporated into the PD Plan; furthermore, the project is required to comply with the PD Plan and the Design Review process.

REVIEW BY OTHER DEPARTMENTS:

The Project has been reviewed by the Planning & Community Development Department, Department of Transportation, Police Department, Fire Department, Department of Public Works, and Department of Water and Power. Recommended conditions of approval and mitigation measures from these Departments have been included in Attachment B to this report.

After discussions with the project applicant, Public Works staff has requested revisions to some of the conditions of approval included in the Planning Commission recommendation in order to provide updated language for Americans with Disabilities Act (ADA) ramp compliance. The changes do not significantly modify the project or recommendation by the Commission.

Conditions recommended for elimination:

- In order to accommodate Americans with Disabilities Act (ADA) compliant curb ramps, the applicant shall dedicate to the City the land necessary to provide a 30-foot radius property line corner rounding at the southwest corner of Walnut Street and Fair Oaks Avenue. The dedication will require the approval and acceptance of the City. The applicant shall be responsible for all the costs required to complete the

dedications. The dedications must be approved by the City prior to the issuance of a Certificate of Occupancy.

- The applicant shall reconstruct standard curb ramps per Standard Drawing No. S-414, including the relocation of affected traffic signals, pull boxes and other utilities at all the following street corners bounding the subject development block:
 - Southwest corner of Walnut Street and Fair Oaks Avenue
 - Northwest corner of Fair Oaks Avenue and Union Street
 - Northeast corner of Union Street and Pasadena Avenue
 - Southeast corner of Pasadena Avenue and Walnut Street.

Conditions recommended to be added:

30. In order to accommodate an Americans with Disabilities Act (ADA) compliant curb ramp, the applicant shall reconstruct a standard curb ramp at:

- a. The southwest corner of Walnut Street and Fair Oaks Avenue (existing 25-foot curb radius)
- b. The northwest corner of Fair Oaks Avenue and Union Street (existing 25-foot curb radius)
- c. The northeast corner of Union Street and Pasadena Avenue (existing approx. 22-foot curb radius)
- d. The southeast corner of Pasadena Avenue and Walnut Street (existing 25-foot curb radius)

31. The ADA compliant curb ramps shall be constructed per Standard Plan No. S-414. The curb ramp construction shall be completed prior to the issuance of Certificate of Occupancy. A separate permit from the Department of Public Works is required for all construction in the public right-of-way. Please contact 626-744-4195 for the general process.

32. The applicant is responsible for the design, preparation of plans and specifications, and construction of the new curb ramp. Plans for the curb ramp improvements shall be prepared by a civil engineer, registered in the State of California. Upon submittal of improvement plans to the Departments of Public Works for review, the applicant will be required to place a deposit with the Department of Public Works to cover the cost of plan checking. The amount of deposit will be based on the current City's General Fee Schedule. Note that the building plans approved by the City's Planning (Building) Department do not constitute approvals for work in the public right-of-way. Separate plans shall be submitted to the Department of Public Works – Engineering Division – at 175 North Garfield Avenue Window 6. The applicant shall submit the curb ramp improvement plans and the plan check deposit at least two (2) months prior to the issuance of any building or demolition permits.

33. Upon review of the curb ramp improvement plans, the applicant may need to dedicate to the City for street purposes the land necessary at the property line corner rounding (up to 30-foot radius) to provide for the minimum clearance required

by the Americans with Disabilities Act standards. If so, the applicant shall remove and reconstruct the sidewalk for the dedicated area, per Standard Plan No. S-421. The applicant shall be responsible for all the cost required to complete the dedication, if it is required. The dedication document and processing fee shall be submitted to this office prior to issuance of any permits. The dedication document shall be executed and recorded prior to the issuance of a Certificate of Occupancy.

ENVIRONMENTAL REVIEW:

In accordance with the requirements of the California Environmental Quality Act, an Environmental Impact Report (EIR) was prepared in order to identify and analyze the project's potential impacts on the environment. The project description in the Draft EIR included the addition of the following uses and buildings to the site: 620,000 square feet of office uses (including up to 30,000 square feet of ancillary retail uses); 10,000 square feet of restaurant uses; and 475 residential units, including 12 work/live units along a portion of the Fair Oaks Avenue frontage.

The Draft EIR was made available for public review and comment from June 20, 2014 through August 29, 2014 for a total of 71 days for public review. The Transportation Advisory Commission provided comments on the Draft EIR at their meeting on August 21, 2014; and the Planning Commission provided comments at its meeting on August 27, 2014. In response to the public and Commissioners' comments, the applicant refined the project to include a more pedestrian-oriented development to meet the objectives of the Central District Specific Plan, which is the project presented for the Commission's consideration.

