



Agenda Report

May 21, 2018

TO: Honorable Mayor and City Council

FROM: Planning & Community Development Department

**SUBJECT: REVISION TO PLANNED DEVELOPMENT #35 (COLORADO HILL)
1347-1355 EAST COLORADO BOULEVARD AND 39 NORTH HILL
AVENUE; 1336 EAST COLORADO BOULEVARD**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that there are no changed circumstances or new information as part of the proposed application that necessitate further environmental review beyond the Final Environmental Impact Report (FEIR) adopted by the City Council on September 12, 2016; and
2. Approve the revisions to the Planned Development.

EXECUTIVE SUMMARY:

The applicant, J&K Plus Investments LLC, proposes a revision to Planned Development #35 (PD-35) to modify approved development standards related to permitted floor area, floor area ratio, lot coverage, setbacks and building height. PD-35, originally approved by the City Council on September 12, 2016, approved a Planned Development (PD) Plan to facilitate development of the properties generally located at 1347-1355 East Colorado Boulevard and 39 North Hill Avenue (north parcel) and 1336 East Colorado Boulevard (south parcel). The north parcel was approved to be developed with a 375-room hotel and ground-floor commercial uses totaling 349,090 square feet. For the south parcel, the PD prescribed a building floor area of 89,595 square feet, where 10,000 square feet would be allocated as ground-floor commercial uses. The remaining 79,595 square feet could be utilized by a 'Single Room Occupancy' land use restricted to student housing or residential units as part of a 'Mixed-Use Project' land use as an allowed use by right per the PD Plan. Additionally, the 79,595 square feet could be utilized by a 'Lodging (Hotel)' land use subject to approval of a Conditional Use Permit.

A revision to a Planned Development with the approval of additional floor area ratio (FAR), above the FAR range established in the General Plan Land Use diagram, requires approval by City Council. Staff's analysis concludes that the findings to approve the requested revision to PD #35 can be made.

PLANNING COMMISSION RECOMMENDATION:

On March 28, 2018, the Planning Commission considered at its regularly noticed hearing, the applicant's request for a revision to PD-35 to modify approved development standards related to permitted floor area, FAR, lot coverage, setbacks and building height. At the time, the revision also included a request to eliminate the requirement that a Conditional Use Permit (CUP) be required for the establishment of a hotel use on the south parcel.

Staff's recommendation to the Planning Commission was to approve the revision to modify approved development standards and to retain the CUP requirement for the establishment of a hotel use on the south parcel.

Since the revision includes a request for additional FAR, above the FAR range established in the General Plan Land Use diagram, the Design Commission reviewed the project and advised the Planning Commission that the conceptual drawings exhibit a project that is of high quality, that exhibits architectural excellence and is contextual to the surrounding neighborhood. The Design Commission recommended eight conditions of approval as part of their review (see page 9 – Design Commission).

The Planning Commission's discussions focused on:

- Maintaining the requirement of a CUP for a hotel land use on the south parcel to allow for additional review and specific conditions of approval if needed; and
- Concurring with the Design Commission's determination regarding the project's design.

There were no public speakers and no correspondence was submitted for the hearing.

After the conclusion of the public hearing, the Planning Commission recommended (6-0 vote, 3 members absent) that the City Council approve the staff recommendation, approving the revision to the development standards and retaining the requirement of a CUP for the establishment of a hotel use on the south parcel. The motion also included that the Design Commission's recommended conditions of approval be approved by the City Council.

After the hearing, the applicant advised staff that their revision to PD-35 would no longer include a request to eliminate the requirement of a CUP for the establishment of a hotel use on the south parcel. If the applicant elects to pursue a hotel land use on the south parcel, they will need to apply for a CUP with the Hearing Officer as the review authority.

BACKGROUND:

Existing Site Characteristics

The project site is located at 1347-1355 East Colorado Boulevard and 39 North Hill Avenue (north parcel) and 1336 East Colorado Boulevard (south parcel). The north parcel is bordered by Hill Avenue on the east, Colorado Boulevard on the south, Holliston Avenue on the west, and measures approximately 2.97 acres. The north parcel contains multiple buildings and a large surface parking lot used previously for the display, sales, and service of vehicles.

The south parcel is located in the northwestern portion of the block bound by Hill Avenue to the east, Green Street to the south, Holliston Avenue to the west, and measures approximately 0.71 acres. The south parcel contains two small buildings previously used in conjunction with automotive sales. Both parcels have been vacant since 2008, but used periodically for temporary vehicle storage and sales, and seasonally for the sale of pumpkins and holiday trees.



