

**DATE ISSUED:** February 23, 2006

**REPORT NO. PC-06-061**

**ATTENTION:** **Planning Commission, Agenda of March 2, 2006**

**SUBJECT:** 5<sup>th</sup> & PENNSYLVANIA - PROJECT NO. 66300 – PROCESS 4

**OWNERS:** Western Pacific Housing, Inc., a Delaware Corporation,

**APPLICANT:** Jeramey Harding

**SUMMARY**

**Issue(s):** Should the Planning Commission approve a new 145 unit residential condominium development with commercial space, located south of Pennsylvania Avenue, west of Fifth Avenue, and east of Fourth Avenue within the Uptown community planning area?

**Staff Recommendation:**

1. Recommend that the Planning Commission **CERTIFY** Mitigated Negative Declaration No. 66300, and **ADOPT** the Mitigation, Monitoring and Reporting Program; and
2. Recommend that the Planning Commission **APPROVE** Site Development Permit No. 201524; and
3. Recommend that the Planning Commission **APPROVE** Vesting Tentative Map No. 201525.

**Community Planning Group Recommendation:** The Uptown Community Planning Group voted 8-5-1 on October 4, 2005 to recommend approval with recommendations discussed within this report.

**Environmental Review:** Mitigated Negative Declaration No. 66300 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:** None. All staff costs associated with processing this project is recovered from a separate deposit account provided by the applicant.

**Housing Impact Statement:** The Uptown Community Plan designates a portion of the site for commercial and multi-family development (.93 acres), and office and residential development on the remaining portion (.62 acres), and the density ranges would allow the construction of between 95 and 147 residential units. The proposed project, to develop 145 dwelling units, would meet the density range for the site and would provide residential dwelling units where none currently exist. Consequently, the project would help the City address its shortage of affordable housing stock during a time when the City Council has determined that the City of San Diego is in a housing state of emergency. As a component of the application, the proposed project would conform to the Inclusionary Affordable Housing regulation, which requires setting aside at least 10 percent of the total number of for-sale dwelling units for households with an income at or below 100 percent of the area median income. The project would be setting aside 15 units of the total 145 units as restricted affordable housing.

## **BACKGROUND**

The 1.55 acre site is located south of Pennsylvania Avenue, west of Fifth Avenue, and east of Fourth Avenue, in the NP-1, CV-1 and CN-1A Zone(s), Transit Area Overlay Zone, of the Mid-City Planned District within the Uptown Community Plan. These zones encourage multiple residential structures with alternating commercial schemes. The “CN” Commercial Node zone provides for distinctive nodes of high intensity, pedestrian oriented development. This zone is interspersed with linear areas of multiple commercial and residential uses with either automobile or pedestrian orientation. The “CV” Commercial Village zone is a pedestrian oriented zone. The “NP” Neighborhood Professional Commercial Office zone provides businesses and professional offices and allied services in areas adjacent to commercial or institutional areas. These zones encourage the development of quality multiple residential structures within the Uptown Community. The NP-1 zone would allow 45 units, and the CV-1/CN-1A zone would allow 101 units, for a total allowed of 146 units. The project request of 145 units does not exceed the maximum allowed density of 147 units, or the maximum allowed units for the underlying zones of 146 units.

The project site is two rectangular shaped areas divided in half by a north-south trending alley. The site has an elevation of approximately 287 feet above Mean Sea Level (MSL) in the southeastern portion of the property to 291 feet above MSL at the southwestern portion of the property. The site currently consists of office, medical office, and parking uses, including the American Red Cross building, American Heart Association building, an existing medical/dental office, and several ancillary buildings. Surrounding the site to the west are office and residential land uses, to the north is primarily residential land uses, while to the east and south are a mixture of commercial, office, and residential land uses.

This project is being processed through the Affordable/In-Fill Housing and Sustainable Building Expedite Program. The project would provide affordable housing per Council Policy 600-27. The project would meet the minimum requirements for supplying Affordable Housing. The project would also provide residential improvement on a site with no current residential housing. The project provides residential use and affordable housing for the Community and the City.

