



# Agenda Report

February 4, 2019

**TO:** Honorable Mayor and City Council

**FROM:** Planning & Community Development Department

**SUBJECT: PREDEVELOPMENT PLAN REVIEW OF A SINGLE-ROOM OCCUPANCY (SRO) FACILITY PROPOSED AT 226 N. HOLLISTON AVENUE AND 231 N. HILL AVENUE**

## **RECOMMENDATION:**

This report is intended to provide information to the City Council, no action is required.

## **BACKGROUND:**

The applicant, Rob Tyler of Tyler Gonzalez Architects, has submitted a Predevelopment Plan Review (PPR) application proposing a 19,200 square-foot, four-story, single-room occupancy (SRO) facility consisting of 60 dwelling units. The proposed facility would occupy property at 226 North Holliston Avenue and 231 North Hill Avenue. The 24,000 square-foot project site is located north of Walnut Street between Holliston Avenue on the west and Hill Avenue on the east. The site consists of two separate parcels that are currently under separate ownership. The parcel fronting on Holliston Avenue is dual-zoned, Multi-Family Residential, City of Gardens, 0-32 dwelling units per acre (RM-32) and Commercial General (CG). The parcel fronting on Hill Avenue is located entirely in the CG zoning district. The project site is a former railroad right-of-way and is currently vacant and undeveloped.

Pursuant to Zoning Code Section 17.60.040.C.2.a.(2) (Application Preparation and Filing – Predevelopment Plan Review – Applicability – Mandatory review) a PPR is required for projects consisting of ten or more dwelling units. The purpose of the PPR is to achieve better projects through early consultation between City staff and applicants. The intent is to coordinate the review of projects among City staff and City departments, familiarize applicants with the regulations and procedures that apply to the projects, and avoid significant investment in the design of a project without preliminary input from City staff. In addition, the purpose is to identify issues that may arise during review of the project, provide opportunities for discussion about the project and an exchange of information on potential issues between the City staff and the applicants, and inform the City Council and the public of proposed development projects defined in the administrative guidelines to be of communitywide significance.

A project is categorized as a project of communitywide significance if it consists of: 1) more than 50,000 square feet of gross floor area with one discretionary action; or 2) 50 or more housing units; or 3) any project determined by the Planning Director to be of major importance to the City. Projects of communitywide significance are presented to the City Council for informational purposes. The proposed project consists of more than 50 housing units and qualifies as a project of communitywide significance.

This report provides a project description, addresses the anticipated entitlement and environmental review processes, and summarizes key areas of concern regarding Zoning Code and General Plan compliance.

### **PROJECT SUMMARY:**

The applicant proposes to construct an SRO facility consisting of the following:

- 60-unit SRO facility for rent (15 inclusionary units)
  - 59 SRO units
  - 1 resident manager unit
- 4 stories (45 feet tall to highest point)
- 19,200 square feet residential (floors 2-4)
- 50 parking spaces at grade (enclosed podium style)