The overall square footage of the project did not change. Table III below outlines the revisions to development phasing and the uses to be provided in each phase and development area.

Table III Draft EIR vs Proposed Project		
Draft EIR	Proposed Project	Description of Change
Phase 1 – Area A	Phase 1 – Area A	
<ul style="list-style-type: none"> 475 residential units with 12 work/live units on ground floor (Fair Oaks Avenue) totaling 561,000 SF 	<ul style="list-style-type: none"> 475 residential units totaling 561,000 SF No work/live units 15,000 SF retail, ground floor along Fair Oaks Avenue 	<ul style="list-style-type: none"> Replacement of work/live units with standard multi-family units Addition of 15,000 SF of ground floor retail
Phase 1 – Area B	Phase 1 – Area B	
<ul style="list-style-type: none"> 210,000 SF office 10,000 SF restaurant 	<ul style="list-style-type: none"> 210,000 SF office 2,500 SF restaurant 	<ul style="list-style-type: none"> Reduction of 7,500 SF of restaurant floor area
Phase 2 – Area C	Phase 2 – Area C	
<ul style="list-style-type: none"> 410,000 SF office, including up to 30,000 SF ancillary retail 	<ul style="list-style-type: none"> 402,500 SF office, including up to 22,500 SF ancillary retail 	<ul style="list-style-type: none"> Reduction of 7,500 SF of office and ancillary retail floor area
Total square footage: 1,191,000 SF	Total square footage: 1,191,000 SF	No Change

The EIR analyzed the following environmental topics: (1) land use; (2) transportation; (3) parking; (4) aesthetics, visual character, and views; (5) light, glare, and shading; (6) historic resources; (7) archaeological and paleontological resources; (8) air quality; (9) greenhouse gas emissions; (10) noise and vibration; (11) hydrology; (12) hazardous materials; (13) police protection; (14) fire protection; (15) schools; (16) parks and recreation; (17) libraries; (18) water supply; (19) sewer; (20) solid waste; and (21) energy. The EIR identified potentially significant effects related to the following topics: (1) transportation; (2) archaeological and paleontological resources; (3) air quality; (4) noise (cumulative only); (5) hazardous materials; (6) police protection; (7) fire protection; and (8) energy. The Final EIR Summary (Attachment D) contains Table I-1 that summarizes the potential impacts and recommended mitigation measures. With the incorporation of mitigation measures, the EIR determined that all potentially significant effects would be reduced to a less than significant level except for the following impacts, which would be significant and unavoidable environmental effects of the project:

- Transportation:** Increased traffic volumes cause a significant impact at the intersection of Fair Oaks Avenue/Walnut Street (#34) under the following traffic scenarios: (1) Future (2016) with Phase 1 development; (2) Existing (2013) with

Phase 2 development; and (3) Future (2020) with Phase 2 Development. In addition, increased traffic volumes also cause a significant impact along street segments with Phase 1 as well as Phase 2 development. These significant impacts occur on a project-level and cumulative basis.

- **Air Quality:** Regional emissions of nitrogen oxides during some periods of Phase 1 construction would cause a significant impact. Regional operational emissions of nitrogen oxides and volatile organic compounds associated with Phase 1 and Phase 2 development as well as at project buildout would also cause a significant impact. These significant impacts occur on a project-level and cumulative basis.
- **Noise:** Significant and unavoidable cumulative construction noise impacts could occur if project construction occurred concurrently with the construction of Related Project Nos. 19 (Marriott Residence Inn) and 48 (167 E. Walnut Street).

Due to the identified significant and unavoidable impacts to Transportation, Air Quality, and Noise, a City Council action to approve the project would require the adoption of a Statement of Overriding Considerations, finding that the benefits of the project outweigh the project's adverse environmental impacts.

The Final EIR included a detailed project description of the refined project focusing on those aspects of the project that are different than what was presented in the Draft EIR's project description. The Final EIR includes an analysis of each environmental issue of the Draft EIR and focused on the incremental changes between the project as analyzed in the Draft EIR and the refined project. The Final EIR concluded that the refined project does not result in a new significant impact from the project or from a new mitigation measure, and that there is not a substantial increase in the severity of an environmental impact identified in the Draft EIR that requires mitigation measures to reduce the impact to a level of insignificance.

The core environmental topics are discussed below.

Land Use – Less Than Significant Impact

The Land Use section of the EIR provides an analysis of the project's potential impacts with regard to land use. Specifically, this section analyzed the project's consistency with the City of Pasadena General Plan, the Central District Specific Plan, the Pasadena Municipal Code, and Regional land use plans, and evaluates the relationship of the project with surrounding land uses.