## **DISCUSSION**

### **Project Description:**

The project proposes the subdivision of a 1.5- acre site and construction of 145 residential condominium units, of which 15 units would be designated as affordable housing. The project would construct a five and six-story building that would contain the residential units. The units include 127 market rate condominiums units, 3 market rate stoop units, and 15 affordable condominium units. The five-story residential building would be located on 4<sup>th</sup> Avenue in the NP-1 zone, and would contain 63 units consisting of 1 and 2 bedroom flats and 1, 2, and 3 bedroom stoop units totaling 65,818 square feet. The roof of this building would be approximately 54 feet in height, with roof top equipment and architectural enclosures reaching a maximum height of 65 feet. The six-story residential and commercial building would be located on 5<sup>th</sup> Avenue in the CV-1 and CN-1A zones and would contain 82 units consisting of 1 and 2 bedroom flats totaling 101,823 square feet and 4 commercial spaces totaling 4,744 square feet. The roof of this building would be approximately 70 to 80 feet in height, with roof top equipment and architectural enclosures reaching a maximum height of 88 feet. The two buildings would be separated by an existing alley traversing the center of the site in a north-south direction.

The project provides commercial uses at the street level along 5<sup>th</sup> Avenue, while residential uses would be provided above the commercial components. The 4<sup>th</sup> Avenue building incorporates residential uses only, and three stoop units will be provided to further enhance activity at the street level. The landscaping concept chosen for the project incorporates several existing mature King Palm trees along the 5<sup>th</sup> Avenue frontage, while the remaining portions of the frontage would be landscaped with 36" box trees to further enhance the visual quality of the area. Pedestrian activity and visual quality both also would be enhanced by the proposed undergrounding of existing overhead utilities.

The building facades throughout the development will feature architectural treatments to enhance their appearance, including the sectioning of street wall facades into 50 foot increments, step backs in appropriate locations, and periodic changes in rhythmic pattern of architectural detailing. Multiple entrances into the building would be provided along the 5<sup>th</sup> Avenue street frontage. The orientation of the commercial elements and podium-level recreation areas towards the street enhances street-level pedestrian activity. Deviations to the development standards for setbacks, step backs, and height as discussed in the Project Related Issues section below, are necessary to allow construction of the proposed residential project.

The project site is located along a major transportation corridor where transit service is available. In addition, the project proposes to provide access to parking through the existing alley that divides the two buildings. The alley access precludes the need for curb cuts along 4<sup>th</sup> and 5<sup>th</sup> Avenues. Parking for the project will be provided by two separate semi-subterranean parking structures provided within each building. The parking structure within the 4<sup>th</sup> Avenue building will house 116 standard parking spaces, and the parking structure within the 5<sup>th</sup> Avenue building will house 172 standard parking spaces, for a total of 288 off street parking spaces. The project's parking exceeds the 251 parking spaces required per the Municipal Code, and does not include any tandem spaces. In addition 7 disabled spaces, 14 guest spaces, 17 motorcycle spaces, and storage for 70 bicycles spaces are required and will be provided on site.

The project proposes the construction of two buildings with grading and basement construction. Grading will include approximately 35,000 cubic yards of cut and export. The project construction plans include measures to reduce potentially adverse impacts associated with erosion and slope instability. The project conditions require approval of an engineering permit to allow the proposed grading. The project would be constructed in accordance with engineering standards and Best Management Practices (BMPs) to create a safe and stable site. The proposed project conforms to the development regulations for storm water quality standards. Site Design BMPs are also incorporated into the design, and include minimizing areas of impervious footprint through efficient design, providing enclosed covered parking, maximizing canopy interception and water conservation by additional landscape plantings. Source control BMPs include enclosed and covered trash storage areas, pest resistant and drought-tolerant landscaping, minimization of runoff from irrigation through use of drip systems in the public right-of-way, and stenciled or stamped drain inlets with warnings to discourage illegal dumping or discharge into the storm drains. The proposed development would be required to obtain Building Permits to show that all construction would comply with all applicable Building and Fire Code requirements.

The proposed project requires a Site Development Permit and Vesting Tentative Map. A Site Development Permit is required for this project to deviate from the Land Development Code's development regulations. Affordable/In-Fill Housing projects may request a deviation from the applicable development regulations pursuant to a Site Development Permit. The project proposes twelve Deviations (see "Project Related Issues" section below). The project also requires a Site Development Permit to create this residential development as required by a Mid-City Development Permit, as the project is located in the Mid-City Communities Planned District. A Vesting Tentative Map has been requested and is required to subdivide the project into two lots; one lot includes the 4<sup>th</sup> Avenue structure, the other lot includes the 5<sup>th</sup> Avenue structure.

