

# Agenda Report

September 12, 2016

**TO:** Honorable Mayor and City Council  
**FROM:** Planning & Community Development Department  
**SUBJECT:** **PLANNED DEVELOPMENT 35 - COLORADO HILL HOTEL  
1347-1355 EAST COLORADO BOULEVARD AND 39 NORTH HILL  
AVENUE; 1336 EAST COLORADO BOULEVARD**

## **RECOMMENDATION:**

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

1. Adopt a Resolution certifying the Final Environmental Impact Report (EIR) (SCH # 2013101060), adopting findings, adopting the Water Supply Assessment, and adopting the Mitigation Monitoring and Reporting Program (MMRP); and
2. Approve staff's recommendation to develop the north parcel with a hotel and ground-floor commercial uses (as proposed by the applicant, which includes preservation of the automobile showrooms) and develop the south parcel consistent with Alternative Three – single-room occupancy housing for students with ground-floor commercial or Alternative Four – mixed-use residential with ground-floor commercial, as described in the Final EIR; and
3. Find that the project as described immediately above was adequately analyzed in the Final EIR, does not result in new or increased environmental effects not already disclosed and mitigated, and that the project is not considerably different from the project and alternatives analyzed in the Final EIR; and
4. Adopt the Land Use Findings (Attachment A) for a Zone Map Amendment to change the zoning of the site from ECSP-CG-2 and RM-48-PK (East Colorado Specific Plan, Commercial General, College District and Multi-Family Residential, 0-48 units per acre, Parking Overlay) to Planned Development (PD); and
5. Adopt the Land Use Findings (Attachment A) to establish PD 35 - Colorado Hill Hotel Planned Development with the Conditions of Approval in Attachment B; and

6. Direct the City Attorney to prepare an Ordinance for a Zone Map Amendment to change the zoning of the site from ECSP-CG-2 and RM-48-PK (East Colorado Specific Plan, Commercial General, College District and Multi-Family Residential, 0-48 units per acre, Parking Overlay) to PD and amend Appendix A of the Zoning Code to establish PD 35; and
7. Direct the City Clerk to file a Notice of Determination pursuant to the California Environmental Quality Act within five (5) days of second reading of the Ordinance.

**PLANNING COMMISSION RECOMMENDATION:**

The Planning Commission conducted public hearings on April 21, 2016 and June 8, 2016 to discuss the proposed project and potential alternatives, leading up to formal action on July 27, 2016. Their earlier discussions focused on:

- The size of the hotel proposed on the north parcel;
- Allowing development flexibility on the south parcel, specifically residential opportunities instead of or in addition to hotel;
- Providing exterior access to ground-floor commercial uses and creation of a lively streetscape; and
- Encourage the 'neighborhood village' feel envisioned for the East Colorado Specific Plan (ECSP) by the General Plan Land Use Element.

Letters expressing both support and opposition to the proposed project were submitted during the Planning Commission review. This correspondence has been provided as Attachment C.

On July 27, 2016, the Planning Commission recommended (6-0 vote, 3 members absent) that the City Council approve the staff-recommended alternative of the project, with additional recommended conditions of approval. These conditions of approval have been incorporated into Attachment B for City Council consideration.

- Enhance the pedestrian experience and improve pedestrian circulation at and near the designated valet court through the use of alternative paving materials that distinguish pedestrian versus automobile areas.
- Six months following the issuance of a Certificate of Occupancy, the project site shall be evaluated for compliance with the City's Noise Ordinance and all other conditions of approval or mitigation measures related to operational noise occurring at the project site.
- Prohibit pool access between 10:00 p.m. and 6:00 a.m. daily. (Mitigation Measure MM-NOISE-2: (Restriction on Nighttime Outdoor Activities) would prohibit the use of

the pool area between 10:00 p.m. and 5:00 a.m. daily. This additional condition of approval would extend this prohibition to 6:00 a.m. daily).

The Planning Commission additionally directed City staff and the applicant to work with the California Department of Transportation (Caltrans), as needed, regarding the conditions of approval requested by Caltrans related to improvements that would enhance traffic and/or pedestrian flow in the project vicinity and on State facilities near the project site.

In a separate motion, the Planning Commission recommended (5-1 vote, 3 members absent) that the PD Plan be revised to add hotel as a permitted use on the south parcel, whereas the staff recommended alternative did not allow for hotel on the south parcel. The staff recommendation is unchanged; hotel is not recommended as a permitted use on the south parcel.

#### **EXECUTIVE SUMMARY:**

The applicant, J&K Plus Investments LLC, has submitted a Planned Development application to develop the properties generally located at 1347-1355 East Colorado Boulevard and 39 North Hill Avenue (north parcel) and 1336 East Colorado Boulevard (south parcel) with two hotels. As proposed by the applicant, the north parcel would be developed with a 375-room hotel and ground-floor commercial uses totaling approximately 350,000 square feet. The south parcel would be developed with a 150-room hotel and ground-floor commercial uses totaling approximately 90,000 square feet.

The following approvals and/or entitlements are required for the project:

- (1) **CEQA Review:** Certification of the Final Environmental Impact Report (SCH #2013101060), adoption of findings, adoption of the Water Supply Assessment, and adoption of a Mitigation Monitoring and Reporting Program;
- (2) **Zone Map Amendment:** To change the zoning designation of the project site from ECSP-CG-2 and RM-48-PK (East Colorado Specific Plan, Commercial General, College District and Multi-Family Residential, 0-48 units per acre, Parking Overlay) to a PD zoning district;
- (3) **PD Plan:** Creation of a PD zoning district requires simultaneous approval of a PD Plan that identifies allowed or conditionally allowed uses, applicable development standards for the PD, and conditions of approval related to the project.
- (4) **Design Review:** A Commission-level Design Review, which will occur after City Council consideration of the Zone Map Amendment and the PD Plan.

Items 1-3 above will be considered by the City Council as part of this public hearing. Should the City Council approve the project or a variation thereof, subsequent Design Review approval would be required by the Design Commission prior to the issuance of any building permits.

A Final EIR, which includes the Draft EIR and Appendices, was prepared for the proposed project and alternatives. The Final EIR analyzed the following environmental topics: air quality, cultural resources, greenhouse gases, hazards and hazardous materials, hydrology and water quality, land use and planning, noise and vibration, public services (fire protection), transportation and traffic, and utilities and service systems. The Final EIR identified potentially significant effects related to the following topics: air quality, cultural resources, hazards and hazardous materials, noise and vibration, and transportation and traffic. With the incorporation of the mitigation measures in the MMRP, provided as Attachment D, the Final EIR determined that all significant impacts could be reduced to a less than significant level with implementation of the proposed mitigation measures.

Staff finds that the Final EIR adequately analyzed the potential environmental impacts of the project as required by the California Environmental Quality Act (CEQA) and that the findings to approve the requested entitlements can be made, based on staff-recommended alternative. Staff finds that, as part of the PD, it would be appropriate to develop the north parcel with a hotel (as proposed by the applicant). However, in lieu of a hotel on the south parcel (as proposed by the applicant), staff finds it would be appropriate to develop the south parcel consistent with Alternative Three or Alternative Four of the Final EIR. Staff's recommended alternative would result in development that would provide greater consistency with the new General Plan and vision for the ECSP area.

