

OFFICE OF THE CITY MANAGER

April 2, 2007

TO: City Council

FROM: City Manager

SUBJECT: REQUEST FOR APPROVAL OF: A CONDITIONAL USE PERMIT FOR OPERATION OF A NEW 450,000 SQUARE FOOT SENIOR LIFE/CARE FACILITY; A TRANSFER OF DEVELOPMENT RIGHTS IN THE WEST GATEWAY SPECIFIC PLAN ZONE; AN ADJUSTMENT PERMIT TO MODIFY CERTAIN DEVELOPMENT CODES ON THE 19.7-ACRE AMBASSADOR WEST SITE FOR CONSTRUCTION OF THE SENIOR FACILITY AND 70 RESIDENTIAL CONDOMINIUMS; PRIVATE TREE REMOVAL REQUESTS; A VESTING TENTATIVE TRACT MAP; AND A SUBDIVISION MODIFICATION

On March 12 City Council reviewed the attached report and requested that staff return on April 2 with additional information regarding several issues outlined below. In addition, in response to concerns raised by City Council, staff is recommending an amendment to condition #21 regarding transfer of development rights from the Great Lawn. Staff is further recommending two new conditions as a result of further discussions with the applicant.

REVISED RECOMMENDATION

- A. In response to Council's concerns, staff recommends that condition of approval #21 be amended to state that the proposed 30,207 s.f. transfer of development rights (TDR) from the great lawn to the Sunrise Living facility will not be permitted and that instead the applicant may utilize transfer of development rights from other parcels in the plan area (and provide covenants as such) and/or withdrawal up to 29 units from the West Gateway Specific Plan General Plan allocation at a rate of 1506 s.f. per unit (the average size unit in the project).

ADDITIONAL RECOMMENDATIONS

- B. Staff recommends that an agreement indemnifying the City against legal liability arising out of litigation brought by Harvest Rock Church over project approvals be included as condition of approval #67-A.
- C. Staff recommends that a condition of approval be added as #113 that the applicant sign a local hire agreement with the City.

BACKGROUND

Transfer of Development Rights

Each parcel in the West Gateway Specific Plan is allowed to build 17,500 square feet of net, new development for each acre of land area. The Sunrise Living Facility is a 5.7 acre site, allowing the applicant to construct a 100,404 square foot building. The Plan also allows the applicant to replace existing square footage on a one-for-one basis. Taking into account the allowance for onsite demolition the applicant can construct an additional 96,950 square feet of development, for a total of 197,354 square feet. The proposed project, however, is 449,980 square feet, thus leaving a 252,626 square-foot deficit in development allocation.

The West Gateway Specific Plan allows for this deficit to be filled through the transfer of development rights (TDR) from other parcels within the plan area or through withdrawal of units from the West Gateway Specific Plan General Plan housing unit allocation. The transfer of development rights is an administrative approval as long as the proposal meets the height, setback and other development standards of the Zoning Code. The developer must also provide covenants recording the density transfer. Within the WGSP housing unit allocation, 75 units are available on a first-come, first-serve basis. No units have been withdrawn to date.

The applicant applied for a transfer of development rights to use 17 units from the WGSP allocation – which in this project would equal 43,560 square feet – in order to partially fill the 209,066 square-foot deficit. To fill the remaining deficit, the applicant is proposing a transfer of development rights from various locations including the Great Lawn.

Great Lawn

At the March 12 City Council meeting, the Council expressed concern that the applicant was “double dipping” by both receiving a reduction in residential impact fees and transferring the development allocation of the Great Lawn. Staff has included Table 1, below, illustrating available density at the site. The four sites listed in the Table do not propose any new development at this time. According to the applicant’s original transfer of development application three of the four sites – Terrace Villa, Grove Walk/Stream, and Maranatha – would only transfer a portion of their development allocation. The remaining development allocation at these sites could be transferred to the Sunrise Senior Living Facility.

Unit Allocation

The Council also asked questions in relation to the 17 units that the applicant proposed to use from the West Gateway Specific Plan's allocation and how those units were converted to square feet.

Property owners are permitted to withdraw units from the WGSP's housing unit allocation which are reported in terms of units and can be converted to square feet. Since the Sunrise Project was calculated in terms of square feet, the units withdrawn from the WGSP needed to be converted to square feet. Staff was mistaken in reporting that the 17 units were average sized, it turns out that these were the largest units in the development. Staff believes that the applicant should use an average sized unit, which in this case would equal 1,506 square feet. Thus the applicant can either withdraw 29 units (43,560 sq ft / 1,506 sf ft) from the WGSP or transfer the 43,560 sq ft from other sites.

