



THE CITY OF SAN DIEGO

REPORT TO THE PLANNING COMMISSION

DATE ISSUED: November 1, 2007 **REPORT NO. PC-07-140**

ATTENTION: Planning Commission, Agenda of November 8, 2007

SUBJECT: KENSINGTON TERRACE- PROJECT NO. 105244.
PROCESS FOUR

OWNER: Terrace Partners, L. P. (See Attachment 22).

APPLICANT: Allard Jansen, AIA

SUMMARY

Issue: Should the Planning Commission approve a mixed-use development consisting of 16,255 square feet of office, 16,550 square feet of retail, and 19,614 square feet of residential space in nine residential units at 4142, 4166, and 4178 Adams Avenue and 4708 Edgeware Road within the Kensington-Talmadge Neighborhood of the Mid-City Communities Plan Area?

Staff Recommendation:

1. **Certify** Mitigated Negative Declaration No. 105244; and
2. **Approve** Planned Development Permit No. 360181 and Vesting Tentative Map No. 360180.

Community Planning Group Recommendation: On October 10, 2007, the Kensington-Talmadge Planning Committee voted 9-0-0 to approve the project as presented (See Attachment 21).

Environmental Review: Mitigated Negative Declaration No. 105244 has been prepared for the project in accordance with State of California Environmental Quality Act (CEQA) Guidelines. A Mitigation, Monitoring and Reporting Program has been prepared and will be implemented which will reduce, to a level of insignificance, any potential impacts identified in the environmental review process.

Fiscal Impact Statement: All costs associated with the processing of this project are recovered from a deposit account maintained by the applicant.

Code Enforcement Impact: None with this action.

Housing Impact Statement: The Mid-City Communities Plan designates the proposed 0.78-acre site for Commercial and Mixed-Use at a maximum density of 29 dwelling units per acre. The community plan does not provide a minimum density. Additionally, the community plan provides a density bonus of 43 dwelling units per acre for mixed-use projects. Based on the existing land use designation 23 dwelling units would be allowed on site and ultimately 34 would be allowed through the mixed-use density bonus. The proposed project would construct 9 for-sale, market-rate units within a mixed-use development and would result in the demolition of 7 existing units within the project site. The project meets the requirements of the Affordable Inclusionary Housing Ordinance by agreeing to pay an in-lieu fee.

BACKGROUND

The project site is located at 4142, 4166, and 4178 Adams Avenue and 4708 Edgeware Road within the Kensington-Talmadge Neighborhood of the Mid-City Communities Plan Area and the Central Urbanized Planned District, approximately 0.18 mile from Interstate 15 (Attachment 3). The 0.78-acre site is surrounded by Adams Avenue on the south, Marlborough Drive on the west, an alley to the north, and Edgeware Road to the east (Attachment 1). The property is split zoned with the western portion of the site (0.31-acre) zoned CU-3-3 and the eastern portion of the site (0.47-acre) zoned CN-1-3. The project site has been previously graded and is currently developed with a gas station, convenience store, and four residential structures that would be demolished to prepare the site for development.

Properties to the north are designated for residential uses (6-10 dwelling units/acre) and are currently developed with single-family homes. The properties to the east are designated for residential, commercial, and mixed-use and are currently developed with single family homes and office uses. The properties to the south are designated for commercial and mixed-use development and are currently developed with a mixture of commercial & single-family homes. Properties to the west are designated for commercial and mixed-use and are currently developed with mixed-use.

The elevation of the project site is relatively flat with approximate elevations ranging from 369 feet Above Mean Sea Level (AMSL) along the western property line to 367 feet AMSL along the eastern property line; and approximately 368 AMSL from the north and south property lines. The site is not located within or adjacent to the Multi-Habitat Planning Area of the City's Multiple Species Conservation Program. The property is located within an existing urbanized area currently served by police, fire, and emergency medical services.