#### **BACKGROUND:**

The project site is located at 1347-1355 East Colorado Boulevard and 39 North Hill Avenue (north parcel) and 1336 East Colorado Boulevard (south parcel). The north parcel is bordered by Hill Avenue on the east, Colorado Boulevard on the south, Holliston Avenue on the west, and measures approximately 2.97 acres. The north parcel contains multiple buildings and a large surface parking lot used previously for the display, sales, and service of vehicles.

The south parcel is located in the northwestern portion of the block bound by Hill Avenue to the east, Green Street to the south, Holliston Avenue to the west, and measures approximately 0.71 acres. The south parcel contains two small buildings used in conjunction with automotive sales. Both parcels have been temporarily vacant since 2008, but used periodically for temporary vehicle storage and the sale of pre-owned vehicles, and seasonally for the sale of pumpkins and holiday trees.



Figure 1 – Project Site

Adjacent Uses (Overall Site):

North: Institutional (Church)

South: Institutional (Pasadena City College); Public and Semi-Public (Hill Avenue Branch Library)

East: Institutional (Pasadena City College); Commercial

West: Institutional (Church); Commercial

Adjacent Zoning (Overall Site):

North: PS (Public and Semi-Public)

South: CG (Commercial General)

East: ECSP-CG-2 (East Colorado Specific Plan, Commercial General, College District)  
CG (Commercial General); PS (Public and Semi-Public)

West: ECSP-CG-1 (East Colorado Specific Plan, Commercial General, Mid-City)

The project site is located within a developed area of Pasadena on one of the City's main commercial streets, surrounded by residential, commercial and institutional land uses. More specifically, the Prism Church and Hill Avenue Grace Lutheran Church border the project to the north. The F. Suie One Antiques Store building (which also includes private offices and residences) is on the same block as the proposed project. Across Holliston Avenue to the west is the Holliston Avenue United Methodist Church and, to the south of the north parcel are the south parcel and a Chevron gas station. Pasadena City College is located to the southeast of the north parcel and a McDonald's



restaurant is located to the southwest. To the east of the north parcel, across Hill Avenue, is a drive-through restaurant and other commercial uses. Within the same block as the south parcel is the Chevron gas station, a surface parking lot utilized by Pasadena City College students, and the Hill Avenue Branch Library.



Figure 2 – Existing Auto Showrooms

The on-site building (auto showrooms) at 1355 East Colorado Boulevard is documented as being eligible for listing in the National Register of Historic Places in the historic resources survey for the East Colorado Boulevard Specific Plan. In 2010, the newer “Welcome” sign lettering at the north end of the driveway was nominated for designation as a historic sign. Ultimately, it was determined to be ineligible for designation because it was historically not a sign; however, it was determined to be a contributing feature to the eligible automobile showrooms.

### **PROJECT DESCRIPTION:**

The description provided below is for the project, as submitted by the applicant.

The north parcel would be developed with a full-service hotel (332,690 square feet) and ground-floor commercial uses (16,400 square feet). The hotel would include up to 375 guest rooms and related services (311,300 square feet), a ballroom (12,500 square feet), and conference rooms (8,890 square feet). The total square footage would be 349,090 square feet. The building would range in height from two stories up to a maximum of five stories along roadway frontages. In the interior of the site, portions of the building would be up to seven stories. A portion of the roof would have architectural features and a rooftop pool and bar, resulting in an overall height of 90 feet. Vehicle access to the site would be provided from multiple locations. A driveway is proposed running parallel to the north property line between Holliston Avenue and Hill Avenue, providing access to the subterranean parking. Along Colorado Boulevard, a driveway serving as the drop-off and pick-up to the hotel, as well as valet service, would be centered approximately 150 feet away from the intersection of Colorado Boulevard and Hill Avenue. Access to the subterranean parking would also be provided at this

location. All existing buildings on-site would be demolished to accommodate the development, except that the existing automobile showrooms would be retained.

The south parcel would be developed with a smaller hotel with up to 150 guest rooms (79,595 square feet) and ground-floor commercial uses (10,000 square feet). The total square footage would be 89,595 square feet. The building would range in height from three to four stories with a maximum height of 48 feet. Vehicle access to the site would be served by an existing alley located to the rear of the property that connects to Holliston Avenue to the west and Hill Avenue to the east. All existing buildings on-site would be demolished to accommodate the development. The project plans submitted by the applicant are provided as Attachment E.

## **ANALYSIS:**

### **Consistency with General Plan**

This subsection provides an overview of consistency with the City's General Plan. This issue was also addressed in Draft EIR Section 3.7. The analysis and the determination of consistency with applicable land use policies and ordinances is based on field reconnaissance, review of aerial photographs, and review of relevant planning documents. Regional and local planning documents were reviewed to determine relevant goals and policies applicable to the project site, the project itself, and surrounding land uses, and then compared to the proposed project to determine consistency with applicable land use plans.

The project is considered consistent with the provisions of the identified regional and local plans if it meets the general intent of the plans. A project does not need to be in perfect conformity with all policies of the General Plan. Rather, a project must be compatible with the objectives, policies, general land uses and, and programs specified in the plan.

### ***General Plan Land Use Element Guiding Principles***

The General Plan Land Use Element includes eight Guiding Principles. The consistency of the project (as proposed by the applicant and the staff recommended alternative) with these principles is described below:

- *Guiding Principle 1. Growth will be targeted to serve community needs and enhance the quality of life.* Development of the proposed project will revitalize an underutilized site located on one of the City's main commercial corridors, providing visitor-serving uses in proximity to a mix of existing commercial, residential, and institutional uses.
- *Guiding Principle 2. Pasadena's historic resources will be preserved.* The

development plan and mitigation requirements for the project includes preservation, restoration, and adaptive reuse of the historic former auto showrooms and the “Welcome” sign, as well as the provision of an on-site interpretive sign or display that presents a history of the site and the significance of the International Style of architecture to the automobile-related industry of Pasadena.

- *Guiding Principle 3. Pasadena will be an economically vital city by providing jobs, services, revenues, and opportunities.* The proposed project has all of those features, providing many new jobs, hotel and commercial retail uses and services, revenue to the City, and visitor-serving opportunities to the City, all of which will occur on a site that is largely vacant and highly underutilized.
- *Guiding Principle 4. Pasadena will be a socially, economically, and environmentally sustainable community.* The proposed project will provide a development use that is complimentary to a mix of existing uses within the City, and will revitalize an otherwise dormant site.
- *Guiding Principle 5. Pasadena will be a city where people can circulate without cars.* The project site is located within a High Quality Transit Area, with good access to public transit, thereby helping to reduce dependence on cars.
- *Guiding Principle 6. Pasadena will be a cultural, scientific, corporate, entertainment and education center for the region.* The proposed project is designed to provide high-quality hotel and commercial uses that complement the overall mix of existing uses in the City.
- *Guiding Principle 7. Community Participation will be a permanent part of achieving a greater city.* Citizen involvement in the CEQA review process, as well as in public hearings for the project, provides opportunities for public input to help guide and shape the final development plans for the project.
- *Guiding Principle 8. Pasadena is committed to public education and a diverse educational system responsive to the broad needs of the community.* Although not directly involved in the educational system, the proposed project could indirectly support ongoing education through the provision of new employment opportunities in close proximity to Pasadena City College.

