

Agenda Report

TO: CITY COUNCIL **DATE:** JANUARY 27, 2003
FROM: CITY MANAGER
SUBJECT: CONSIDERATION OF A MORATORIUM ON THE DEMOLITION
OF OLDER STRUCTURES (20 YEARS OR OLDER) WITHIN
DESIGNATED STUDY AREA 12

RECOMMENDATION

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

1. Find the proposed project to be Statutorily Exempt from environmental review pursuant to the guidelines of the California Environmental Quality Act, CEQA Guidelines, Section 15262, Feasibility and Planning Studies;
2. Approve a moratorium for an initial period of 45 days on the demolition of residential structures (20 years or older) within the RM (multifamily) and PS (public and semipublic) zoning districts bounded by Allendale Road on the north, Marengo Avenue on the west, and Euclid Avenue on the east and south (Designated Study Area 12);
3. Find that the proposed moratorium is consistent with the goals and policies of the General Plan;
4. Find that (a) continued approval of the demolition of structures within Designated Study Area 12 would have adverse impacts upon the public health, safety, or welfare pursuant to the standards and policies set forth in the General Plan and (b) an interim ordinance establishing the proposed moratorium is necessary to avoid these adverse impacts;
5. Direct the City Attorney to prepare an interim ordinance implementing this recommendation.

PLANNING COMMISSION

On January 22, 2003, the Planning Commission held a public hearing to consider the staff recommendation concerning the proposed moratorium in Designated Study Area 12. Without objection, the Commission recommended approval of the staff recommendation.

EXECUTIVE SUMMARY

The proposed moratorium would prohibit the demolition of older (i.e., 20 years of age and older) residential structures for an initial period of 45 days within the RM (multifamily) and PS (public and semipublic) zoning districts of Designated Study Area 12. Designated Study Area 12 is bounded by Allendale Road on the north, Marengo Avenue on the west, and Euclid Avenue on the east and south. On November 18, 2002, the City Council directed staff to return with a recommendation concerning a moratorium in this study area. During the period of the moratorium, staff will analyze the impacts of the demolition of older residential structures and the construction of associated replacement projects.

BACKGROUND

On November 18, 2002, the City Council approved a moratorium on demolitions of older (i.e., 20 years or older) residential structures in two study areas of the city, Designated Study Areas 1 and 2. (Attachment A) An interim ordinance was prepared for first reading at the Council meeting of January 13, 2003. At the Council hearing on November 18, 2002, members of the public requested that the moratorium also apply to Designated Study Area 12, in addition to Areas 1 and 2.

In July 2002, staff initiated an effort to determine whether a moratorium on residential demolitions should be established while the effects of demolition and various new development projects on neighborhood character and housing affordability are studied in several Pasadena neighborhoods. The City Council and city residents had noted specific concerns regarding an increase in the number of demolitions of older residential structures throughout the city, as well as the escalating cost of housing when new units replace existing ones. Staff determined that there was sufficient evidence to suggest that existing conditions made certain areas vulnerable to a change in neighborhood character and a loss of affordability and that further, more detailed analysis was warranted. Staff also determined that the pace of change within two of the areas justified a moratorium to curtail the demolition of older structures until the severity of the impacts on existing neighborhood character and housing affordability could be determined more completely and appropriate actions might be proposed.

This report proposes a moratorium on demolitions in another of the Designated Study Areas, Study Area 12, based on public testimony at the Council hearing on November 18, 2002, and on a comparison of demolition activity with that in the other areas. (Attachment C) Staff believes that the pace of change within Designated Study Area 12 is such that it too should be considered for a moratorium on the demolition of older structures.

ANALYSIS

The proposed moratorium on demolition of older structures within Designated Study Area 12, along with a study of the area, is intended to achieve the goals and objectives of both the Land Use and Housing Elements of the city's General Plan, including goals "to preserve the character, scale, and quality of established residential neighborhoods" and "to promote the preservation of existing affordable housing stock." The moratorium will provide protection for the study area while staff determines the impacts of demolition on both the character of the neighborhood and the supply of affordable housing and then proposes any necessary legislative actions to the City Council. It will prevent the demolition of residential structures that are 20 years of age or older.

