

# Agenda Report

September 19, 2016

TO:

Honorable Mayor and City Council

FROM:

Planning & Community Development Department

SUBJECT:

AMENDMENT TO THE TRANSIT ORIENTED DEVELOPMENT

**ORDINANCE (ZONING CODE SECTION 17.50.340)** 

## **RECOMMENDATION:**

It is recommended that the City Council:

- Adopt the Mitigated Negative Declaration (Attachment A) under Section 15070 of the California Environmental Quality Act Guidelines as the Initial Study prepared for the proposed amendment, which is supplemented by an Errata, determined that there will not be a significant effect on the environment with the implementation of a mitigation measure related to Air Quality and Cultural Resources;
- 2. Adopt the Findings of Consistency (Attachment B);
- 3. Direct the City Attorney to prepare an ordinance within 60 days amending Title 17 of the Pasadena Municipal Code (Zoning Code), Section 17.50.340 (Transit Oriented Development) as presented in this report; and
- 4. Direct staff to consider the feasibility of recommending policies incentivizing unbundling of parking spaces during the upcoming Specific Plan Update process.

# PLANNING COMMISSION RECOMMENDATION:

The Planning Commission initially reviewed the proposed amendment to the Transit-Oriented Development (TOD) Ordinance on December 9, 2015. At this meeting, the Planning Commission discussed the importance of maintaining the intent of the TOD Ordinance, and requested for further research to occur. The Planning Commission also requested that the proposed amendment to the TOD Ordinance be reviewed by the Transportation Advisory Commission prior to returning back to the Planning Commission.

Subsequently on April 27, 2016, the Planning Commission reviewed the revised amendment to the TOD Ordinance, and voted unanimously to recommend approval of the proposed amendment to the TOD Ordinance with two additional recommendations:

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Amendment to TOD Ordinance September 19, 2016 Page 2 of 11

1) direct staff to study the feasibility of implementing policies incentivizing unbundling of parking spaces during the upcoming Specific Plan Update process, and 2) provide additional public notification to the existing auto-repair businesses that are impacted by the proposed amendment. Overall, the Planning Commission stated that the proposed amendment strikes the right balance between the different areas of the City while providing an appropriate level of opportunity to further the City's goals and policies of reducing trips and encouraging transit use.

## TRANSPORTATION ADVISORY COMMISSION RECOMMENDATION:

On February 25, 2016, the Transportation Advisory Commission reviewed the draft amendment to the TOD Ordinance that was presented to the Planning Commission on December 9, 2015. The Transportation Advisory Commission was generally in support of the draft amendment, but had two additional recommendations: 1) eliminate the minimum parking requirements within all of the TOD areas, and 2) explore other parking alternatives such as increasing bus access and valet services for bicycles to facilitate use of Allen Gold Line station without negatively impacting surrounding residential neighborhoods.

#### **EXECUTIVE SUMMARY:**

In 2011, stakeholders in the east Pasadena area raised concerns about the parking cap in the Sierra Madre Villa TOD area and its potential impact on businesses and surrounding neighborhoods. In response, Councilmember Masuda requested that the City Council initiate an amendment to the east Pasadena TOD parking regulations. However, rather than focusing solely on east Pasadena, the City Council directed staff to review the regulations for all the TOD areas and to bring any proposed revisions forward in coordination with the General Plan Update process.

Based on a review of existing regulations, community outreach, and commission discussions, various changes to the existing TOD Ordinance are recommended, which includes a modification of the required parking reductions and options to exceed the maximum parking standards, the creation of an optional half-mile TOD area for all TOD areas in the City except the Sierra Madre Villa TOD area, and other technical changes. The proposed amendment aims to maintain the intent of the TOD Ordinance and further promote the City's goals and policies of reducing vehicle trips and encouraging transit use, while providing a level of flexibility that is appropriate for the more suburban nature of the east Pasadena area. Also, in recognition of the existing auto-oriented nature of certain TOD areas, the "Vehicle Services – Vehicle/Equipment Repair" land use is no longer proposed to be added to the existing list of prohibited new businesses within the TOD area.