Figure 1 – Project Site

Adjacent Uses (Overall Site)

North: Institutional (Church)

South: Institutional (Pasadena City College); Public and Semi-Public (Hill Avenue Branch Library)

East: Institutional (Pasadena City College); Commercial

West: Institutional (Church); Commercial

Adjacent Zoning (Overall Site)

North: PS (Public and Semi-Public)

South: CG (Commercial General)

East: ECSP-CG-2 (East Colorado Specific Plan, Commercial General, College District)
CG (Commercial General); PS (Public and Semi-Public)

West: ECSP-CG-1 (East Colorado Specific Plan, Commercial General, Mid-City)

The project site is located within the boundaries of the East Colorado Specific Plan.

Approved PD-35 Project Description

On September 12, 2016, the City Council approved Planned Development #35 to allow development on the north and south parcel.

The north parcel was approved to be developed with a full-service hotel (332,690 square feet) and ground-floor commercial uses (16,400 square feet). The hotel would include up to 375 guest rooms and related services (311,300 square feet), a ballroom (12,500 square feet), and conference rooms (8,890 square feet). The total square footage would be 349,090 square feet. The building would range in height from two stories up to a maximum of five stories along roadway frontages. In the interior of the site, portions of the building would be up to seven stories with a height of 78.5 feet and up to 90 feet for a rooftop pool and bar area and other appurtenances. Vehicle access to the site would be provided from multiple locations. A driveway running parallel to the north property line between Holliston Avenue and Hill Avenue, would provide access to the subterranean parking. Along Colorado Boulevard, a driveway serving as the drop-off and pick-up to the hotel, as well as valet service, would be centered approximately 150 feet away from the intersection of Colorado Boulevard and Hill Avenue. Access to the subterranean parking would also be provided at this location. All existing buildings on-site would be demolished to accommodate the development, except that the existing automobile showrooms would be retained.

For the south parcel, the PD approved a building floor area of 89,595 square feet, where 10,000 square feet would be allocated as ground-floor commercial uses. The remaining 79,595 square feet could be utilized by a 'Single Room Occupancy' land use restricted to student housing or residential units as part of a 'Mixed-Use Project' land use; both of which would be allowed uses by right per the PD Plan. Additionally, the 79,595 square feet could be utilized by a 'Lodging (Hotel)' land use, subject to approval of a Conditional Use Permit.

The approval to establish the PD zoning district included simultaneous approval of a PD Plan that set development standards for sites within the PD, including, but not limited to, mix of allowed uses and permit requirements, floor area ratio, maximum lot coverage, setbacks, height and driveway access.

Information related to the entitlement process, with hearings before the Design Commission, Planning Commission and City Council, is included in Attachment D (Page 4: Background). Included in the background discussion, is a summary of the areas of

concern from the Planning Commission and City Council leading up to the approval of the original PD on September 12, 2016.

Design Commission Review

Subsequent to the approval of PD-35, the applicant submitted for Concept Design Review of the project. D&HP staff determined that the plans submitted were not within the approved PD-35 development standards (e.g. varying setbacks, increased height, floor area, and lot coverage) and it was determined that the modified plans would require revision of PD-35 prior to proceeding with Concept Design Review.

One factor resulting in the revised plans not meeting development standards is that the plans were revised so that the hotels (north and south) accommodated the number of hotel rooms that the project was approved for. Although the project always contemplated a 375-room hotel on the north site, the original plans presented at the Planning Commission and City Council hearings were that of a hotel building with only 337 rooms. The detailed plans for a 375-room hotel resulted in an expanded fourth floor along the Holliston Avenue frontage, a partial sixth and seventh floor at the south-west portion of the site, and an expanded fourth floor towards the interior of the site. Similarly for the south site, the plans were revised so that the hotel building contained a total of 150 rooms; although the project always contemplated a 150-room hotel, the previous plans presented at the Planning Commission and City Council hearings were that of a hotel building with approximately 95 rooms. The revised plans resulted in an additional floor (5th floor) along the Colorado Blvd frontage.

