

City of Culver City, California
City Council and Redevelopment Agency Agenda Item Report

Meeting Date: 01/26/09		Item Number: <u>PH-1</u>	
AGENDA ITEM: JOINT PUBLIC HEARING CONTINUED FROM THE 12/08/09 COUNCIL MEETING: 1) City Council Consideration of the Appeal of the Planning Commission's Approval of Site Plan Review, SPR P2007116, and Negative Declaration for the Construction of a Mixed-use Building with 26 Residential Condominium Units and 3,370 Square Feet of Office Space Located at 4043 Irving Place, 2) Consideration of Tentative Tract Map TTM-P2007117; and, 3) Redevelopment Agency Consideration of the Project as it Relates to the Redevelopment Plan. (Public Hearing Continued from August 18, September 15, October 20, November 17, and December 8, 2008).			
Contact Person/Dept.:		Phone Number:	
Thomas Gorham, Planning Manager		(310) 253-5727	
Todd Tipton, Redevelopment Administrator		(310) 253-5783	
Sol Blumenfeld, Director			
Fiscal Impact: Yes ☐		No ☒	
		General Fund: Yes ☐	
		No ☒	
Public Hearing: ☒		Action Item: ☐	
		Attachments: ☒	
Public Notification: Notices was provided to Metro Real Estate Development and the Downtown Neighborhood Association, and the Master E-Mail Notification List on 1/15/09 and 1/22/09.			
Department Approval:		City Attorney Approval:	
Sol Blumenfeld (01/21/09)		Carol Schwab (by H. Baker) (01/21/09)	
Chief Financial Officer Approval:		City Manager Approval:	
Jeff Muir (by N. Kimball) (01/21/09)		Jerry B. Fulwood (01/21/09)	

RECOMMENDATION:

Staff recommends the City Council consider the appeal of the Planning Commission's approval of the Negative Declaration and Site Plan Review, and either:

A. Based upon a report from the City Manager indicating a negotiated settlement was not reached, remand this item to the Planning Commission for reconsideration; or

B. **Deny** the appeal and **uphold** the Planning Commission's approval.

If the City Council upholds the Planning Commission's approval, staff will return with the appropriate resolution adopting the Mitigated Negative Declaration, approving the Site Plan Review and Tentative Tract Map, and outlining the findings for denial of the appeal;

C. **Grant** the appeal **in part**, but **modify** the Planning Commission's approval of the Project and direct staff to return to the Council with the appropriate resolution adopting the Mitigated Negative Declaration, approving the Site Plan

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Review and Tentative Tract Map, and outlining the findings for modifying the project; or

- D. **Grant** the appeal **in its entirety** and **overturn** the Planning Commission's approval.

If the City Council overturns the Planning Commission's approval, staff will return with the appropriate resolution outlining the findings for denial of the Site Plan Review.

Redevelopment Agency (if necessary)

If the City Council denies the appeal and upholds the Planning Commission's approval of the project (or takes action to approve a modified project), then Staff recommends the Redevelopment Agency determine that the proposed project (as presented or modified by the City Council) is consistent with the Redevelopment Plan for Component Area No.3, the Downtown Culver City Design for Development ("DFD") and applicable Agency documents. Should the City Council grant the appeal, then staff recommends the Agency take no action on this item.

PROCEDURE:

1. Mayor calls on staff for a brief staff report.
2. Mayor seeks a motion to open the public hearing to allow for public comment, if any (completed on 11/17/08).
3. Receive comment from the applicant and public (begun on 11/17/08).
4. Mayor seeks a motion to close the public hearing after all testimony has been presented.
5. Council discusses the matter and arrives at its decision.
6. Agency discusses the matter and arrives at its decision (if necessary).

BACKGROUND:

On December 8, 2008, the City Council conducted an appeal hearing related to the Property. Upon conclusion of deliberations, the City Council directed staff to meet with the Metro Real Estate Development (the "Developer") and the Downtown Neighborhood Association ("DNA") in hopes of identifying a project scope that satisfied each party.

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On January 15, 2009, a notice was posted at City Hall and the project site indicating that the January 20, 2009 public hearing had been rescheduled to January 26, 2009.

Staff met with the Developer and DNA during four meetings that occurred over more than ten hours. The DNA summarized their various concerns and staff worked with the appellants and applicant to clearly define the provisions of the Zone Code that related to their concerns. The negotiations were summarized at the end of each meeting to provide focus for the next negotiating session. The effort was directed toward building consensus on a redesign that was mutually acceptable to both parties and over the course of the meetings it became evident that building scale, massing and setbacks were the primary concerns of the appellant. There were 11 issues discussed at the negotiating meetings, however, the core issues for the DNA relate primarily to setbacks and massing.

