

**ATTACHMENT A
SPECIFIC FINDINGS FOR CHANGE TO AMBASSADOR WEST PROJECT
TIME LIMITS**

Ambassador West Campus Entitlements:

- **Vesting Tentative Tract Map #063103**
- **Tree Removal Permits PLN2006-00223 through 00231**
- **Adjustment Permit PLN2005-00582**
- **Subdivision Modification PLN2007-00001**
- **Inclusionary Housing Plans**

Approval of Change

The findings of the original approval still apply in that site conditions have remained essentially the same since the April 2, 2007 approval (with the exception of Mayfair Mansion and Manor Del Mar¹), and there have not been any major changes to City policies or Zoning Code development standards. The original approval included findings related to CEQA, Taxpayer Protection Act, Tree Protection and applicable design guidelines, all of which still apply and be incorporated into construction drawings prior to the issuance of building permits.

There are changed circumstances to justify the modification of the original approval in that a change in ownership and financial challenges of adjacent owners that impact the ability of the applicant to have the final tract map processed and signed on schedule.

¹ Although two parcels were sold as individual single-family properties rather than institutional uses as called for the approved plan, the use is compatible with the overall approved project.

ATTACHMENT B
CONDITIONS OF APPROVAL FOR CHANGE TO AMBASSADOR WEST
PROJECT
TIME LIMITS

The conditions of approval below are in addition to the Revised Conditions of Approval included with the original project approval, dated April 12, 2007. All of those previous conditions of approval continue to apply, with the exception of a modified 18 (see below). The applicant or successor in interest shall meet the following conditions:

117. This approval of CUP #4653 and Adjustment Permit #PLN2005-00582 shall expire April 2, 2012. Consistent with the findings in PMC 17.64.040B, if the Director determines that the permittee has good-faith intent to presently commence the proposed project, the Director may grant a time extension for up to an additional 12 months, from the date of the decision, to extend the permit.
118. All easements shown on the approved Vesting Tentative Tract Map No. 063103, which have been quit claimed or otherwise relinquished since the approval of the Vesting Tentative Tract Map, shall be restored to the satisfaction of the Zoning Administrator and the City Engineer.
119. Any additional changes to the project may require a new application for Change to the Approved Ambassador West Project and/or Variance.
120. No additional requests for extensions shall be processed prior to final recordation of the tract map.
121. Applicant agrees to defend, indemnify, and hold harmless the City and its officers, contractors, consultants, employees, and commission members (collectively, "City") from any and all liability, loss, suits, claims, damages, costs, judgments and expenses (including attorney's fees and costs of litigation), including any appeals thereto (collectively, "proceeding") brought against the City with regard to any approvals issued in connection with the application(s) by the City, including any action taken pursuant to the California Environmental Quality Act. If Applicant is required to defend the City in connection with such proceeding, the City shall have and retain the right to approve counsel to so defend the City; and all significant decisions concerning the manner in which the defense is conducted; and any and all settlements, which approval shall not be unreasonably withheld. The City shall also have and retain the right to not participate in the defense, except that the City agrees to reasonably cooperate with Applicant in the defense of the proceeding. If the City's Attorney's Office participates in the defense, all City Attorney fees and costs shall be paid by Applicant. Further, Applicant agrees to defend, indemnify and hold harmless the City from and for all costs and fees incurred in additional investigation or study of, or for supplementing, revising, or amending, any document if made necessary by said proceeding.

Explanation Letter

Request

City Ventures, the owner of the property approved for the development of 70 residential condominiums at the Ambassador West Campus, is requesting an extension of certain of the approvals granted on April 12, 2007 and most recently extended on March 25, 2010 in order to preserve the entitlements necessary to complete the 70 residential condominium portion of the development. We are requesting an extension of two years from the current expiration date of April 2, 2011.

Background

On December 31, 2009, City Ventures purchased eleven of the nineteen lots identified in Vesting Tentative Map 063103 associated with the approvals. These lots include for development lots for the 70 for-sale condominiums, two lots containing 27 historic apartment units, two lots containing historic gardens, one lot containing an historic mansion, and two lots containing open space that will be dedicated to City as a Public Park Easement.

In order to affect the development of these lots, the approvals and subsequent extensions indicate that building permits must be issued and construction must be diligently pursued prior to April 2, 2011. In order to obtain building permits, City Ventures must complete the design review process through the Design Commission, submit construction drawings based on the Design Commission approvals, and pull the building permits. In order to issue building permits, the Pasadena Department of Building & Safety requires that the subdivision map associated with the approvals is approved and recorded. The request for an extension is predicated on the time it may take for City Ventures to have the subdivision map signed by all necessary parties in order to record the subdivision map.

Current Challenges

The balance of the parcels at the Ambassador West Campus is owned by four separate owners. Two of the owners own lots that contain historic mansions. Both of these owners have done everything necessary to allow City Ventures to record the subdivision map.