General Plan:

The Land Use Element of the General Plan includes Citywide Design Principles, which focus on enhancing the surrounding environment, incorporating human values and

needs, and showing creativity and imagination. Based on the proposed site layout, the project would convert a single-use, suburban-style campus with centralized buildings and large expanses of surface parking, into a mixed-use, high-density, pedestrian-oriented development. The project includes an open space network consisting of a main plaza, secondary open space areas, paseos, and private spaces (e.g., courtyards, balconies, patios, terraces, etc.). These open spaces would create access to light, air, and views, and would increase opportunities for on-site social interaction. Development of the proposed residential and commercial land uses, particularly along the street frontages, would result in the project site more closely resembling the surrounding traditional urban street pattern of buildings located along the street edge for the entire project site.

Additionally, the PD Plan for the project incorporates the Citywide Design Principles. Thus, compliance with the PD Plan would ensure that applicable design guidelines presented in the Citywide Design Principles are incorporated into the design of individual buildings. Each phase of the project's development would be required to undergo Concept Design Review and Final Design Review before the City's Design Commission, in accordance with the provisions of Section 17.61.030 of the Pasadena Zoning Code. The City's Design Review and approval process would ensure that the conditions of the PD Plan are met.

Central District Specific Plan and Municipal Code:

The Central District Specific Plan's District-Wide Land Use, Mobility, and Urban Design Concepts include specific development standards for permitted land use types, maximum housing density, maximum FAR, minimum and maximum building heights, required setbacks, open space, signage, and parking. The development standards of the Central District Specific Plan are codified in Chapter 17.30 of the Zoning Code. Thus, a project that is consistent with the Zoning Code is in turn consistent with the development standards of the Specific Plan.

As part of the project's requested approvals, the project site would be rezoned from CD-1 to PD (Planned Development) pursuant to Section 17.26.020 of the Pasadena Zoning Code. Pursuant to Section 17.26.020 of the Zoning Code, the project includes a proposed PD Plan that includes a series of development standards that outline how the project site would be developed (e.g., maximum FAR, setbacks, mix of uses, parking, etc.). The applicant has incorporated the Citywide Design Principles and the Central District Specific Plan Design Guidelines into the project. The development standards in the PD Plan are consistent with the current development standards for the project site set forth in the Zoning Code, with the exception of 1) setbacks along Walnut Street; 2) open space requirements using the Zoning Code's Mixed – Use and Urban Housing standards; and 3) parking.

With approval of the proposed PD Plan, the project would not conflict with the City's General Plan, Central District Specific Plan, Zoning Code, or other adopted land use

plan that applies to the project site. Therefore, impacts to Land Use would be less than significant and no mitigation measures are required.

Aesthetics – Less Than Significant Impact

The Aesthetics Section of the EIR focuses on the proposed project's visual relationship with existing and planned land uses in the project area. The analysis considers qualities related to visual character, such as density, massing, setbacks, color, and the general composition of aesthetic features, as well as the relationships between these elements.

The proposed project will be converted from a single-use suburban office complex to an integrated, multi-use, transit-oriented pedestrian development. The proposed project's design would occur in accordance with the development standards set forth in the PD Plan, which incorporate the General Plan Land Use Element's Design Principles as well as the design guidelines included in the Central District Specific Plan. These development standards provide a comprehensive framework that would guide the implementation of the project to promote compatibility with existing on-site and off-site development, while still allowing flexibility to accommodate the end-users of the on-site buildings. These development standards and design principles seek to implement the City's Citywide Design Principles, the Central District Specific Plan Design Guidelines, and the Pasadena Municipal Code, as amended by the project's PD Plan.

The overall planning framework established by the project's development standards seeks to create a consistent sense of place and purpose throughout the North Development Area as well as in terms of edge conditions, while also establishing the desired linkages to Old Pasadena and City Hall as envisioned in the Bennett Plan.

The project site is broken up into five different areas: A, B, C, D, and E as shown on page 5 of this report. Areas D and E encompass the existing on-site buildings, which would not be altered. The different areas are used to designate the permitted land uses and maximum building heights. Area A would allow residential land uses up to a maximum building height of 60 feet. Area B would allow for commercial land uses up to a maximum building height of 75 feet. Area C would allow for commercial land uses and its building heights are broken up into two separate areas. The northern portion of Area C allows a maximum building height up to 75 feet, whereas the southern portion of Area C allows a maximum building height of 60 feet. The boundary of Area B may be adjusted 95 feet south from its current placement. While land uses and heights are established by areas, FAR is calculated on a site-wide basis; and building footprints may not occupy more than 65 percent of any area.