If the Council wished to remove the Great Lawn (30,207 square feet) from the TDR application and the 17 units (43,560 square feet), the applicant would need to transfer an additional 73,767 square feet. As Table 1 demonstrates, there is enough development allocation remaining at the site to accomplish this.

TABLE 1

Alternative Development Allocation Locations

Name	Use	Development Allocation	SF of Dev. Proposed	SF Transferred	SF Remaining
Terrace Villa	Single Family	5,720	0	4,333	1,387
Grove Walk/Stream	Open Space	13,489	0	4,919	8,570
Maranatha	Institutional	125,341	0	107,841	17,500
Ambassador Auditorium	Institutional	50,322	0	0	50,322
		194,872	0	117,093	77,779

Lot Line Adjustment

The Council expressed concerns regarding the unresolved issues surrounding the lot line adjustment agreement between Sunrise (Lot 1) and Harvest Rock Church. Condition No. 67 requires that no building permits be issued prior to the applicant demonstrating proof of clear title and ownership to the satisfaction of the City Attorney's office. In addition, Council requested that the applicant indemnify the City against any legal liability the City may face arising out of litigation brought by Harvest Rock Church over project approvals. The applicant and the City Attorney's Office have drafted an Indemnity agreement which, in sum, indemnifies the City from all liabilities and costs (including attorneys' fees)

arising out of any claims by Harvest Rock Church in connection with the project site, the City's approval of the lot line adjustment, or certification of the EIR. Staff is recommending that execution of the Indemnity Agreement be made condition of approval #67-A. The applicant has already executed the Indemnity Agreement, and if the project is approved and staff is given such direction, staff will execute the Indemnity Agreement as well.

Local Hire

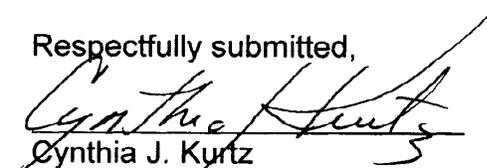
City Council requested that the developer consider hiring local residents to build the project. The developer has signed a local hire agreement with the City and staff is recommending that a condition of approval reflecting such be included as condition #113.

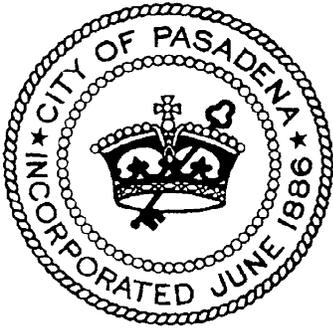
Design Commission Authority

The Council requested legal background information regarding the Planning Commission recommendation to give the Design Commission authority to effect a reduction in the total size of the Sunrise Lower Campus building if that was necessary to obtain a compatible massing, setback, and articulation on the south and west elevations. The City Attorney's Office has provided the following statement:

Pursuant to PMC Section 17.61.030.H(6) and the findings set forth therein, a CUP sets the size of the proposed use. PMC Section 17.61.030.I(5)(a) limits the changes to a project that may be required by the Design Commission. Changes required as a condition of Design Review approval may include density, height, open space, parking or loading, and sign requirements, as long as the conditions are **not** more restrictive than those prescribed by the applicable zoning district regulations or a valid Adjustment Permit, Conditional Use Permit, or other legislative or zoning entitlements. In other words, once the size (in this instance, square footage) is set by a valid CUP, it cannot be unilaterally changed through Design Review. The Planning & Development Department has consistently interpreted and applied the Zoning Code as stated. Any change in the above process would require a legislative amendment to the relevant Zoning Code sections, and a change to Planning's policy.

Respectfully submitted,


Cynthia J. Kurtz
City Manager



Agenda Report

TO: CITY COUNCIL

DATE: MARCH 12, 2007

FROM: CITY MANAGER

SUBJECT: REQUEST FOR APPROVAL OF: A CONDITIONAL USE PERMIT FOR OPERATION OF A NEW 450,000 SQUARE FOOT SENIOR LIFE/CARE FACILITY; A TRANSFER OF DEVELOPMENT RIGHTS IN THE WEST GATEWAY SPECIFIC PLAN ZONE; AN ADJUSTMENT PERMIT TO MODIFY CERTAIN DEVELOPMENT CODES ON THE 19.7-ACRE AMBASSADOR WEST SITE FOR CONSTRUCTION OF THE SENIOR FACILITY AND 70 RESIDENTIAL CONDOMINIUMS; PRIVATE TREE REMOVAL REQUESTS; A VESTING TENTATIVE TRACT MAP; AND A SUBDIVISION MODIFICATION.

