



Agenda Report

June 3, 2019

TO: Honorable Mayor and City Council
FROM: Planning & Community Development Department
SUBJECT: REQUEST FOR TIME EXTENSION: CONDITIONAL USE PERMIT #6279 FOR REHABILITATION OF HISTORIC YWCA BUILDING & CONSTRUCTION OF A TWO-TO-SIX-STORY, 91,000-SQUARE-FOOT BUILDING FOR USE AS A HOTEL 78 NORTH MARENGO AVENUE

RECOMMENDATION:

Staff recommends that the City Council:

1. Find that the project proposed herein was subject to environmental review in the Environmental Impact Report certified by the City Council on August 16, 2016, and that there are no changed circumstances or new information which would require further environmental review.
2. Find that the findings and conditions of the original approval still apply;
3. Find that the proposed project meets the current height, setbacks, and floor area ratio requirements of the Zoning Code and is consistent with the General Plan, the Central District Specific Plan, and the Zoning Map; and, therefore,
4. Based on these findings, approve the request for Time Extension for one additional year, to August 16, 2020.

BACKGROUND:

On August 16, 2016, the City Council approved a series of Zoning entitlements for a new two-to-six-story hotel building, including rehabilitation of the historic YWCA building, at 78 N. Marengo Avenue. The approved entitlements were as follows:

1. Surplus Property declaration and exemption from competitive sale requirement:
To determine that real property of the City is not needed for the purpose for which it was acquired or for any other public purpose and to allow the City to

enter into a long-term lease with the developer most suited to successfully rehabilitate the YWCA building rather than to the highest bidder;

2. Conditional Use Permit (CUP): for a new non-residential project exceeding 25,000 square feet of gross floor area;
3. CUP: to allow use of property in the CD-2 Zoning District for a “Lodging – hotels” use;
4. CUP: for the sale of a full line of alcoholic beverages for on-site consumption;
5. Minor CUP: for a new commercial project exceeding 15,000 square feet of gross floor area in a transit oriented district (TOD);
6. Minor CUP: for shared parking;
7. Minor CUP: for reduced parking;
8. Variance: for reduced first floor height;
9. Variance: for loading spaces (number and design); and
10. Public Tree Removals: to remove 23 public trees in fair to good condition to accommodate the proposed development.

Pursuant to Zoning Code §17.64.040.A.2, approvals required by the Zoning Code on properties in zoning districts outside RS districts are valid for an initial period of three years except where a Time Extension is granted pursuant to subsection C of the same section. This subsection specifies that the original decision maker is the review authority for time extensions and, in this case, the City Council was the original review decision maker for the entitlements. Two one-year time extensions may be granted. It should be noted that the surplus property declaration and waiver from the competitive sale requirement are not approvals required by the Zoning Code and do not expire. In addition, pursuant to PMC §8.52.076 and the City’s public tree removal criteria, public tree removal requests are evaluated based on the merits of each project and would require a new application for a new project. As such, only entitlement numbers 2-9 in the list above are requested to be extended.

Pursuant to Zoning Code §17.64.040.B, a permit for a new development project is deemed exercised when:

1. A building permit for the subject property has been issued, and construction diligently pursued to completion; or
2. A Certificate of Occupancy has been issued by the City.

ANALYSIS:

As a result of City Council action taken on May 22, 2017, lease negotiations with the original developer and project applicant, Kimpton Hotel & Restaurant Group, were terminated and, as such, the project has not completed the design review process and has not been submitted for building plan check. On April 8, 2019, the City Council directed staff to prepare a new Request for Proposals with more specific development envelope parameters for the site and no specific use for the building. In light of this direction, it is conceivable that submitted proposals may have the potential to utilize some or all of the previously approved entitlements, with modifications that may be necessary to reflect the specifics of the new proposal. As such, it is in the City's best interest to extend the entitlements' time limit to accommodate the process of selecting a new development proposal for the site. Following selection of a new proposal, staff will assess the potential for previously approved entitlements to be utilized for the new proposal and, based on that assessment and the requirements of the Zoning Code, will identify the appropriate review procedure for the new project to follow.

Pursuant to Zoning Code §17.64.040.D, the findings required to approve a Time Extension are:

1. The findings and conditions of the original approval still apply; and
2. The proposed project meets the current height, setbacks, and floor area ratio requirements of the Zoning Code and is consistent with the General Plan, any applicable Specific Plan, and the Zoning Map.

Since the project was approved in 2016, there have been no changes in the development of the surrounding area that would affect the findings and conditions of the original approval. In addition, there have been no changes to the height, setbacks or floor area ratio requirements of the Zoning Code, to the General Plan, Central District Specific Plan, or the Zoning Map as they relate to the property.

ENVIRONMENTAL ANALYSIS:

On August 16, 2016, the project that is the subject of the requested time extension was subject to environmental review and the Council certified an Environmental Impact Report and made the findings required by the California Environmental Quality Act therefor. There are no changed circumstances at the project site or within the surrounding area, and there is not new information which would require further environmental review at this time. Further environmental review may be necessary should a newly proposed project deviate materially from what was analyzed in the EIR. That analysis will occur if and when a new project is proposed.

FISCAL IMPACT:

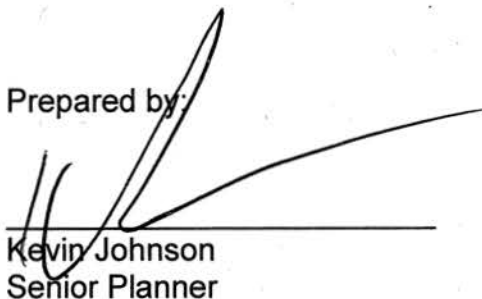
There is no fiscal impact to the City as a result of this action.

Respectfully submitted,



DAVID M. REYES
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Development

Prepared by:



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Reviewed by:



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Approved by:



STEVE MERMELL
City Manager

Attachment: (1)

Attachment A - CUP #6279 Approval Letter with Attachments