DISCUSSION

Project Description:

The Kensington Terrace project would require a Planned Development Permit and a Vesting Tentative Map to demolish the existing gas station, convenience store, and four residences, to construct a 56,643 square-foot, three-story mixed-use development located at 4142 Adams Avenue, within the Mid-City Communities planning area and Central Urbanized Planned District. The development would include approximately 16,550 square feet of retail space, 16,255 square feet of office space, 19,614 square feet of residential space, and 4,224 square feet of ancillary uses. The residential component would include six, three-bedroom, three-bath penthouses and three, three-bedroom, three-bath townhome units that would be sold for private ownership.

The penthouses would range in size from 2,001 square-feet to 2,122 square feet and the townhomes would be 2,138 square feet with 468 square feet of private open space in patios and balconies; each housing a two-car garage. The project would also include fire-sprinklers throughout the development; residential private open space areas totaling approximately 5,000 square feet, and public and private commercial and office open space totaling approximately 6,000 square feet in plazas, courtyards, and terraces.

A traffic study was conducted by LOS Engineering to evaluate potential project impacts on surrounding streets and intersections within the study area shown in the analysis. It was determined that direct and cumulative impacts would occur in the near and long term scenarios on Adams Avenue and Marlborough Drive and at the intersection of Adams Avenue & Kensington Drive. Impacts at these locations were studied and evaluated, and as a result, the project was conditioned to mitigate its impacts by: constructing a raised median on Adams Avenue between I-15 and Marlborough Drive; restriping Adams Avenue with a continuous center left-turn lane between Marlborough Drive and Edgeware Road; widening Marlborough Drive to 36 feet from Adams Avenue north to the Alley; and installing a traffic signal at the intersection of Adams Avenue and Kensington Drive.

Based on City of San Diego Municipal Code Sections 142.0525 and 142.0530, the parking requirement for the proposed Kensington Terrace Development is 90 spaces. Of the 90 parking spaces, there would be a requirement for four (4) accessible parking spaces, three (3) motorcycle spaces and seven (7) bicycle spaces. The proposed development is providing 112 parking spaces, or 22 spaces in excess of the requirements of the City of San Diego Municipal Code. The project would provide vehicular access to the site from the alleyway on the north side of the project to a two-level underground parking garage.

The project site is served by one bus routes (Route 11) with a 15 minute frequency. One bus stop currently exists adjacent to the site along Adams Avenue. The project site is located within walking distance of many restaurants, retail shops, a movie theater, and would be located diagonally across the street from Kensington Mini Park, which houses the Kensington – Normal Heights Branch Library.

Grading would include approximately 22,100 cubic yards of soil cut for export within the site. Any contaminated soils would be transported and disposed of at appropriately permitted disposal facilities.

The project site is located in a seismically active region of California, and therefore, the potential exists for geologic hazards, such as earthquakes and ground failure. The property is mapped with Geologic Hazard Ratings of 53 (Level or sloping terrain, unfavorable geologic structure, low to moderate risk) as shown on the City's Seismic Safety Study Geologic Hazards Maps. Proper engineering design of the proposed structures would be verified prior to building permits being issued. This would ensure that the potential for geologic impacts from regional hazards would be below a level of significance, requiring no mitigation.

Proposed landscaping for the site would include trees such as Canary Island Palms; Jacaranda, and Australian willows; shrubs such as fortnight lilies, heavenly bamboo, and English Boxwood; and groundcover such as star jasmine and white balsam.

The project incorporates various architectural features. The east side features three craftsmen-style townhomes; the west side has Spanish colonial architecture; and the south side features a variety of styles to reflect the surrounding neighborhood. Two corner plazas of approximately 500 square feet each relieve building scale at each street intersection, creating public plazas. Each plaza features enhanced landscaping, seat walls and future outdoor seating areas relating to the retail uses adjacent to the plaza.