RECOMMENDATION

It is recommended that the City Council:

1. Adopt the Resolution (submitted in this packet) which certifies the Final Environmental Impact Report (Attachment A) for the Ambassador West Project and adopts the Environmental Findings, a Statement of Overriding Considerations and a Mitigation Monitoring and Reporting Program.
2. Adopt the findings that the proposed discretionary permits for the Ambassador West Project are consistent with the Zoning Code and General Plan (Attachment B);
3. Approve the proposed Conditional Use Permit for a senior life/care facility, Transfer of Development Rights to the senior life/care facility, Vesting Tentative Tract Map, Adjustment Permit for design flexibility on this 19.7-acre site, Private Tree Removal Requests, and Subdivision Modification subject to the recommended Conditions (Attachment C); and

4. Approve the dedication of a Park Easement in lieu of the payment of Residential Impact Fees in accordance with the Garden Preservation Plan (Attachment D) and the terms and conditions contained in the Ambassador Gardens Term Sheet (Attachment E).

ADVISORY COMMISSION RECOMMENDATIONS

Design Commission: On December 11, 2006, in advance compliance with two proposed mitigation measures of the Final EIR, the Design Commission reviewed the design of the Sunrise Senior Living facility and made unanimous recommendations for four design considerations. The applicant complied with two of those recommendations by dividing the long Upper Campus building into two modules connected by a short hallway and by considering again the adaptive reuse of the Hall of Administration and showing their decision-making process in a letter to staff (included in Attachment M). The other two recommendations were incorporated in the recommended conditions of approval #51, which requires additional vertical modulation, and #52, which requires massing, height and setback modifications to the south and west elevations of the Lower Campus building adjacent to Ambassador Auditorium (see Attachment C).

Furthermore, the Design Commission reviewed the design implications of the proposed adjustment permit and unanimously recommended approval subject to three design conditions, one of which the applicants have accomplished by reducing the height of a building next to the historic Rankin House. Staff has incorporated the other recommendations as conditions of approval #53, which will reduce the height of the edge of the building on Parcel 5 next to the historic Terrace Villa, and #54, which will provide additional design modulation to a building on Parcel 9 that overlooks the Great Lawn.

Planning Commission: On January 10, 2007, following a public hearing, the Commission recommended (with a 4-3 vote) approval of the staff recommendation with revisions to conditions #52 and #67 (Attachment C). Staff does not concur with the Planning Commission revisions to condition #52. The Planning Commission recommended deletion of the underlined portion of the following wording:

- #52 For the Sunrise Senior Living units, the Design Commission shall have the leeway to consider design options at Concept Design Review regarding massing, height, and setback of the south and west facades of the "lower campus" building, including the bridge , as long as the overall square footage is not reduced below 450,000 square feet in the process.

Staff does not concur with this revision because it would allow the Design Commission to reduce the overall square footage of a building which is outside the authority of the Commission. Limitations on overall size and square footage would normally be determined through the Conditional Use Permit with the Design Commission focusing on massing, materials and

other design elements. The staff recommendation is to retain the original wording of condition #52 to specify that the Design Commission may not reduce the size of the building below the 450,000 square feet permitted by the CUP.

Recreation and Parks Commission: The Commission met on January 2 and February 6, 2007, to consider the proposed dedication of an easement for park purposes in lieu of payment of the parks fee. The Commission recommended approval of the easement in accordance with the draft "Terms Sheet" (Attachment E) on a 7-1 vote.

Urban Forestry Advisory Committee: On February 5, 2007, UFAC met to consider the removal of eight trees on public rights-of-way to accommodate the project. On a 3-1 vote, removal of five trees was approved, and removal of three others was deferred due to concerns that the location of the loading zone next to Ambassador Auditorium might be disturbing to patrons of the Auditorium.

EXECUTIVE SUMMARY

The project site (Attachment F) contains a number of significant historic buildings, significant landscape features, and protected trees. The development team, working with staff, has produced a creative site plan sensitive to the unique features of the site, which is consistent with the intent of the West Gateway Specific Plan. The applicants propose to redevelop a 19.7 acre portion of the former Ambassador College campus in the block bounded by W. Green St., S. St. John Ave., W. Del Mar Blvd. and S. Orange Grove Blvd. The proposal includes: 1.) construction of 200 independent living units for seniors and 48 assisted living units in a six-story 450,000 square foot building; 2.) construction of 70 residential condominiums in two- and three-story buildings; 3.) intensification of existing apartment buildings and dorms to provide 46 apartment units; 4). conversion of historic buildings to educational, institutional, and office uses; and 5). preservation of historic buildings, significant landscape features and open space.

