

COVER MEMO

Agenda Report

November 21, 2022

TO: Honorable Mayor and City Council

FROM: Planning & Community Development Department

**SUBJECT: PLANNED DEVELOPMENT #39 (AFFINITY PROJECT)
465-577 SOUTH ARROYO PARKYWAY (LEGISLATIVE AND QUASI-
JUDICIAL ACTIONS)**

BACKGROUND:

On October 24, 2022, the City Council conducted a public hearing for the Affinity Project, took public comment, and voted 8-0 to continue the item to the November 21, 2022 City Council meeting. During the meeting, Councilmembers asked questions regarding the exchange of uses, traffic, local hire and local business procurement, water use, purview of the historic resource variance and required findings, the Environmental Impact Report, sidewalk widths, whether the applicant agreed to Planning Commission recommendations, and trees. During public comment, members of the public spoke, expressing comments both in support and opposition to the project. At the conclusion of the meeting the City Council directed staff to draft additional project conditions to facilitate a decision and continued the item to November 21, 2022.

The conditions were to be based upon the following:

- a) Limit Building A to a maximum height of 75 feet (new condition #132);
- b) Require Building A to provide a setback of 15 feet at the top two floors (new condition #133);
- c) Require the Project to be analyzed under the City's Local Mobility Analysis (new condition #134);
- d) Address potential concessions, density bonus and height if a residential option is chosen in Building A (new condition #135);
- e) For Building A, require a 15-foot sidewalk along Arroyo Parkway and California Boulevard with the exception of the existing historic buildings (modified condition #99);
- f) Require local hiring, contracting with a goal of 20% to attract local businesses and that tier 1 local hire be exhausted before going to other tiers (modified condition #130);

- g) Require a Conditional Use Permit if a residential option is chosen in Building A (modified condition #129).

Staff has prepared the following conditions based on Council's direction and has revised Attachment B to include these new conditions along with the original staff recommended Conditions of Approval, as listed below. Based on the requested changes some existing conditions also required modification and those changes are also shown in Attachment B and included below.

NEW CONDITIONS:

Condition #132: The maximum allowed height of Building A shall be 75 feet.

Condition #133: Building A shall provide a minimum 15-foot setback from the sidewalk along Arroyo Parkway and California Boulevard for the top two floors.

Condition #134: At the applicant's expense, a Local Mobility Analysis shall be conducted for the Approved Project to consider the effect of the new development on the street network using the new analysis methodology. The analysis will apply new assessment criteria, existing and future transportation network context, operational analyses, residential neighborhood cut-through/intrusion analysis, net project trip generation based on the current land uses, and new traffic data collection. Based on the outcome of the Local Mobility Analysis, the applicant may be required to implement improvements in the public right-of-way.

Condition #135: Should Building A consist of residential uses as an alternative to medical office uses, a maximum of 197 residential dwelling units shall be permitted. Any proposal to exceed Building A maximums for height or number of units shall require an amendment to this PD.

MODIFIED CONDITIONS

Condition #97: The project traffic exceeds the street segment thresholds at the following locations:

- Marengo Avenue between Bellevue Drive and California Boulevard
- Bellevue Drive between Arroyo Parkway and Marengo Avenue

DOT acknowledges that the project's effects to the street segments will remain. The applicant is required to develop and implement a targeted Complete Streets Plan with input from the affected residents, Council Districts, and DOT. There shall be a minimum of three (3) meetings with the community. The goals of the Plan include:

- Encouraging the use of non-vehicular transportation modes by the project's patrons and residents.
- Developing feasible safety enhancements to encourage non-motorized use for travel.

- Enhancing motorist safety through striping, signage, and physical improvements.

Public meetings shall be completed, and the Complete Streets Plan shall be submitted to DOT prior to the issuance of the Certificate of Occupancy for Building B. The referenced final Complete Streets Plan must be approved by DOT and any improvements must be implemented, or bonded for, prior to the issuance of the Certificate of Occupancy for Building A.

The above condition does not apply if the project exchange is the chosen option for construction.

This condition shall be evaluated to reflect the approved project.

Condition #99: The applicant shall comply with the following:

- The existing sidewalk along Arroyo Parkway is 10' wide. The project shall provide a 5' sidewalk easement to allow for a 15' wide concrete sidewalk that will begin south of the existing historic commercial building to be retained at 523 South Arroyo Parkway to California Boulevard. Up to six columns may encroach up to 5' into the sidewalk easement, spaced a minimum of 20' apart. Any and all subsurface shoring, structure, parking or other required mechanical, electrical spaces may encroach to the existing property line. The remainder of the existing sidewalk along Arroyo Parkway shall remain 10' wide.
- The existing sidewalk along California Boulevard is 10' wide. The project shall provide a 5' sidewalk easement to allow for a 15' wide concrete sidewalk along the project's frontage. Up to six columns may encroach up to 3' into the sidewalk easement, spaced a minimum of 20' apart. Any and all subsurface shoring, structure, parking or other required mechanical, electrical spaces may encroach to the existing property line.