The project's development standards also include details on the amount and general distribution of open space on the project site. The project's open space network would contribute to the creation of a human-scaled pedestrian environment based on a linked hierarchy of open spaces. The project's open space plan consists of four types of open

space: primary, secondary, paseos, and the existing Walnut Street Plaza. The primary open space is Holly Plaza, with four to six secondary open space areas would be developed throughout the project site, which would provide landscape plantings, include pedestrian furniture, and may include public art. The project's proposed paseos would connect Holly Plaza and the secondary open spaces as well as the existing Walnut Street Plaza. There would be one paseo-lined street that connects to Fair Oaks Avenue (between Areas A and B), a second paseo-lined street that connects to Pasadena Avenue, and a third paseo-lined street that connects to Holly Street at the realigned Leonard J. Pieroni Street to form a 4-way intersection. The purpose of the paseo-lined streets would be to provide vehicular connections to the project's subterranean parking garages as well as to support pedestrian and bicycle travel. No change is proposed to the existing Walnut Street Plaza.

Transportation – Significant and Unavoidable

The Transportation section of the EIR analyzes the impacts of the proposed project with respect to traffic, alternative travel modes (e.g., transit, pedestrians, and bicycles), project site access and circulation, and transportation impacts during project construction. The analysis is based on the Transportation Study for The Lincoln Properties Project—100 W. Walnut Street EIR (Traffic Study) prepared by Raju Associates Inc. for the City of Pasadena. A Study Area consisting of approximately six square miles was identified in consultation with Pasadena DOT and the California Department of Transportation (Caltrans) for analyzing the traffic impacts in the vicinity of the project. The area bounded by Washington Boulevard on the north, Glenarm Street on the south, Lake Avenue on the east, and Lincoln Avenue and Orange Grove Boulevard on the west within the City of Pasadena constitutes the Study Area for the project's traffic analysis. The Study Area included 101 intersections and 75 roadway segments in the vicinity of the project that may experience significant impacts due to project development.

The Traffic Study assessed existing traffic conditions and potential project impacts on the surrounding transportation network for the two proposed project phases: Phase 1 and Phase 2 for the years 2016 and 2020, respectively. Seven scenarios were analyzed to allow for a comprehensive analysis of transportation impacts with and without the project under existing conditions and; future conditions for the Phase 1 buildout year of 2016 and the Phase 2 buildout year of 2020.

Trip Generation:

The overall project including Phases 1 (4,761 net daily trips) and 2 is expected to generate a total of approximately 7,839 net daily trips of which 943 trips would occur during the morning peak hour and 977 trips would occur during the evening peak hour on a typical commuter weekday.

Significant and Unavoidable Impacts:

Based on the results of the seven traffic scenarios described above, a transportation improvement and mitigation program was developed. The Traffic Study concluded that the project would result in two significant and unavoidable impacts to transportation: 1) significant and unavoidable impact at the intersection of Fair Oaks Avenue/Walnut Street on the weekdays with Phase I and Phase 2 development; and 2) significant and unavoidable impact to street segments on weekdays and Saturdays. The transportation improvement and mitigation program consists of five major components: a Travel Demand Management program, transit system improvements, pedestrian and bicycle improvements, specific intersection improvements, and a system-wide signal system upgrade. The less than significant impacts, along with the significant and unavoidable impacts with proposed mitigation measures, are provided in the Final EIR Summary.

Parking – Less Than Significant Impact with Mitigation Measures

The Parking section of the EIR analyzed the adequacy of the project's proposed parking in relation to the parking requirements of the Zoning Code. The analysis describes the existing parking facilities at the project site, the number of existing parking spaces to be removed during each phase of project construction, the number of parking spaces required by Phase 1 and Phase 2 development, and the number of parking spaces that would be provided within the project's proposed multi-level subterranean parking structure.

Existing Parking

Holly Street divides the project site into two areas, the North Development Area and the South Area. In the North Development Area, 1,361 parking spaces within the surface parking lots surround the Parsons tower and the three pod buildings. These parking spaces are distributed as follows: 684 parking spaces within the Phase 1 development area; 537 parking spaces within the Phase 2 development area; and 140 parking spaces beneath two of the existing pod buildings.

There are two parking structures within the South Area that provide a combined total of 2,431 parking spaces. These two parking structures provide parking for the existing office buildings in the South Area and also allow parking by the general public.