The project design incorporates a roof-mounted photovoltaic system consisting of solar panels sufficient to generate at least 50 percent of the project's projected energy consumption for the residential portion, and 30 percent of the project's projected energy consumption for the commercial portion of the project. In addition, approximately 10,000 square feet of the third floor is proposed as a Green Roof. Green roofs offer environmental, economic and health benefits by the following:

- Retaining 40 to 70% of storm water and thus reduce runoff pollution and combined sewage outflow.
- Reducing energy use by 10 to 30%. Green roof temperatures can be as much as 100° F lower than conventional roofs in the summer, thus reducing air conditioning demand and providing a source of cooler air for building ventilation.
- Requiring smaller air conditioning systems and use them less intensively, lowering both initial system and replacement/maintenance costs.
- Increasing roof durability, as the green roof can last 50 years or more, while a conventional roof needs to be replaced every 10-15 years. Once established, green roofs typically require very little maintenance.

Runoff generated from precipitation falling onto the project's rooftops will be treated by a live vegetation (Green Roof) system installed thereon. The live vegetation system will retain most of this runoff, thereby reducing overall runoff from the site. Other runoff generated on-site will be

treated by filtration devices satisfactory to the City Engineer. Runoff from the site will be discharged to the existing storm drain system.

The current design is deviating from the San Diego Municipal Code regulations governing zone height, and staff is in support of the requested deviation. For further discussion of the requested deviation, please see the Project Related Issues section of the report below. Other than the proposed deviation described, the proposed development would comply with the applicable regulations of the San Diego Municipal Code.

Community Plan Analysis:

The 0.78-acre project site is located in the Kensington-Talmadge community of the Mid-City Communities Planning Area. The Mid-City Communities Plan designates the proposed 0.78-acre site for Commercial and Mixed-Use at a maximum density of 29 dwelling units per acre. The community plan does not provide a minimum density. Additionally, the community plan provides a density bonus of 43 dwelling units per acre for mixed-use projects. Based on the existing land use designation, 23 dwelling units would be allowed on site and ultimately 34 would be allowed through the mixed-use density bonus.

The proposed project would implement several goals and recommendations contained in the Urban Design, Transportation, Land Use, and Natural & Cultural Resources Elements in the Mid-City Communities Plan. The project as proposed would implement the goal of reinforcing and enhancing the historic, pedestrian-oriented character of Adams Avenue with thriving neighborhood serving and specialty businesses. This recommendation would be implemented through the creation of a 16-foot wide sidewalk that would include tree wells for street trees along Adams Avenue, as well as incorporate a plaza at the corner of Marlborough Drive and Adams Avenue and an internal courtyard. Additionally, bike racks would be provided at street level along Marlborough Drive and Edgeware Road. Other bicycle storage facilities would be provided within the underground 2-story parking structure to accommodate both patrons and workers of the proposed commercial-retail and office building.

To further implement the goals of fostering a pedestrian environment, the project would also involve the removal of an existing gas service station and its associated curb-cuts along Adams Avenue and Marlborough Drive. The result would create a better and safer pedestrian connection to other existing commercial and mixed-use developments along the north side of Adams Avenue. Additionally, parking to proposed project would be taken from the alley north of Adams Avenue.

The proposed project would implement the recommendation in the Land Use Element of the community plan of encouraging new market-rate housing construction in a variety of types, sizes, and costs to meet the needs of all residents in all socio-economic brackets. The project would include 6 penthouse units above commercial-retail and 3 craftsman-style townhomes at ground level along Edgeware Road. The proposed project would also meet the goal of providing a full range of commercial goods and services to the Mid-City population. The proposed project, which is located in close proximity to State Route 15, would provide additional commercial-retail space within the Kensington-Talmadge community and provide opportunities for more

goods and services to be offered to residents. The addition of office space would also provide an opportunity to create additional employment within the community as well.

Although the Mid-City Communities Plan does not contain specific policies related to the incorporation sustainable development measures within new development projects, it does refer to a vision in the Natural & Cultural Resources Element of the Community Plan of having development contribute to the environmental quality of the area. The project would meet this vision by incorporating a “green roof” feature that would reduce surface run-off. This “green roof” feature would be planted with drought tolerant grasses and herbaceous and succulent plant species. Additionally, the proposed project would self-generate 50 percent of its electrical needs through the incorporation of photovoltaic panels.