Condition #129: Should Building A consist of residential uses as an alternative to medical office uses, a Conditional Use Permit (CUP) shall be required to address the PD plan changes. The review of the CUP shall be limited to whether the Project complies with applicable provisions of the PD and applicable provisions of the Zoning Code. The residential use shall be permitted by right.

Condition #130: The Applicant shall require its contractor, working with the project's labor partners, to submit a workforce utilization and subcontracting plan ("Plan") to the City, with the goal that 20% of labor hours worked on the project and 20% of subcontracting opportunities shall be directed to the following prioritized workers and businesses: first, to Targeted Workers and to workers residing within and businesses located in the following postal codes: 91101, 91102, 91103, 91104, 91105, 91106, 91107, 91108, 91109, 91110, 91114, 91115, 91116, 91117, 91118, 91121, 91123, 91124, 91125, 91126, 91129, 91182, 91184, 91185, 91188, 91189, and 91199 ("Tier 1"); second, to workers residing within and businesses located in the San Gabriel Valley

and adjacent cities ("Tier 2"); and third, to workers residing in and businesses located in the County of Los Angeles ("Tier 3"). The Plan must require the contractor to first meet this goal with Tier 1 workers and businesses and must require that, if the contractor is unable to do so, it must submit a statement on company letterhead to a designated contact at the City certifying that it has exhausted all available and qualified Targeted Workers and workers and businesses from the area defined above during a 48-hour period before pursuing workers and businesses from Tiers 2 and 3, respectively. The Plan shall be submitted to the City prior to commencing construction of the Project.

A Targeted Worker is defined herein as an individual who is a resident of the County of Los Angeles and who faces one or more of the following barriers to employment: (1) a history of involvement with the criminal justice system; (2) being a former foster youth; (3) a documented annual income at or below 150 percent of the County average median income; (4) being a veteran or the spouse of a veteran of the United States armed forces; (5) no high school diploma or GED; (6) experiencing protracted unemployment, defined as receiving unemployment benefits for at least 6 months; (7) being 50 years or older; (8) being a current recipient of government cash or food assistance benefits; or (9) being a custodial single parent.

The Project contractor shall also designate a job coordinator that will perform outreach for and inform the City of Pasadena of job fairs, coordinate with local partners, and seek referrals through the First Source local hiring database. Potential local partners may include, but shall not be limited to, the Flintridge Center, Foothill Workforce Development Board, Pasadena NAACP, Pasadena Community Job Center, Pasadena Chamber of Commerce, and Pasadena City College.

In addition, the Applicant shall require its contractors and subcontractors to make a good-faith effort to engage businesses located in Pasadena to obtain at least 15% of the building materials required to construct the Project, provided that these materials are readily available in the quantities required and comparably priced to the same materials available elsewhere.

Condition #131: The applicant shall facilitate first-mile, last-mile connections from the site to the nearby Fillmore and Del Mar Stations of the Metro L (Gold) Line by implementing the Trip Demand Management (TDM) plan required in Condition #96, #134 and any Complete Streets Plan that may be required pursuant to Condition #97. In addition, as components of satisfying these two conditions, the applicant shall: 1) install or refurbish bus benches or shelters for existing public transit stops within 1,000 feet of the Project to the satisfaction of Pasadena Transit, and 2) install or refurbish the wayfinding signage in the public right of way adjacent to the Project (up to \$25,000 total).

RECOMMENDATION:

It is recommended that, following a public hearing, the City Council:

1. Adopt a Resolution certifying the Final Environmental Impact Report (EIR) (SCH #2021080103), adopt Findings of Fact, and adopt the accompanying Mitigation Monitoring and Reporting Program (MMRP);
2. Adopt the Findings (Attachment A) for a Zoning Map Amendment to reclassify the project site from CD-6 (Central District Specific Plan, Arroyo Corridor/Fair Oaks) to Planned Development (PD) 39 (Affinity Planned Development) (Legislative Action);
3. Adopt the Findings (Attachment A) to approve the PD Plan and establish PD-39 with the Conditions of Approval (Revised) in Attachment B (Legislative Action);
4. Adopt the Findings (Attachment A) for the Variance for Historic Resources, subject to the Conditions of Approval (Revised) in the Attachment B (Quasi-Judicial Action);
5. Direct the City Attorney to prepare an Ordinance within 60 days for a Zoning Map Amendment to change the zoning of the site from CD-6 to PD-39; and
6. Direct the City Clerk to file a Notice of Determination with the Los Angeles County Recorder pursuant to the California Environmental Quality Act within five (5) days of second reading of the Ordinance.