Table IV
Existing Project Site Parking Supply

Area	Spaces
North of Holly	
Phase 1 Area	684
Phase 2 Area	537
Beneath Existing Pod Buildings	140
<i>Subtotal</i>	<i>1,361</i>
South of Holly	
East Annex	948
West Annex	1,483
<i>Subtotal</i>	<i>2,431</i>
Total	3,792
<i>Source: PPF OFF 100 West Walnut, LP.</i>	

Based on the Zoning Code requirements of 3 parking spaces per 1,000 square feet of office floor area, a total of 2,092 parking spaces are required to support the existing 929,585 square feet of on-site office uses. With an existing on-site parking supply of 3,792 parking spaces, the project site currently provides 1,700 parking spaces above the Zoning Code requirements.

The on-site parking facilities, particularly the parking structures within the South Area, are used on occasion as off-site parking for the Rose Bowl, with shuttle service provided between the project site and the Rose Bowl. The Development Agreement includes an agreement to contractually formalize the existing practice of allowing parking on the site to be used for Rose Bowl events, including the shuttle service from the Parsons site to the Rose Bowl.

Proposed Parking

The parking requirements for the types and size of the proposed uses were analyzed for both Phase 1 and Phase 2 of the Project.

A total of 3,322 parking spaces, as shown in Table V below, would be provided within a three-level subterranean parking structure located within the North Development Area. Of this total, 1,500 parking spaces would be constructed as part of Phase 1 development, with the balance, 1,822 parking spaces constructed as part of Phase 2 development. The total Zoning Code required parking spaces is 4,285 and the project

will be providing 5,893 parking spaces. Table V below shows the Zoning Code required parking and the proposed parking.

Table V
Comparative Analysis of Zoning Code Parking Requirements and On-site Parking Supply

	Existing Parking			Proposed Parking		
	Code Required	Available	Surplus/ (Deficit)	Code Required	Proposed	Surplus/ (Deficit)
North of Holly						
Existing Development	920	1,361	441	920	140 <i>(existing spaces under the pod buildings)</i>	-780
Phase 1	N/A	N/A	N/A	1,287	1,500	213
Phase 2	N/A	N/A	N/A	906	1,822	916
<i>Subtotal</i>	920	1,361	441	3,113	3,462 <i>(including existing 140 spaces under the pod buildings)</i>	349
South of Holly						
Existing Development	1,172	2,431	1,259	1,172	2,431	1,259
Total	2,092	3,792	1,700	4,285	5,893	1,608

Parking during Construction

During Phase 1 construction the existing 684 parking spaces that are located within the Phase 1 construction site would not be available. As such, the available parking spaces at the project site would be reduced from 3,792 parking spaces to a total of 3,108 parking spaces. As code parking requirements for existing development is 2,092 parking spaces, the available on-site parking supply during Phase 1 construction would exceed the number of code required parking spaces. As such, impacts during Phase 1 construction with regard to the availability of code required parking would be less than significant. However, during periods of peak Phase 1 construction, approximately 500 construction workers would be employed at the project site. As such, there may not be enough on-site parking to accommodate the project's code requirements and Phase 1 construction worker parking. In response to this potential circumstance, a mitigation measure has been identified that requires that the project's construction traffic management plan include provisions to address the construction worker parking demand during Phase 1 construction:

Mitigation Measure B.2-1:

The Construction Traffic Management Plan required by Mitigation Measures B.1-17, shall include provisions to address construction worker parking requirements during Phase 1 construction (e.g., use parking within the on-site parking structures located

south and east of Leonard J. Pieroni Street, off-site City-operated parking structures within the Project area, off-site remote parking, off-site remote parking facilities with shuttles to the Project Site, etc.).

Air Quality – Significant and Unavoidable (Regional Construction and Operational Emissions)

The Air Quality section addresses the air emissions generated by construction and operation of the proposed project. The analysis also addresses the consistency of the proposed project with the air quality policies set forth within the South Coast Air Quality Management District (SCAQMD)'s Air Quality Management Plan (AQMP) and the City of Pasadena General Plan. The analysis of project-generated air emissions focuses on whether the project would cause an exceedance of an ambient air quality standard or SCAQMD significance threshold.

Regional Construction Impacts – Significant and Unavoidable

The project is proposed to be developed in two phases, with buildout of Phases 1 and 2 planned for 2016 and 2020, respectively. Phase 1 consists of Areas A and B, whereas Phase 2 consists of Area C. Construction for each development phase is anticipated to be completed within an approximate 24-month timeframe, with the first 6 months consisting of grading and excavation for the subterranean parking structure and the remaining 18 months for building construction and finishing. Based on current market conditions, the construction of Phase 1 would be completed before the start of Phase 2 construction. Off-site haul trips would primarily occur during the excavation phase to remove soil materials required for the construction of the project's subterranean parking structure.