#### **BACKGROUND:**

# **Transit-Oriented Development**

TOD is a development strategy that encourages medium to high-density developments within a walking distance of a major transit stop. The goal of such development is to

Amendment to TOD Ordinance September 19, 2016 Page 3 of 11

encourage use of alternative modes of transit, reduce dependency on automobiles in order to reduce Greenhouse Gas Emissions, and create more sustainable development strategies for municipalities. Such developments typically consist of a mixture of housing, employment and shopping opportunities designed for pedestrians. Generally, common elements of these policies include reduced parking requirements, moderate to high density mixed-use developments, a mix of uses, and limits on auto-related uses (i.e. auto-related land uses such as auto dealerships and drive-through businesses). In the past decade, TOD policies have been increasingly recognized as an important tool for municipalities in creating walkable, pedestrian-friendly communities, and as such, many cities and counties have adopted various policies implementing TOD.

## Pasadena's Transit-Oriented Development Ordinance

Pasadena has long been committed to increasing non-automobile travel in the City and making the environment more efficient for multiple modes of travel. Since the 1994 General Plan, one of the Guiding Principles has been to encourage non-auto transportation, and the recently adopted General Plan consists of a variety of goals and policies related to reducing vehicle trips and encouraging mixed-use developments that encourage pedestrian activity near transit centers.

In concert with these goals and policies, the City adopted the existing TOD Ordinance (Section 17.50.340 of the Pasadena Municipal Code) in 2005 to encourage pedestrian-oriented development near the Gold Line stations. Generally, TOD standards focus on reducing on-site parking requirements and limiting certain vehicle-oriented uses in order to promote the use of public transit and reduce reliance on motor vehicles. The existing standards apply to new development projects located within a quarter mile of a Gold Line station and within the Central District Transit Oriented Area as established by the Central District Specific Plan. Certain non-transit oriented land uses (e.g. drive-through businesses, gas stations, etc.) are prohibited within the TOD areas, and new projects that are subject to the TOD standards are required to reduce the number of on-site parking spaces provided for the project as established by the Ordinance. The existing TOD chapter of the Zoning Code is attached to this report as Attachment C.

#### **Initiation of the TOD Ordinance Amendment**

At the September 19, 2011 City Council meeting, stakeholders in the east Pasadena area raised concerns regarding the existing parking requirements in the designated TOD areas and its impacts on nearby businesses and residential neighborhoods. Specifically, the concern was that the parking reductions required by the TOD Ordinance were causing negative impacts to businesses in east Pasadena. At this meeting, the City Council expressed concerns about the relationship between changes to the TOD regulations and the General Plan update process, and the need for the review of TOD regulations to occur citywide. Subsequently, at the October 24, 2011 City Council meeting, City Council considered three alternatives to analyze potential changes to the TOD Ordinance: 1) study of the TOD regulations citywide in coordination with the General Plan Update; 2) review the east Pasadena TOD regulations as part of the specific plan update process, after the General Plan Update is adopted; and 3)

Amendment to TOD Ordinance September 19, 2016 Page 4 of 11

amend the Zoning Code for TOD parking in east Pasadena only. The City Council ultimately directed staff to review the existing TOD Ordinance in its entirety and consider necessary revisions in coordination with the new General Plan Update adoption process. In addition, at the October 2011 City Council meeting, various aspects of the existing TOD Ordinance were identified for further analysis. These items included: 1) the existing TOD parking standards; 2) required entitlements for TOD projects; 3) applicability of parking caps for existing buildings when the use has changed; 4) any additional uses to be added to the prohibited use list within TOD area; and 5) the appropriateness of the quarter mile radius.

## **Community Outreach**

#### November 2013

 First community meeting to seek public input related to the existing TOD Ordinance, as well as to discuss potential options for revisions to the TOD Ordinance.
 Approximately 14 people attended the meeting.

## August 2015

• Two community meetings to present the draft changes to the TOD Ordinance to the community. A total of 24 people attended the two community meetings.

## July 2016

- Staff participation in a meeting that was arranged by owners of the existing autorepair businesses along the Walnut corridor. At this meeting, staff responded to questions and concerns raised by the attendees.
- A one-on-one meeting with an existing auto-repair business owner

# August 2016:

- A community meeting specifically geared towards the owners of existing 19 autorepair businesses that are located within the existing TOD areas that will be impacted by the changes being considered to the TOD Ordinance at the time. Approximately 40 people attended this meeting.
- A one-on-one meeting with three existing auto-repair business owners
- Outreach via phone to the 19 auto-repair businesses

A detailed summary of public comments received at the City hosted community meetings is Attachment D.