ENVIRONMENTAL

An Environmental Impact Report (EIR) was prepared pursuant to the requirements of the California Environmental Quality Act (CEQA) and was provided to the City Council at its meeting of October 24, 2022 (and can be found on the City Council agenda webpage for that date). The modifications provided herein fall within the scope of the analysis in the EIR and do not constitute significant new information that would require new or different environmental analysis. Further, the EIR's project description remains stable and finite, and is not changed by the new or modified conditions of approval provided herein.

Respectfully submitted,



JENNIFER PAIGE, AICP
Acting Director of Planning & Community
Development Department

Prepared by:

Concurred by:

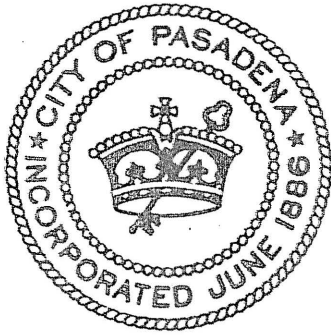

Jason Van Patten
Senior Planner
Luis Rocha
Planning Manager

Approved by:


MIGUEL MÁRQUEZ
City Manager

Attachments: (4)

- Attachment A: Specific Findings
- Attachment B: Conditions of Approval (Revised)
- Attachment C: Final EIR and Errata
- Attachment D: Draft EIR



Agenda Report

October 24, 2022

TO: Honorable Mayor and City Council

FROM: Planning & Community Development Department

**SUBJECT: PLANNED DEVELOPMENT #39 (AFFINITY PROJECT)
465-577 SOUTH ARROYO PARKWAY (LEGISLATIVE AND QUASI-
JUDICIAL ACTIONS)**

RECOMMENDATION:

It is recommended that, following a public hearing, the City Council:

1. Adopt a Resolution certifying the Final Environmental Impact Report (EIR) (SCH #2021080103), adopt Findings of Fact, and adopt the accompanying Mitigation Monitoring and Reporting Program (MMRP);
2. Adopt the Findings (Attachment A) for a Zoning Map Amendment to reclassify the project site from CD-6 (Central District Specific Plan, Arroyo Corridor/Fair Oaks) to Planned Development (PD) 39 (Affinity Planned Development) (Legislative Action);
3. Adopt the Findings (Attachment A) to approve the PD Plan and establish PD-39 with the Conditions of Approval in Attachment B (Legislative Action);
4. Adopt the Findings (Attachment A) for the Variance for Historic Resources, subject to the Conditions of Approval in Attachment B (Quasi-Judicial Action);
5. Direct the City Attorney to prepare an Ordinance within 60 days for a Zoning Map Amendment to change the zoning of the site from CD-6 to PD-39; and
6. Direct the City Clerk to file a Notice of Determination with the Los Angeles County Recorder pursuant to the California Environmental Quality Act within five (5) days of second reading of the Ordinance.

PLANNING COMMISSION RECOMMENDATION:

The Planning Commission conducted a public hearing on July 13, 2022, received a staff recommendation, took public comment, and voted 6-0 to continue the item to August 24, 2022. During the meeting 60 members of the public spoke, expressing comments

both in support and opposition. During the meeting, Planning Commissioners raised questions and expressed comments, concluding additional time and information was needed to fully understand aspects of the Project. This included comments on the dissatisfaction with the PD process in general, questions about the project design, wanting additional information on environmental topics (water, traffic, greenhouse gas), and concern over the proposed building heights.

On August 24, 2022, the Planning Commission reopened the public hearing and took public comment. During the meeting, 10 members of the public spoke, expressing comments both in support and opposition. During the meeting Planning Commissioners asked for additional clarification on building height; why it was needed and how it related to the preservation of historic resources, how and where trees would be planted in natural soil, and the future of Wholefoods and what could become of that site. During deliberation Planning Commissioners addressed a variety of topics including height and mass, additional review of a residential project if that option is chosen, additional historic reports if needed, the ability to request maintaining Wholefoods and/or an equivalent use, indoor air quality for senior housing units, expanded space for street trees and what the sidewalk widths would be, additional electric vehicle charging beyond code requirements, prohibition on gas equipment for certain aspects of the project, achieving greater water savings, and requiring additional affordable housing. The Planning Commission felt it was important for the applicant to understand that a Planned Development application affords the applicant with flexibility in uses and development standards and in return there is a public benefit component. Most of the additional recommendations are intended to achieve the additional benefits.

Following deliberation, the Planning Commission by a vote of 7-0 recommended that the City Council approve the staff recommendation along with additional recommendations as outlined below. There were separate motions made as part of the deliberation. Attachment E contains the meeting minutes with the votes on each of the motions that resulted in the following recommendations:

- a) Allow a maximum height of 75 feet for Building A;
- b) Require a future residential use in Building A to satisfy a 25 percent inclusionary housing requirement;
- c) Require a Historic American Building Survey for the two historic buildings prior to removal;

Note: Subsequent to the August 24, 2022 Planning Commission meeting, the Planning Commissioner that raised the condition clarified that it was not applicable because all historic buildings are being retained and not demolished.

