

# Agenda Report

February 24, 2020

**TO:** Honorable Mayor and City Council

**FROM:** Planning & Community Development Department

**SUBJECT: PREDEVELOPMENT PLAN REVIEW OF A COMMERCIAL BUILDING  
PROPOSED AT 590 SOUTH FAIR OAKS AVENUE**

**RECOMMENDATION:**

This report is intended to provide information to the City Council; no action is required.

**BACKGROUND:**

The applicant, Richard Bruckner, on behalf of 590 Fair Oaks Development, LLC, has submitted a Predevelopment Plan Review (PPR) application proposing a 100,000 square-foot, four-story medical office building with a two-level subterranean parking garage encompassing five contiguous parcels (AINs: 5720-001-001, -002, -003, -004 and -005). The 42,090 square-foot project site is a rectangular corner site, bordered by South Fair Oaks Avenue to the west and East California Boulevard to the north. The property is located in the IG-SP2 (Industrial General, South Fair Oaks Specific Plan) zoning district. The site is improved with two commercial buildings totaling 4,780 square feet and a surface parking lot that will be demolished to accommodate the proposed project.

Pursuant to Zoning Code Section 17.60.040.C.2.a.(4) (Application Preparation and Filing – Predevelopment Plan Review – Applicability – Mandatory review) a PPR is required for projects involving new construction of more than 25,000 square feet of nonresidential gross floor area. The purpose of the PPR is to achieve better projects through early consultation between City staff and applicants. The intent is to coordinate the review of projects among City staff and City departments, familiarize applicants with regulations and procedures that apply to the project, and avoid significant investment in the design of a project without preliminary input from City staff. In addition, the purpose is to identify issues that may arise during review of the project, provide opportunities for discussion about the project and an exchange of information on potential issues between the City staff and applicants, and inform the City Council and the public of proposed development projects defined in the administrative guidelines to be of communitywide significance.

A project is categorized as a project of communitywide significance if it consists of: 1) more than 50,000 square feet of gross floor area with one discretionary action; or 2) 50 or more housing units; or 3) any project determined by the Planning Director to be of major importance to the City. Projects of communitywide significance are presented to the City Council for informational purposes. The proposed project involves the construction of a 100,000 square-foot commercial building and qualifies as a project of communitywide significance.

This report provides a project description, identifies the anticipated entitlement and environmental review processes, and summarizes key areas of concern regarding Zoning Code and General Plan compliance.

### **PROJECT SUMMARY:**

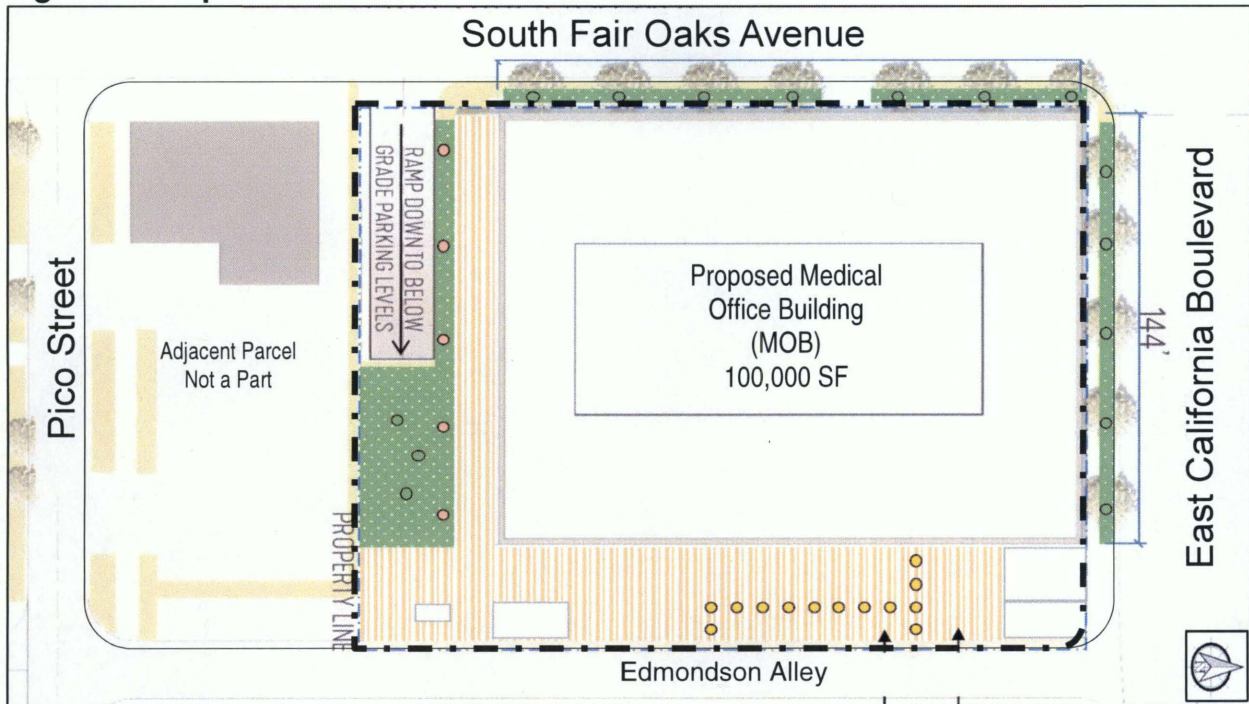
The applicant proposes the demolition of two, existing one-story commercial buildings and construction of the following:

- A four-story, 100,000 square-foot medical office building with a proposed height of 56 feet;
- 184 parking spaces in a two-level subterranean parking garage.