Based on the analysis provided above, the proposed project (as proposed by the applicant and the staff recommended alternative) would be consistent with the Guiding Principles of the City’s General Plan Land Use Element.



### *General Plan Land Use Designation*

The General Plan Land Use Diagram identifies the density and intensity of development for each land use category depicted on the diagram. The Zoning Map and adopted Specific Plans then designate uses for all parcels at a greater level of specificity with allowable maximum densities falling within the range shown on the Land Use Diagram.

The project site has a General Plan Land Use Designation of Medium Mixed Use. Properties with the land use designation of Medium Mixed Use (0.0-2.25 FAR, 0-87 dwelling units per acre). The intent of this land use designation is:

...to support the development of multi-story buildings with a variety of compatible commercial and residential uses. Development is characterized by shared open spaces, extensive landscaping, small to medium separations between buildings, and shared driveways and parking. Sites may be exclusively commercial or exclusively residential, or with buildings vertically integrating housing with non-residential uses. Mixed-use development projects containing housing shall incorporate amenities contributing to a quality living environment for residents including courtyards, recreation facilities, and similar elements. Where buildings face the street frontage, they shall be designed to enhance pedestrian activity with transparent facades for retail uses and distinctive entries for housing. Parking shall be located below or to the rear of the street. Projects constructed at Medium Mixed Use densities may be required to develop pedestrian-oriented streetscape amenities along their primary street frontages, consistent with the improvement concepts and plans defined by the City.

The ECSP does not require compliance with a maximum floor area ratio (FAR) as set forth in the base commercial districts. However, any project would be subject to the limits corresponding to the Medium Mixed Use land use designation. The proposed FAR for the north and south parcels, at approximately 2.70 FAR and 2.90 FAR respectively, would exceed the prescribed FAR limits in the General Plan. However, General Plan Land Use Element Policy 4.13 allows a new PD to have a FAR as high as 3.0 provided it can be demonstrated that the architectural design of the PD is contextual and of a high quality. This is codified in the Zoning Code, where it states that a PD with a proposed increase in the FAR, shall be reviewed by the Design Commission prior to consideration by the Planning Commission. The Design Commission will advise the Planning Commission and City Council, as to whether the architectural design of the proposed PD is contextual and of high-quality.

On March 22, 2016, the Design Commission reviewed the project (as proposed by the applicant). The purpose of the meeting was to review the project and advise the Planning Commission if the conceptual drawings exhibited a project that was of high quality, exhibited architectural excellence and was contextual to the surrounding

neighborhood, consistent with the applicant's request for an increase in FAR. The Design Commission found that the conceptual drawings were of high quality and appropriately massed and sited to be contextually compatible with the surrounding neighborhood. The Design Commission noted that the project would continue to be refined through the Design Review process, during which time the Design Commission would review the project and require appropriate modifications to ensure high quality and contextually appropriate design.

When the project was forwarded to the Planning Commission for consideration, some members expressed concern about the overall size of the hotel on the north parcel, as well as its bulk and massing. At the request of the Planning Commission, the applicant submitted additional massing models, which were reviewed by Design & Historic Preservation (DHP) Section staff, to illustrate how the design of the hotel on the north parcel would be adversely impacted absent the increased FAR and height. According to DHP staff, the form of the building is appropriately articulated to break down the overall massing with sub-volumes to allow the building form to step down to the street edge and adjacent lower scale structures. As shown in the preliminary renderings, the relationship of solids to voids appears balanced and arranged into a symmetrical pattern. Overall, the project is designed to be integrated within the existing urban context by complementing the existing pedestrian and ground floor retail character of the neighborhood.

DHP staff concluded that, although it may be possible to design a smaller high quality and contextual project within the allowable building envelope, the high quality and creative Art Deco influenced design proposed as part this submittal would most likely not be able to be achieved. The deliberate breakdown of the overall massing and use of sub-volumes in the current design helps to soften the impact of the project on the surrounding neighborhood, and presents a more contextually compatible and appropriate design. Limiting the height and/or square footage would not facilitate the same type of careful treatment of the building volumes.

To ensure that the overarching design principles illustrated in the plans are carried forward to review by the Design Commission, DHP staff added three conditions of approval to the proposed project which have been incorporated into Attachment B, and restated below.

- The Design Commission shall review and refine the overall design of the project through the Design Review process. This review shall include, but is not limited to, modifications to the mass and height within the revised maximum allowed thresholds as deemed appropriate by the City Council. The Design Commission will review and condition the project to ensure that the project is of high quality, exhibits architectural excellence, and contextual to the surrounding neighborhood.

- The current architectural team shall be retained and consulted throughout the design review and construction processes to ensure that the finishes, materials, and detailing of the structure are appropriate to the design presented or shown in the attachments to support the request to increase the additional FAR for the project.
- A comprehensive landscape plan shall be submitted to the Design Commission for review and approval. The goal of the landscape plan is to demonstrate the following: create distinctive environments; soften the exterior appearance of the building; and incorporate the use of native drought tolerant plant material to avoid excessive water use.

In conclusion, the project (as proposed by the applicant) would be consistent with the Medium Mixed Use land use designation, subject to General Plan Land Use Element Policy 4.13. The development parameters (size, FAR, height, parking, etc.) and design of the staff recommended alternative would essentially be the same as the applicant project. Therefore, the staff recommended alternative would also be consistent with the Medium Mixed land use designation, subject to General Plan Land Use Element Policy 4.13.

#### *General Plan Development Capacity*

The 2015 General Plan Land Use Element allocated 300 housing units and 300,000 square feet of non-residential development capacity to the ECSP. Once this allocation is exhausted, subsequent development would require an amendment to the General Plan. However, there are caveats to be considered. First, development capacity is not reserved upon receipt of a Zoning entitlement(s) but rather when a Building Permit is pulled for construction. Second, in the event that demolition of existing structures is required to accommodate a proposed project, the square footage that is demolished is "credited" back to the Specific Plan area. And finally, General Plan Land Use Policy 1.5 allows for the review of these caps every five years. These caps may be modified, as needed, to reflect development that has occurred, its impacts, evolving market and economic conditions, and consistency with community values. In addition, the ECSP calls for the allocation of housing units to be converted to non-residential square feet utilizing a conversion factor for new development whereby a residential unit may be converted to commercial floor area at a rate of 1,000 square feet per unit.

Implementation of the project (as proposed by the applicant) would result in the development of approximately 440,000 square feet of building space at the project site, utilizing all of the non-residential square footage allocated by the General Plan. In addition, the conversion of approximately 107 residential units to commercial floor area would be required in order to accommodate the proposed project. This assumes a 32,500 square foot demolition credit would be applied to the site. However, 193 units (or 193,000 square feet, if converted) would remain available for allocation within the

## ECSP area.

Staff's recommended alternative would result in a similar situation if the south parcel were to be developed consistent with Alternative Three in the Final EIR. Single-room occupancy (SRO) units, intended for student use only, would be treated similarly to hotel for the purposes of evaluating the impact to the development caps. If the south parcel were to be development consistent with Alternative Four in the Final EIR, all of the non-residential square footage allowed by the General Plan would be used; however, only 77 units were would allowed and/or converted. In this scenario, 223 units (of 223,000 square feet, if converted) would remain available for allocation within the ECSP area.

