

# Agenda Report

November 16, 2020

**TO:** Honorable Mayor and City Council

**FROM:** Planning & Community Development Department

**SUBJECT: PREDEVELOPMENT PLAN REVIEW OF A NEW 58-UNIT, 1-4 STORY MULTI-FAMILY RESIDENTIAL PROJECT AT 1870-1890 EAST WALNUT STREET, 175 NORTH GREENWOOD AVENUE, AND 170 NORTH PARKWOOD AVENUE**

**RECOMMENDATION:**

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

**BACKGROUND:**

The applicant, HHP-Walnut, LLC, has submitted a Predevelopment Plan Review (PPR) application to redevelop contiguous property at 1870-1890 East Walnut Street, 175 North Greenwood Avenue, and 170 North Parkwood Avenue with a new multi-family project. The four existing parcels that make up the project site are located on the south side of Walnut Street, between Parkwood Avenue on the west and Greenwood Avenue on the east. The aggregate site area is 44,982 square feet (approximately 1.03 acres). The three parcels with frontage on Walnut Street and Greenwood Avenue are zoned CG (Commercial General), while the remaining parcel, at the southwest corner of the project site, with frontage on Parkwood Avenue is zoned RM-16-PK (Multi-Family Residential, City of Gardens, Parking Overlay). The project site is currently developed with separate two-story structures occupied by commercial uses (automotive-related) and surface parking.

The proposed multi-family project would replace all existing improvements on-site with an 80,478 square-foot, one- to four-story residential building consisting of 58 units. Up to 87 parking spaces would be provided within one level of subterranean parking accessible from Greenwood Avenue.

Pursuant to Zoning Code Section 17.60.040.C.2.a (Application Preparation and Filing – Predevelopment Plan Review – Applicability – Mandatory review) a PPR is required for multi-family 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 regulations and procedures that apply to the project, and avoid significant investment in the design of a project without preliminary input from City staff.

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 involves the construction of 58 housing units and therefore qualifies as a project of communitywide significance.

### **PROJECT SUMMARY:**

The applicant proposes to demolish existing on-site improvements and construct a new multi-family project consisting of the following:

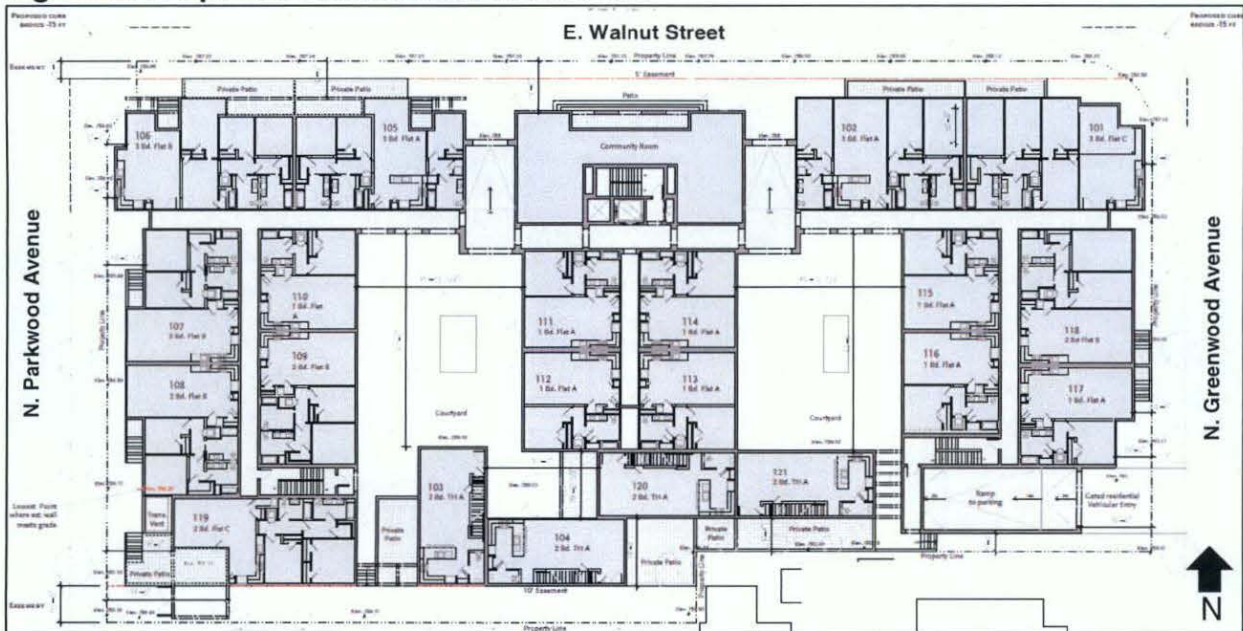
- 58 dwelling units for sale (27 moderate income, 31 workforce level);
- 1 to 4 stories (up to 55 feet tall);
- 80,478 gross square feet;
- 87 parking spaces (one level of subterranean parking); and
- 35 percent density bonus