The third owner, BGM Pasadena LLC, owns two lots that contain a historic office building and eight historic apartment units. BGM Pasadena, LLC is currently in bankruptcy. While BGM Pasadena LLC has done everything necessary to allow City Ventures to record the subdivision map, three of the beneficiaries to the lots have not signed the subdivision map. City Ventures has contacted each of them and is actively negotiating with each of them to reach agreements that will bring them to sign the subdivision map. However, given the complicated and unpredictable nature of the bankruptcy, City Ventures has not yet been able to bring these parties to sign the subdivision map.

The fourth owner is Sunrise Senior Living. City Ventures has appealed to Sunrise on numerous occasions to sign the subdivision map, but Sunrise has so far refused to sign the subdivision

map while it tries to renegotiate terms of a private agreement with City Ventures for the provision of inclusionary housing at the project.

City Ventures Progress

City Ventures has diligently pursued the design, permitting and other legal work related to the subdivision map since our acquisition of a portion of the Ambassador West Campus. We submitted site improvement drawings for the offsite improvements required in the conditions of approval in April 2010. These plans are now in second plan check with the City's Public Works Department and we anticipate approval in December 2010. We have also submitted all four of the development lots for review by the Design Commission and we anticipate Consolidated Design Review of the four lots by December 2010. After Consolidated Design Review, we will begin construction drawings with the goal of being permit-ready by March 2011. Furthermore, City Ventures has been in regular communication with the community through regular meetings with the West Pasadena Residents Association and the neighbors immediately to the south on W. Del Mar Blvd. throughout this process.

Request

City Ventures respectfully requests an extension until April 2, 2013 of the following:

- Adjustment Permit to modify certain development codes for the construction of the 70 residential condominium units
- Private Tree Removals
- Vesting Tentative Tract Map
- Subdivision Modification

**MEMORANDUM**

TO: Michael J. Beck, City Manager
FROM: Steve Mermell, Assistant City Manager
DATE: September 27, 2010
SUBJECT: City Manager Newsletter: Status of Implementation of Ambassador West Project

On April 2, 2007, the City Council certified a Final Environmental Impact Report (FEIR) and approved several land use entitlements related to the Ambassador West Project. The purpose of this memorandum is to provide the City Council with an update on the status of implementation of this project.

The entitlements approved by the City Council include:

- Conditional Use Permit for Operation of a new senior life/care facility;
- Transfer of Development Rights in the West Gateway Specific Plan Zone;
- Adjustment Permit to modify certain development codes for the construction of the senior facility and 70 residential condominiums;
- Private Tree Removals
- Vesting Tentative Tract Map; and
- Subdivision Modification

Each of the above entitlements is in various states of implementation, as outlined below.

Extension of Entitlements

Pursuant to Ordinance No. 7180, the above entitlements were granted an additional one year extension. Currently these entitlements will expire on April 2, 2011. However, the Code allows an applicant to apply for changes to an approved project and request additional time from the original decision-maker (City Council). City Ventures has expressed a desire to proceed with this request and is submitting an application packet in the next week or so.

Concept Design Approval

The design of the senior life/care facility (located along Green Street) was granted concept design approval by the Design Commission, effective September 7, 2007. Pursuant to Ordinance No. 7180, this approval was granted an additional one year extension until September 7, 2010. Prior to the expiration, the applicant submitted an application for change to an approved project and requested additional time. In this case, the original decision-maker was the Design Commission. Staff has tentatively scheduled this item for the December 13, 2010 Design Commission meeting agenda.

Conditional Use Permit

Sunrise Senior Living, the property owner of the senior life/care facility site, has advertised these parcels for sale. A number of inquiries from interested parties have been received. Each has proposed a program of spaces that is different from that proposed by Sunrise and each in turn has been advised that consideration of a different program would require consideration of an application for change to an approved project.

Transfer of Development Rights

Transfers of Development Rights (TDRs), to transfer rights from Manor del Mar/Classrooms parcel to the Sunrise parcels, were recorded with the LA County Recorder on July 2, 2007. In addition, an agreement has been executed between Sunrise Senior Living and Maranatha High School which permits Maranatha to transfer rights when needed by Sunrise. Although other TDRs were approved by the City Council, no others have been finalized and recorded to date.

Adjustment Permits

Adjustment permits are confirmed as a part of the design review process. The utilization of those adjustment permits related to the senior facility were incorporated as a part of the concept design review approval on September 7, 2007. City Ventures has begun the design review process for their portion of the project, the 70 condominium units. Lot 16 (Del Mar) and Lot 9 (Library) have completed Preliminary Consultation and are scheduled for Consolidated Design Review on October 25, 2010 and December 13, 2010, respectively. Lots 3 & 5 (Italian Garden) are scheduled for Preliminary Consultation on October 25, 2010 and for Consolidated Design Review on December 13, 2010 (tentative).