Construction of the project would have the potential to create air quality impacts through the use of heavy-duty construction equipment and through vehicle trips generated from construction workers traveling to and from the project site. In general, fugitive dust emissions would result from demolition and construction activities. Mobile source emissions, primarily nitrogen oxides (NO_x), would result from the use of construction equipment such as dozers, loaders, and cranes. During the finishing phase of a building, the application of architectural coatings (e.g., paints) and other building materials would have the potential to release volatile organic compounds (VOCs). The assessment of construction air quality impacts considers each of these potential sources.

The emissions levels analyzed the highest daily emissions projected to occur on any one day of construction during Phases 1 and 2. As analyzed, the construction-related daily maximum regional Phase 1 and Phase 2 construction emissions would not exceed the SCAQMD daily significance thresholds for carbon monoxide (CO), sulfur oxide (SO_x), respirable particulate matter (PM₁₀), or fine particulate matter (PM_{2.5}). However,

maximum regional emissions during both Phase 1 and Phase 2 would exceed the SCAQMD daily significance thresholds for NO_x during periods of heavy construction equipment use and VOC during the application of architectural coatings. Therefore, regional construction emissions resulting from the proposed project would result in a significant short-term impact. The project would result in regional construction emissions that exceed SCAQMD prescribed threshold levels as follows: (1) emissions of nitrogen oxides (NO_x) during Phase 1 construction, and (2) emissions of volatile organic compounds (VOC) and NO_x during Phase 2 construction. Mitigation measures will be implemented that include a program of air pollution control strategies designed to reduce the proposed project's air quality impacts to the extent feasible during construction. However, short-term regional construction emissions remain significant and unavoidable even with the implementation of the mitigation measures. Please see Attachment D – FEIR Summary for the Air Quality mitigation measures.

Regional Operational Impacts – Significant and Unavoidable

Regional air quality during long term project operations (i.e., after construction is complete) looks at three types of sources: (1) mobile; (2) area; and (3) energy. Mobile source emissions are generated by motor vehicle trips to and from the project site associated with operation of the project. Area source emissions are generated by, among other things, landscape and maintenance equipment, emergency generator use, and the use of consumer products. Energy source emissions are generated as a result of activities in buildings for which natural gas is used (e.g., natural gas for heat or cooking).

Similar to construction, SCAQMD's significance thresholds (CalEEMod software) was the basis for the evaluation of the Project's operational emissions. CalEEMod was used to calculate mobile source emissions, on-road fugitive dust, architectural coatings, landscape equipment, and energy use.

Three scenarios were analyzed to fully disclose potential regional operational impacts: (1) Phase 1 operations in 2016; (2) Phase 2 operations in 2020; and (3) Project buildout (combined Phase 1 and Phase 2 operations) in 2020. As analyzed, regional emissions resulting from Phase 1 (2016) operation of the proposed project would exceed the SCAQMD daily threshold for NO_x. Phase 2 (2020) operation of the proposed project would not exceed any of the SCAQMD daily significance thresholds as the emissions inventory only includes incremental emissions associated with Phase 2 and pollutant emission factors decrease from 2016 to 2020. Buildout of the proposed project (combined Phase 1 and Phase 2 in 2020) would exceed the SCAQMD daily thresholds for NO_x and VOC. Therefore, proposed Project operational emissions would result in a significant impact.

The major contributor to operational air quality impacts is mobile emissions. In order to reduce mobile air pollutant emissions, the project is required to implement a Transportation Demand Management Program (TMD) which is included in Traffic

Mitigation Measure B1-1. The TDM plan is a set of strategies proposed for the project that would encourage employees, residents and patrons of the project to reduce vehicular traffic on the street and freeway system by promoting non-auto travel through pedestrian/bicycle-friendly design and orientation that facilitates transit use. Regional operational emissions associated with Phase 1 (2016) development as well as at project buildout (2020) would still exceed the SCAQMD daily emission thresholds for regional NO_x and VOC after the implementation of feasible mitigation measures. Therefore, operation of the proposed project would have a significant and unavoidable project-level impact on regional air quality.

Greenhouse Gas Emissions – Less Than Significant Impact

The Greenhouse Gas Emissions section discussed global climate change, existing regulations pertaining to global climate change, an inventory of the approximate greenhouse gas (GHG) emissions that would result from the Project, and an analysis of the significance of the impact of these GHGs.