In addition to the required approvals for the PD-35 revisions, prior to proceeding with Concept Design Review, per Condition No. 31 of the PD and due to the new increased FAR, the Design Commission is required to review the project and advise the Planning Commission and City Council on whether or not the project exhibits high quality architectural excellence that is contextual to the surrounding neighborhood. This review occurred on September 12, 2017. The Design Commission analyzed the following characteristics to determine if the project demonstrates high architectural quality:

- Relates to the site and to its neighbors in terms of setbacks, height, massing, scale, frontage, materiality, open space, landscape, solar orientation, and topography;
- Building elevations are well articulated to provide visual interest along the street;
- Incorporates materials and finishes that express the permanence of the building and reinforce the design concept;
- If a project is located adjacent to a designated or eligible resource, measures have been employed to ensure the proposed buildings respond to or enhance the historic resource;
- Facilitates the movement and activity of pedestrians along major thoroughfares;
- Facilitates the introduction of ground-floor retail and/or restaurant uses to enhance visitor or pedestrian experience; and
- Project thoroughly engages the surrounding commercial and residential districts.

The Design Commission determined the revised project was of high quality and demonstrated architectural excellence. Analysis related to the Design Commission's consideration is included in Attachment E. The Design Commission recommended eight conditions of approval be incorporated into the PD conditions:

1. The approving body shall find that the building located at 1336 East Colorado Blvd (south parcel) illustrated in Attachment B of the PD-35 (Colorado Hill Planned Development), exhibits an architectural design that is of "high quality" and is "contextual" to the surrounding neighborhood.
2. A sub-committee of the Design Commission should be convened to review the thoroughness of the construction documents (CD's) & specifications prior to each phase of the design review process and plan check submittal.
3. The developer should be required to provide a large-scale mock-up panel of exterior materials during construction for review and approval by the subcommittee of the Design Commission prior to installation of materials on the building.
4. A qualified Executive Architect (subject to City review and approval) with hospitality experience should be engaged by the applicant to oversee the CD production and construction processes to ensure implementation of high-quality design and materials and, during construction, consistency with the approved building plans.
5. A design-build CD process should be un-acceptable for projects over 10,000 sf.
6. The number of Design & Historic Preservation inspections during construction should be increased to deter field changes, conditionally releasing each floor.
7. Specifications should be written for appropriate, quality materials to lessen the ability to reduce the quality of the finish materials approved by the Design Commission. The subcommittee of the Design Commission should have enough access to the construction process, to make sure that these are followed through.
8. Value engineering that would reduce the quality of materials specifications should not be allowed for this project after design review approval is granted.

ANALYSIS: PROPOSED REVISIONS TO PD-35:

The applicant is requesting to revise the existing PD Plan by modifying development standards related to floor area ratio, maximum lot coverage, setbacks and height. The revisions would apply to both the north and south parcels. Pursuant to P.M.C 17.26.020.C.3, an application for approval of a revision to a Planned Development with the approval of additional FAR requires approval by City Council.

The plans have been revised to incorporate the maximum number of hotel rooms allowed on both parcels. The plans were also revised so that ground-floor commercial uses are provided with access directly from the street frontages and continuous retail along the street frontages for the north parcel has been provided. A summary of the proposed PD revisions is provided below (the full PD requirements are contained in Appendix A of the Pasadena Zoning Code PD-35).

North Parcel

Development Standard	Required	Proposed Change	Difference
D.2: Maximum Amount of total New Commercial Development	349,090 sf max.	359,396 sf	+10,306 sf
i. Lodging-Hotels, Motels use	332,690 sf max.	321,187 sf	-11,503 sf
ii. Retail Sales use	16,400 sf min.	38,209 sf	+21,809 sf
D.5: Maximum Floor Area Ratio	2.70	2.77	+0.07
D.6: Maximum Lot Coverage	70%	78%	+8%
D.7: Setbacks			
iii. Side Setback (200' from Colorado on Hill)	0 min. to 5 ft. max.	0 min. to 7 ft. max.	+2 ft.
D.8: Maximum Height			
Rooftop pool and bar, appurtenances	90 ft.	98.5 ft.	+8.5 ft.

South Parcel

Development Standard	Required	Proposed Change	Difference
E.3: Maximum Amount of New Commercial Development;	89,595 sf max.	83,497 sf	-6,098 sf
i. Lodging-Hotels, Motels use	79,595 max	80,595 sf	+1,000 sf
ii. Retail Sales use	10,000 min.	2,902 sf	-7,098 sf
E.8: Maximum Lot Coverage	75%	76%	+1%
E.9: Setbacks			
i. Front Setback	0 min. to 5 ft. max.	0 min. to 10 ft. max.	+5'
ii. Corner Setback	5-ft. min to 10-ft. max	0 min. to 10 ft. max	+5'
iii. Side Setback	5 ft. min.	0 min. to 10 ft. max.	+5'
iv. Rear Setback	5 ft. min.	0 min. to 5 ft. max.	+5'
E.10: Maximum Height	48'	58'	+10'

