

# Agenda Report

**DATE:** OCTOBER 12, 1998

**TO:** CITY COUNCIL

**FROM:** CITY MANAGER/CITY ATTORNEY

**SUBJECT:** SOUTH LAKE AVENUE RETAIL DEVELOPMENT PROJECT  
CLARIFICATION AND RECONSIDERATION OF CEQA  
FINDINGS REGARDING FEASIBILITY OF OPTIONS B AND  
C (REMOVAL AND/OR REDESIGN OF BUILDING C  
BOUTIQUES)

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

1. Adopt a Resolution (Exhibit 1) clarifying findings made in Resolution No. 7608 regarding the feasibility of Options B and C (Removal and/or Redesign of Building C Boutiques) for the South Lake Avenue Retail Development Project.

## BACKGROUND

On April 6, 1998, the City Council approved the South Lake Avenue Retail Development Project which, inter alia, allowed the construction of boutiques along South Lake Avenue (on both sides of the staircase) but at a reduced scale (approximately downsized from 9,000 to 6,000 s.f.). In so doing the City Council specifically considered Option B (the elimination of the boutiques) and Option C (the redesign of the boutiques). The City Council adopted Resolution No. 7608 adopting findings, making a Statement of Overriding Considerations, and adopting a Mitigation Monitoring Program and Conditions of Approval for the South Lake Avenue Retail Development project. This resolution incorporated findings contained in a document entitled "City of Pasadena South Lake Avenue Retail Development Project Findings of Fact and Statement of Overriding Considerations" (hereinafter "Findings"). The City's actions were challenged in two separate legal actions by Pasadena Heritage, et al. and South Lake Residents Association, et al. respectively and subsequently consolidated by the Court.

On September 29, 1998, a hearing was held before Judge Robert O'Brien in Los Angeles County Superior Court. The court remanded the matter to the City Council to "reconsider and clarify the Environmental Impact Report as to whether Options B and/or C are 'feasible alternatives'." The City Council was directed to hold a public hearing upon 10 days notice to the litigants and public notice to other interested persons relating to this issue and to file a return to the Court on October 19, 1998. The Court has set a further hearing for October 29, 1998.

## **ANALYSIS**

The Findings of Fact and Statement of Overriding Considerations stated in one place that Options B and C were feasible (Pages 6 & 7 Alternate Design Alternative). Staff and legal counsel believe and argued that in light of the more specific findings contained throughout the FEIR which was adopted by the City Council, that the City Council's findings should be read to conclude that Options B and C were not feasible. However, because of what appears to be a typographical error (that in fact the Findings should have read that Options B and C were "infeasible") the Court sought clarification. Collectively attached as Exhibit 2 are Resolution No. 7608 and the Findings of Fact and Statement of Overriding Considerations. A summary of the descriptions of Options B and C as they are set forth in the FEIR are as follows:

**Under Option B**, there would be no boutiques constructed along South Lake Avenue.

**Under Option C**, the boutiques would be redesigned to remove buildings from the north side of the staircase along South Lake Avenue. The boutique space (up to a maximum of 9,767 square feet, based on the space available) would be constructed entirely along the south side of the staircase. The net square footage would remain the same or be reduced by less than 5,000 square feet.

### **Excerpts**

Attached hereto (Exhibit 3), are the excerpts of the FEIR which reflect the finding of the infeasibility of Options B and C. From these excerpts it is clear that the City Council was aware of the findings contained within the FEIR that Options B and C were not feasible. Staff and legal counsel believe it was therefore the intent of the City Council to approve and adopt the Finding that Options B and C were in fact not feasible alternatives. Pertinent parts of these excerpts follow:

**Page 20 of Exhibit 2** (Findings) discusses mitigation measures. CR12 discusses the elimination of Building C. The finding specifically states "... CR12 could not be implemented to any extent without making the project infeasible."

**Page 36 of Exhibit 2** discusses the elimination of Building C and states "... these proposed measures are infeasible for the reasons mentioned above."

**Page ii-6 of the Final EIR (Summary of Alternatives) (Attached)** – Discusses the No Boutiques Alternative and finds that “its development along Lake Avenue frontage would appear fragmented and less attractive to pedestrians than the east side of Lake with its continuous frontage. This could compromise the quality of the development which would be inconsistent with the objectives of the proposed project as well as the objectives of several of the planning documents that apply to the entire project site.”

**Page V-4 (V.B.1 Land Use) No Boutiques. (Attached)** - Discusses the elimination of the boutiques and finds that “the elimination of the boutiques along Lake Avenue would be inconsistent with the goals of creating a pedestrian-friendly environment. The Macy’s building is not a pedestrian-scale structure. If there were no boutiques, there would be a disconnection between the retail and restaurants contained in Building A, and the market, and first floor retail in Building B and the Border’s bookstore located in Building D. The uses on the site would appear detached and unrelated. If the boutiques were not constructed, the alternative would be inconsistent with several goals and policies of the General Plan.”

**Page V-5 (V.B.1c) Redesign of the Boutiques. (Attached)** - Discusses the redesign of the boutiques and states that “the location of the boutiques entirely to the south of the staircase would create a disconnection with the boutiques possibly requiring a two-story building. This would not achieve the aesthetic or functional effect of creating small boutiques/specialty shops. Thus the redesign of the boutiques would not create the pedestrian oriented environment that the project would create.”

### **FISCAL IMPACT**

Fiscal Impacts associated with this litigation relate to the staff time in responding to the lawsuit and preparation of related documents. Staff is tracking the time and costs associated with this lawsuit and the amounts have not been determined at this time.

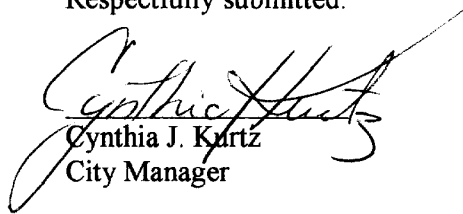
### **WORKLOAD IMPACT**

Workload impacts associated with this litigation relate to the staff time in responding to the lawsuit and preparation of related documents.

### **CONCLUSION**

After a public hearing staff recommends the approval of the attached Resolution clarifying the intent of the City Council to find that Options B and C were not feasible alternatives for the South Lake Avenue Retail Development Project. This action will be consistent with the remainder of the findings in the FEIR and the Findings.

Respectfully submitted:

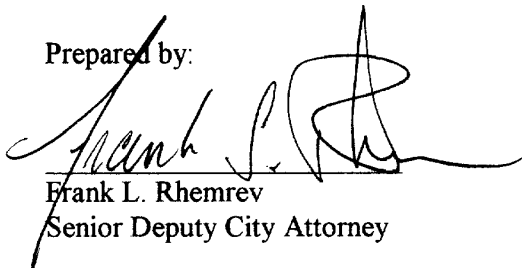


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**Exhibits:**

- Exhibit 1 A Resolution of the City Council of the City of Pasadena
- Exhibit 2 Resolution 7608 and Findings of Fact and Statement of Overriding Considerations – April 1, 1998
- Exhibit 3 Excerpts from the Final Environmental Impact Report
  - Page II-6 Summary of Alternatives
  - Page V-4 (V.B.2 Land Use) No Boutiques
  - Page V-5 (V.B.1c) Redesign of the Boutiques

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