As a part of the plan, all thirteen historic buildings on the site will be preserved. (See Figure 2.0-5 of the Final EIR for locations of buildings and gardens to be preserved). Beautiful historic gardens, such as the Italian Gardens, Grove Walk and Stream, and Fowler Gardens are to be preserved intact. Over 83% of the protected trees will remain on the site. The Great Lawn and stream in the middle of the site will be preserved as open space, and the developer has offered and staff is recommending that the City accept the Great Lawn and stream for use as a public park space.

In accordance with the West Gateway Specific Plan (WGSP) direction that the most dense development be on the north and east sides of the property, the developer placed six-story buildings for senior housing along Green Street, which is primarily commercial, and two- and three-story residential condos along

Orange Grove and Del Mar Blvds., which have residential uses. In order to develop this project, the zoning code requires approval of:

- a Conditional Use Permit (CUP) to operate the senior life/care facility,
- a Transfer of Development Rights (TDR) to transfer WGSP development allocation from areas that should be preserved to the northeast portion of the block where the WGSP encourages the highest density,
- an Adjustment Permit to preserve valuable protected trees, landscape features and historic buildings on the site by providing flexibility in design requirements in order to cluster the development on smaller portions of the site for the 70 new condominium units that are allowed by the WGSP,
- an Adjustment permit for the senior life/care facility to exceed the building height in two locations and to construct a bridge over a side property line,
- Private Tree Removal Requests for removal or relocation of 46 protected trees,
- a Vesting Tentative Tract Map to consolidate the existing land lots into 19 land lots and create 270 air parcel condominiums, and
- a Subdivision Modification to allow for lots without street frontage.

A Final EIR is proposed for certification by the City Council, including 57 mitigation measures to reduce potential impacts. In spite of the adoption of all feasible mitigation measures, the Final EIR finds there will still be significant unavoidable negative impacts to aesthetics, air quality (during construction) and historic resources. Due to the benefits of the project, staff recommends a Statement of Overriding Considerations in order to approve the project with the acknowledgement that it has some negative environmental effects.

Staff finds that the requests meet the required findings for these discretionary permits subject to certain conditions of approval. Staff and the Planning Commission recommend approval subject to conditions.

BACKGROUND

The project site is located in the West Gateway Specific Plan (WGSP) area and was operated most recently as the main campus of Ambassador College. Since the closing of the college in the 1990's, the site has been the subject of two previous development applications, first by Legacy Partners, and then by Shea Homes on behalf of the Worldwide Church of God. In 2004, the Worldwide Church of God withdrew its development application and divested its real estate holdings in Pasadena, selling segments of its former college campuses to different parties. The Ambassador West development is not associated with the Sares-Regis development (Ambassador College East Campus) that was approved by City Council last year.

ANALYSIS OF SUNRISE SENIOR LIVING COMPONENT

Conditional Use Permit and Transfer of Development Rights

The life/care facility proposed by Sunrise Senior Living will have 450,000 square feet containing 48 assisted living units (rentals) and 200 independent living units sold as condominiums (Attachment G). The assisted living units are concentrated on the east end of the project, closest to the common facilities, and the condominium units are spread throughout the project. To mitigate its large size, the facility is divided into two parts called the upper campus and the lower campus, located along Green Street at the northern edge of the site. Each part is located on its own parcel and connected to each other by a bridge at the third floor level. The upper campus building is built on top of a hillside 32 feet higher in elevation. Three buildings to be demolished for this use are not historic. A historic building located on the top of the hill, the Merritt Mansion, is proposed to be connected to the upper campus building and divided into two independent living units and common facilities for all of the residents. At the bottom of the hill and approximately 80 feet south of the lower campus building stands the Ambassador Auditorium. The project's architect designed the lower campus building to complement the height and architectural forms of the Auditorium and to preserve views of the Auditorium from S. St. John Ave. north of W. Green St. (see A1.06 of Attachment G for a rendering of this view and Figure 3.1-11 of the FEIR for a current photo).

The relationship of the lower campus building to the Ambassador Auditorium has been a source of controversy. At 339,000 square feet, the lower campus building is much larger than the Auditorium. However, the designers have divided the building's footprint into four distinct parts that considerably mitigate the building's mass. The lower campus building's height (68') is lower than the Auditorium's height (72') and less than the height allowed by the WGSP.