GHGs include carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆), and nitrogen trifluoride (NF₃). Carbon dioxide is the most abundant GHG. GHGs are the result of both natural and human-influenced activities. The primary sources of GHG emissions include motor vehicle travel, consumption of fossil fuels for power generation, industrial processes, heating and cooling, landfills, agriculture, and wildfires.

The EIR quantified the GHG emissions during both construction and operations of the project. This emissions forecast was compared to the percent reduction determined by the California Air Resources Board (CARB) to be necessary to meet the goals of AB 32 goals (i.e. 16 percent reduction). The project's GHG emissions reduction of 17.8 percent under Phase 1 and 16.2 percent under buildout constitutes an equivalent of larger break from business as usual (BAU) than the 16 percent reduction determined by CARB to be necessary to meet the goals of AB 32. In addition, given the project's consistency with State, SCAG, and City of Pasadena GHG emission reduction goals and objectives, the project would not conflict with any applicable plan, policy or regulation of an agency adopted for the purpose of reducing the emissions of GHGs.

Noise – Significant and Unavoidable (Cumulative Construction Noise)

The Noise and Vibration section analyzed the potential noise and vibration impacts associated with the project. Specifically, the analysis describes the existing noise environment within the project area, estimates future noise and vibration levels at surrounding land uses resulting from construction and operation of the project, identifies the potential for significant impacts, and provides mitigation measures to address significant impacts. The discussion below is related to noise impacts.

Project Construction Noise – Less Than Significant

Noise impacts from project construction activities occurring within or adjacent to the project site would be generated by construction equipment, the location of the equipment, the timing and duration of the noise-generating construction activities, and the relative distance to noise sensitive receptors. Construction activities would generally include reconstruction of the on-site segments of Holly Street and Leonard J. Pieroni Street, site demolition (existing surface parking lots), shoring and excavation, foundation, building construction, and landscaping.

The project may have a significant impact on noise levels from project construction if on-site construction noise levels exceed 85dBA when measured within a radius of 100 feet from such equipment; or off-site construction noise levels exceed 5dBA above ambient noise levels when measure at the noise-sensitive land use.

The estimated construction noise levels at a 100-foot distance for all construction stages varied from 77 to 82 dBA, which would be below the 85 dBA significance threshold. The estimated construction noise levels at the off-site receptors, are less than significant since significance threshold of 85 dBA at 100 feet from the source would not be exceeded. Therefore, noise impacts associated with the project's on-site construction activities would be less than significant during Phase 1 and Phase 2 construction.

Off-site construction noise during the project's construction phases would include materials delivery, concrete mix, haul trucks (trucks), and construction worker vehicles accessing the project site. The major noise sources associated with off-site construction trucks would be associated with delivery/haul trucks. Construction delivery/haul trucks would generally access the project site from the 210 Freeway and turn left on Walnut Street traveling east, turn south on Fair Oaks Avenue, and continue west on Holly Street. Loaded trucks would leave the project site via Holly Street to Pasadena Avenue then on to the 210 Freeway for west bound travel or continue to Corson Street to 360 haul truck trips and 36 concrete truck trips. The level of construction-related truck activity would be greatest during the shoring and excavation phase, as other construction phases would have a maximum of 196 truck trips per day. Based on an 8.5-hour workday and a uniform distribution of trips, there would be a maximum of 47 truck trips per hour during the shoring and excavation phase.

The estimated construction-related haul truck noise levels along the proposed haul routes with noise sensitive receptors, for both Phase 1 and Phase 2 construction would be below the project significance thresholds (under 5dBA below ambient noise levels) at all sensitive receptors along the proposed haul routes. Therefore, noise impacts associated with the project's off-site construction activities would be less than significant during Phase 1 and Phase 2 construction.

As analyzed above, project construction would result in less than significant noise impacts at the off-site sensitive receptors from on-site construction activities and off-site haul truck noise. Nevertheless, the following mitigation measure is included to manage the project's construction-related noise impacts:

Mitigation Measure H-1:

No person shall operate any pile driver, power shovel, pneumatic hammer, derrick power hoist, forklift, cement mixer or any other similar construction equipment at any time other than as listed below:

1. From 7:00 A.M. to 7:00 P.M. Monday through Friday;
2. From 8:00 A.M. to 5:00 P.M. on Saturday;
3. Operation of any of the listed construction equipment is prohibited on Sundays and holidays.

Cumulative Construction Noise – Significant and Unavoidable

A total of 55 related projects have been identified (Transportation study) in the vicinity of the project site. Noise from the construction of development projects is typically localized and has the potential to affect areas immediately within 500 feet from the construction site. Thus, noise from construction activities for two projects within 1,000 feet of each other can contribute to a cumulative noise impact for receptors located midway between the two construction sites.