**Affordable Building Expedite Program:**

This project qualified for the Affordable/In-Fill Housing and Sustainable Building Expedite Program. The Expedite Program provides expedited permit processing for all eligible affordable/in-fill housing and sustainable building projects. This project qualified for this program as the project provides the minimum quantity of affordable housing units per Council Policy 600-27. In addition, the project is requesting deviations from development standards as

part of the affordable/in-fill housing regulations in accordance with San Diego Municipal Code (SDMC) 143.0915 and 143.0920, pursuant to a Site Development Permit.

**Community Plan Analysis:**

The Strategic Framework Element of the City of San Diego Progress Guide and General Plan includes the policy of creating diverse village centers by focusing more intense commercial and residential development in new or redeveloped mixed-use village centers in a manner that is pedestrian oriented, while respecting the existing community character. The Element also includes the policy of ensuring a variety of housing types and range of affordability by concentrating future residential density and to collocate employment and higher density residential uses.

The proposed development will construct 145 dwelling units, including 15 affordable units, and 4,774 square feet of retail area, and will implement these policies of the Strategic Framework Element. The Uptown Community Plan designates the subject site for commercial and multifamily development and would allow up to 147 dwelling units. The Urban Design Element recommends incorporating wide sidewalks and usable plazas to enrich the pedestrian experience. The proposed development will provide 145 dwelling units and enhanced pedestrian amenities, and will implement the policies of the Uptown Community Plan.

**Environmental Analysis:**

An environmental analysis was completed for this project. The project site is not within or adjacent to the City's Multi-Habitat Planning Area (MHPA). Mitigated Negative Declaration No. 66300 was prepared, and finalized for the project on January 24, 2006 in accordance with the State of California Environmental Quality Act Guidelines. A MMRP will be implemented which would reduce, to below a level of significance, the potential environmental impacts identified from the environmental review process for the following resource areas: Public Health & Safety, Paleontological Resources, and Historical Resources for Archaeology. Mitigation for Public Health and Safety requires that prior to demolition of existing buildings the permit shall address asbestos, lead based paint and any other known hazardous materials found within the structures to be demolished. Mitigation for Paleontological Resources and Historical Resources for Archaeology includes monitoring excavations during grading construction, evaluating any significant resources, and preparing post construction reports. Impacts and mitigation are detailed in the environmental report.

**Project-Related Issues:**

Deviations for Affordable/In-Fill Housing - Deviations are being requested as part of the affordable/in-fill housing regulations in accordance with SDMC 143.0915 and 143.0920, pursuant to a Site Development Permit (Attachment 4). These deviations allow for increased pedestrian orientation, increased street presence, and enhanced building articulation along the two frontages. The project proposes thirteen deviations from the development standards of the SDMC setbacks, step backs, and height:

1. The required front setback within the NP-1 zone is 10 feet at the ground level. The building located along 4<sup>th</sup> Avenue within the NP-1 zone is situated 5 feet 2.5 inches from the front property line along approximately 122 feet of the frontage, while the remaining 73 feet of the front façade meets the 10-foot required setback from the front property line. The requested deviation to the front setback requirements of the NP-1 zone facilitates a diverse and interesting street scene by allowing variation in the street wall and articulation in the building façade. The requested deviation also is needed to facilitate the provision of an adequately sized stoop unit at the street level, which enhances pedestrian activity at the street scene. Finally, the deviation would allow for a larger-sized recreation room for the benefit of future residents.

2. The required street side setback within the NP-1 zone is 6 feet. The building located along 4<sup>th</sup> Avenue is situated along the street side property line for 31 feet of the frontage, and is setback from the street side property line by 2 feet 2.5 inches for 50 feet of the frontage, while the remaining 45 feet of the frontage meets the side yard setback requirement of the NP-1 zone. As with the front setback deviation, the requested deviation to the street side setback requirements of the NP-1 zone creates a pedestrian-friendly street scene by allowing greater articulation and diversity in the street wall. The pedestrian orientation is further enhanced by providing porches for the proposed stoop units within the required setback, and the requested encroachment provides for a larger and more marketable stoop unit along the frontage. The deviations to the street side setback also are intended to provide compatibility with architectural characteristics of the 5<sup>th</sup> Avenue building located around the corner.