- d) Amend recommended Condition of Approval #12, requiring the applicant Landmark the two historic buildings but also require a historic structures report;
- e) Require Building B provide a MERV 13 air filtration system and that the building owner maintain those filters;

- f) Ensure maximum protection for street trees in relation to the excavation of the parking structure;
- g) Require the parking structure to have the infrastructure in place so that all parking spaces can be retrofitted for electric charging. The required quantities of electric charging spaces are still required;
- h) Require buildings to be all electric with the exception of any needed natural gas for medical uses, assisted living, and/or medical research;
- i) Require buildings to be LEED Gold or higher;
- j) Seek as close as practical to net neutrality in terms of water use on site or if not possible off site; and
- k) Allow residential use as an alternative to the medical office use as a conditional use, except that the use is by right, and that the Conditional Use Permit address the differences.

EXECUTIVE SUMMARY

The applicant, The Arroyo Parkway, LLC, has submitted applications for a Planned Development (PD) District and Variance for Historic Resources (VHR) on a 3.3 acre site consisting of five parcels. The application will facilitate the Affinity Project (Project), which proposes demolition of six (of the nine) existing commercial buildings, and construction of two, seven-story buildings consisting of medical office uses, assisted living and independent living uses (including up to 95 senior housing units), and ground floor commercial uses. Included in the request is the ability to exchange the medical office use for up to 197 residential dwelling units. Up to five new levels of subterranean parking would be provided. Three existing buildings would be retained including the Whole Foods Market and the subterranean parking structure at 465 South Arroyo Parkway, and two historic structures at 501 and 523 South Arroyo Parkway. An Environmental Impact Report (EIR) was prepared for the project. The EIR identified that all environmental impacts were less than significant or could be reduced to a less than significant level with mitigation. The Project requires Certification of the Final EIR and approval of the following:

- A. Zoning Map Amendment: To reclassify the Project site from CD-6 to Planned Development 39 (Affinity Planned Development);
- B. PD Plan: To establish allowed land uses, development standards, and conditions of approval that are incorporated into Appendix A (Planned Developments) of the Zoning Code; and
- C. Variance for Historic Resources: To allow building heights up to 93'6" where the maximum allowed is 50' and 65' with height averaging.

BACKGROUND

The Project site is located between 465 and 577 South Arroyo Parkway and is developed with nine commercial buildings that are one or two stories in height. Existing uses include a Whole Foods Market grocery store, retail sales, restaurants, and animal services. All existing land uses have surface parking except for the Whole Foods Market, which has a 275-space, subterranean parking structure for its use.

The Project area is an urban environment, and the site and surrounding area are fully built out with a broad mix of land uses. Commercial land uses are primarily located to the north, including retail, services, and restaurants. Other land uses to the north include medical offices, Pasadena Humane Society, Central Park, and single- and multi-family residential land uses. Commercial land uses are located opposite the Project site on Arroyo Parkway. Single- and multi-family residential land uses are situated to the east along Marengo Avenue and Arroyo Parkway. Land uses to the south include a mix of commercial, medical office, and single- and multi-family residential land uses. To the west, there is a mix of commercial uses.

PROJECT DESCRIPTION

The Project involves demolition of six (of nine) existing buildings totaling 45,912 square feet (sf), located at 491, 495, 499, 503, 541, and 577 South Arroyo Parkway, and construction of two new buildings:

- Building A: a 154,000-sf, 7-story (93'6") medical office building with ground-floor commercial uses;
- Building B: a 184,376-sf, 7-story (90'6") assisted living building with 85,800 sf of assisted living uses and 98,576 sf of independent living uses including up to 95 senior housing units; and
- Up to 850 parking spaces in five subterranean levels.

Alternatively, the proposed PD would allow Building A to be developed with the following:

- Up to 197 residential dwelling units with 3,000 sf of commercial and a sales/leasing management office on the ground floor. Under this option up to 650 parking spaces in four subterranean levels would be constructed.

The proposed site layout and the aboveground height, mass, and other parameters of the Building A design would remain the same, whether occupied by medical office uses or residential dwelling units. It is noted that based on a density of 87 dwelling units per acre (du/acre), a maximum of 289 units could be constructed on the entire site. Therefore, if 197 units were constructed in Building A, only 92 senior housing units could be constructed in Building B.

Approximately 79,553 square feet of existing development would be retained and integrated into the Project, including the Whole Foods Market and associated subterranean parking structure at 465 South Arroyo Parkway, and two historic structures at 501 and 523 South Arroyo Parkway. The Applicant anticipates that restaurant uses would occupy the historic structures. In retaining these historic structures, the Applicant has requested a Variance for Historic Resources for relief from maximum allowed building heights. Specifically, when measured to the highest parapet, Building A is proposed at a height of 93'6", and Building B is proposed at a height of 90'6", where the maximum allowed is 50' and 65' with height averaging.