#### **ANALYSIS:**

## **Proposed Amendments**

Based on a review of existing regulations, community outreach, and commission

Amendment to TOD Ordinance September 19, 2016 Page 5 of 11

discussions, the proposed amendment aims to maintain the intent of the TOD Ordinance and further promote the City's goals and policies of reducing vehicle trips and encouraging transit use, while providing a level of flexibility that is appropriate for the more suburban nature of East Pasadena. The proposed amendment also acknowledges the existing auto-oriented nature of certain TOD areas. The proposed amendment consists of the following changes to the existing code:

## Parking requirements

The recommendation addresses two competing needs expressed as part of this proposed amendment, which are: 1) the appropriateness of the existing TOD parking requirements for the east Pasadena area and its impacts on nearby businesses and residential neighborhoods, and 2) the need to further reduce parking requirements in all of the TOD areas. Since the area surrounding the Sierra Madre Villa station is more suburban in nature, the parking needs for developments within this area may be different than the developments located within a more urban setting. As such, several changes are being proposed to the parking requirements.

- <u>Sierra Madre Villa TOD area</u>: The parking requirement for larger residential units is proposed to be modified to provide more flexibility. For units larger than 650 square feet within residential projects over 48 dwelling units per acre, the maximum allowed parking will be modified to be consistent with the minimum parking required in other multi-family districts in the City per the Zoning Code Section 17.46.040 (2 covered spaces per unit).
- All TOD areas, except Sierra Madre Villa TOD area: To further promote the City's
  goals of reducing vehicle trips and encourage the use of transit, the non-residential
  projects within all TOD areas except the Sierra Madre Villa TOD area will have an
  option to utilize a greater by-right reduction (10 additional percent) in the required
  parking.
- All TOD areas: The maximum allowed parking for units smaller than 650 square feet within residential projects over 48 dwelling units per acre will be modified to be consistent with the minimum parking required in other multi-family districts in the City per the Zoning Code Section 17.46.040.

The table below summarizes the changes to the parking requirements:

		Sierra Madre Villa TOD Station Area		Allen, Lake, Memorial Park, Del Mar, and Fillmore TOD Station Areas and Central District Transit Oriented Area		
		Existing	Proposed	Existing	Proposed	
Residential* (Projects Over 48	< 650 sq. ft.	1 to 1.25 space/unit	1 space/unit	1 to 1.25 space/unit	1 space/unit	
Dwelling Units/Acre)	> 650 sq. ft.	1.5 to 1.75 space/unit	1.5 to 2 space/unit	1.5 to 1.75 space/unit	No change	
Non- Residential	Office (excluding medical offices)	Mandatory 25% reduction from the code	No Change	Mandatory 25% reduction from the code	Mandatory 25% with up to 35% reduction from the code	
	All other non- residential uses	Mandatory 10% reduction from the code		Mandatory 10% reduction from the code	Mandatory 10% with up to 20% reduction from the code	
*Zoning Code Section 17.46.040 requires 1 parking space for units <650 sq. ft., and 2 parking spaces for units >650 sq. ft. in other multi-family districts						

# Option to exceed parking maximums

To further address the concerns raised for the east Pasadena area, an additional method to exceed the parking maximum is proposed for the Sierra Madre Villa TOD area. Also, for all TOD areas, additional standards are proposed to clarify existing regulations for projects that propose to provide more parking than the TOD maximums.

- Sierra Madre Villa TOD area: In addition to the three existing processes that allow projects to exceed parking maximums (Commercial Off-Site, Shared, and Joint Parking), an additional option is being proposed for projects located within the Sierra Madre Villa TOD area. As proposed, TOD projects located within the Sierra Madre Villa TOD area may exceed the maximum parking requirements up to an amount that is consistent with the standards applicable to other areas outside of the TOD area through a parking demand study and an approval of a Minor Conditional Use Permit.
- All TOD areas: The existing TOD Ordinance allows projects to exceed the maximum parking requirement by providing Commercial Off-Street Parking (Section 17.50.340.D.2.a). The proposed amendment will establish standards for projects that request to exceed the maximum parking requirements under this section, which includes, but is not limited to, a minimum number of parking spaces available for public, the location of the spaces and the hours of operation. These standards were established in coordination with the Department of Transportation. A detailed list of standards is in Attachment E.