The WGSP allows a development allocation of 17,500 square feet per acre. The 450,000 square foot size of the building is 209,000 square feet larger than the development allocation provided in the WGSP for these two parcels, which necessitates the Transfer of Development Rights from other portions of the 19.7 acre site. The Specific Plan directs the highest densities to the northeast portion of the site (where Sunrise is located), and the proposed development is consistent with that goal. The necessary development allocation is to be transferred from areas the developer wishes to preserve, such as the Italian Gardens, Fowler Garden and Great Lawn. A covenant limiting use of those properties is required as a condition of approval. Details of the TDR analysis are provided in Attachment J.

The maximum amount of development allocation that can be transferred to this site is limited by the development standards of the WGSP-1A zone, including the 48 units/acre maximum density and 72' maximum height. The proposed density

is 41 units/acre (counting the 200 independent living units but not the 48 assisted living units that are considered an institutional use by the zoning code).

Adjustment Permits

The height of both buildings in the original submittal was under the 72' height limit. However, that design was criticized in the Draft EIR because of the extreme length of the upper campus building (290 feet) and its proximity to Green Street (22' setback). The developers and their architect worked with staff to respond to the EIR's concerns by dividing the upper campus building into two wings with a short connecting hallway between them. This dramatically improved the massing; but an extra floor on one wing made that wing technically 79 feet tall, as measured from the far end of the lower campus building (near St. John Ave.). However, because the building is stepping up the hill, the height will be only 65 feet as measured from the existing grade. Staff and the Design Commission supported an adjustment permit for this as a superior design.

Another adjustment permit requests 42 feet height rather than 36 feet in a small portion of the upper campus building near the connection to the Merritt Mansion, and staff and the Design Commission recommended this as well. The proposed height relates well to that of the Merritt Mansion.

A third request is to permit a bridge between the two buildings to cross over a property line, which conflicts with side setback requirements. The bridge is a critical internal flow feature of the project and is not objectionable aesthetically.

Scale

The Zoning Code requires a life/care facility to be of compatible scale and height with the general neighborhood. The Sunrise project is of a compatible height with the general neighborhood. The adjacent Ambassador Auditorium, the Hall of Administration (which the Sunrise project replaces), the five story office building at 350 W. Colorado, and an approved six-story condominium development at 285 W. Green are buildings of large scale and comparable heights. While the overall size of the lower campus building (339,000 square feet) is much larger than any of these buildings, the intricate modulation and four wings to the project mitigates its scale considerably.

The Design Commission was concerned about the massing on the south and west sides of the building and requested leeway from the City Council to continue to work with the applicant on reducing the massiveness of those elevations during the design review process. The Planning Commission agreed with this request and is recommending that the Design Commission be given the authority to further review massing and overall size the building, as stated in condition of approval #52. Staff is recommending amended wording for this condition to limit the Design Commission authority to massing only, without ability to reduce the

overall size of the building below the 450,000 square feet permitted by the Conditional Use Permit.

Compatibility with Nearby Uses

Adjacent uses are multi-family residential, preschool (Montessori), office (Wells Fargo Building), grocery store (Ralph's), and religious/auditorium (Harvest Rock Church/Ambassador Auditorium). The senior use will have low impacts on the surroundings. The EIR and staff's review found the proposed facility to be compatible with all surrounding uses, subject to conditions of approval.

Harvest Rock Church expressed concern about the construction impacts of dust on their air conditioning system, pool filter, windows, and granite wall surface. The applicant offered \$10,000 for added maintenance, and staff recommended Condition #44 to assure the impacts would be mitigated. The additional condition provides for cost recovery for Harvest Rock Church from Sunrise Senior Living should the construction impacts (such as dust) affect the air conditioning, pool filters, windows or granite wall surfaces; however, Church representatives believe the costs will be higher.

Development Standards

Site Coverage: The proposed project exceeds the code's requirement that a minimum of 30 percent of the total site be maintained as landscape and open space. The upper campus is 73 percent landscaped/open space. The lower campus is 47 percent landscaped/open space. This is considerably more landscaped space than is typical of housing developments.

Parking: Chapter 17.46 states that the parking requirement for a senior life/care facility shall be specified by the conditional use permit, and no formula based on the number of units or the square footage of the project is provided in the zoning code. The City's traffic consultant prepared a parking study (Appendix J of the Final EIR) that found that the life/care facility would need a minimum of 223 spaces, and 279 are proposed in two levels of subterranean parking.

In order to further the goals of the Specific Plan and assist Harvest Rock Church in maintaining and preserving the important functions of the Ambassador Auditorium, recommended Condition #47 requires that available excess spaces in the facility be offered to the public at a market rate on days of concerts and large events. The requirement that Harvest Rock Church provide appropriate liability insurance, as well as parking and security personnel, was added by staff after the Planning Commission meeting.