The proposed uses within the two new buildings and two historic structures to remain would have three vehicular ingress/egress points, one on California Boulevard and two on South Arroyo Parkway. Each access point from South Arroyo Parkway is proposed with a circular drop-off area, one on the north side of Building A, and one on the north side of Building B. The existing ingress/egress on East Bellevue Drive into the Whole Foods Market parking structure would remain and continue serving the grocery store; this parking structure would remain entirely separate from the newly proposed subterranean parking structure. Approximately 31,605 square feet of open space, including public and private space would be provided across the Project site.

ENTITLEMENTS

- A. Zoning Map Amendment (Legislative): To reclassify the Project site from CD-6 to Planned Development 39 (Affinity Planned Development).

As provided in Zoning Code Section 17.26.020.C (Purpose and Applicability of Special Purpose Zoning Districts – Planned Development (PD) District), the PD zoning district is intended for sites where an applicant proposes, and the City desires, to achieve a particular mix of uses, appearance, land use compatibility, or special sensitivity to neighborhood character. The rezoning of a site to PD requires simultaneous approval of a PD Plan. The City Council's role is to consider the Planning Commission's recommendation and to take action to approve, approve in modified form, or disapprove the proposed amendment and accompanying PD Plan. The action taken by the City Council shall be based upon the following two findings in Zoning Code Section 17.74.070 (Findings and Decision):

1. *The proposed amendment is in conformance with the goals, policies, and objectives of the General Plan; and*
2. *The proposed amendment would not be detrimental to the public interest, health, safety, convenience, or general welfare of the City.*

- B. PD Plan (Legislative): To establish allowed land uses, development standards, and conditions of approval that are incorporated into Appendix A (Planned Developments) of the Zoning Code.

A PD Plan prescribes the applicable land use and development standards, and functions as the ordinance adopting the PD zoning district as well as accompanying conditions. Development regulations applicable to the PD district are specified through the PD Plan. This is essentially the zoning code standards for the PD site.

The proposed PD will allow a 2.98 FAR and allowed density of 87 du/acre, which are at or below maximums identified on the adopted 2015 Land Use Diagram of the General Plan. The draft Central District Specific Plan will be presented to the Planning Commission on November 16, 2022. The current draft proposes an FAR of 3.0 for the site and a density of 87 units per acre.

The building heights proposed exceed the maximum height permitted. The PD regulations specify that for sites located within the Central District building heights cannot be exceeded under the PD regulations. The applicant is proposing to retain two existing buildings that have been determined to be eligible for historic designation and additional building height is requested through the Variance for Historic Resources (VHR) application.

The proposed PD Plan also includes the allowed uses for the site and any specific standards applicable to the PD. The PD plan is provided as Attachment D. An overview of development regulations prescribed in the proposed PD Plan is provided in the July 13, 2022 Planning Commission staff report, Attachment F.

C. Variance for Historic Resources (Quasi-Judicial): To allow building heights up to 93'6" where the maximum allowed is 50' and 65' with height averaging.

Building A is proposed with a height of 93'6" and Building B is proposed with a height of 90'6" when measured to the top of the parapet. Building heights proposed exceed maximums (50' and 65' with height averaging) to accommodate historic resources.

Within the Project site three buildings would be retained as part of the Project: 1) Market Basket Warehouse (501 S. Arroyo Parkway); 2) Lewis Iron Building (523 S. Arroyo Parkway); and 3) Pacific Electric Railroad (465 S. Arroyo Parkway).

The buildings at 501 and 523 South Arroyo Parkway were previously recommended as eligible for the local register. In 2010, the City Council upheld a 2009 decision by the Design Commission that found both buildings are eligible for designation as landmarks because they retain historic integrity and meet the California Register of Historical Resources (CRHR) Criterion C. The resources embody the distinctive characteristics of a type, period, region, or method of construction, or represents the work of an important creative individual, or possesses high artistic value. Both buildings are also historical resources for the purposes of CEQA. Through preparation of a Historical Resources Assessment for the Project, no changes were identified that would compromise their historic integrity. The buildings remain eligible for the Local Register under CHRH Criterion C. The former Pacific Electric Railroad Garage is partially present and may

continue to be eligible. The building was integrated into the existing commercial building occupied by Whole Foods Market.

The quasi-judicial action taken by the City Council on the VHR shall be based upon the following findings in Zoning Code Section 17.61.080.H.3 (Variances – Variances for Historic Resources – Findings and decision):

1. *The Variance for Historic Resource is necessary to facilitate the appropriate use of an existing historic structure;*
2. *The Variance for Historic Resource would not adversely impact property within the neighborhood or historic district; and*
3. *Granting the Variance for Historic Resource application would be in conformance with the goals, policies, and objectives of the General Plan and the purpose and intent of any applicable specific plan.*

The Variance for Historic Resources to allow an increase in building height is intended to preserve and integrate the two historic resources into the Project. To facilitate their continued use for commercial purposes and to avoid compromising their historic integrity or distinctive characteristics, the design approach concentrated development intensity around, and behind, as opposed to above, in a manner that frames the historic buildings. Through this approach, the historic buildings maintain their lower scale and pedestrian centric appearance. An increase in allowed building height would not adversely impact historical resources in the vicinity of the Project site that include historic and landmark districts. Historic resources located outside of the Project site would not be physically altered, would retain all character-defining features and historic materials, and would retain their existing relationship within their respective settings.