In summary, the mix of uses on the south parcel has different effects on the ECSP development caps; however, the project, as proposed by the applicant or the staff recommended alternative, can be accommodated by the existing development capacity prescribed by the General Plan.

### *General Plan Community Places - East Colorado Specific Plan*

The new General Plan's vision for the ECSP area is a transformation from largely auto oriented strip uses into a series of pedestrian-oriented villages and districts with unique identities, bolstered by their vibrant mix of uses, amenities and streetscapes improving their walkability and appearance. The overall objective for the planning area is to break up long stretches of strip commercial with residential uses and cluster commercial uses in nodes. Neighborhood Villages would be established along Colorado Boulevard near Hill Street and Sierra Madre Boulevard containing a mix of commercial and residential uses with pedestrian-oriented amenities and plazas. Their mix of uses and design would serve as a gathering place and be walkable from adjoining neighborhoods.

The Specific Plan is further broken down into sub-areas, with the large portion of the project site located within the College District Sub-Area, which extends from Holliston Avenue to Allen Avenue and includes the Pasadena City College frontage. The Specific Plan suggests that uses in the College District should be college and/or neighborhood serving, and limited to two or three stories in height. Restaurants, cafes, bookstores, office supplies, banks, and motels would all be considered appropriate uses within this sub-area. Hotels are conditionally permitted within this Sub-Area.

### *Applicant Project vs. Staff Recommended Alternative*

Although the project (as proposed by the applicant) is generally consistent with the overarching intent of the ECSP, as described above, with respect to the redevelopment and increased density proposed for the subject property, staff does not believe the project results in an appropriate mix of land uses or neighborhood village feel, as envisioned by the ECSP for the College District sub-area.

Implementation of the project (as proposed by the applicant) would develop approximately 3.65 acres of property with two hotels, having a combined 525 guest rooms and 26,400 square feet of ground-floor commercial uses. The hotel envisioned for the north parcel would provide up to 375 guest rooms and a variety of amenities, desired by visitors and tourists, on an approximately 2.97-acre site. Additionally, the proposed hotel would provide 21,390 square feet of banquet and conference room facilities that, either separately or in concert with the guest rooms, could be serving to educational institutions near the project site. The hotel, related hotel amenities, neighborhood-serving uses on the ground floor, and project design would transform the currently underutilized property at the intersection of East Colorado Boulevard and North Hill Avenue.

However, in lieu of a second, smaller hotel on the south parcel, the staff recommended alternative would develop the south parcel consistent with Alternative Three or Alternative Four from the Final EIR, to provide greater consistency with the Guiding Principles of the Land Use Element and its vision for the ECSP area.

Under Alternative 3 of the Final EIR, the south parcel would be developed with up to 100 single-room occupancy (SRO) units totaling 79,595 square feet and 10,000 square feet of ground-floor commercial uses. These units would be restricted to student occupancy only. Under Alternative 4 of the Final EIR, the south parcel would be developed with up to 50 residential units totaling 79,595 square feet and 10,000 square feet of ground-floor commercial uses. Under this development scenario, the residential units would not be restricted to student occupancy. The applicant would have the flexibility to develop the south parcel with either a greater number of small units, intended for student-only occupancy, or a smaller number of larger units, with no occupancy limitations. However, the physical development parameters (size, FAR, height, parking, etc.) and design of the staff recommended alternative would be essentially the same as those proposed by the applicant.

In summary, although the project (as proposed by the applicant) would continue to facilitate the transformation from largely auto oriented uses, the proposed project is not consistent with the neighborhood village concept envisioned for along Colorado Boulevard near Hill Avenue. The introduction of residential on the south parcel would bring the overall project into greater alignment with the General Plan's vision for the ECSP area, while providing flexibility to the applicant by allowing for student housing (in the form of SRO) or residential (not limited to students) above neighborhood-serving, ground-floor commercial uses.

#### Consistency with the Zoning Ordinance

A PD is intended for sites where a unique mix of uses and development standards is required to the scope and complexity of the proposed project. This planning approach can provide creative flexibility to project design; however, it is not intended to circumvent the requirements set forth in the Zoning Ordinance and administrative



procedures. The rezoning of a site to the PD zoning district requires simultaneous approval of a PD Plan, which sets the development standards for the PD zoning district. The PD Plan has been provided as Attachment F. If adopted by the City Council, the PD Plan would be added to Appendix A of the Pasadena Zoning Code (Planned Developments).

A summary of those requirements, as they relate to the proposed project and the staff recommended alternative, is provided below.

### *Mix of Uses*

Through the PD Process, the applicant may specify a mix of uses to be allowed or conditionally allowed. In the ECSP-CG-2 zoning district, a 'Lodging – Hotel, Motels' land use is permitted, subject to the approval of a Conditional Use Permit. This use is not permitted in the RM-48-PK zoning district. The use is also subject to specific land use standards (PMC Section 17.50.150) regulating items such as the number of guest rooms allowed to have a kitchen and the minimum stay required. The proposed PD Plan would allow this use on the north parcel; this use would not be allowed on the south parcel. Single-room occupancy residential uses are not permitted in the ECSP-CG-2 zoning district. The proposed PD Plan would allow this use on the south parcel only, subject to specific land use standards (PMC Section 17.50.300) regulating items such as unit size, common areas, kitchen and bathroom facilities, etc. Mixed-use projects are a permitted use in the ECSP-CG-2 zoning district. The proposed PD Plan would allow this use on the south parcel only, subject to specific land use standards (PMC Section 17.50.160) regulating items such as ground floor height, community and private open space, parking, etc.

A variety of retail sales and services are permitted by-right in the ECSP-CG-2 zoning district; however, many of these same uses are not permitted in the RM-48-PK zoning district. The proposed PD Plan would allow ground-floor commercial spaces, on both the north and south parcels, to be occupied by retail sales or service uses that are (a) permitted by-right in the ECSP-CG-2 zoning district, and (b) meet the definition of 'Pedestrian-Oriented Use' as defined in PMC Section 17.80.020. The definition of 'Pedestrian-Oriented Use' is:

**Pedestrian-Oriented Uses (land use).** A land use that is intended to encourage walk-in customers and that generally does not limit the number of customers by requiring appointments or otherwise excluding the general public. A pedestrian-oriented use provides spontaneous draw from the sidewalk and street due to visual interest, high customer turnover, and social interaction. Examples of these uses include:

- bars and taverns
- bars and taverns with live entertainment
- cultural institutions
- commercial entertainment
- commercial recreation - indoor
- mixed use projects with ground-floor commercial uses

- restaurants
- restaurants — fast food
- restaurants and fast food restaurants with outdoor dining
- restaurants and fast food restaurants with live entertainment
- retail sales
- personal services
- printing services, limited

Additionally, staff has added a condition of approval to the project requiring that ground-floor commercial uses on both the north parcel and south parcel be accessible from their respective street frontage(s).

#### *Floor Area Ratio (FAR)*

The ECSP does not require adherence to a FAR limit.

#### *Residential Density*

The maximum residential density in the ECSP-CG-2 zoning district is 48 dwelling units per acre. The maximum residential density in the RM-48-PK is the same. As described in the PD Plan, a mixed-use project could be developed on the south parcel having up to 50 residential units, which would exceed the maximum density for the site. However, the staff recommended alternative would be consistent with the General Plan Land Use Designation in terms of maximum FAR and residential density (0-87 dwelling units per acre). Should the applicant develop the site in with a mixed-use project, the residential density may be allowed as part of the PD Plan.