Common Facilities: The applicant is proposing a wide range of common facilities such as a swimming pool, spa, gym, billiards room, game room, library, living

room, theater, etc. In addition the facility will be required to continue to provide such common facilities by the State of California.

Transit: The applicant is proposing to operate a private shuttle for residents of the project. This helps reduce the number of trips into and out of the site, and reduces usage of the underground parking garage. Staff has provided a condition of approval requiring continuation of the shuttle service.

Conclusion

The premise for developing the Ambassador West campus is based on the notion that in order to preserve thirteen significant structures, nine gardens, and an urban forest, the owner must carefully limit the amount and location of new development. As encouraged by the West Gateway Specific Plan, the applicant has located most of the density at the northeast corner of the project site. The applicant has provided for sufficient parking, has met the density requirement, and has proposed a use that is compatible with the surrounding land uses. Staff is recommending approval of the conditional use permit and adjustment permit for the Sunrise facility, as all of the required findings can be made.

ANALYSIS OF STANDARD PACIFIC MULTI-FAMILY RESIDENTIAL COMPONENT:

The 70 new condominium units are proposed in four groupings, with 20 units at the corner of Green and Orange Grove, 19 units along Orange Grove south of the Italian Gardens, 21 units in the center of the property, and ten units along Del Mar west of the historic Manor Del Mar (Attachment H). Each grouping is comprised of two or three buildings with heights varying from two to three stories. Three of the groupings are designed around existing trees that will highlight the main gardens.

In order to construct the allowed units in the most appropriate parts of the campus, the applicant requests an adjustment permit to deviate from certain zoning code development standards. This permit requires a finding, among others, that approval of the adjustment permit will result in a superior project in terms of enhancing the environment and providing architectural excellence.

Parking and Access

All parking is subterranean, and each of the four parcels has well over the required two parking spaces per unit. Many garages are designed with three or four spaces, with the extra spaces being tandem spaces. Given the tandem nature of the extra spaces, staff doubts that the extra spaces will produce extra traffic. Guest spaces for the condominiums are approximately double the requirement of one space per ten units.

No additional driveways are proposed. Controversy during the EIR comment period concerned the location of the Del Mar driveway, which is being moved approximately 150 feet to the west from its current location in order to provide efficient emergency access for fire vehicles. Concerns about the traffic safety of that location and potential congestion were analyzed in the Final EIR, and no significant negative impacts were observed. A concern about headlights aimed at a private home was raised but not deemed to be an environmental issue. The EIR suggest that the headlight glare concern be considered as part of project approval, not the EIR. Staff has reviewed the issue and does not find any measures that could reduce the glare that will occur only as a vehicle exits the driveway. That glare is not deemed to be significant.

Adjustment Permits

The City's multi-unit residential (City of Gardens) standards are designed for typical lots, which are smaller parcels, have fewer protected trees, have no significant landscape features and do not include multiple historic structures to be preserved. The need to protect those types of resources on this site requires flexible development standards if the allotted density is to be realized. Therefore forty-six adjustments are requested for the condominiums as part of an Adjustment Permit – the first one since the adoption of the new Zoning Code in February, 2005. The applicants have applied for an adjustment permit primarily to entitle a third story on portions of these buildings and to provide the flexibility to cluster units on the site.

Findings for approval of adjustment permits are found in Attachment B. The crux of the required findings is that the proposal is a “comprehensive development incorporating a more enhanced environment and architectural excellence” than is possible under the standard development requirements. The project meets these requirements.

The initial request numbered well over 50 adjustments. After numerous meetings between staff and the applicants, the applicant revised several elements of the project, and several adjustment requests were deleted, including requests to:

- Eliminate the third floor 10' setback from the main garden;
- Reduce the minimum main garden width from 20 feet to 15 feet; and
- Block views to the main garden from Green St. with a connection between two buildings.

Many of the requested adjustments serve to concentrate development in limited areas of the site. These requests are items such as an additional story, additional length of building facing a street, reduced main garden area and excess lot coverage. The purpose of these adjustments is to contain the development in limited areas so that the majority of the project site can be preserved in its present state, with its mansions, its groves, its specimen trees, its open lawns, its secluded gardens, and its dynamic streams and waterfalls.

Staff has been supportive of this direction since the initiation of the project, and one result is that 72 percent of the site is left in open space.

The details of the requested adjustments have been laid out by the applicant in Attachment I and analyzed by staff in Attachment K. Both the Design Commission and the Planning Commission reviewed the requests and recommended approval, subject to redesigns to address height concerns next to the historic Terrace Villa and to mitigate the length of a building that looks out over the Great Lawn (conditions of approval #53 and 54 in Attachment C). Proposed findings for approval of the adjustment permit have been prepared by staff and included in Attachment B.

