DATE ISSUED:	July 21, 2005	REPORT NO. PC-05-233
ATTENTION:	Planning Commission, Agenda of July 28, 2005	
SUBJECT:	MEMPHIS – PROJECT NO. 50214 PROCESS 4.	
OWNER/ APPLICANT:	NICHOLAS PROPERTIES II, LLC and EGYPTIAN COURT, LP NICHOLAS SENTURIA DEVELOPMENT C/O KMA ARCHITECTURE	

SUMMARY

Issue(s) – Should the Planning Commission approve the construction of a 5-story mixeduse development consisting of 23 residential condominiums and 4,487 square feet of commercial retail space at the northwest corner of Robinson Avenue and Park Boulevard within the Uptown Community Plan Area?

Staff Recommendation:

- 1. **Certify** Mitigated Negative Declaration No. 50214, and **Adopt** the Mitigation, Monitoring, and Reporting Program (MMRP); and
- 2. **Approve** Tentative Map No. 189459 and Site Development Permit No. 144295.

<u>Community Planning Group Recommendation</u> - On April 5, 2005, the Uptown Planning Committee considered the project and voted 12-2-1 in favor of the project with the recommendations that the applicant use enhanced building materials at the base to reflect the Egyptian Court structure to the north and to setback the north facing balconies on the third floor and above, which have been incorporated into the project (Attachment 10).

Environmental Review – Mitigated Negative Declaration, Project No. 50214, has been prepared for the project in accordance with the 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 – None with this action. Project costs are paid by the applicant.

<u>Code Enforcement Impact</u> – None with this action.

Housing Impact Statement –. The Uptown Community Plan designates the 0.74-acre site for mixed-use allowing high density residential development at 44-73 dwelling units per acre. Based on the acreage, the site could accommodate between 33-54 residential units. The project proposes a total of 35 residential units, which includes the existing historically-designated 12-unit mixed use development known as the "Egyptian Court" and 23 new residential units. The underlying CN-2 Zone allows one unit per 800square feet of lot area, or a maximum of 40 units on the subject site. The proposed project density of 35 units falls within the density range permitted on site. No affordable units would be included as part of the new 23-unit project nor would any of the existing 12 units be dedicated as affordable. However, the project is subject to the requirements of the Inclusionary Housing Ordinance, Chapter 14, Article, 2, Division 13 of the Municipal Code.

BACKGROUND

The Memphis project is located at 3752 and 3770 Park Boulevard at the northwest corner of Park Boulevard and Robinson Avenue within the Uptown Community Plan Area (Attachment 1). The 0.74-acre project site is within the CN-2 Zone of the Mid-City Communities Planned District and the Transit Area Overlay Zone. The CN-2 Zone is a commercial zone intended to provide for pedestrian-oriented commercial and mixed-use development, and allows a base density of one unit per 800 square feet of lot area. The Community Plan designates the site for mixed-use development, which is intended to promote pedestrian-oriented retail service uses on the ground floor with residential development at a density range of 44-73 dwelling units per acre (Attachment 2). The site is surrounded by multi-unit residential development to the north and west, commercial development to the east, and a 6-story mixed use building under construction to the south.

The site is currently improved with a one- and two-story mixed use building known as the "Egyptian Court", and a 2,800-square-foot auto repair shop and associated asphalt parking area. The Egyptian Court located on the northern portion of the project site contains 12 apartment units with 350 square feet of commercial space on the ground floor. This development, constructed in 1926, was designated as a historically significant structure by the Historic Site Board on July 24, 1991 as HRB Site No. 310 (Attachment 13). No modifications to the Egyptian Court are proposed.

The existing auto repair shop located to the south of the Egyptian Court is proposed to be demolished and replaced with a new 5-story mixed use building. The site has been identified as a potential contributor to the potential Egyptian Revival/Moderne historical district that was identified in the Greater Mid-City San Diego Historic Preservation Strategy survey. Historic Review Board staff reviewed a site-specific historical study for the project and determined that the existing auto repair shop does not warrant designation. The auto repair shop and associated asphalt parking area will be demolished and the site is proposed to be excavated to a depth of 15 feet to accommodate a subterranean parking facility.

The project is requesting: 1) a Tentative Map for the subdivision of a 0.74-acre site to consolid ate three lots into two lots for a mixed-use development consisting of the maintenance of 12 existing residential apartment units and 350 square feet of commercial space on Lot 1, and 23 new residential condominium units and a 4,487 square-foot commercial retail area within 3 commercial condominiums on Lot 2; and 2) a Site Development Permit for proposed deviations from the minimum commercial area and minimum setback above street wall regulations of the Mid-City Communities Planned District Ordinance. The project requires a Process 4 Planning Commission decision due to the request for a Tentative Map to consolidate two lots into one lot for the development of 23 new residential condominiums and 3 commercial condominiums.