#### *Setbacks*

Setbacks within the ECSP area require that buildings provide a five foot (fixed) front setback and a five foot (fixed) corner side setback. A 15' foot (fixed) side or rear setback is required (that shall not project within the encroachment plane) when adjacent to an RS or RM zone unless the adjacent lot is a PK overlay which is used for parking; no setback is required otherwise. Additionally, the required five-foot setback shall be used for expanded sidewalk treatment and/or pedestrian area (hardscape). Additional front or corner yard setbacks are allowed only to create space for streetside plazas, patios, and building entrances. As indicated on the plans submitted by the applicant, the north parcel shall provide:

- 0' minimum – 5' maximum setback (Colorado Blvd.)
- 0' minimum – 5' maximum setback (Hill Avenue)
- 0' minimum – 5' maximum setback 200' from Colorado Blvd. (Holliston Avenue)
- 5' minimum setback (elsewhere along Holliston Avenue)
- 5' minimum setback (rear property line)

The plans specify the following setbacks for the south parcel:

- 0' minimum – 5' maximum setback (Colorado Blvd.)
- 5' minimum – 10' maximum setback (Holliston Avenue)
- 5' minimum setback (side property line)
- 5' minimum setback (rear property line)

The proposed project (as proposed by the applicant and the staff recommended alternative) would deviate from the setback requirements. Through the PD process, the applicant may request setbacks specific to the proposed development footprint. In this case, some flexibility from the fixed setback requirements has been requested as part of the PD to ensure the creation of a vibrant streetscape and public realm, consistent with the intent of the ECSP.

### *Height*

The maximum height allowed in the ECSP-CG-2 zoning district is 45 feet. The maximum height allowed in the RM-48-PK zoning district is 38 feet. Development proposed for the north parcel would have a maximum height of 90 feet, inclusive of appurtenances and/or architectural features, including a rooftop pool and bar area. Specifically, portions of the proposed project adjacent to historic buildings would have a three-story maximum. Along Holliston Avenue, massing would vary between two and four stories. Along Colorado Boulevard, development would be limited to five stories. Along Hill Avenue, massing would vary between two and five stories. Development proposed for the south parcel would have a maximum height of 48 feet. Along both Colorado Boulevard and Holliston Avenue, massing would vary between three and four stories. Through the PD process, the applicant may request additional height.

The applicant has indicated that, if preservation of the showrooms were eliminated from the project description, the overall bulk and massing of the hotel proposed on the north parcel could be re-distributed, resulting in a reduction of the maximum height. However, as described in the Final EIR, removal of the showrooms would result in a significant, unavoidable impact under CEQA. A Council action to approve any version of the project with a significant, unavoidable impact would require the adoption of a Statement of Overriding Considerations, finding that the benefits of the project outweigh the project's adverse environmental impacts. Staff continues to recommend that the showrooms be preserved and incorporated into the proposed project.

### *Driveway Access*

The ECSP requires that parcels with less than 200 feet in width (street frontage) provide only one driveway per street frontage, with shared driveways provided wherever feasible. On the north parcel, vehicle access would be provided in multiple locations. A driveway is proposed running parallel to the north property line between Holliston

Avenue and Hill Avenue, providing access to subterranean parking. Along Colorado Boulevard, a driveway serving as the drop-off / pick-up to the hotel, as well as valet service, would be centered approximately 150 feet away from the intersection of Colorado Boulevard and Hill Avenue. As indicated on the plans submitted by the applicant, along Hill Avenue, a maximum of one curb cut is proposed. Along Holliston Avenue, a maximum of one curb cut is proposed. Along Colorado Boulevard, a maximum of two curb cuts is proposed. In addition, any curb cuts along Colorado Boulevard, associated with the former Pasadena Ford dealership, would be removed. On the south parcel, vehicle access to the site would be provided by an existing alley located at the rear of the property that connects Holliston Avenue to the west and Hill Avenue to the east. As such, no curb cuts are proposed along Holliston Avenue or Colorado Boulevard.

### *Parking*

PMC Section 17.46.040 (Table 4-6) specifies the off-street minimum parking requirement for non-residential uses. A 'Lodging – Hotel, Motel' land use is required to provide one parking space per guest room; plus 10 parking spaces per 1,000 square feet of banquet, assembly, meeting, or restaurant seating area or 1 space per 8 fixed seats. Accessory retail uses greater than 5,000 square feet must additionally provide 2.5 parking spaces per 1,000 square feet. The project, as proposed by the applicant, would provide two levels of subterranean parking on both the north and south parcels. On the north parcel, two levels of subterranean parking would accommodate up to 700 parking spaces (maximum 350 parking spaces per parking level). On the south parcel, two levels of subterranean parking would accommodate up to 150 parking spaces (maximum 75 parking spaces per parking level). Based on staff's analysis, the proposed on both the north and south parcels would not be adequate. However, through the PD process, the applicant may request that the parking provided be deemed adequate for the proposed mix of uses.

The applicant has not specified what uses will occupy the ground-floor commercial spaces, or how the parking requirement would be impacted. In light of this, the PD Plan specifies that project must provide parking consistent with PMC Chapter 17.46 (Parking and Loading), consistent with the uses ultimately developed as part of the PD Plan. A condition of approval has been added to require approval of a Minor Conditional Use Permit, subject to PMC Section 17.46.050 (Shared Parking), for the sharing or leasing of parking and/or loading spaces to uses other than those occurring on the project site. A condition of approval has been added requiring that, prior to the implementation of any on-site valet parking operations for the hotel, the applicant or successor in interest must submit a valet parking plan to the Zoning Administrator and Department of Transportation for review and approval.

The PD Plan is crafted so that, except as expressly provided in PD 35, development proposed within the boundaries of the PD shall comply with all the requirements established by PMC Title 17. Additionally, the PD Plan has been crafted to specify

that, should the boundary of either parcel change resulting from subdivision or change in ownership, the PD must be amended to reflect the new boundary and applicable development standard(s) must be modified to reflect the new boundary of the PD.

### **REVIEW BY OTHER DEPARTMENTS:**

The project has been reviewed by the Planning and Community Development Department, DOT, Fire Department, Police Department, Department of Public Works, Public Health Department, Housing and Career Services Department, and Department of Water and Power. Recommended conditions of approval have been included in Attachment B to this report.

As part of their review of the Draft EIR, Caltrans offered to collaborate with the City to identify potential improvements for the project. DOT and Caltrans staff has worked closely to identify conditions of approval, outlined below, that are mutually acceptable to both agencies. DOT recommends that the conditions of approval be applied to the project. As such, these conditions have been added to Attachment B of this report.

- Install CCTV (closed-circuit television) Camera and Pole and New TS controller and TS switch at the intersections of Hill Avenue & Walnut Street and Hill Avenue & Colorado Blvd.
- Upgrade curb ramps to meet current Americans with Disabilities Act of 1990 (ADA) guidelines and Caltrans standards at the WB I-210 on and off ramps at Hill Avenue, including all non-standard curb ramps, sidewalks, traffic islands, APS, and pedestrian crossings.