Private Tree Removals

The removal of trees is to be considered concurrent with the review of other entitlements. A mitigation measure of the FEIR allows for off site replacement of removed trees subject to various methods including the deposit of funds with Public Works. As these deposits are due prior to issuance of a building permit, to date, no funds have been deposited. At this point, the only tree removals that have been approved are four trees that were diseased. In such case removal was warranted under the provisions of §8.52 of the Municipal Code. An application for removal or relocation of three trees at 381 W. Del Mar (Lot 16) has been submitted; however it is on hold because the proposed removal and relocations are directly related to the proposed development of the site and are to be reviewed concurrently with the Design Review applications for the site.

Vesting Tentative Tract Map

A draft final tract map has been submitted and approved by the County and the City Engineer and is in the process of being signed by all parties. City Council authorization would be required before it is recorded.

Subdivision Modification

The subdivision modification has been reviewed as a part of the review of the final tract map.

Transfers of Ownership

A number of parcels have been acquired by City Ventures from Ambassador Fortress Investment Group. Fortress also sold 359 West Del Mar (Manor de Mar) to Andre and Ann Chaves, and 182 South Orange Grove (Mayfair Manor) to Warren Hsiao and Zoe Rou Yuun. 210 South Orange Grove (Rankin House) remains in the ownership of Dorn-Platz and serves as their office.

Changes to the Approved Project

In April 2010, the City Council approved a Change to the Approved Project and Variances to change 182 South Orange Grove Avenue (Mayfair Mansion) from institutional to single-family residential use and allow a detached garage. The design of the garage will require a Certificate of Appropriateness from the Historic Preservation Commission, but no application has been received.

Inclusionary Housing

City Ventures has submitted a revised Inclusionary Housing Agreement that proposes the inclusionary units (18) for the 200-unit Sunrise Senior Living project will be provided "on-site", within the Ambassador West project site and the inclusionary units (7) for the 70-unit City Ventures project are proposed to be located off-site, outside of the Ambassador West project site. Staff has expressed no objection to this plan, pending final site selection for the off-site units.

Conditional Use Permit

City Ventures has indicated they will be submitting a Conditional Use Permit application to conduct special events on the Ambassador Campus. The Hearing Officer is the decision-maker for this request.

Implications

Full Implementation of Approved Project

It is possible that the approved project might not be fully implemented. Given the inter-relationships of various approvals, where some portions of the project are contingent upon the implementation of other portions essentially all portions of the project are currently left in the air. It is the responsibility of the Planning Department to monitor implementation so that the impact of unrealized portions is known and understood. The Department has informed property owners and potential purchasers that modifications to their development plans can be considered only subsequent to an application for change to an approved project.

Changes to Approved Project

To accurately monitor ongoing implementation of the approved project, the Planning Department will be preparing consistency findings during project implementation to insure that project components are consistent with the approvals of the City Council. If it is determined that a component is not consistent, the applicant will be required to file an application for change to an approved project. Reviews of such applications are a discretionary process, and this will allow the City to monitor ongoing implementation and decide when such implementation has strayed sufficiently far from the approved project such that revocation of the approvals should be considered. Changes that are determined to be minor, as provided in §17.64.050 of the Municipal Code, can be approved by the Director, subject to appeal or call for review. Changes that are determined to be major will require City Council action.

Reversion of TDRs

As noted above, not all of the TDRs approved by the City Council have been recorded. If the portion of the project for which TDRs were the intended Receiver site are ultimately not implemented, the approved TDRs may revert back to the Donor site. In some cases, those Donor sites are intended to be open space parcels, which will lack street access and have not been granted a subdivision modification. As a result, they will be non-conforming parcels and future development might require further modifications (e.g. easements, lot line modifications, etc).

Open Space Dedication

The approved project included a condition of approval (i.e. condition no. 90) related to the applicant's request for a dedication of land in the form of a Public Park Easement in lieu of payment of the Residential Impact Fee. If the portion of the project (i.e. 70 condominium units) which requires this payment is ultimately not implemented, this commitment might be unrealized. Since this open space use was an integral part of the project, any use other than open space would require Council action.

CEQA & Statement of Overriding Considerations

The project as a whole was reviewed in a FEIR, and a Statement of Overriding Considerations was adopted by the Council when the entitlements were approved. It is possible that the Overriding Considerations, particularly those related to historic preservation and to open space, might not be realized if the project as a whole is not implemented.

Conclusion

As indicated above, there are numerous factors contributing to the ongoing implementation of the Ambassador West project. Not all of these factors are within the City's control. To insure consistency with the approvals granted by the City Council, the Department is monitoring proposals to adjust project design as well as changes in ownership, and is requiring the submittal of applications for change to an approved project for any proposals which deviate from the Council's approval. To provide flexibility and encourage the timely consideration of changes in a situation where multiple property owners are involved, staff has interpreted the restriction of no more than two applications for change in a single calendar year, which is in §17.64.050 of the Municipal Code, to apply to each property owner individually, not the project as a whole.