DISCUSSION

Project Description:

The project proposes to maintain the existing Egyptian Court development, demolish an existing 2,800 square-foot auto repair shop and associated asphalt parking area, and construct a new 5-story mixed-use building on the 32,071-square-foot **i**te (Attachment 6). The existing Egyptian Court development consists of 12 apartment units and 350 square feet of commercial space. The new mixed use building will consist of 23 new residential condominiums in a combination of 6 one-bedroom, 15wo -bedroom, and 2 three-bedroom units, with 3 commercial condominiums totaling 4,487 square feet located on the ground floor at the southwest corner of the property primarily fronting Park Boulevard.

The project provides the required 47 off-street parking spaces, 3 motorcycle spaces, and 11 bicycle spaces. Parking is provided primarily in a subsurface garage consisting of 35 residential parking spaces and 3 motorcycle spaces. The remaining 12 spaces, 9 of which are designated commercial spaces, are located at the western portion of the property. The portion of the building above the ground level cantilevers over the surface parking area. Access to the underground parking garage and surface parking area is proposed from Robinson Avenue. The proposed building would extend five levels up to 60 feet high above grade. There is no height limit in the CN-2 Zone.

Other project features include private usable decks and terraces, a commonarea courtyard on the second level; hardscape and landscape improvements; water, sewer, and gas utility relocation/

improvements; right-of-way improvements including the provision of new paved sidewalks, curb and gutter and street landscaping along the length of the site on Park Boulevard and Robinson Avenue; installation of a 130-foot long raised median on Park Boulevard north of Robinson Avenue; and the relocation of the existing bus stop to the north-end of the project site on Park Boulevard and the construction of a 10'x 25' pad at the curb-line

The project has been designed to incorporate contemporary architectural elements into the proposed 5-level mixed-use structure with a historic reference, and proposes the use of building materials such as concrete, steel, aluminum and composite material, and the use of colors which are characteristic of the existing building as well as the surrounding development. The project is consistent with the goals of the community plan related to enhancing the pedestrian environment, landscaping, land use and density. The project also complies with the applicable development regulations of the Municipal Code, including the Mid-City Communities Planned District regulations except for the requested deviations to minimum commercial area and street wall setback as discussed in this report.

Deviations:

Deviations from the regulations in the Mid-City Communities Planned District Ordinance are subject to approval of a Site Development Permit. The project proposes a reduction in the minimum amount of commercial area, and the required setback for portions of the street wall exceeding 36 feet in height (Attachment 4).

<u>Commercial Area</u>: The CN-2 zone requires a minimum commercial area which is determined by multiplying the linear street frontage of all streets by 20. The project site has a street frontage of 248feet . The project requires a minimum of 4,960 square feet of commercial area. The project proposes 4,487 square feet of commercial area, which is 473 square feet less than the required amount and represents a 10 percent deviation. The commercial retail space is proposed along the entire length of the Park Boulevard project frontage with approximately 46 linear feet along the Robinson Avenue frontage. The commercial activity in the area is concentrated on Park Boulevard. The proposed commercial area at the sidewalk level meets the purpose and intent of the regulation to create pedestrian activity at the public right-of-way, and offers a transition from the commercial activity to the residences immediately to the west.

<u>Street Wall</u>: The CN-2 zone requires a 15-foot setback from the base of a street wall for portions of the structure above 36 feet in height along the street frontages (Park Boulevard and Robinson Avenue). The required 15-foot setback applies to the fourth and fifth stories. The project as proposed provides setbacks along the Park Boulevard frontage that vary from 6 feet to 12 feet and setbacks along the Robinson Avenue frontage that range from 6 feet to 12.25 feet for the fourth and fifth stories. The design of the street wall has curving parapets simulating the Egyptian architectural style in the neighborhood, and canopies over the storefronts. Staff believes that the project, by incorporating these elements and other articulation on the upper building, such as multiple planes, protruding balconies, chimnies and eaves, meets the purpose and intent of the requirement of reducing building mass and bulk as it is perceived by pedestrians from the sidewalk.

Community Plan Analysis:

The Uptown Community Plan designates the subject property for mixed-use development. The mixed-use designation is intended to promote pedestrian-oriented retail services on the ground floor, with office or residential development at a density range of 44-73 dwelling units per acre above. The proposed project, occupying 0.74 acre, could be developed with between 33 and 54 dwelling units. However, the proposal to maintain the historically-designated 12-unit residential "Egyptian Court," which includes one commercial unit along Park Boulevard, would reduce the amount of developable acreage to 0.39 acre. This portion of the project site, located at the corner of Park Boulevard and Robinson Avenue, is proposed to be developed with 23 residential units as well as three commercial units. The project, while at the lower end of the density range due to the preservation of the historical site, would implement the Land Use Element of the Plan.