An aerial map of the existing site, the proposed site plan, the Walnut Street elevation, and a massing model follow:

Figure 1: Aerial View



Figure 2: Proposed Site/Ground Floor Plan

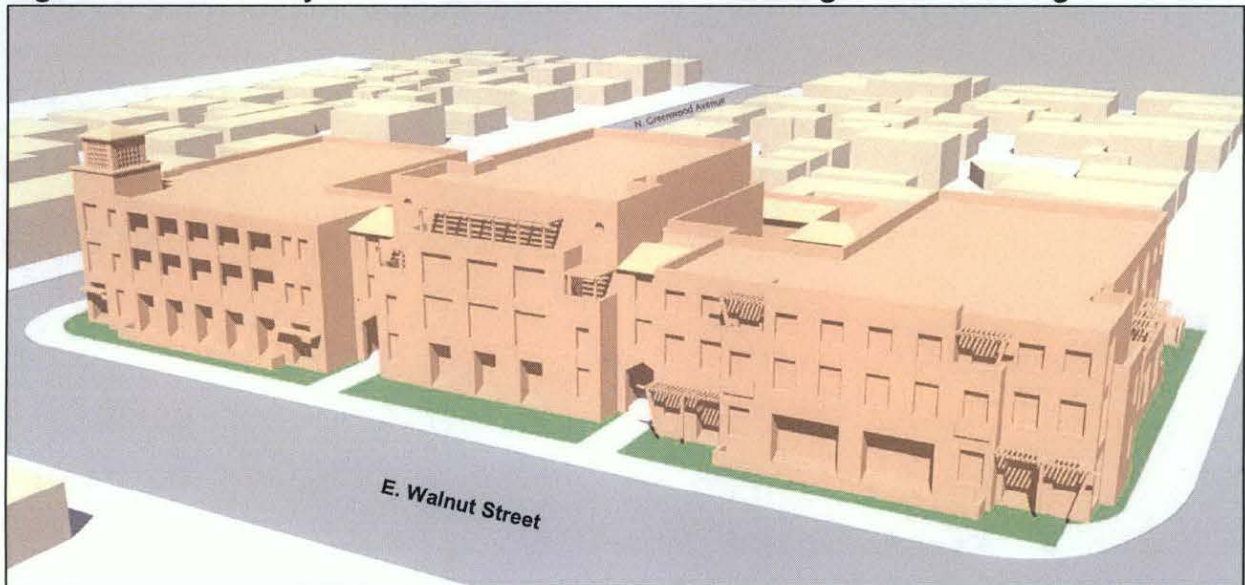




**Figure 3: Preliminary Walnut Street Elevation**



**Figure 4: Preliminary Walnut Street Elevation - Massing Model Looking Southeast**



**PREDEVELOPMENT PLAN REVIEW ANALYSIS:**

All applicable City departments reviewed the project as part of the PPR process and provided comments that are included in Attachment A. The City's Design Commission also conducted Preliminary Consultation on October 13, 2020 (these comments are included in Attachment B). Notable Planning-related comments are discussed below.

**Existing Context and TOD**

Adjacent properties to the north, east, and west that front onto Walnut Street are zoned CG and are developed with one- and two-story buildings that are for commercial uses. Adjacent properties to the south are zoned RM-16-PK and are developed with single-family and multi-family residential uses. The subject site and surrounding sites to the north and northwest are located within one-quarter mile of the Allen Street Gold Line Station and in a Transit-Oriented Development Area (TOD). TOD areas emphasize intensification of development and reduced reliance on motor vehicles given the proximity to public transit. While the existing context reflects much of the past, the area is in transition towards a more transit-oriented village environment. Approximately 500

feet west of the subject site at the intersection of Walnut Street and Allen Avenue is a 131-unit mixed-use development completed in 2016. The proposed project would further advance the objectives of the TOD area by providing housing in close proximity to transit.

Density

For development projects located in the CG zone that are within one-quarter mile of the Allen Street Station, multi-family uses are conditionally permitted, but shall contain a minimum of 50 dwelling units, with a maximum allowable density of 48 units per acre. The portion of the project site within the CG zone is approximately 36,557 square feet in area. When applying the maximum density of 48 units per acre, the base density is 41 units. To achieve the minimum 50 units required within the CG zone, use of density bonus provisions in Zoning Code Chapter 17.43 (Density Bonus, Waivers and Incentives) are necessary. The portion of the project site within the RM-16-PK zone is approximately 8,425 square feet in area. Maximum density for the portion of the site within RM-16-PK is equal to the lot area divided by 2,750 square feet, which equates to four units.