Amendment to TOD Ordinance September 19, 2016 Page 7 of 11

#### Optional half mile TOD area

Based on staff research, a half mile radius has been recognized as the industry standard for a TOD, as it relates to the distance that a pedestrian can walk in 10 minutes. This distance is prescribed in numerous planning policies, including State laws (i.e. CEQA exemption related to transit priority projects, parking requirement under the Density Bonus Law for projects located in proximity to a transit center).

The proposed amendment expands the TOD area by creating an optional half mile buffer that is applicable to all TOD areas except for the Sierra Madre Villa TOD area, which is excluded to account for the more suburban nature of the station area. Projects located between a quarter mile and a half mile from a light rail station would have the option of utilizing applicable TOD standards. The list of prohibited land uses associated with the existing TOD Ordinance is not applicable in the proposed optional half mile area. New developments can benefit from the reduced parking standards. Also, projects seeking to benefit from reduced parking standards would be subject to all other applicable TOD standards. Attachment F is the map depicting both the existing and proposed TOD areas.

## Technical changes

A small number of technical changes are being proposed in order to clarify issues with the existing TOD Ordinance.

- Option to modify minimum and/or maximum parking in parking garages: The existing TOD Ordinance allows the Zoning Administrator to modify the parking minimums and maximums in a parking garage up to five percent, but not more than 10 spaces. Under the proposed amendment, in order to request such modification as currently allowed, the applicant must demonstrate that such modification is necessary to alleviate on-site limitation associated with the configuration of the parking garage, vehicle circulation, and/or compliance with any applicable codes.
- Preservation of existing excess parking spaces: If a project subject to the TOD standards results in a condition where the number of existing on-site parking spaces is greater than the required standards for such development or uses established by the TOD Ordinance, the number of existing spaces in excess of the required maximums may be maintained as is.
- Streamlining threshold for entitlements: The existing threshold for entitlements for projects located within the TOD area will be modified in order to eliminate a duplicative entitlement process. Commercial and industrial projects between 15,000 square feet and 25,000 square feet will require an approval of a Minor Conditional Use Permit (MCUP) with additional findings related to TOD, while commercial and industrial projects over 25,000 square feet will be subject to the Major Projects Conditional Use Permit (CUP) with additional findings related to TOD.

Amendment to TOD Ordinance September 19, 2016 Page 8 of 11

The redline version of the existing TOD Ordinance depicting the proposed amendment is Attachment G.

## Addressing Concerns

The proposed amendment to the TOD Ordinance appropriately addresses the concerns raised by the community as explained below:

# Appropriateness of applying TOD standards in the east Pasadena area

Many east Pasadena residents expressed concerns over the limited parking in the area and the related impacts to the businesses and residential neighborhoods, stating that the development pattern and characteristics of east Pasadena is significantly more suburban in nature than other TOD areas in the City. To address these concerns, the optional half mile buffer option is not proposed for the Sierra Madre Villa TOD area. Also, a greater flexibility in the required parking reduction is proposed for larger residential units, along with addition of a process to allow projects in the Sierra Madre Villa TOD area to exceed the maximum parking requirements through a Minor Conditional Use Permit with a demand study. These changes are determined to be appropriate as the neighborhood characteristics around the Sierra Madre Villa Gold Line station are more suburban in nature compared to the other six TOD areas.

<u>Further reduction in the required parking, incentives to promote transit use, and considering other high frequency transit stops</u>

In contrast to concerns related to the east Pasadena area, stakeholders in the central areas of the City commented that the minimum parking requirements should be further reduced (i.e. no parking minimums), and incentives should be considered to promote transit use, such as unbundling of parking, development impact fees to construct public parking structures, and subsidized transit passes. Also, there was a comment requesting that other high frequency transit stops, such as highly used bus stops, be included in the TOD area. Some of these suggestions are in line with the City's long-term goal of promoting transit use and reducing the dependency on automobiles and are worth exploring.