The Urban Design Element of the Plan recommends that new construction be compatible with existing architectural detail, color, texture, and overall appearance of the quality development in the surrounding neighborhood. The Conservation, Cultural and Heritage Resources section of the Plan recommends the preservation of historical structures at their original location as well as in their historic context whenever possible. A specific objective identified in the Plan for Hillcrest includes maintaining the historic facades in the area by promoting their restoration or adaptive reuse as alternatives to new construction. Suggestions embodied in the Plan for enriching the pedestrian experience include increasing sidewalk widths when appropriate, identifying street tree themes to create neighborhood identities through coordinated street plantings, and minimizing curb-cuts and entrances to off-street parking areas so that conflicts between the pedestrian and vehicular traffic are minimized.

The project as proposed, would implement the urban design and conservation recommendations of the Uptown Community Plan. The proposal to maintain the locally-designated "Egyptian Court" site along with incorporating decorative plaster columns cast from the existing auto-repair building on the southern portion of the project site, would preserve a historical site as well as acknowledge the historic context of the original auto-repair building, which is not historically-designated. The project would also incorporate numerous setbacks at the mid- to upper stories as well as balconies and articulation throughout the project. Further, the removal of numerous curbcuts, the provision of landscaped non-contiguous sidewalks that would incorporate shade-producing street trees and the placement of the parking entrance along Robinson Avenue would incorporate the goals of enhancing the pedestrian environment.

Environmental Analysis:

A Mitigated Negative Declaration (Project No. 50214) has been prepared for the project in accordance with State of California Environmental Quality Act (CEQA) Guidelines. The proposed project includes mitigation measures to offset potential impacts to the environment in the area of Health and Safety due to the presence of contaminated soil on site. The project site has been used for the service and repair of automobiles as far back as 1935. Prior to the current automobile repair business, the site was used as a service station dispensing gasoline. The project currently has an open case with the County of San Diego Department of Environmental

Health (DEH) to remediate contaminated soils on site. Based on a Phase I Site Assessment Report dated August 2001 and a Letter Report of Site Assessment Activities completed in January 2004, the site contains petroleum hydrocarbon contaminated soils and leaking underground storage tanks. A site assessment workplan has been completed that includes mitigation to reduce the contamination to below a level of significance. The project has been conditioned to require a soils report indicating the mitigation has been completed and a letter from the County of San Diego indicating the open case on the site has been closed prior to the issuance of a Certificate of Occupancy.

Community Planning Group Recommendation:

On April 5, 2005, the Uptown Planners voted 12-2-1 in favor of the project with the recommendation that the applicant use enhanced building materials at the base to reflect the Egyptian Court structure to the North and to setback the north facing balconies on the third floor and above. The project has been designed to incorporate these recommendations. The project incorporates similar quality of detail and building material at the base. Plaster columns of the Egyptian motif will be cast from those found on the existing structure and placed along the first floor storefronts to residential entry on Robinson. All of the balconies on the north side of the building have a setback of 4 feet from the north property line.

Inclusionary Housing:

The project has been conditioned to require the applicant pay an Inclusionary Affordable Housing In-Lieu Fee prior to issuance of building permit pursuant to the Affordable Housing Requirements of the City's Inclusionary Housing Ordinance (Chapter 14, Article 2, Division 13 of the Municipal Code.)

Conclusion:

In summary, staff finds the project consistent with the recommended land use, design guidelines, and development standards in effect for this site per the adopted Uptown Community Plan, the CN-2 Zone, with the exception of the requested deviations to the required minimum commercial area and street wall setback. Draft conditions of approval have been prepared for the project (Attachments 7 and 9); and Findings required to approve the project are included in the draft resolutions (Attachments 8 and 9).

ALTERNATIVES

1. Approve Tentative Map No. 189459 and Site Development Permit No. 144295 with modifications;

2. Deny Tentative Map No. 189459 and Site Development Permit No. 144295 if it is determined that the required findings to approve the project cannot be affirmed.

Respectfully submitted,

Marcela Escobar-Eck Deputy Director, Customer Support and Information Division Development Services Department

ESCOBAR-ECK/FZT

Attachments:

- 1. Aerial Photograph
- 2. Community Plan Land Use Map
- 3. Project Location Map
- 4. Project Data Sheet
- 5. Tentative Map Exhibit
- 6. Project Plans
- 7. Draft Site Development Permit with Conditions
- 8. Draft Resolution with Findings
- 9. Draft Tentative Map Resolution with Conditions
- 10. Community Planning Group Recommendation
- 11. Ownership Disclosure Statement
- 12. Project Chronology
- 13. Egyptian Court Historical Site Board Resolution
- 14. Project Graphic Illustration

Rev 6-15-04 dcj

Firouzeh Tirandazi Customer Support and Information Division Development Services Department