ANALYSIS OF PRIVATE TREE REMOVAL REQUESTS

There are 10 protected native trees and 188 protected specimen trees among a total of 654 mature trees on the site. A project of this scale is not possible without removal of some protected trees. The following table from the FEIR summarizes the tree impacts:

Tree Status	Protected Trees Only		All Trees	
	Tree Count	%	Tree Count	%
Preserved in Place	145	73.2	463	70.8
Relocated on Site	23	11.6	73	11.2
Healthy Trees to be Removed	23	11.6	97	14.8
Poor/Dead Trees to be Removed	7	3.6	21	3.2
Total	198	100.0	654	100.0

With considerable effort, the applicants will relocate 38% of the trees that are impacted by the project. Many of the current open space areas, such as the Great Lawn, do not need and could be harmed through the addition of new trees. Thus, it is not desirable to try to meet the tree removal findings in the typical way of replacing the canopy coverage in the new site plan. As an alternative, the applicant proposed to provide an equivalent canopy cover as street trees on City streets. Public Works Department staff has considered that option and determined that there are significant street tree needs around the city, and it indeed would be a public benefit to have this assistance. Attachment B provides the appropriate findings to accomplish this.

ANALYSIS OF VESTING TENTATIVE TRACT MAP 063103

The applicant has submitted a Vesting Tentative Tract Map (Attachment L) to consolidate the existing land lots into 19 new land lots and 270 air parcels. All of the condominium units will be for residential purposes. The proposed lots meet all zoning and subdivision codes except for lot frontage.

Subdivision Modification: The City's Municipal Code section 16.12.270 requires lots to have street frontage. The applicant, however, is proposing to create eight lots without frontage. The project site contains historic structures, protected trees and significant gardens, and, in order to preserve these resources, the applicant has proposed new development around them. The result is several proposed development locations in the interior of the site that do not have street frontage. Therefore the applicant needs a modification from this section of Title 16, and the specifics of this request meet the findings (Attachment B). To create street frontage for each parcel would require the recreation of the former Terrace Drive and Grove Streets, which would destroy much of the landscape beauty of the campus. The proposed lot configuration in conjunction with the proposed open spaces results in an improved site plan with fewer impacts on historic buildings, protected trees, and significant open spaces.

Access: The lots undergoing development will have access via private driveway easements. These driveways will be designed to appear and function like driveways, not public streets. Access to the open space parcels will be provided by either a public walkway easement for the Great Lawn or by private walkway easements for the private open spaces. The staff recommendation approves the use of the proposed private driveways, instead of requiring private streets, so that more of the landscaping and trees on the site can be preserved.

INCLUSIONARY HOUSING:

The proposal to construct 270 new residential units is subject to the City's Inclusionary Housing Ordinance. The Ordinance requires 15% of the total number of dwelling units (in this case 41) be dedicated to households of low- and moderate-income, at an affordable housing cost as prescribed in Section 17.42.040 (Inclusionary Unit Requirements) of the Zoning Code. The Code permits less than 15 percent if the proposal includes low or very low income units in the condominium project

While the applicant has the option to pay a one time in-lieu fee to satisfy requirements of the ordinance, the applicant has agreed to dedicate units onsite as inclusionary units. The Zoning Code requires the applicant to provide 41 inclusionary units (or less if some of the units are available for very-low-income families). The Inclusionary Housing Plan submitted by the applicant calls for the dedication of 25 units (5 moderate-income units, 8 low-income units, and 12 very- low-income units). These units will be provided in the existing buildings on site that were most recently used as either faculty apartments or dormitories for

Ambassador College. A range of unit sizes will be provided, as follows: 4 studios; 14 one-bedroom; and 7 two-bedroom. Given the ratio of low- and very-low-income units, this satisfies the code requirement.

PARKS EASEMENT / RESIDENTIAL DEVELOPMENT FEES

In accordance with Section 4.17.050 of the Pasadena Municipal Code, a developer may request to dedicate land and develop a park in lieu of payment of Residential Impact Fee, subject to acceptance by the City Council. The City Council may accept or decline the dedication and determine the amount of the residential impact fee to be waived. The real property dedication can be accommodated through title or by an easement for park purposes. Staff has been working with the developer on this dedication for the last year. The dedication of an easement was the vehicle chosen for this dedication because of the location of the parcel in the center of the development and the proximity of adjacent uses. The dedication of an easement provides a number of advantages to the City. The developer will construct a public restroom on-site for park patrons as well as signage, site furnishings, and access off Green Street. The developer, and in turn the MPOA, will be responsible for all maintenance and upkeep of the park easement to the same standard as surrounding private landscaping.