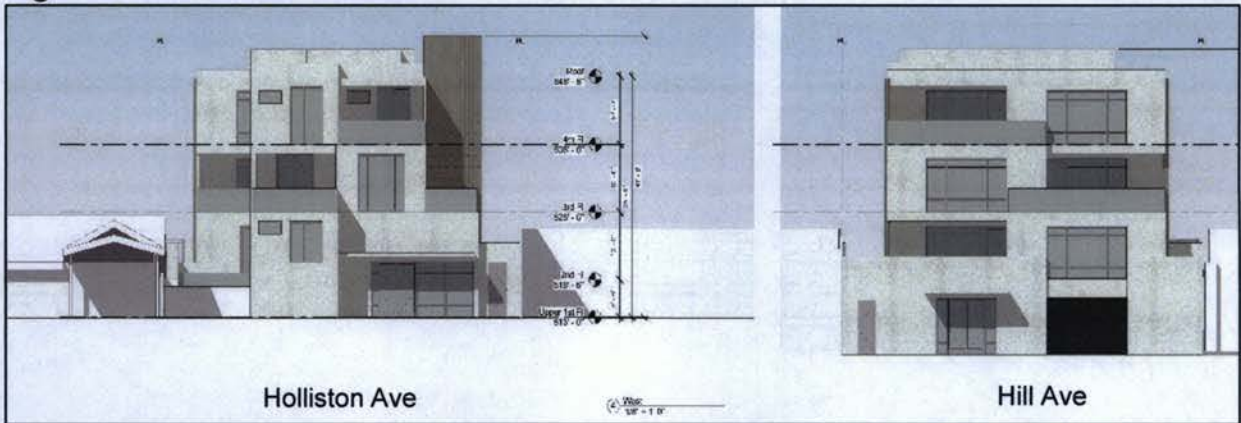
**Figure 1: Aerial View**



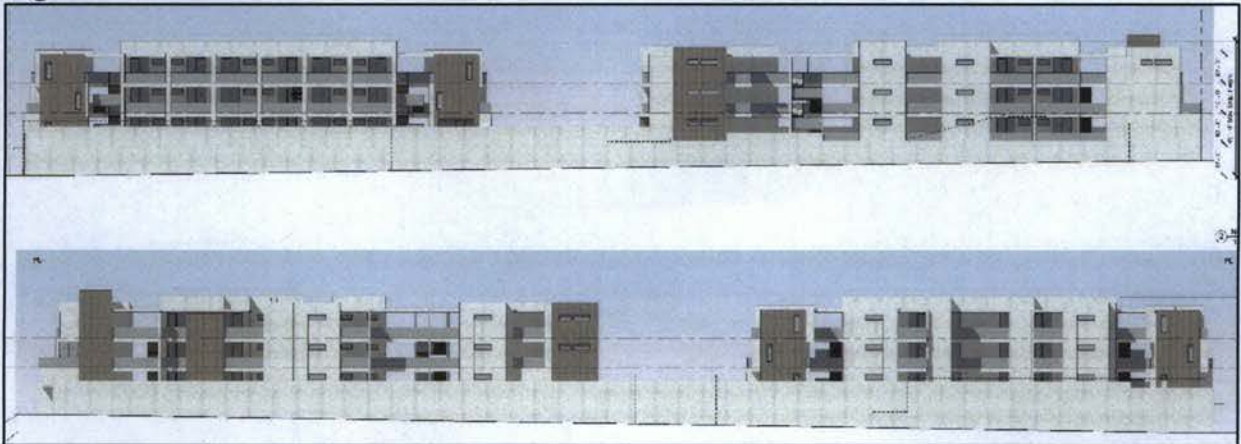
**Figure 2: Site Plan**



**Figure 3: Street Elevations**



**Figure 4: Elevations**



**Table 1: Project Characteristics**

<b>Zoning Designations</b>	
CG (Commercial General); RM-32 (Multi-Family Residential, City of Gardens)	
<b>General Plan Land Use Designation</b>	
Low Commercial (0.0-1.0 FAR)	
<b>Lot Size</b>	
24,000 sf	
<b>Density</b>	
<i>Maximum Permitted</i>	<i>Proposed</i>
No maximum	60 units or ≈ 108 units per acre
<b>Floor Area Ratio (FAR)</b>	
<i>Maximum Permitted</i>	<i>Proposed</i>
0.8	0.7 - 0.8*
<b>Building Size (Gross Square Feet)</b>	
<i>Maximum Permitted</i>	<i>Proposed</i>
19,200 sf	17,430 sf - 19,200 sf*
<b>Parking Requirements</b>	
<i>Required</i>	<i>Proposed</i>
Affordable Units (15 SRO): 1 space per 4 units; plus 2 spaces for resident manager  Market Rate Units (44 SRO / 1 resident manager): 1 space per unit; plus 2 spaces for resident manager  Required = 50 spaces	50 spaces
<b>Building Height</b>	
<i>Maximum Permitted</i>	<i>Proposed</i>
45'	45'
<b>Setback Requirements</b>	
<i>Required</i>	<i>Proposed</i>
Holliston Avenue*: 5'	0-5'
Hill Avenue*: 5'	5'
Side (abutting nonresidential zone): None required	0-6'
Side (abutting residential zone): 15' and encroachment plane	0-15' and not enough information
<b>SRO Unit Size</b>	
<i>Required</i>	<i>Proposed</i>
150 sf minimum to 220 sf maximum	Not enough information
<b>Community Area Requirement</b>	
<i>Required</i>	<i>Proposed</i>
600 sf	1,023 sf

\*FAR and gross floor area calculations exclude areas used exclusively for vehicle parking or loading;

\*A reduced front setback that matches the established building placement pattern on the block may be allowed through Design Review.