Analysis was done as part of the Variance request to study the amount of developable area impacted and potentially lost by retaining the historic structures and programming the site around these buildings. The applicant is requesting the additional height on Buildings A and B to account for the loss of developable area. The size of the developable area that was lost is a function of the applicable height limit of 50' (65' with height averaging), which yields up to five stories of building volume, across an area of approximately 18,800 square feet (area around and in between the two historic structures). This equates to approximately 94,000 square feet of building volume. The applicant recaptured the lost developable area by reallocating it on the proposed sixth and seventh floors of the two new buildings. The combined area of the sixth and seventh floors across the two new buildings is 82,733 square feet.

GENERAL PLAN AND SPECIFIC PLAN

General Plan Consistency

The Project site is designated High Mixed Use (0.0–3.0 FAR, 0-87 du/ac) on the General Plan Land Use Diagram, which is intended to support the development of multi-story mixed use buildings with a variety of compatible commercial (retail and office) and residential uses.

The Project proposes development of multi-story buildings that would include a mix of uses, shared open spaces, landscaping, shared driveways and subterranean parking. The PD Plan that would regulate implementation of the Project, specifies a maximum FAR up to 2.89 and 87 du/acre, consistent with the High Mixed Use designation. The proposed Amendment and VHR that would facilitate the Project is in conformance with the goals, policies and objectives of the General Plan as described in Attachment A, Findings.

Central District Specific Plan Consistency

The Project site is located in the Central District Specific Plan (CDSP) area. The Project continues the theme of an active Central District by locating dense development close to Metro stations, and the highest of intensities near the Del Mar and Fillmore stations where it is desired. The Project would improve underused parcels and strengthen a significant corridor by locating intensity towards a major intersection and stepping back intensity between major intersections. The Project will help the area establish a more consistent and identifiable character as a visually appealing entrance corridor through its pedestrian- and transit-oriented character, mix of uses, and integration of residential opportunities.

The Project places entries on the street, incorporates transparent facades, provides open space and opportunities for outdoor dining areas, while locating parking underground. The Project is required to accommodate accessible shuttles, prepare a Transportation Demand Management Program (TDM) Plan, and develop and implement a Complete Streets Plan. Bicycle parking facilities are also required. The provision of these resources, Plans, and public improvements would provide an improved connection between the site and nearby Metro rail stations, consistent with the CDSP.

The draft CDSP update will be presented to the Planning Commission for their review and recommendation to City Council on November 16, 2022. It is estimated the plan will be presented to the City Council in early 2023. Staff evaluated the project with the latest draft of the plan. The density and intensity of development are in compliance with current plan recommendations (max 87 du/acre and 3.0 FAR). The Project has incorporated additional building setbacks and recesses to allow for building articulation, and to create space for streetside plazas, patios, and building entrances. Sidewalks along California Boulevard would be 12 feet wide, consistent with the draft CDSP. Along Arroyo Parkway, south of the existing historic buildings, sidewalks along the Building A

façade would be 13 feet wide, where the draft CDSP specifies 15 feet. However, at the intersection of California Boulevard and Arroyo Parkway, portions of Building A are setback 28 feet beyond the sidewalk to create space for entry. Ground floor portions on the north side of Building A are cutout and recessed beyond the sidewalk for more than 90 feet to provide an entry into the building from the adjacent drive access. Northern portions of Building B are designed to be built to the street on Arroyo Parkway. However, substantial portions wrap behind and around the two historic structures to remain. These areas of Building B are setback a minimum of 60 feet from Arroyo Parkway, providing space for streetside plazas and patios that can accommodate outdoor activity along the street frontage. Portions of the new buildings that are built to the sidewalk also align with the draft CDSP that calls for a zero-foot minimum building setback along California Boulevard (0-5') and Arroyo Parkway (0-3'). The project proposes building heights up to 93'6", exceeding the draft CDSP maximum height of 63 feet, or 78 feet with height averaging.

TREE PROTECTION ORDINANCE

The tree inventory for the project identified 40 trees, of which 23 are located on the subject property and 17 are street trees. None of the trees on private property are protected. The applicant plans to remove all of the unprotected trees and replace with 38 new trees across the Project site. The applicant anticipates removal of one protected street tree. As included in the conditions of approval in Attachment B, street trees are subject to tree protection and any request for removal shall be subject to review by the Urban Forestry Advisory Committee.