GENERAL PLAN CONSISTENCY:

General Plan Land Use Element Guiding Principles

The General Plan Land Use Element includes eight Guiding Principles. With the proposed revisions, the consistency of the project with these principles would be maintained as described below:

- *Guiding Principle 1. Growth will be targeted to serve community needs and enhance the quality of life.* Development of the proposed project will revitalize an underutilized site located on one of the City's main commercial corridors, providing visitor-serving uses in proximity to a mix of existing commercial, residential, and institutional uses.
- *Guiding Principle 2. Pasadena's historic resources will be preserved.* The development plan and mitigation requirements for the project includes preservation, restoration, and adaptive reuse of the historic former auto showrooms and the "Welcome" sign, as well as the provision of an on-site interpretive sign or display that presents a history of the site and the significance of the International Style of architecture to the automobile-related industry of Pasadena.
- *Guiding Principle 3. Pasadena will be an economically vital city by providing jobs, services, revenues, and opportunities.* The proposed project has all of those features, providing many new jobs, hotel and commercial retail uses and services, revenue to the City, and visitor-serving opportunities to the City, all of which will occur on a site that is largely vacant and highly underutilized.
- *Guiding Principle 4. Pasadena will be a socially, economically, and environmentally sustainable community.* The proposed project will provide a development use that is complimentary to a mix of existing uses within the City, and will revitalize an otherwise dormant site.
- *Guiding Principle 5. Pasadena will be a city where people can circulate without cars.* The project site is located within a High Quality Transit Area, with good access to public transit, thereby helping to reduce dependence on cars.
- *Guiding Principle 6. Pasadena will be a cultural, scientific, corporate, entertainment and education center for the region.* The proposed project is designed to provide high-quality hotel and commercial uses that complement the overall mix of existing uses in the City.
- *Guiding Principle 7. Community Participation will be a permanent part of achieving a greater city.* Citizen involvement in the CEQA review process, as well as in public hearings for the project, provides opportunities for public input to help guide and shape the final development plans for the project.

- *Guiding Principle 8. Pasadena is committed to public education and a diverse educational system responsive to the broad needs of the community.* Although not directly involved in the educational system, the proposed project could indirectly support ongoing education through the provision of new employment opportunities in close proximity to Pasadena City College.

ENVIRONMENTAL REVIEW:

It is recommended that the City Council find the revisions are consistent with the Final Environmental Impact Report (EIR) for the overall project approved by the City Council on September 16, 2016. Substantial changes have not occurred with respect to the circumstances under which the original project was undertaken and the proposed changes are minor in nature and would not require major revisions of the previous EIR due to the involvement of any new significant environmental effect or a substantial increase in the severity of previously identified significant effects that were mitigated to less than significant levels. It has further been determined that there has been no new information that would warrant subsequent environmental analysis.

CONCLUSION:

The requested revisions to PD-35 require review and a recommendation by the Planning Commission and approval by the City Council. The Planning Commission reviewed the changes and recommended approval of the project revisions. The Design Commission reviewed the revisions and determined the project demonstrates architectural excellence and recommends specific conditions of approval be added to the PD plan to ensure the final design and project build-out maintains excellence. Staff is recommending the City Council approve the PD-35 revisions based on the findings in Attachment A to this report.

FISCAL IMPACT:

The project construction cost is estimated to be approximately \$100-125 million, assuming that hotels are built on both the north and south parcels and that construction occurs concurrently. Additionally, the cost of the project review and permits will be paid to the City by the developer. At stabilization, year three of operations, the project will generate approximately \$3.8 million to the General Fund from transient occupancy tax. Over a 20-year period, the City will receive approximately \$98.5 million (present value amount of \$58.5 million) to the City's General Fund.

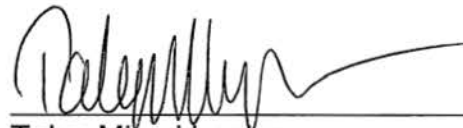
Respectfully submitted,


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Attachments: (7)

- Attachment A - Specific Findings for Approval
- Attachment B - Conditions of Approval
- Attachment C - Revised PD Plan (Strikeout Version)
- Attachment D - Planning Commission Staff Report (without attachments), Dated March 28, 2018
- Attachment E - Design Commission Staff Report (without attachments), Dated September 12, 2017
- Attachment F - Adopted Mitigation, Monitoring, and Reporting Program
- Attachment G - Project Plans