## **PREDEVELOPMENT PLAN REVIEW ANALYSIS:**

All applicable City departments reviewed the project as part of the PPR and provided comments that are included in Attachment A. Other notable Planning related items are discussed below.

### **Single-Room Occupancy Facilities**

In 2006, the Governor approved Assembly Bill (AB) 2634, which required local jurisdictions to quantify and analyze the existing and projected housing needs of extremely low-income (ELI) households in their respective Housing Elements. ELI households are defined as households earning no more than 30 percent of the Area Median Income. In addition, cities were also required to identify appropriate zoning districts to encourage and facilitate single-room occupancy units. Drafters of the bill stated that the current income categories used in housing element law were inadequate and resulted in most cities failing to plan adequately for a large segment of their workers, seniors, and others with the lowest incomes. Most jurisdictions focus their analysis and affordable housing programs on very low-income households and ignore the unique housing needs of extremely low-income households. This bill sought to ensure that local jurisdictions consider the housing needs of families earning less than 30 percent of the Area Median Income.

Pasadena's current Single-Room Occupancy Ordinance, which pre-dates AB 2634 and was adopted in 2005, defines a SRO as "a facility where each unit has a minimum floor area of 150 square feet and a maximum floor area of 220 square feet. These dwelling units may have kitchen or bathroom facilities and shall be offered on a monthly basis or longer." Section 17.50.300 (Single-Room Occupancy [SRO] Facilities) of the Zoning Code establishes standards for SROs and permits the use by right within the CG district. In addition, existing nonconforming SROs in the CL district are permitted to be altered to comply with the City's SRO development standards without obtaining a Conditional Use Permit. Several of the City of Pasadena specific plans identify SROs as a permitted use.

SRO facilities are identified as residential uses in land use tables of the Zoning Code. All SRO projects have minimum common area requirements (dining rooms, meeting rooms, recreational rooms, or other similar areas approved by the Zoning Administrator may be considered common areas. Shared bathrooms and kitchens shall not be considered as common areas). The applicant is required to submit a management plan, which shall be comprehensive and contain management policies and operations, rental procedures and rates, maintenance plans, residency and guest rules and procedures, security procedures and staffing needs, including job descriptions. Additionally, a 24-hour resident manager is required for any SRO use with twelve or more units.

The mixed-use development located at 1299 East Green Street is the only project consisting of SRO units approved under the current ordinance. The 89-unit (9 low income; 80 moderate income) project was completed in 2009. The Centennial Place (adaptive reuse of the City's Historic YMCA building) project at 235 East Holly Street

was formerly an SRO facility. However, this 144-unit (143 very low income, 1 resident manager) project was converted in 2009 into permanent supporting housing for people who are homeless or who are at risk of being homeless. The reuse project was originally completed in 1991.

SRO facilities are targeted as an affordable housing option for lower or moderate-income households as well as for people who are homeless. The City's General Plan Housing Element lists SRO facilities along with emergency shelters, transitional housing, and permanent supportive housing as opportunities to accommodate the housing needs of people who are homeless. However, the Housing Element also recognizes that SRO facilities may fulfill a housing need for students. Student housing needs vary depending on whether the student lives at home, commutes from outside the City, or seeks rental housing in Pasadena. Those living in Pasadena create a heightened demand for apartments and rentals around local colleges and influence the rental market. Typically, the need is for rental apartments affordable to lower or moderate-income households or SRO units that fit the budget and lifestyle needs of students. According to the applicant of this project, the facility is intended to fill the housing needs of students and short-term/visiting faculty.