**Figure 1: Aerial View**



**Figure 2: Proposed Site Plan**



**Figure 3: Fair Oaks Avenue and California Boulevard Elevation (Preliminary Only)**



**Figure 4: South Fair Oaks Avenue Elevation (Preliminary Only)**



**PREDEVELOPMENT PLAN REVIEW ANALYSIS:**

All applicable City departments reviewed the project as part of the PPR and provided comments that are included in Attachment A. Notable Planning related standards and comments are discussed below.

*Context and Compatibility*

The proposed project includes the construction of a 100,000 square-foot, four-story, medical office building with two-levels of subterranean parking providing 184 parking spaces. The project, as proposed, would not be consistent with the following development standards as provided in the Zoning Code for the IG-SP2 zoning district:

Table 1:

<b>Development Standard</b>	<b>Proposed</b>	<b>IG-SP2 Requirement</b>
Height	56 feet	45 feet*
Parking	184 spaces	320 spaces**

\*Base zoning district height

\*\*With 20% TOD parking reduction

*Massing and Scale*

Pursuant to Section 17.35.040(A) of the Zoning Code, proposed development and new land uses shall comply with the development standards of the base district, except that floor area ratio (FAR) and commercial frontage and façade standards shall not be applicable within the South Fair Oaks Specific Plan. The General Plan Land Use Diagram establishes the maximum FAR for the site as 3.0. The proposed FAR of 2.38 is below the 3.0 maximum established by the General Plan.

The surrounding context consists of medium to high mixed-use commercial development, two-to-three stories in height. The Huntington Pavilion medical building and Huntington Hospital campus are located west of the subject site, with building heights ranging between three-to-seven stories. Buildings south of the subject site are three-to-six stories in height. Per the Zoning Code, the maximum building height on this site shall be that of the IG zoning district, unless another maximum height is shown on the Zoning Map. In this case, the maximum allowable height for development on this site is 45 feet. The project proposes a building height of 56 feet and does not comply with the height requirement.

A medical office land use is required to provide four parking spaces per 1,000 square feet of gross floor area. As proposed, the 100,000 square-foot medical office building is required to provide 400 parking spaces. The subject site is located within the Transit-Oriented Development Area, a quarter-mile from the Fillmore Station. In this location, the Zoning Code requires that the minimum number of required off-street parking spaces be reduced by 10 percent, with an optional reduction of up to 20 percent for nonresidential land uses. With the 10 percent required reduction of parking spaces, the maximum allowed number of parking spaces is 360 parking spaces. With the optional 20 percent reduction, parking can be reduced to 320 parking spaces.

As noted in Table 1, the project proposes 184 parking spaces, which results in a deficiency of 136 parking spaces. However, pursuant to Section 17.50.340(D)(c) of the Zoning Code, the parking requirements may be further reduced through a parking demand study and approval of a Minor Conditional Use Permit.

### *Development Capacities*

The 2015 General Plan established caps for residential and non-residential development in each of the specific plan areas. The original allocated development capacities for the South Fair Oaks Specific Plan included 80 residential units and 988,000 square feet of non-residential development. As of January 10, 2020, the remaining balance in allocated development capacities are 785 residential units and 909,820 square feet of non-residential development. The project proposes net new construction of approximately 95,220 square feet of non-residential development, which is within the remaining development intensities.

### **ENTITLEMENT PROCESS:**

Pursuant to Section 17.35.050(B) of the Zoning Code, new construction of a major project in exceedance of 75,000 square feet of gross floor area shall require a Conditional Use Permit (CUP). The Planning Commission shall be the initial review authority for the CUP, with the City Council serving as the appeal authority. In conjunction with the CUP application, the project, as proposed, would require a Minor Conditional Use Permit to allow further reduction of the required parking and a Tentative Parcel Map application to consolidate the five-parcels. Furthermore, if the project is not redesigned to comply with the height requirement, the applicant would need to pursue a

Variance in addition to the above permits. Alternatively, and in lieu of a Variance, the South Fair Oaks Specific Plan and the Zoning Code would have to be amended to allow a maximum height of 56 feet on this site. The South Fair Oaks Specific Plan currently provides three development incentives, one of which includes a height bonus to allow a maximum height of 56 feet. However, the height bonus is only applicable to parcels along Fair Oaks Avenue south of Pico Street that do not abut a residential use. The site is located north of Pico Street; therefore, it does not qualify for the height bonus.