Related Project No. 19, a hotel development (Marriott Residence Inn) at 233 N. Fair Oaks Avenue (directly to the north of the Project Site, across Walnut Street) includes sensitive receptors within 500 feet from this related project and the project, which would be exposed to construction noise. These sensitive receptors include the existing Marriott Courtyard Hotel (receptor R1), the St. Andrew School (receptor R5), and the residential apartment building at the southwest corner of Walnut Street and Raymond Avenue.

Related Project No. 48, an apartment development at 167 Walnut Street, approximately 600 feet east of the project site includes a residential apartment building located between Related Project No. 48 and the project site, which could be exposed to construction noise from the related project and the Project.

The timing of construction activities for these related projects cannot be defined; therefore the potential for concurrent construction projects is uncertain. However, to the extent that concurrent construction of Related Project No. 19, Related Project No. 48, and the proposed project does occur, cumulative construction noise could exceed ambient noise levels at the Marriott Courtyard Hotel (receptor R1), the St. Andrew school (receptor R5), and the residential apartment building at the southwest corner of Walnut Street and Raymond Avenue. While a significant cumulative impact could occur, construction-related noise levels from the related projects would be intermittent

and temporary, and it is anticipated that each project's construction would comply with the time restrictions and other relevant provisions in the PMC. Furthermore, noise associated with cumulative construction activities would be reduced to the degree reasonably and technically feasible through proposed mitigation measures for each individual related project and compliance with locally adopted and enforced noise ordinances. Nonetheless, even with proposed mitigation measures, if nearby Related Project No. 19 and Related Project No. 48 were to be constructed concurrently with the proposed project, impacts to cumulative construction noise could be significant and unavoidable.

Operation Noise – Less Than Significant Impact

This section provides a discussion of potential operational noise impacts on nearby noise-sensitive receptors which include: a) on-site stationary noise sources, which consist of outdoor mechanical equipment (i.e., rooftop condenser units), parking facilities, and loading/trash collection areas; and b) off-site mobile (roadway traffic) noise sources.

As analyzed, Phase 1 development would result in composite noise level increases that range from 0.1 dBA to 2.3 dBA and composite operational noise impacts at project buildout would range from an increase of 0.1 dBA to 2.7 dBA. The estimated increases in composite noise levels due to Phase 1 and buildout operations would be below the most conservative significance threshold of an increase of 3 dBA CNEL. Therefore, composite noise level impacts due to Phase 1 and buildout operations would be less than significant and no mitigation measures are required.

Comments on the Draft Environmental Impact Report

During the public comment period (June 20, 2014 through August 29, 2014), comments were received from the following five public agencies, two organizations, and one individual.

Public Agencies

- California Department of Transportation (Caltrans)
- Native American Heritage Commission
- Los Angeles County Metropolitan Transportation Authority
- County Sanitation Districts of Los Angeles County
- South Coast Air Quality Management District

Organizations

- Downtown Pasadena Neighborhood Association
- Pasadena Heritage

Individual

- Nina Chomsky

In a public meeting on November 27, 2014, the Planning Commission and the public reviewed and provided comments on the Draft EIR. Comments from the Planning Commission included:

- No Planned Development Alternative
- Project Objectives
- Urban Design and land use
- Pedestrian linkage from project site to Old Pasadena
- Rose Bowl parking
- Retail on Fair Oaks Avenue
- Compliance with Central District Specific Plan
- Development Agreement
- Design Review
- Old Pasadena Streetscapes and Alleys Plan

A complete and detailed list of comments and responses to comments are found in Section IV of the Final EIR document.

COUNCIL POLICY CONSIDERATION:

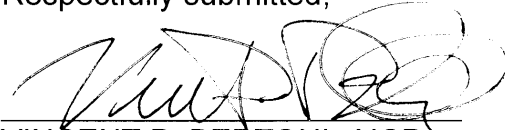
The project supports several city goals by targeting growth in the urban core, providing workplace office space to promote a diverse economic base, and providing housing opportunities. The project supports the following General Plan goals:

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:



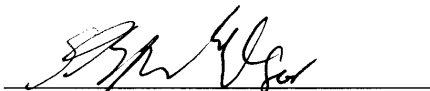
David Sanchez
Planner

Concurred by:



David Reyes
Deputy Director of Planning &
Community Development

Approved by:



MICHAEL J. BECK
City Manager

Attachments: (3)

Attachment A – Specific Findings for Approval
Attachment B – Conditions of Approval
Attachment C – Final Environmental Impact Report