In response, the required parking reduction for non-residential projects is being lowered 10 additional percent and the TOD area is being expanded with the proposed optional half-mile area for all TOD areas except the Sierra Madre Villa TOD area. However, consideration of any further reductions in parking, including no parking minimum, and other suggested incentives warrants in-depth research and analysis, community vetting, and should be considered citywide. Since the City is preparing to update all the specific plans and the zoning code as the next step following the recently adopted General Plan Update, it may be appropriate to incorporate some level of analysis of these concepts at that time.

Amendment to TOD Ordinance September 19, 2016 Page 9 of 11

## Impact on existing auto-repair businesses

Concerns were raised regarding adding the vehicle equipment repair use to the prohibited land use list within the TOD area and its impact on existing businesses. In particular, there were concerns with respect to the auto repair businesses located in close proximity to the Allen TOD area, as there is a high concentration of such businesses in this area.

According to the City's business license records, there are approximately 19 businesses classified as "Vehicle Services – Vehicle/Equipment Repair" use that are currently located within the existing TOD areas (quarter mile of a light rail station and Central District Transit Oriented Area) that would become legally non-conforming if auto-repair businesses are added to the list of prohibited land uses within the TOD area. Pursuant to the Zoning Code section 17.71, a legally non-conforming land uses are allowed to continue their operation as is, perform routine maintenance without any special permits, and request an expansion and alteration through a Minor Conditional Use Permit. However, if the legally non-conforming use is discontinued for more than 12 months, the use cannot be re-established.

After reviewing the variety of comments and concerns received through the community outreach, and in recognition of the unique characteristics of Allen station area where there is a high concentration of existing auto-repair land uses that provides valuable services to the community, the addition of the "Vehicle Services – Vehicle/Equipment Repair" land use to the list of prohibited new businesses within the TOD area has been removed from the staff recommendation. As such, there would be no change to the list of new uses no longer allowed in TOD areas.

#### **REQUIRED FINDINGS:**

In order to amend a specific plan and the zoning code, the City Council is required to make certain findings as set forth in the Section 17.74.070.A of the PMC. As detailed in Attachment B (Findings of Consistency), the required findings can be made for the proposed amendment.

## **COUNCIL POLICY CONSIDERATION:**

The proposed amendment to the Specific Plan furthers the goals and policies of the General Plan related to transit-related land uses, transit villages, adequate parking, parking standards, and places and urban forms in the east Pasadena area, as described in Attachment B (Findings of Consistency).

## **ENVIRONMENTAL ANALYSIS:**

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the City prepared an Initial Study. Based on the Initial Study, it was concluded that the project will not have a significant effect on the environment with the implementation of mitigation measures in the areas of Air Quality and Cultural Resources, and has prepared a Draft Mitigated Negative Declaration (MND).

Amendment to TOD Ordinance September 19, 2016 Page 10 of 11

With the publication of the Notice of Intent to Adopt an MND (NOI) on November 19, 2015, the Public review period for the Initial Study and draft MND commenced and concluded on December 9, 2015. Copies of the Initial Study and the Draft MND have been made available to the public, and no comment was received.

Subsequent to publishing the NOI, an errata sheet reflecting the revisions to the proposed amendment was incorporated as part of the Initial Study and MND, as none of the revisions substantially modify the analysis or conclusions of the analysis or the conclusion of the document. Re-circulation of the MND is not required.

Amendment to TOD Ordinance September 19, 2016 Page 11 of 11

## FISCAL IMPACT:

There is no significant fiscal impact associated with the adoption of the proposed Zoning Code Amendment.

Respectfully submitted,

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STEVE MERMELL
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Attachments: (7)

A – Draft Mitigated Negative Declaration (Exhibit 1 – Errata, Exhibit 2 - Draft Initial Study)

B - Findings

C - Existing TOD Ordinance (Zoning Code Section 17.50.340)

D - Summary of public comments from the community meetings

E – Summary of the standards for Commercial Off-Street Parking to be added

F – Map of the proposed TOD areas.

G – Redline version of the existing TOD Ordinance depicting proposed amendment