The project proposes to seek a deviation to exceed the height limit of the eastern portion of the project by 8 feet where the maximum height limit is 30 feet. Although the community plan does not regulate building heights it does encourage lower scale, two to three-story mixed-use developments with residential units above retail along Adams Avenue. The project would implement this recommendation and maintain the existing character along Adams Avenue by constructing a three-story, mixed-use structure that would contain 6 units above commercial-retail and office space.

Additionally, in order to meet the recommendation of ensuring that new development reflects neighborhood character in such characteristics such as height, setbacks, massing, landscaping, roofs, windows, front porches, street façade and other architectural details, the proposed project would incorporate setbacks at the third story and landscaping, as well as trellises and arched features similar to adjacent commercial buildings. The three townhomes proposed along Edgeware Road would include a Craftsman architectural style that would be compatible with similar residences along the street. Further, the proposed mixed-use building would utilize various materials and textures to further articulate the street façade and reduce the scale of the building. The rear of the proposed project would also incorporate an articulated façade with windows, varying setbacks, and landscaping to offset the bulk and scale of the proposed 3-story building from neighboring residences to the north.

Based on the proposed features that would be utilized throughout the proposed project, the proposed deviation would not have an adverse impact on the goals and recommendations of the community plan. As proposed, the project implements many of the overall goals and recommendations of the Urban Design, Land Use, Transportation, Transportation, and Natural & Cultural Resources of the Mid-City Communities Plan; and therefore, would not adversely affect the community plan.

Environmental Analysis:

The City of San Diego conducted an Initial Study, which determined that the proposed project construction could potentially result in significant but mitigable impacts in the areas of Paleontological Resources, Human Health and Public Safety, and Transportation/Circulation. These impact areas are discussed in the Mitigated Negative Declaration and Initial Study documents.

During the environmental review of the project, it was determined that Subsequent revisions in the project proposal created specific mitigation, which is identified in Section V of the Mitigated Negative Declaration. The project as revised now avoids or mitigates the potentially significant environmental effects previously identified, and the preparation of an Environmental Impact Report was not required. Mitigated Negative Declaration Number 105244 was finalized for the project in accordance with the State of California Environmental Quality Act (CEQA) Guidelines. A Mitigation, Monitoring, and Reporting Program would be implemented which would reduce, to below a level of significance, the potential environmental impacts identified from the environmental review process for Paleontological Resources, Human Health and Public Safety, and Transportation/Circulation.

Project-Related Issues:

Height Deviation – The project proposes a deviation to the height regulations of the CN-1-3 Zone. The CN-1-3 Zone allows a maximum height of 30 feet and the applicant is requesting a height of 38 feet. Through the processing of a Planned Development Permit, the SDMC allows applicants to propose development that requires flexibility from the strict application of the regulations. The intent of Planned Development Permit regulations is to encourage imaginative and innovative planning, to assure the development achieves the purpose and intent of the applicable land use plan, and that the design would be preferable to what would be achieved by strict conformance with the regulations. Staff believes that the Planning Commission can make the appropriate findings based on the following information.

The western portion of the site adjacent to Marlborough Avenue (0.31-acre) is zoned CU-3-3 and the eastern portion of the site adjacent to Edgeware Road (0.47-acre) is zoned CN-1-3. The CU-3-3 Zone allows a maximum height of 50 feet, and the project proposes a maximum height of 40 feet, 8 inches for this portion of the project, which is well under the allowable height limit.

The applicant is proposing the deviation to the height of the CN-1-3 Zone to comply with community character and public concerns regarding excessive height in the neighborhood. The project design proposes to terrace back from the intersection of Adams Avenue and Marlborough Drive to mitigate the visual impact of a potential 50-foot building height at the corner. The project proposes a lowered and terraced building in the western portion of the site, with an eight foot increase above the zone's height limit in the eastern portion of the site, thereby balancing the overall height to match the existing building on the west side of Marlborough Drive, which varies in height between 35 feet and 49 feet.