#### Inclusionary Housing Ordinance

The project is subject to inclusionary housing requirements because they apply to all single-room occupancy projects. A minimum of 15 percent of the total number of dwelling units shall be developed, offered to, and sold or rented to households of low and moderate-income, at an affordable housing cost. Since the applicant is proposing rental units, a minimum of 10 percent of the units shall be rented to low-income households and five percent of the units shall be rented to low or moderate-income households. The resulting requirement is nine inclusionary units, where the applicant proposes 15.

#### Discretionary Entitlements

An SRO facility is a permitted use at the subject site. However, the structure proposed does not comply with setback requirements (Table 1: Project Characteristics). As a result, the following discretionary zoning entitlements may be required:

- Minor Variance to adjust the Holliston Avenue front setback (where not reduced through Design Review; A reduced front setback that matches the established building placement pattern on the block may be allowed through Design Review);
- Minor Variance to adjust the north side setback that abuts a residential zone.

In addition, the proposal is subject to the following discretionary reviews:

#### *Design Review*

New construction exceeding 5,000 square feet requires Design Review when located outside of the Central District. The project is located outside of the Central District and

consists of more than 5,000 square feet. Therefore, the project is subject to three stages of review: 1) Preliminary Consultation; 2) Concept Design; 3) and Final Design. The Director of Planning and Community Development is the reviewing authority for projects consisting of 25,000 gross square feet or less. The applicant is proposing less than 25,000 gross square feet.

On November 30, 2018, the City received an application for Preliminary Consultation. Preliminary Consultation is intended to allow applicants to obtain input on their design concept prior to investing in detailed design drawings that would be difficult to modify. The process yields advisory comments that the applicant should consider in subsequent phases of design review. As of the date of this report, the application is still undergoing review by staff with a comment letter anticipated by the end of February.

After Preliminary Consultation, and if no zoning entitlements are requested or required, the applicant would submit applications for Concept Design, and subsequently, Final Design Review. These two steps may be combined into one step Consolidated Design Review.

Concept Design Review addresses basic project design, including massing, modulation, siting, proportions, solid-to-void relationships, compatibility with surroundings, and compliance with design guidelines.

Final Design Review focuses on compliance with the conditions of approval (if any) of Concept Design Review and on construction details, paint colors, finishes, doors and windows, landscaping, exterior lighting, location/screening of mechanical equipment, etc.

#### *Tentative Parcel Map*

The applicant is required to consolidate the two parcels into one through a Tentative Parcel Map application. Alternatively, the applicant may file a Certificate of Exception (lot line adjustment) instead of a Tentative Parcel Map to consolidate the parcels. Either application requires approval by the Hearing Officer.

#### Environmental Review

This project would be subject to the provisions of the California Environmental Quality Act (CEQA). According to the Department of Transportation and based on information submitted with the PPR, a traffic analysis would be required. Additional technical studies (i.e. noise, air quality) are also necessary to determine the type of CEQA clearance required for the project.

#### **NEXT STEPS:**

To proceed with a code-compliant project, the applicant would need to complete the Design Review process and submit an application to consolidate the parcels. Environmental review of this project will occur consistent with the requirements of the

California Environmental Quality Act (CEQA). The following identifies the steps in the review process:

- Complete Preliminary Consultation stage;
- Submit applications for Concept and Final Design Review stages;
- Concurrent environmental review;
- Public hearing review (Hearing Officer) of Certificate of Exception or Tentative Parcel Map for lot consolidation.

**FISCAL IMPACT:**

This report is for information only and will not result in any fiscal impact.

Respectfully submitted,



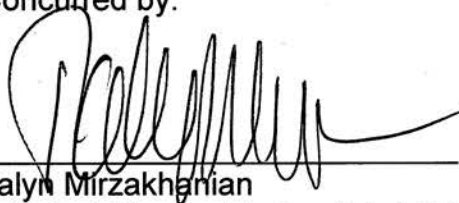
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City Manager

Attachments: (2)

Attachment A – Predevelopment Plan Review Comments to Applicant  
Attachment B – Predevelopment Plan Review Plans