The threshold of 20 years was determined principally by two factors: (a) the limited number of demolitions, citywide, for buildings of less than 20 years in age and (b) the recent amendments to the cultural heritage ordinance to authorize review and protection of significant structures that are less than 50 years in age.

The moratorium now proposed for Designated Study Area 12 would affect the seven parcels that are designated RM-32 (multifamily residential) and the one parcel zoned PS (public and semipublic). One parcel of the seven RM-32 parcels, with twenty multifamily units, is within both the PS and the RM zoning districts, so the proposed moratorium includes the PS zoning district in order to provide interim protection to those residential structures, twenty years of age or older, in that portion of the parcel. Within the boundaries of Designated Study Area 12 are an additional thirty-three parcels, all of which are within the RS-6 (single-family residential) zoning district. Although they are included in the area for study, the parcels with single-family zoning (i.e., RS-6) will not be subject to the moratorium restriction on demolition or otherwise affected by the moratorium.

As indicated in Attachment C, the proportion of parcels in Designated Study Area 12 that involve potential demolition activity is larger than the proportion in Designated Study Areas 1 or 2, where the City Council approved a moratorium on November 18, 2002. In Study Area 12, of the seven parcels with RM-32 zoning, in whole or in part, 14.3 percent (i.e., one of the seven parcels) involved proposed demolition during the period that was reviewed for the proposed moratorium, July 2000 to December 2002. In comparison, the share of parcels

involved with demolition in Study Area 2 is 7.2 percent, i.e. five of 69 parcels. The share in Study Area 1 is lower, 2.3 percent, i.e., eleven of 476 parcels. However, the number of parcels that are involved with demolition there is significant. Given that eleven parcels are involved with demolition within a fairly confined area, this concentration of demolition activities made Study Area 1 a candidate for a moratorium.

In Designated Study Areas 4 and 6, the shares are 2.4 percent and 3.1 percent respectively, but the numbers of parcels involved with demolition in each of the areas are significantly smaller, five and one respectively. During the period of October through December 2002, two additional demolitions were proposed with applications for Certificates of Appropriateness, one in Study Area 1 and one in Study Area 10.

As with the moratorium in Designated Study Areas 1 and 2, the moratorium in Study Area 12 will be for an initial period of 45 days, with an extension beyond 45 days to six months to be possible with a separate action by the Council. Staff will determine the severity of the impacts that have been identified during the initial 45 days. The moratorium will provide protection for the neighborhood and residents while staff and City advisory bodies analyze the changes in the neighborhood, the effects on housing affordability, and options for Council action.

ENVIRONMENTAL DETERMINATION

This project has been determined to be Statutorily Exempt from environmental review pursuant to the guidelines of the California Environmental Quality Act, CEQA Guidelines, Section 15262, Feasibility and Planning Studies.

HOUSING IMPACT

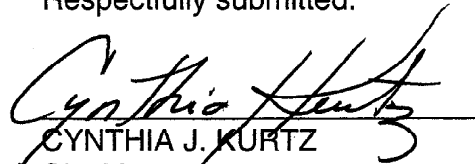
The moratorium will protect existing older residential structures within the study area. A replacement project (commercial and residential) with a discretionary approval would be exempted from the moratorium and would be permitted to proceed with the demolition of structures. The moratorium may delay temporarily construction of any new multifamily residential projects that are submitted for planning or design review.

FISCAL IMPACT

The proposed moratorium on demolitions within the designated study area would limit the collection of building fees for the demolition of structures and/or the construction of associated replacement projects, except for those projects with existing discretionary approvals. Receipt of property tax attributable to the

existing discretionary approvals. Receipt of property tax attributable to the implementation of associated replacement projects would also be delayed. The amount of loss or delayed revenues cannot be determined at this time.


Respectfully submitted:


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Attachments

- A. Map of Designated Study Areas
- B. Map of Designated Study Area 12
- C. Potential Demolition Summary (July 2000-December 2002)