### **ENVIRONMENTAL REVIEW:**

#### **Notice of Preparation / Scoping**

In accordance with the requirements of CEQA, an EIR was prepared in order to identify and analyze the project's potential impacts on the environment. A Notice of Preparation (NOP) circulated from October 18, 2013 to November 18, 2013 to inform interested agencies, organizations, and individuals of the City's intention to prepare an EIR and to solicit comments on the scope and content of the EIR. In addition, the City held two scoping meetings, one on November 7, 2013 and the other on November 13, 2013.

As a result of the Initial Study's preliminary evaluation of potential environmental impacts that could result from the proposed project along with public and agency input received during the scoping process, the Draft EIR evaluated the following environmental topics in depth: Air Quality, Cultural Resources, Greenhouse Gases, Hazards and Hazardous Materials, Hydrology and Water Quality, Land Use and Planning; Noise and Vibration; Public Services (Fire), Transportation and Traffic, and



Utilities and Service Systems. The EIR was prepared by CDM Smith; a Phase I Cultural Resources Assessment and a Noise Study were prepared by BonTerra/Psomas, and Daly & Associates prepared a Historic Resources Assessment.

### Draft EIR

The Draft EIR was published on October 13, 2015 and was circulated for a 67-day public comment period, including an 18-day extension to the close of the review period, which is 22 days longer than the 45 days typically provided for a Draft EIR comment period. The Draft EIR public review period provided interested public agencies, groups, and individuals the opportunity to comment on the contents and accuracy of the document. Copies of the Draft EIR were made available to the public at the City's Planning Division counter, the Pasadena Libraries (Central Library and Hill Avenue Branch), and online on the City's webpage. In addition to written comments received during the 67-day review period, oral comments were taken at the Planning Commission public hearing held on November 11, 2015. For the purposes of Council action on this item, the Draft EIR and appendices have been provided on CD.

As discussed in the Draft EIR, although the Initial Study identified the potential for significant impacts related to aesthetics, that issue was not carried forth into the Draft EIR analysis based on the provision of Senate Bill 743, codified within CEQA Section 21099 *et. seq.*, which states that "Aesthetics and parking impacts of a residential, mixed-use residential, or employment center project on an infill site within a transit priority area shall not be considered significant impacts on the environment." (Public Resources Code Section 21099(d)(1)). According to the Southern California Association of Governments, the project site is located within a High Quality Transit Area that qualifies as a transit priority area.

All impacts studied in the Draft EIR were found to be less than significant, or less than significant with implementation of mitigation measures. The following discussion focuses only on those topics where it was concluded that mitigation would be required.

### *Air Quality*

The South Coast Air Quality Management District (SCAQMD) has published regional significance thresholds to determine if projects have significant air quality impacts. These significance thresholds were used to evaluate whether the proposed project would violate any air quality standard or contribute substantially to an existing or projected air quality violation. The SCAQMD has also developed Localized Significance Thresholds (LST) to assess whether a proposed project would expose sensitive receptors to substantial pollutant concentrations. If a project exceeds these thresholds, it would be considered to have a significant impact and a cumulative impact on air quality.

The EIR determined that NO<sub>x</sub> emissions associated with the construction of the

proposed project would exceed regional thresholds and that on-site construction related emissions would exceed with the SCAQMD's LST for NO<sub>x</sub>, PM<sub>10</sub>, and PM<sub>2.5</sub>. Two mitigation measures are proposed. MM-AQ-1 would require that all off-road engines used during construction meet Tier 3 emission standards during the building construction phase for both the north and south parcels. MM-AQ-2 would require that all off-road diesel engines used during construction be equipped with diesel particulate filters capable of reducing PM<sub>10</sub> and PM<sub>2.5</sub> emissions by at least 50 percent the uncontrolled emission rate of the construction equipment. With implementation of these mitigation measures, the residual impacts would be less than significant.

### *Cultural Resources*

The evaluation of potential impacts to cultural resources that could occur from the construction and/or operation of the proposed project are based on a Phase I Cultural Resources Assessment prepared by BonTerra/Psomas and a Historic Resources Assessment prepared by Daly & Associates in 2014. Both of these assessments are included within Appendix C of the EIR. The EIR identifies both the former new car showrooms of the H.G. Loud Autos property and the "Welcome" sign on the H.G. Loud Autos property as historic resources; the former being eligible for listing in the National Register. The proposed project would preserve the automobile showrooms and sign; however, all other structures on the north parcel are proposed to be demolished.

There are two considerations in determining whether a proposed project would cause the H.G. Loud Autos showroom to no longer convey its historical significance and therefore result in a significant impact on historic resources pursuant to CEQA: 1) whether the important architectural features of the historic resource are preserved; and 2) whether the integrity of the historical resources is maintained. The EIR determined that, although the showrooms and sign would be preserved, the demolition of the remaining buildings on the north parcel, which are associated with "Marketing and Servicing the Automobile", would present an adverse effect to the integrity of a historical resource relative to the loss of setting, feeling, and association. This analysis is described on pages 3.3-26 through 3.3-30 of the EIR.

Four mitigation measures have been proposed. MM-CR-1 would require that the applicant prepare documentation of the H.G. Loud autos site, comprised of written data, drawings, photographs, etc. MM-CR-2 would require that the applicant have an interpretive display, focused on the "history of the automobile in Pasadena", available for public viewing in one of the remaining showroom sections of the H.G. Loud Autos complex. The display would present a history of the site and significance of the International Style of architecture to the automobile-related industry of Pasadena. MM-CR-3 would require that the applicant develop a Preservation, Restoration, and Adaptive Reuse plan for the rehabilitated showrooms and for the relocation and restoration of the "Welcome" sign. Specifically, the showrooms should be rehabilitated to serve an alternative use(s) and the sign shall be installed within one of the showroom spaces or in another place visible from Colorado Boulevard. The rehabilitation must

follow the Secretary of Interior's Guidelines for the Treatment of Historic Properties. Finally, MM-CR-5 additionally requires that; should unanticipated damage occur to the showrooms, the applicant is responsible for restoring the buildings to their historic appearance.

In addition, ground borne vibration associated with construction activities at the project site poses the potential for structural damage to nearby historic structures, including the F. Suie One Antiques Store and Holliston Avenue Methodist Church. MM-CR-4 would require that prior to any construction activities; the applicant must retain a qualified Architectural Historian or Historic Architect to prepare a photo documentation of the exterior of the F. Suie One Antiques Store building. A set of detailed photographs of exterior facades would be used to assist in the repair of any unanticipated vibration-caused or other construction related damage. Additional mitigation measures related to construction-related vibration damage can be found in the Noise & Vibration Section of the EIR). With implementation of these five mitigation measures, the residual impacts would be less than significant.

Finally, the EIR determined that the proposed project (specifically, excavation of the sub-surface parking levels) could, either directly or indirectly, destroy a unique paleontological resource / site or unique geological feature. To address this, MM-CR-6 would require that a paleontologist be notified and retained when earth-moving activities are anticipated to impact undisturbed deposits of Older Quaternary Alluvium on the project site. Should any scientifically important large fossil remains be uncovered, heavy equipment shall be diverted from the fossil site until the site has been examined and remains have been removed. With implementation of this mitigation measure, the residual impact would be less than significant. Combined, these mitigation measures would reduce cumulative impacts to less than significant levels.