Section 17.68.080 of the Zoning Code designates authority to the City Council and the Planning Commission to initiate an amendment to the text of the South Fair Oaks Specific Plan. Section 17.74.030 of the Zoning Code designates authority to the City Council, Planning Commission, or the City Manager to initiate an amendment to the text of the Zoning Code.

If amendments were initiated to amend the text of the South Fair Oaks Specific Plan and Zoning Code, the amendment process would involve the steps outlined below. The City could process the entitlements for the proposed project concurrently with these amendments:

1. Conduct environmental review per CEQA;
2. Planning Commission Public Hearing, on the proposed project and code amendments;
3. City Council Public Hearing, on the proposed project and code amendments;
4. City Council reading of Ordinance to amend the text of the South Fair Oaks Specific Plan and the Zoning Code;

Pursuant to Section 17.68.070(A), the following finding would be required to be made by the City Council to amend the text of the South Fair Oaks Specific Plan:

1. The proposed amendment is in conformance with the goals, policies, and objectives of the General Plan and other adopted goals and policies of the City.

Additionally, pursuant to Section 17.74.070 (Findings and Decisions), the following findings would need to be made by City Council to amend the text of the Zoning Code:

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.

### *Design Review*

New construction greater than 25,000 square feet is subject to Design Review before the Design Commission. The project is subject to three stages of review: 1) Preliminary Consultation; 2) Concept (schematic-level) Design; and 3) Final Design.

### *Specific Plan Update*

The City is currently undergoing a comprehensive update of all existing Specific Plans, including the South Fair Oaks Specific Plan, as well as the Zoning Code provisions that relate to the Specific Plan areas. New land use and development intensity concepts are under development and will continue to be developed with community input before Council consideration. At the June 20, 2019 workshop for the South Fair Oaks Specific Plan, staff introduced the Preliminary Concept for the plan area. The Preliminary Concept identifies up to 3.0 FAR and five to six stories of height to be allowed at the subject property. As such, the proposed project's FAR of 2.38 and height of 56 feet would be consistent with the Preliminary Concept for the South Fair Oaks Specific Plan update.

### **ENVIRONMENTAL REVIEW:**

This project will be subject to the provisions of the California Environmental Quality Act (CEQA). According to the Department of Transportation, and based on the information submitted with the PPR, a traffic analysis would be required. Additional technical studies (i.e. parking study, noise, and air quality) may also be necessary to complete the appropriate CEQA analysis for the project.

### **NEXT STEPS:**

Pursuant to Section 17.60.030 (Concurrent Permit Processing) of the Zoning Code, when a single project incorporates different land uses or features so that the Zoning Code requires multiple land use permit applications, the Director may determine that all of the applications shall be filed concurrently, and reviewed, and approved or disapproved, by the highest level review authority.

If the text amendments are initiated, concurrent filing and review of the land use permit applications (Conditional Use Permit, Minor Conditional Use Permit, and Tentative Parcel Map) may be reviewed, and approved, approved in modified form, or disapproved by the City Council after a recommendation from the Planning Commission. Therefore, the following identifies the steps in the review process:

Text Amendment Initiation:

- Text amendment to the South Fair Oaks Specific Plan to allow a maximum height of 56 feet, initiated by the City Council or Planning Commission;

- Text amendment to the Zoning Code to allow a maximum height of 56 feet, initiated by the City Council, Planning Commission, or the City Manager.

Discretionary Review Process:

- Applicant submits Conditional Use Permit, Minor Conditional Use Permit, and Tentative Parcel Map application(s);
- Conduct environmental review per CEQA;
- Conduct a noticed public hearing before the Planning Commission for review and recommendation to the City Council;
- Conduct a noticed public hearing before the City Council for review and decision;
- Conduct Design Review.

Absent the initiation of the text amendments as specified above, the applicant would have to pursue a Variance to attain the proposed height of 56 feet. Concurrent filing and review of the land use permit applications (Conditional Use Permit, Minor Conditional Use Permit, Tentative Parcel Map, and Variance), with the Planning Commission serving as the initial review authority and the City Council as the appeal authority. Therefore, the following identifies the steps in the discretionary review process:

- Applicant submits Conditional Use Permit, Minor Conditional Use Permit, Tentative Parcel Map, and Variance application(s);
- Conduct environmental review per CEQA;
- Conduct a noticed public hearing before the Planning Commission for review and decision;
- Conduct Design Review.



**FISCAL IMPACT:**


This report is for information only and will not result in any fiscal impact.

Respectfully submitted,



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Attachments: (3)

- Attachment A – Predevelopment Plan Review Comments Provided to Applicant
- Attachment B – Project Summary Table of Development Standards
- Attachment C – Predevelopment Plan Review Plans