The consistent height avoids inefficient additional stair and elevator access, makes all the residential units top-floor rather than stacked in the CU-3-3 zone, and provides unfettered and level surface for green rooftop technology and photo-voltaic collection. Without the deviation, the allowable 50-foot tower would potentially shadow the remaining rooftop as well as neighboring properties. In addition to terracing the project at both corners of Adams Avenue with Marlborough Drive and Edgeware Road, the design has a stepped-back third floor along 80% of the building, which creates a perception with the façade that the majority of the building is a two-story structure.

Further, the proposed mixed-use building would utilize various materials and textures to further articulate the street façade and reduce the scale of the building. The rear of the proposed project would also incorporate an articulated façade with windows, varying setbacks, and landscaping to offset the bulk and scale of the proposed three-story building from neighboring residences to the north.

Other than the proposed deviation described as allowed through the Planned Development Permit process, the proposed development would comply with the applicable regulations of the SDMC, and be consistent with the recommended land-use, design guidelines, and development standards in effect for this site.

Critical Project Features to Consider During Substantial Conformance Review

Site Design and Height – The project site design and architectural style, including the proposed density and requested height deviation, should be fully analyzed for any revisions to the proposed density and the requested height to ensure compatibility with the surrounding community.

Environmental Document: The project design should remain within the parameters of the scope of the Mitigated Negative Declaration.

Conclusion:

The project proposes to demolish the existing structures and construct a three-story mixed-use development consisting of 16,255 square feet of office, 16,550 square feet of retail, and 19,614 square feet of residential space on a 0.78-acre site. The proposed project would implement several goals and recommendations contained in the Urban Design, Transportation, Land Use, and Natural & Cultural Resources Elements of the Mid-City Communities Plan, and the project as proposed would implement the goal of reinforcing and enhancing the historic, pedestrian-oriented character of Adams Avenue with thriving neighborhood serving and specialty businesses.

The project design incorporates a roof-mounted photovoltaic system consisting of solar panels sufficient to generate at least 50 percent of the project's projected energy consumption for the residential portion, and 30 percent of the project's projected energy consumption for the commercial portion of the project. The project also proposes the installation of approximately 10,000 square feet of Green Roof technology, fire-sprinklers throughout the development, residential private open space areas totaling approximately 5,000 square feet, and public and private commercial and office open space totaling approximately 6,000 square feet in plazas, courtyards, and terraces.

The project has been reviewed in accordance with all applicable development regulations and the Mid-City Communities Plan, the City's Progress Guide and General Plan, and the California Environmental Quality Act. Staff has determined the project complies with the applicable development regulations and would be consistent with the purpose and intent of the underlying zones. Staff believes the mixed-use infill project is well designed and would be an asset to the neighborhood. Staff has provided the required findings to affirm the project and recommends that the Planning Commission approve the project as proposed.

ALTERNATIVES

1. **Certify** Mitigated Negative Declaration No. 105244, **Adopt** the Mitigation Monitoring and Reporting Program, and **Approve** Planned Development Permit No. 360181 and Vesting Tentative Map No. 360180, **with modifications**.
2. **Do Not Certify** Mitigated Negative Declaration No. 105244, **Do Not Adopt** the Mitigation Monitoring and Reporting Program, and **Deny** Planned Development Permit No. 360181 and Vesting Tentative Map No. 360180, **if the findings required to approve the project cannot be affirmed**.

Respectfully submitted,



Mike Westlake
Program Manager
Development Services Department



Daniel Stricker
Project Manager
Development Services Department

BOEKAMP/DES

Attachments:

1. Aerial Photograph
2. Community Plan Land Use Map
3. Project Location Map
4. Project Data Sheet
5. Project Cover Sheet
6. Demolition Plan
7. Site Plan
8. Topographic Survey
9. Vesting Tentative Map
10. Floor Plans
11. Roof Plan
12. Elevations
13. Sections
14. Perspective Views
15. Street Context Elevation
16. Shadow Plan
17. Landscape Plans
18. Draft Permit with Conditions
19. Draft Permit Resolution with Findings
20. Draft Vesting Tentative Map Resolution
21. Community Planning Group Recommendation
22. Ownership Disclosure Statement
23. Project Chronology