The various issues that were discussed included:

- Building Massing & Height
- Number of Units & Amount of Commercial
- Street Widening
- Building Entrances
- Amount of Parking
- Compressing the building (floor to floor and at the building slab and parking)
- Property line wall

There was a concerted effort by all parties to seek resolution over the course of the negotiations. The appellants tried to maintain focus on their core issues and the developers represented their interests relating to financial viability and what they felt was an optimal design. The developer prepared revised plans and perspective drawings and the proposed building changes were eventually laid out with tape measurement and chalk in the field to further illustrate the redesign. These efforts helped to advance the discussions.

DISCUSSION:

Project Modifications

The project has been modified to accommodate the core concerns of the DNA related to building height and massing. The building height¹ now varies from 34'-6" to 45'. The proposed revisions to the project result in the following:

¹ Building height is measured from the existing grade at the base of the building to the top of the building at any point along the building's length. The existing grade of the subject site slopes upward approximately 2.7 feet from Lafayette to Irving Place.

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- The building's height has been reduced through redesign (flattened roof and by depressing the subterranean garage);
- The building massing has been reduced through the use of building setbacks and stepbacks;
- The building setbacks have been increased to be comparable with other setbacks in the area i.e., the Meralta Office Building is setback 17 feet on Lafayette and 13.6 feet on Irving.
- Traffic in the neighborhood should be reduced by installing a partial cul-de-sac on Irving²; and
- The amount of commercial square footage has been reduced, which will minimize the number of trips to and from the building.

The proposed changes are summarized on the table below:

Building Issues	Planning Commission approved project	Revised project based on negotiations
Building Height ³	37'-46'	34'-6" – 45'
Building Square Footage	43,756 sq.ft.	39,337 sq.ft.
Commercial Area	3,370 sq.ft.	1,403 sq.ft.
Residential Area	37,625 sq.ft.	34,845 sq.ft.
Dwelling Units	26	28
Setbacks:		
Lafayette	5'-1"	15'
Irving	5'	15'
North	6'	6'
South ⁴		
Floor 1	10'	14'
Floor 2	15'-3"	14'
Floor 3	22'-3"	20'-6"
Floor 4	66'	66
Commercial units	3	1
Parking	68	66

Proposed Supplementary Conditions of Approval

In the event that the project is approved as revised, staff recommends the following additional conditions of approval:

² The conceptual nature of the plans requires confirmation by a licensed Civil Engineer.

³ Building height as measured from existing grade

⁴ 60 degree clear zone building stepback requirement

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1. Creation of a cul-de-sac on Irving Street (relocating the existing traffic barrier at A Street) to reduce traffic in the neighborhood through a required developer street dedication; this would require approval through the Neighborhood Traffic Management Plan (NTMP) process.
2. Subterranean encroachment within newly dedicated right of way (beneath the sidewalk) to accommodate a portion of the subterranean parking structure; this would require submittal of an engineered drawing for Public Works Department approval.
3. Definition of the "amenity room" on the first floor of project plans as a portion of the common area on the Tentative Tract Map.

Proposed Administrative Approvals

In the event that the project is approved as revised, staff will make the following administrative approvals:

1. Allowance of a single elevator to serve both commercial and residential uses due to the minimal amount of commercial space (pursuant to Zone Code section No. 17.400.065.F.6.c).
2. Relief from requirement to separately gate commercial from residential parking due to minimal amount of commercial space (pursuant to Zone Code Section No. 17.400.065.I.1.b).
3. Relief from requirement to provide separate trash area for commercial and residential uses, due to minimal amount of commercial space (pursuant to Zone Code Section No. 17.400.065.F.9).

Redevelopment Agency

The proposed development is consistent with the land use designation for this site and other applicable provisions of the Redevelopment Plan for the Culver City Redevelopment Project Component Area No. 3.

The property is within the Downtown Culver City Design for Development (DFD). The DFD has provisions relating to height, setbacks, parking, landscaping, architectural design, building exteriors (Downtown storefront guidelines) signs, refuse areas, security fencing and uses. The proposed development is in conformance with all applicable provisions of the DFD as it complies with each of these development provisions.

On January 31, 2007, the Agency closed escrow on the sale of 4043 Irving to Metro Real Estate and Development. At the time of sale a restriction was placed on the grant deed that limited the use of the Site to a mixed use project consisting of 28 residential units and 3,500 sq.ft of office. The deed restriction ensured that the developer would not increase the number of residential units or commercial

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square footage beyond what Metro Real Estate and Development had proposed at the close of escrow.

The project approved by the Planning Commission on April 9, 2008 consists of 26 residential units and 3,370 square feet of commercial space, which is consistent with the deed restrictions. The revised project involves the development of 28 residential units and 1,403 square feet of commercial space, which is also consistent with the deed restrictions as described above.

CONCLUSION:

The City Council directed that staff work with the appellants and applicants to seek a mutually acceptable solution. There has been a concerted effort to make concessions and seek a resolution that is mutually acceptable to all parties. The revised project is consistent with applicable requirements of the Zone Code and the provisions of the General Plan, and staff believes that the Council should favorably consider the proposed modifications and approve the project as redesigned.