**Table 1: Density**

	<b>CG</b>	<b>RM-16-PK</b>	<b>Total</b>
<b>Lot Area (approximate)</b>	36,557 sf	8,425 sf	<b>44,982 sf</b>
<b>Base Density</b>	41 units	4 units	45 units
<b>Density Bonus</b>	35%	35%	35%
<b>Maximum Density</b>	56 units	6 units	62 units

The multi-family project is eligible for a density bonus where at least 10 percent of the units are dedicated to moderate-income households and are available to the general public for sale. The proposed project includes 27 moderate-income units for sale, which represents 60 percent of the base density. Where at least 40 percent of the base units are moderate-income ownership units, up to a maximum 35 percent density bonus is allowed. Through this bonus, a maximum of 62 units is allowed (a total of 58 units are proposed).

Inclusionary Housing Ordinance

The project is subject to inclusionary housing requirements. Because the project consists of units for sale, a minimum of 20 percent of the total number of units in the project shall be sold to very low-, low-, or moderate-income households. The base density of the project is 45 units, requiring a minimum of nine inclusionary units. The proposal includes 27 moderate-income units for sale and exceeds the minimum requirement.

## Massing and Scale

The building is oriented toward the public streets, including fenestration and frontage elements for direct pedestrian access. The proposed massing is modulated into articulated volumes along the Walnut Street frontage and steps down to two-story volumes along the two side streets (Parkwood Avenue and Greenwood Avenue) where the site is adjacent to existing single-story buildings. Strategically placed ground-level patios and upper-level terraces also create modulated massing throughout the project.

Proposed building heights range between one and four stories with a majority extending to three stories. Within the CG zone the maximum permitted height is 45 feet. As currently proposed, portions of the project within the CG zone range between 20 and 52 feet tall, with the parapet reaching 55 feet. Within the RM-16-PK zone, the maximum height allowed is 23 feet to the top plate and 32 feet to the highest point. Portions of the project within the RM-16-PK zone range between 20 and 32 feet tall.

Though the design incorporates heights that exceed established maximums, the additional height may be allowed through the affordable housing concession menu, Zoning Code Section 17.43.055 (Affordable Housing Concession Menu). The affordable housing concession menu includes concessions that may apply to projects using density bonus provisions. One such concession could allow an increase in maximum allowable height by up to 12 feet, beyond the otherwise applicable standard, over no more than 60 percent of the proposed footprint. As proposed, approximately 19 percent of the project footprint exceeds the maximum height limit.

## **ENTITLEMENT PROCESS:**

### *Conditional Use Permit*

Multi-family housing is permitted by-right in the RM-16-PK zone. However, pursuant to TOD standards, multi-family housing is conditionally permitted within the CG zone when located within one-quarter mile of the Allen Street Station. A Conditional Use Permit (CUP) is a discretionary application, where the Hearing Officer is the review authority.

### *Design Review*

Design Review is required for new construction in excess of 25,000 square feet and the Design Commission is the review authority. Design review is a three-step process: 1) Preliminary Consultation 2) Concept (schematic-level) design review; and 3) Final design review. The applicant completed the first stage of Design Review, Preliminary Consultation on October 13, 2020.



### *Tentative Tract Map*

The applicant has proposed ownership units. Creation of units for sale, as opposed to for rent, require approval of a Tentative Map. The applicant will also be required to consolidate the four parcels that make up the project site. The applicant may address the lot consolidation concurrent with the Tentative Tract Map application or separately through a Certificate of Exception (lot line adjustment) application. These applications are discretionary, with the Hearing Officer being the reviewing authority. Either application may be addressed concurrent with the CUP application or subsequent to Design Review.

### Environmental Review

The 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 document required for the project.

### **NEXT STEPS:**

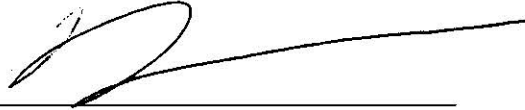
Public hearings before the Hearing Officer and Design Commission are necessary for the proposed project. Environmental review will occur with the CUP application, consistent with the requirements of the California Environmental Quality Act (CEQA). The following identifies the steps in the review process:

- Conduct environmental review;
- Conditional Use Permit and Tentative Tract Map- public hearing before the Hearing Officer to review the requested zoning entitlements and consider adoption of the environmental document;
- Design review (Concept and Final, public hearings before the Design Commission).

**FISCAL IMPACT:**

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

Respectfully submitted,



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DAVID M. REYES  
Director of Planning & Community  
Development

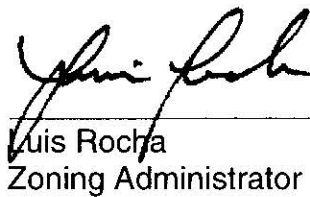
Prepared by:



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STEVE MERMELL  
City Manager

Attachments: (4)

- Attachment A – Predevelopment Plan Review Comments to Applicant
- Attachment B – Preliminary Consultation Design Review Comments
- Attachment C – Project Summary Table of Development Standards
- Attachment D – Predevelopment Plan Review Plans