#### *Hazards and Hazardous Materials*

To support the evaluation of potential impacts associated with hazards and hazardous materials that could occur from construction and/or operation of the proposed project, the following source reports were reviewed: Phase I and II Environmental Site Assessments, Phase I Review and Updates, the California State Water Resources Board's Geotracker database, and the General Plan Safety Element. The EIR determined that the proposed project could create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment. Specifically, subsurface excavation could encounter contaminated soils and demolition of existing structures could encounter hazardous building materials (asbestos containing materials (ACM), lead-based paint (LBP), or polychlorinated biphenyls (PCBs)). Additionally, should soil contamination or ACM, LBP, or PCBs be encountered during project construction, there is the potential for significant impacts associated with exposure to the public, including construction workers, to upset conditions associated with hazardous materials, which could contribute to a significant cumulative impact.

Three mitigation measures are proposed. MM-HAZ-1 would require that if soil is encountered during project construction that is identified or suspected or being impacted by hazardous materials, work will be halted and site conditions will be inspected by a qualified environmental professional. The results would be submitted to the Pasadena Fire Department, the CA Dept. of Toxic Substances Control, and/or CA Regional Water Quality Control Board. Response and/or remedial measures would be implemented until all the requirements of the oversight agencies are satisfied and a no-further action status determination is attained. MM-HAZ-2 would require that all subgrade clarifiers and underground storage tanks be closed and removed to current regulatory standards and shall include compliance with SCAQMD Rule 1166 relative to the monitoring and management of soils contaminated by VOC's associated with such facilities. MM-HAZ-3 would require that prior to demolition or renovation of any on-site structure, a survey be conducted to identify any PCBs, ACM, and LBP within existing structures. If discovered, the compounds must be removed or abated prior to demolition or renovation. With implementation of these mitigation measures, the residual impacts would be less than significant.

#### *Noise and Vibration*

The EIR evaluated the potential noise impacts associated with construction activities (on-site construction equipment and traffic-related construction occurring off-site) and operation of the project, including the evaluation of new sources of noise on the project site such as heating, ventilation, and air conditioning equipment. The analysis of operational noise also evaluated potential increases in off-site noise along roadways that could result from increased traffic attributable to the project. Vibration analysis focused on the vibration associated with construction activities. Based on the nature of the proposed project, no notable additional sources of vibration would occur with long-term operation of the project.

The EIR concluded that the proposed project has the potential to result in a substantial permanent increase in ambient noise levels in the project vicinity. Specifically, the noise associated with on-site stationary sources and on-site outdoor activities (pool and cabana area) could result in significant noise impacts. To address this, four mitigation measures are proposed. MM-NOISE-1 would require that the applicant demonstrate that the hotel regulations include a prohibition on the use of radios, televisions, etc. in the pool area and other outdoor common areas unless used with headphones, earbuds, etc. MM-NOISE-2 would require that the applicant demonstrate that the hotel regulations include a prohibition of the use of the pool area between 10:00 p.m. and 5:00 a.m. and that signs with pool hours are posted at the pool area. MM-NOISE-3 would require that outdoor loading docks and trash collection areas are located so that the line of sight between these noise sources and any adjacent noise sensitive land use would be obstructed to the extent necessary so as to reduce noise to within 5 dBA above ambient levels. Finally, MM-NOISE-4 would require that the applicant provide information consisting of signage, operating instructions, and other measures that would

be implemented to prevent service truck access and egress during nighttime hours. With implementation of these mitigation measures, the residual impacts would be less than significant.

The EIR also concluded that the proposed project could expose persons to or generate noise levels in excess of established standards, specifically indoor noise levels suitable for hotel uses. MM-NOISE-5 would require that the applicant demonstrate that indoor noise levels in the hotel rooms facing Colorado Boulevard and/or Hill Avenue not exceed 45 dBA CNEL. With implementation of these mitigation measures, the residual impacts would be less than significant.

Finally, the EIR concluded that construction of the proposed project has the potential to generate vibration to adjacent structures and their occupants. Five mitigation measures have been proposed. MM-NOISE-6 would require the applicant to retain a structural engineer to review the project plans for demolition and construction, recommend modifications, additional measures, and/or develop a monitoring plan to ensure vibration limits are not exceeded. MM-NOISE-7 would require that if vibration damage occurs, the applicant is responsible for any repairs needed and that repairs shall be consistent with the Secretary of Interior's Standards. MM-NOISE-8 would require that the applicant provide notification to nearby property owners of construction-related vibration that may be experienced. MM-NOISE-9 would require that a vibration mitigation plan for the Holliston Avenue Methodist Church be established that ensures no damage would be caused to the structure or its stained glass window units. Additionally, the applicant shall be responsible for any repairs associated with vibration caused damage. Finally MM-NOISE-10 would require that vibration-limiting measures identified on the construction plans be provided prior to the issuance of demolition, grading, or building permits for the north parcel. With implementation of these mitigation measures, residual impacts would be less than significant. MM-NOISE-1 through MM-NOISE-10 would also reduce cumulative noise and vibration impacts to less than significant levels.

#### *Transportation and Traffic*

The City of Pasadena recently adopted the Transportation Impact Analysis Current Practice and Guidelines (TIA Guidelines) to promote an "integrated and multimodal transportation system that provides choices and accessibility for everyone living and working in the City" through public transit services, parking strategies, bicycle facilities, and pedestrian components that are connect with the larger transportation system. The TIA Guidelines identify projects that may have transportation impacts and provide instructions for preparing analysis for these projects, differentiating between analysis to be conducted pursuant to CEQA and analyses to be evaluated outside of CEQA. For the CEQA component, the TIA Guidelines identify performance measures that are closely aligned with the Mobility Element objectives and policies: vehicle miles traveled (VMT) per capita, vehicle trips (VT) per capita, proximity and quality of the bicycle network, proximity and quality of the transit network, and pedestrian accessibility.



Pursuant to the TIA Guidelines, the proposed project was evaluated by the Pasadena Department of Transportation (DOT) to determine the project's transportation impact to the community. As described in the EIR, the proposed project would decrease the percentage of the citywide service population located within one-quarter mile of existing bicycle facilities to 31.4 percent (0.3 percent decrease). This is considered a significant impact. MM-T-1 would require the applicant to, prior to issuance of a grading permit, contribute the project's fair share of funds toward the Union Street Cycle Track Complete Streets Project found in the City's FY 2016-2020 Capital Improvement Program. With implementation of this mitigation measure, residual impacts would be less than significant.

### *Alternatives Considered*

CEQA requires that an EIR describe a range of reasonable alternatives to a proposed project that could feasibly avoid or lessen any significant environmental impacts, while attaining the basic objectives of the project. The alternatives analyzed in the EIR are:

Alternative One - No Project. Under this alternative, the proposed project would not be implemented and it is assumed that the north parcel would be redeveloped with retail sales and restaurant uses, as permissible under the existing zoning designation for the site and occupying the same amount of building area that currently exists on site. The south parcel would continue to be used for vehicle sales and leasing.

Alternative Two - Reduced Project. Under this alternative, the nature and mix of uses would be the same as that of the proposed project; however, the intensity and amount of development (i.e. square footage of building floor area) and building heights would be reduced. The total amount of development under Alternative Two would be approximately 244,000 square feet - a 44 percent reduction when compared to the proposed project, with a total of 290 hotel rooms versus the proposed 525 rooms, and building heights would be limited to three stories versus the proposed maximum of seven stories.