ENVIRONMENTAL REVIEW

An Environmental Impact Report (EIR) was prepared pursuant to the requirements of the California Environmental Quality Act (CEQA). The Final EIR included as Attachment G constitutes the second and final part of the EIR. The Draft EIR and technical appendices for the Project included as Attachment H constitutes the first part of the EIR. The Final EIR includes responses to comments on the Draft EIR, revisions and clarifications to the Draft EIR, and a Mitigation Monitoring and Reporting Program (MMRP). The MMRP describes the mitigation program to be implemented by the City for the Project. Certification of the Final EIR by the City Council requires adoption of Findings of Fact, Attachment C. The following public review process occurred as part of the environmental review:

Environmental Topics Analyzed

As part of the environmental review, and pursuant to the State CEQA Guidelines, the following environmental topics were analyzed:

- Aesthetics
- Agriculture and Forestry Resources
- Air Quality
- Biological Resources
- Cultural and Paleontological Resources
- Energy
- Geology and Soils
- Greenhouse Gas Emissions

- Hazards and Hazardous Materials
- Hydrology and Water Quality
 - Land Use and Planning
 - Mineral Resources
 - Noise
 - Population and Housing
- Public Services and Recreation
- Transportation
- Tribal Cultural Resources
- Utilities and Service System
- Wildfire

The Draft EIR identified potentially significant environmental impacts related to the following topics: Cultural Resources, Noise, and Tribal Cultural Resources. However, through the incorporation of mitigation measures, the identified significant impacts would be reduced to a less than significant level. The complete analysis of all environmental topics can be found in the Draft EIR.

The City responded to comments received on the Draft EIR in the Final EIR and minor revisions to the text of the Draft EIR were identified. None of the comments or responses constitute significant new information. The Final EIR also includes the Mitigation Monitoring and Reporting Program (MMRP).

COUNCIL POLICY CONSIDERATION

The proposed project supports the guiding principles of the General Plan by targeting new development to underutilized infill transit-oriented areas; providing jobs, housing, and services. Additionally, the project would further the City Council's Strategic Plan goals through the creation of job opportunities, as part of construction and operation, that would support and promote the local economy, as well as result in the contribution of property tax, and sales tax to the City.

CONCLUSION

Staff is recommending approval of the project with the required findings and conditions as attached to this report. Staff does support incorporating many of the recommendations of the Planning Commission and also proposes two additional conditions (#130 and #131) after additional discussions with the applicant subsequent to the Planning Commission hearing. The following is staff's response to Planning Commission recommendations:

- a) Allow a maximum height of 75 feet for Building A;

Staff's recommendation does not include this recommendation. The height proposed at Building A (93'-6") resulted from the preservation of two historic resources located at 501 and 523 South Arroyo Parkway. The project does not include any construction above or below (including subterranean parking) either historic resources. As such, the applicant relocated building volume (approximately four-to-five stories) that could be accommodated in place of the historic resources to upper floors of the new buildings. Additionally, accommodating the historic resources affects site design and programming. Areas around the historic resources are lower

in height, and space for light and air was prioritized. The design efforts to preserve the historic resources additionally support the applicant's proposed building height. The purpose of the Variance for Historic Resources is to accommodate historic resources undergoing adaptive re-use or integration into a project design and to provide relief from development standards to accommodate the retention of the historic resource(s).

- b) Require a future residential use in Building A to satisfy a 25 percent inclusionary housing requirement;

The applicant would have to agree to this condition (of which staff is supportive), as otherwise there is no legal grounds on which the City could impose the condition.

- c) Require a Historic American Building Survey for the two historic buildings prior to removal;

Subsequent to the August 24, 2022 Planning Commission meeting, the Planning Commissioner that raised the condition clarified that it was not applicable because all historic buildings are being retained and not demolished.

- d) Amend recommended Condition of Approval #12, requiring the applicant Landmark the two historic buildings but also require a historic structures report;

Staff agrees with this recommendation and has included it as recommended condition of approval #12.

- e) Require Building B provide a MERV 13 air filtration system and that the building owner maintain those filters;

Staff agrees with this recommendation and has included it as recommended condition of approval #126.

- f) Ensure maximum protection for street trees in relation to the excavation of the parking structure;

Staff agrees with this recommendation and has included in recommended condition of approval #83.

- g) Require the parking structure to have the infrastructure in place so that all parking spaces can be retrofitted for electric charging. The required quantities of electric charging spaces are still required;

Staff's recommendation does not include this recommendation. The Project is subject to the California Green Building Standards Code (CALGreen), created to require sustainable building practices. Among the requirements are mandatory measures for electrical vehicle charging. The Project would be subject to the most

current CALGreen standards that take effect in January 2023. Under those requirements, a minimum of 25 percent of nonresidential parking spaces and 20 percent of residential parking spaces would be required to support electrical vehicle charging.