CEQA FINDING:

The initial study conducted for the project dated March 27, 2008 determined there were no potential significant environmental impacts associated with the project that could not be mitigated to a level of insignificance. The initial study utilized four technical studies: (1) Traffic Study dated December 31, 2007 to assess the projects potential traffic impacts; (2) Preliminary Soil Investigation dated April 17, 2007 to access potential impacts related to excavation and shoring; (3) & (4) Phase 1 Environmental Site Assessment from 1993 and a Phase II Environmental Site Assessment from 1995 that analyzed potential hazardous material that may have previously existed on the site.

As noted above, additional information pertaining to potential hazardous materials on the site was discovered after adoption of the Negative Declaration by the Planning Commission. Therefore, staff has revised the initial study (Attachment No. 11) and prepared a Mitigated Negative Declaration (Attachment No. 12) with mitigations requiring that the impacted soil be separated from the excavated clean soil; that it be transported to an appropriate disposal facility; and that further confirmation testing be completed during excavation to confirm the removal and disposal of all lead impacted soil. Should the project be approved, staff recommends that the City Council adopt the Mitigated Negative Declaration. These requirements will also be part of the project resolution.

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FISCAL ANALYSIS:

The Redevelopment Agency sold the subject property to the developer in FY 2006-07 for approximately \$3.1 million. This is a private venture project with no financial participation by the City or Agency. If the Project is approved, then the City would gain both commercial and residential taxes (i.e. business tax, sales tax, utility users tax, and additional tax increment) once construction is completed, all the units are sold, and all commercial/office space is leased.

Additionally, there is staff time associated with the initial processing the Site Plan Review (and related entitlement applications) and the appeal of that review. A portion of the cost of staff's time is recovered through user fees and charges, at the cost recover level approved by City Council.

With the currently proposed project design, the City will derive somewhat less commercial revenue which will be offset somewhat by the added property tax revenues from the two additional dwelling units.

ATTACHMENTS:

1. Planning Commission approved project digital renderings.
2. Revised project digital renderings.
3. Revised project plans dated January 26, 2009.
4. December 8, 2008, City Council and Redevelopment Agency Agenda Item Report.

To conserve resources, the following attachments have not been reproduced since they were previously distributed with the November 17 staff report:

1. Letter from Appellants, November 22, 2008
2. Revised Project Plans
3. Development Comparison Table
4. April 9, 2008 Planning Commission Staff Report Including all Attachments as Listed Below:
 - Area Map
 - Aerial Photo
 - Project Summary
 - Negative Declaration
 - Initial Study (Attached in the November 10, 2008 staff report)

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- Traffic study for the 4043 Irving Place Mixed-Use Project prepared by Raju Associates, Inc. received on December 31, 2007 (Attached In November 10, 2008 staff report)
 - Preliminary Soil Investigation prepared by Hu Associates, Inc. dated April 17, 2007. (Attached In November 10, 2008 staff report)
 - Written Public Comments (Attached in the November 10, 2008 staff report)
5. Planning Commission Adopted Resolution No. 2008-P005
 6. Appeal filed on April 24, 2008
 7. Minutes of the April 9, 2008 Planning Commission Public Hearing
 8. Planning Commission Approved Plans
 9. July 30, 2008 Culver City Downtown Neighborhood Association Letter
 10. Correspondence between applicant and appellant
 11. Supplemental Traffic Analysis
 12. Revised Initial Study
 13. Proposed Mitigated Negative Declaration
 14. Further Site Characterization Summary Letter- January 30, 2007
 15. Correspondence to Meghan Sahli Wells - October 27, 2008
 16. City Consulting Traffic Engineer Memo - October 14, 2008

MOTION(S):

That the City Council:

- A. Remand this item to the Planning Commission for reconsideration; or
- B. **Deny** the appeal and **uphold** the Planning Commission's approval of the project; and direct staff to return to the Council with the appropriate resolution adopting the Mitigated Negative Declaration, approving the Site Plan Review and Tentative Tract Map, and outlining the findings for denial of the appeal and approval of the Project; or
- C. **Grant** the appeal **in part** but **modify** the Planning Commission's approval of the Project and direct staff to return to the Council with the appropriate resolution adopting the Mitigated Negative Declaration, approving the Site Plan Review and Tentative Tract Map, and outlining the findings for modifying the project; or
- D: **Grant** the appeal **in its entirety** and **overturn** the Planning Commission's approval of the Project and direct staff to return to the Council with the appropriate resolution outlining the findings for denial of the Project.

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AND (only if necessary)

That the Redevelopment Agency (only in the case of Motion B or C):

Determine that the proposed project at 4043 Irving is consistent with the Redevelopment Plan for Component Area No. 3 of the Culver City Redevelopment Project and the Project is consistent with the Downtown Culver City Design for Development.