

Agenda Report

TO: CITY COUNCIL **DATE:** SEPTEMBER 9, 2002
FROM: CYNTHIA J. KURTZ, CITY MANAGER
SUBJECT: PREDEVELOPMENT PLAN REVIEW FOR THE PROPOSED MIXED-USE PROJECT, "LOFTS ON LAKE AVENUE," 85 S. LAKE AVENUE.

RECOMMENDATION:

This report is for information.

BACKGROUND:

The City's Predevelopment Plan Review (PPR) guidelines identify projects of "community-wide significance" that are presented to the City Council for informational purposes. The proposed mixed-use project at 85 S. Lake Avenue—combining office and retail uses with 103 loft-style apartments—qualifies as a project of "community-wide significance."

PROJECT DESCRIPTION:

The "Lofts on Lake Avenue" project is proposed for a 1.2-acre site in a highly urbanized area of the Central District. The site, occupying the south side of E. Green Street, between S. Lake Avenue and S. Hudson Avenue, is L-shaped, with the primary street frontages along E. Green Street and S. Hudson Avenue. The surrounding uses are offices with some ground-floor retail. A one-story commercial building with surface parking borders the site to the south. The existing site has a vacant 8,500-square foot building (formerly used as a bank) and surface parking.

The development site is in the CD-4 zoning sub-district. It has a General Plan designation of a5—Lake Avenue Office sub-area of the Central District Specific Plan. In August 2001 the City Council amended the General Plan to permit residential development in this area. The amendment maintains the commercial character on Lake Avenue and Green Street by limiting the housing to a maximum of 50% of the floor area in new construction facing these streets. The "Lofts on Lake Avenue" project is the first development proposal to take advantage of this amendment and to introduce housing into this setting. The portion of the project along Hudson Avenue is outside the area with limitations to the amount of housing.

The new development proposes demolition of the existing building and new construction of a reinforced-concrete, mixed-use project with: 8,051 square feet of office space, 10,065 square feet of retail space, 103 residential units, 5,940 square feet of clubhouse and accessory residential uses, and two levels of subterranean parking with 214 spaces. The gross floor area of the building is 166,000 square feet with an additional 90,000 square feet in the two-level subterranean garage.

The ground-floor spaces are intended to be retail with limited areas set aside to serve as amenities for the residents of the apartments. The second floor, along Lake Avenue and Green Street, is for office use. The upper two floors are residential (rental apartments). In the building module facing Lake Avenue, the residential units are one story with a loft, creating floor-to-ceiling heights that appear to be taller than one floor. Along Hudson Avenue and in the interior of the project, there are four stories of residential units. These dwelling units have an open floor plan but no lofts. The apartments range in size from 734 square feet to 2,216 square feet, but averaging 1,196 square feet.

The project is organized into two modules. At the east end of the site is a wing, approximately 72-feet in height, with 75-feet of frontage on Lake Avenue and a glazed corner entrance oriented to the corner of Lake Avenue and Green Street. To the west—along Green and Hudson—is a lower-scale element, approximately 50-feet in height. This portion of the building is rectangular in plan and organized around a center courtyard. A large portal, mid-block on Green Street, visually separates the two modules. The primary entrances to the development, with two elevator lobbies, are in the portal and interior courtyard.

Along Green Street, the leading edge of the building is proposed to be set back at least five feet—and in some areas 15 feet—from the property line to protect the canopy and roots of the seven, existing street trees (*ficus nitidia*). Along this stretch of Green Street, however, the zoning code does not permit a set back. The new tree ordinance enables the Design Commission, during design review, to modify this requirement without a variance if it adopts a finding that the set back is necessary for the preservation and health of the trees. This project is likely to be the first occasion that the Design Commission authorizes a modification to the set back requirements of the Central District Street Frontage Set Back Map.

In addition to the street trees, the development site has one specimen tree (*ficus nitidia*) on an interior property line. The developers propose to retain the tree, and they contracted with an arborist to evaluate its condition. The arborist proposed several measures to protect the tree, and these measures are part of the environmental mitigation measures for the project.