The site is located immediately west of the Ambassador Auditorium and comprises 2.10 acres with a large lawn area on a hillside (aka: Great Lawn) containing some of the largest and most spectacular trees on the site. The area is bisected by the Mayfair stream which meanders in and out of the lawn as it heads to the Merritt Garden. The entrance to the Great Lawn will be off Green Street midway between Orange Grove Blvd. and St. John Ave. The entrance to the area will be signed to indicate that this is the entrance to a public park. The developer will be constructing an ADA restroom on the corner of their building immediately adjacent to the Great Lawn and park entrance.

Based upon the proposed development, with an inclusionary housing total of 15% being constructed on site, the developer would be assessed a Residential Impact Fee of \$4.2 million. The developer is requesting the waiver of this fee in exchange for the dedication of the permanent park easement with amenities. The estimated value of the land and improvements based upon the land value of \$2.9 million per acre contained in the Residential Impact Fee Nexus Study of 2005 is \$6.09 million. The value of the land, improvements, and perpetual maintenance of the site would have a value beyond this number. In addition, the acquisition of 2.10 acres of land in the middle of this residential area is an opportunity that will not be repeated in the near future.

ENVIRONMENTAL DETERMINATION:

In accordance with the California Environmental Quality Act (CEQA) Guidelines, the Final Environmental Impact Report (FEIR) was prepared and distributed for public review on December 19, 2006 (Attachment A). Previously the Draft EIR was available for a 60-day review from August 30, 2006 to October 30, 2006, during which time comments were received. Staff presented the project's Draft EIR to the Transportation Advisory, Design, Historic Preservation, and Planning Commissions for review and advisory comments. The FEIR includes responses to all written comments and oral comments presented at five public meetings. During the EIR process, as impacts were discovered by the City's consultants, the applicants were diligent in revising their plans to reduce the impacts, including relocation of a historic garage/apartment, relocation of a historic water feature and tempietto, and moving the Del Mar group of ten condominiums eight feet farther from the historic Manor Del Mar.

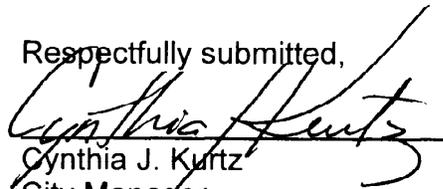
The FEIR finds that all potential impacts could be mitigated to a less than significant level with the exception of impacts to Aesthetics (impacts on the streetscape along Green Street and St. John Ave.), Air Quality (during portions of the construction period emissions would exceed AQMD thresholds), and Historic Resources (effects on the setting of the historic Ambassador Auditorium and Manor Del Mar, effects of attaching a new building to the historic Merritt Mansion, and effects of new construction in a National Register-eligible historic district called the West Del Mar Grouping). The Mitigation Monitoring and Reporting Program (MMRP) is attached to the resolution for review and adoption. Due to these unavoidable impacts, a Statement of Overriding Considerations is required and is included in the resolution.

Four alternatives to the proposed project were evaluated and found to be environmentally superior. However, they were not able to meet a significant number of the project objectives and were rejected for that reason.

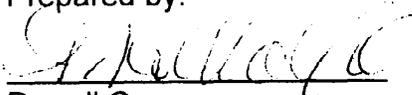
FISCAL IMPACTS:

Fiscal impacts would be related to the staff time necessary to process and review plans submitted for building permits. Compensation for staff time will be recovered through building permit fees.

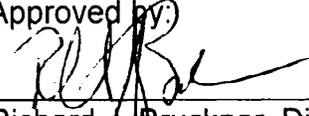
Respectfully submitted,


Cynthia J. Kurtz
City Manager

Prepared by:


Barrell Cozen
Senior Planner

Approved by:


Richard J. Bruckner, Director
Planning & Development Department

Attachments:

- A. Final Environmental Impact Report (in two parts, including the Appendix)
- B. Findings
- C. Conditions of Approval
- D. Garden Preservation Plan
- E. Ambassador Gardens Terms Sheet for acceptance of easement for park purposes
- F. Vicinity/ Zoning Map for the site (Figure 3.7-2)
- G. Plans and Elevations for Sunrise Senior Living
- H. Plans and Elevations for Standard Pacific Homes Condominiums
- I. Adjustment Permit Request from applicants
- J. Analysis of Transfer of Development Rights
- K. Analysis of Adjustment Requests for Standard Pacific Component
- L. Vesting Tentative Tract Map
- M. Correspondence

Note: Resolution provided separately.

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