Alternative Three - Hotel and Efficiency Units / Student Housing. Under this alternative, the nature and amount of development occurring on the north parcel would remain the same as what is currently proposed. However, development of the south parcel would consist of up to 100 housing units, in the form of either "efficiency or single-room units" or student housing, and ground-floor retail uses (approximately 80,000 square feet of residential uses plus 10,000 square feet of ground-floor commercial space). The total amount of development under this alternative would be approximately 440,000 square feet, consistent with the proposed project.

Under this alternative, the development approach to the north parcel included the option to either retain the automobile showrooms (as currently proposed) or remove the showrooms and be replaced with a multi-story structure that would accommodate the types of hotel and retail uses listed above, but with no increase in development

intensity. In other words, there would be no increase in the amount of development proposed, but with replacement of the existing single-story building with a multi-story structure, allowing for the redistribution of development on the site and a potential reduction in the maximum height compared to the proposed project.

Alternative Four - Mixed-Use Residential and Commercial Development. Under this alternative, mixed-use development (residential and commercial) would occur on both the north parcel and the south parcel. While the scale of development, relative to the amount of development and height, is generally the same as the proposed project, the nature and mix of uses would be different. The north parcel would be developed with 200 residential units and 37,800 square feet of ground-level commercial uses. The south parcel would be developed with 50 residential units and 10,000 square feet of ground-level commercial uses.

#### *Environmentally Superior Alternative*

The CEQA Guidelines require that an environmentally superior alternative be identified from the alternatives considered in an EIR. Alternative Two - Reduced Project is considered to be the environmentally superior alternative. Based on the reduced scale of development that would occur under this Alternative relative to the development that would occur under the proposed project, the impacts of Alternative Two would be comparatively less, especially as related to localized air quality and greenhouse gas emissions. There are, however, different tradeoffs for each alternative. The EIR Executive Summary Table ES-2 provides a summary of how the impacts associated with project alternatives compare to those of the proposed project.

#### *Implementation of Alternative Three or Alternative Four (South Parcel Only)*

Implementation of Alternative Three or Alternative Four, specifically as they relate to development on the south parcel, would result in construction and operational impacts comparable to those of the proposed project, given that the amount of development is essentially the same between scenarios and the nature of the proposed land uses. All potentially significant environmental impacts associated with the proposed project and Alternatives Three and Alternative Four related to the south parcel can be reduced to less than significant levels with implementation of mitigation measures. Staff's recommended alternative would provide greater consistency with the Guiding Principles of the Land Use Element and its vision for the ECSP.

Recirculation of the EIR is not required should the City Council approve the Findings for a Zone Map Amendment and corresponding PD Plan based on the staff recommended alternative, in lieu of the applicant version. Because these Alternative were analyzed in the EIR, the level of potential environmental impacts are essentially the same between scenarios and the nature of the proposed land uses, the proposed mitigation measures would continue to be appropriate for implementation as part of the MMRP.

## Final EIR

The Final EIR was published in April 2016. Public comments on the Draft EIR received by the City are included in the Final EIR, and responses to those comments were prepared to address the concerns raised. A total of 11 written comment letters were received on the Draft EIR during the original and extended review periods. A list of commenters is provided.

- California Governor's Office of Planning and Research, State Clearinghouse and Planning Unit (12/2/15)
- California Governor's Office of Planning and Research, State Clearinghouse and Planning Unit (12/21/15)
- California Department of Transportation (Caltrans) (11/25/15)
- California Department of Transportation (Caltrans) (12/17/15)
- Los Angeles County Metropolitan Transportation Authority (Metro) (11/5/15)
- County Sanitation Districts of Los Angeles County (11/30/15)
- Pasadena Heritage (11/30/15)
- Grace Lutheran Church (11/30/15)
- Holliston United Methodist Church (11/16/15)
- Walter Choi (11/18/15)
- Richard McDonald (12/18/15)

The original bracketed comment letters are provided followed by a numbered response to each bracketed comment. Individual comments within each letter are numbered and the response is given a matching number. Additionally, a summary of the oral comments occurring at the Planning Commission public hearing on the Draft EIR, and responses to those comments, is included. Where responses to comments on the Draft EIR resulted in changes to the Draft EIR, these changes have been noted and the resulting changes are identified in Final EIR

The MMRP describes procedures that would be followed to implement mitigation measures adopted in connection with the approval of the proposed project and the methods for monitoring such actions. A MMRP is necessary only for impacts that would be significant if not mitigated. The table consists of the mitigation measures associated for the proposed project and provides an entry for each measure that notes the timing of the measure, the responsible entity for mitigation monitoring, an entry to record when the mitigation measure was completed and the measure's effectiveness. The MMRP is provided as Attachment D.

## Updated Final EIR

Chuck Ryor, Pastor of the Prism Church at 61 N. Hill Avenue, contacted staff via email and indicated that a clarification error was made as part of the Final EIR, referencing the Hill Avenue Grace Lutheran Church complex, where the Prism Church should have

been specified instead of or in addition to the Hill Avenue Grace Lutheran Church complex. This correspondence was forwarded to the Planning Commission and included as part of Attachment C. To address this, staff prepared an *updated* Final EIR (August 2016) to address this and other minor clarification items. The *updated* Final EIR (August 2016) is provided as Attachment G.

**COUNCIL POLICY CONSIDERATION:**

The proposed project, as recommended by staff, supports the guiding principles of the General Plan by targeting new development to infill areas that are vacant or underutilized, providing job, housing, and shopping opportunities, designing buildings that are high-quality and contributors to the City's urban fabric, and preserving Pasadena's cultural and historic buildings. Additionally, the staff-recommended alternative would further the City Council's Strategic Plan goals through the creation of job opportunities, as part of construction and operation, that would support and promote the local economy, as well as result in the contribution of transient occupancy tax, property tax, and sales tax to the City.

**FISCAL IMPACT:**

The project construction cost is estimated to be approximately \$100-125 million, assuming that hotels are built on both the north and south parcels and that construction occurs concurrently. Additionally, the cost of the project review and permits will be paid to the City by the developer. At stabilization, year three of operations, the project will generate approximately \$3.8 million to the General Fund from transient occupancy tax. Over a 20-year period, the City will receive approximately \$98.5 million (present value amount of \$58.5 million) to the City's General Fund.


Respectfully submitted,



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DAVID M. REYES  
Director of Planning & Community  
Development

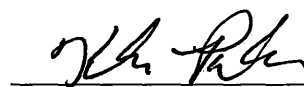
Prepared by:



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Tracy Steinkruger  
Senior Planner

Concurred by:



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Kelvin Parker  
Principal Planner / Zoning Administrator

Approved by:



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STEVE MERMELL  
City Manager

Attachments:

Attachment A – Specific Findings for Approval  
Attachment B – Conditions of Approval



Planned Development 35 – Colorado Hill Hotel  
September 12, 2016  
Page 29 of 29

Attachment C – Planning Commission Correspondence

Attachment D – Mitigation, Monitoring, and Reporting Program

Attachment E – Project Plans

Attachment F – PD Plan

Attachment G – Final EIR (August 2016); Draft EIR and Appendices provided on CD and available online at: <http://cityofpasadena.net/Hill-Colorado.aspx>