The architectural design of the building is a contemporary adaptation of traditional urban industrial themes: symmetrically organized bays framed by projecting piers—clad in brick—and large glazed openings. The flat roofs and projecting canopies of the module on Lake Avenue refer appropriately to the rectilinear Late Moderne/International Style architecture of most buildings along of S. Lake Avenue. The portions of the building along Hudson Avenue have hipped roofs.

The Hanover Company of Houston, Texas, is the developer. Togawa & Smith (whose office is in Old Pasadena) are the architects.

REVIEW OF DISCRETIONARY ACTIONS:

The purpose of pre-development plan review (PPR), in Ch. 17.84 of the zoning code, is to identify the requirements of City departments, to offer direction to developers about their projects and to present a schedule and sequence for entitlements and permits for the new construction.

In this instance, the staff conducted a PPR meeting with the project architects on July 29, 2002. Among the issues presented at that time were:

General Plan Review: The development proposal is consistent with the goals, policies and objectives of the General Plan's Land Use Element. The recent amendment to the General Plan permits mixed-use projects with housing.

Environmental Review: The draft Initial Study for the project has been circulated for twenty days. It concludes that the project will not create any significant adverse effects on traffic and circulation, aesthetics, air quality, light and glare, and plant life. The Initial Study proposes mitigation measures to improve pedestrian safety and traffic flow and to protect the street trees and the one mature tree on the interior of the site.

Traffic and Transportation Assessment: The traffic study for the project (KHR Associates, revised on 8-5-02) proposes no mitigation measures beyond improving pedestrian safety (e.g., illuminated bollards, new paving) and the flow of traffic (e.g., eliminating four parallel parking spaces on Hudson). The study concludes that the proposed new use will generate less traffic on a daily basis than the previous use on the site.

Current Planning Assessment: No discretionary action is required.

Design & Historic Preservation Assessment: The project requires design review. A noticed public hearing before the Design Commission is the first discretionary action for the project. The demolition of the existing building requires a Certificate of Appropriateness from the Cultural Heritage Commission. This building has been altered extensively and has no architectural or historic significance.

Inclusionary Housing: In accordance with the Inclusionary Housing Ordinance (IHO), this project is required to have 6 units dedicated for affordable housing. The number of units increases to 15 if the project has no discretionary entitlement by September 13. The developers have chosen to pay the in-lieu fee.

Cultural Affairs Review: As a mixed-use development, the project is subject to the public art requirement for new development, with 1% of the building valuation allocated for public art. The sequence for hiring an art consultant and presenting a proposal to the Arts Commission will be coordinated with submittals of applications for design review.

TIMELINE:

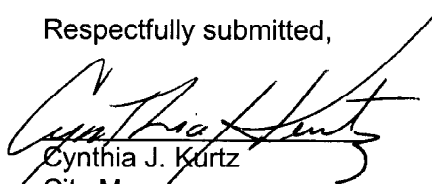
The following schedule outlines the major stages of review for this project:

Dates	Activity
05-06/02	Initial meetings between applicant and city staff.
07/08/02	Applicant submits traffic study, arborist's report, and master application. Submits report to Transportation Department for review.
07/29/02	PPR meeting between applicant and city staff.
08/19/02	Staff circulates draft Initial Environmental Study and notice of public hearing.
09/09/02	PPR presentation to City Council.
09/09/02	Design Commission holds a public hearing for environmental clearance and concept design.
10/02	Cultural Heritage Commission reviews demolition of existing building.
11/02-12/02	The Design Commission conducts an advisory "50%" review—if needed—followed by final design review.

FISCAL IMPACT:

The developers will pay fees for the required discretionary actions. The project will also generate plan check and permit fees and a construction tax. Exact amounts cannot be determined at this time. Additionally, the project will generate increased revenues from property taxes.

Respectfully submitted,



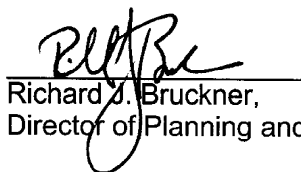
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City Manager

Prepared by:



Jeff Cronin
Principal Planner

Approved by:



Richard J. Bruckner,
Director of Planning and Development Department

Attachments:

- a) Plans and elevations for "Lofts on Lake Avenue"
- b) PPR comments from City staff and departments