- h) Require buildings to be all electric with the exception of any needed natural gas for medical uses, assisted living, and/or medical research;

Staff agrees with this recommendation, in modified form, and has included recommended condition of approval #127 requiring compliance with Chapter 8.92 (Building Electrification) of the Pasadena Municipal Code. Chapter 8.92 is the City's electrification ordinance, which includes exceptions from electrification for: essential buildings, medical-health care facilities, research and development laboratories, equipment for emergency use and other special occupancies with fossil-fuel equipment directly related to the operations are necessary and where electric alternatives could jeopardize critical operations, occupant safety or patient care. It also provides exceptions for food service establishments and commercial kitchens (equipment and appliances that can utilize electric energy are encouraged to be utilized to the highest extent possible). Through compliance with Chapter 8.92 electrification of the building would be fulfilled.

- i) Require buildings to be LEED Gold or higher;

Staff agrees to the recommendation, in modified form. The applicant has expressed a commitment to using the LEED rating/point system as a guide in the design, construction, and operation of the Project, but not to obtain LEED certification. Recommended condition of approval #128 has been included requiring the applicant to submit documentation prior to permit issuance indicating that the new buildings satisfy requirements that correspond to a LEED certification level of Silver or higher. The Project is subject to CALGreen, which was created to require sustainable building practices. The Project would be subject to the most current CALGreen standards that take effect in January 2023.

- j) Seek as close as practical to net neutrality in terms of water use on site or if not possible off site; and

Staff's recommendation does not include this recommendation. The Project is subject to CALGreen, which was created to require sustainable building practices. Among the requirements are mandatory measures for water efficiency and conservation of water used indoors and outdoors. The Project is also subject to the State Model Water Efficient Landscape Ordinance (MWELO) which establishes provisions for water management practices and water waste prevention in landscapes.

- k) Allow residential use as an alternative to the medical office use as a conditional use, except that the use is by right, and that the Conditional Use Permit address the differences.

Staff agrees to the recommendation, in modified form. The Project is required to complete Design Review, obtain a Building Permit and complete the plan check process where City staff would review plans for compliance with applicable provisions of the Planned Development, Zoning Code, Building and Fire Codes. Given that the residential use is permitted staff believes the review for compliance can be done under existing review procedures and not through a Conditional Use Permit process. Should the applicant elect to have Building A consist of Residential uses, as an alternative to medical office uses, plans are required to demonstrate compliance with all applicable code provisions and conditions of approval. Inconsistencies may require a modification to this PD or the Design Review entitlement. Recommended condition of approval #129 has been included to address this recommendation.

The following two additional conditions are recommended by staff after subsequent meetings with the applicant following the Planning Commission hearing:

Condition #130: The Applicant shall require its contractor, working in conjunction with the project's labor partners, to establish a local hire program prior to the issuance of a building permit with the goal that 20% of all construction labor hours worked on the project shall be Local. "Local" shall be defined as Tier 1: workers residing within City of Pasadena postal codes: 91101, 91102, 91103, 91104, 91105, 91106, 91107, 91108, 91109, 91110, 91114, 91115, 91116, 91117, 91118, 91121, 91123, 91124, 91125, 91126, 91129, 91182, 91184, 91185, 91188, 91189, 91199; Tier 2: workers residing within the San Gabriel Valley and adjacent cities; and Tier 3: workers residing in the County of Los Angeles. As part of the local hire program, the contractor shall notify the City of job fairs for the Project and work with the project's labor partners to foster staffing positions with graduates of apprenticeship programs.

Condition #131: The applicant shall facilitate first-mile, last-mile connections from the site to the nearby Fillmore and Del Mar Stations of the Metro L (Gold) Line by implementing the Trip Demand Management (TDM) plan required in Condition #96 and any Complete Streets Plan that may be required pursuant to Condition #97. In addition, as components of satisfying these two conditions, the applicant shall: 1) install or refurbish bus benches or shelters for existing public transit stops within 1,000 feet of the Project to the satisfaction of Pasadena Transit, and 2) install or refurbish the wayfinding signage in the public right-of-way adjacent to the Project.

FISCAL IMPACT

The applicant, consistent with the adopted Fee Schedule, would pay the cost of the project reviews and permits to the City. The project would generate income to the City through property tax and sales tax revenue.

Respectfully submitted,



JENNIFER PAIGE, AICP
Acting Director of Planning & Community
Development Department

Prepared by:

Concurred by:


Jason Van Patten
Senior Planner
Luis Rocha
Planning Manager

Approved by:


MIGUEL MÁRQUEZ
City Manager

Attachments: (9)

- Attachment A: Specific Findings
- Attachment B: Conditions of Approval
- Attachment C: Findings of Fact
- Attachment D: PD Plan
- Attachment E: July 13 and August 24, 2022 Planning Commission Minutes
- Attachment F: July 13, 2022 Planning Commission Staff Report
- Attachment G: Final EIR and Errata
- Attachment H: Draft EIR
- Attachment I: Project Plans