3. - 6. The required interior side setback within the NP-1 zone is 6 feet, plus an additional three feet step-back for each story above the second story, up to a maximum of fifteen feet. The building located along 4<sup>th</sup> Avenue is set back 3 feet from the property line at the ground floor in lieu of the required 6 feet. The third, fourth, and fifth stories of the building also would require deviations from the interior side step-back requirements of the NP-1 zone, because a variable step-back ranging from 6 feet 2.5 inches to 12 feet 6 inches is provided in lieu of the required 9 feet, 12 feet, and 15 feet, respectively. The requested deviations to the interior side setback and step-back requirements of the NP-1 zone allows for an asymmetrical building façade, and increases the appearance of the stepped-back distance on the upper floors. The requested deviation also is necessary in order to avoid the loss of units including affordable units that strict application of the setback and step-back requirements would cause. The intent of the NP-1 zone is to provide for standards to ensure compatibility between residential and office buildings. The lot situated along the southern edge of the building consists of parking uses, and the requested deviation would therefore not result in an incompatibility between uses.

7. – 9. The required rear setback within the NP-1 zone is 1-foot where the rear property line abuts an alley, plus an additional 7 feet step-back for each story above the second story, up to a maximum of 14 feet. The building located along 4<sup>th</sup> Avenue meets the rear property setback at the ground floor. However, the 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> stories of the building step-back from the rear property line by a distance ranging from 2 feet 6 inches to 6 feet 10 inches, in lieu of the required 7 feet, 14 feet, and 14 feet, respectively. The lack of step-backs provided is partially mitigated by step-backs provided along the rear façade of the 5<sup>th</sup> Avenue building, and the requested deviation would still ensure the provision of variation in the facades facing the alley. The project requires

a 5'0" street widening setback on the 4<sup>th</sup> Avenue frontage of the property, pursuant to Ordinance No. 12094. In addition, redevelopment along alleys must dedicate sufficient right-of-way to achieve a total alley width of 20 feet. The existing alley measures 15 feet in width, resulting in a required project dedication of 2.5 feet of property along the alley frontage. Required dedications along the alley and 4<sup>th</sup> Avenue frontages total 7.5 feet.

10. -12. The building located along 5<sup>th</sup> Avenue is consistent with the setback requirements of the underlying zones; CV-1 and CN-1A. The development standards for the CV-1 and CN-1A zones both require that portions of structures over 36 feet in height must be stepped back 15 feet from the street wall. The building along 5<sup>th</sup> Avenue proposes step-backs above the podium-level of the building ranging from 0 feet to 50 feet. The project is required to accommodate an increased alley width of 5 feet, in addition to a required 5-foot setback along the 4<sup>th</sup> Avenue frontage. The required step-backs cannot be accommodated along the rear property line of the 4<sup>th</sup> Avenue building. In order to partially mitigate for the inability to provide this step-back, the 5<sup>th</sup> Avenue building provides variable step-backs above the podium level, ranging from 13 feet to 17 feet in distance from the rear property line. In addition, Uniform Building Code standards for Type III buildings require a 20-foot setback from the centerline of the alley for the upper floors of the 5<sup>th</sup> Avenue building. By accommodating the required step-back on the rear side of the 5<sup>th</sup> Avenue building to mitigate for the step-back deviations proposed for the upper floors of the 4<sup>th</sup> Avenue building, the 5<sup>th</sup> Avenue building does not provide a step-back along the front property line for the portions of the building over 36 feet in height. However, the design for the 5<sup>th</sup> Avenue building does incorporate two large courtyards at the podium level, which effectively create a step-back of 30 to 50 feet from the street wall along 50 feet of the building façade. The requested deviation would add interest and variety to the 5<sup>th</sup> Avenue building facade.

13. The maximum allowed height within the NP-1 zone is 60 feet when a building is above enclosed parking. The building located along 4<sup>th</sup> Avenue is above enclosed parking in the NP-1 zone. The project would construct a five-story residential building on 4<sup>th</sup> Avenue with 63 units consisting of 1 and 2 bedroom flats and 1, 2, and 3 bedroom stoop units totaling 65,818 square feet. The roof of this building would be approximately 54 feet in height, with roof top equipment and architectural enclosures between 54 feet and 65 feet; reaching a total maximum height of 65 feet. The roof top architectural enclosures would exceed the maximum allowed height by approximately 5 feet. Whereas the 5<sup>th</sup> Avenue building in the CV-1 and CN-1A zones is a six story building reaching a maximum total height of 8 feet above grade. The height limit allowed for the 5<sup>th</sup> Avenue building is 150 feet and 200 feet, respectively. The 5<sup>th</sup> Avenue building is 62 and 112 feet below that zones allowed height. The requested deviation for the 4<sup>th</sup> Avenue building would allow architectural interest for the roof line and maintain a more balanced project with the two adjacent buildings at more compatible heights.

The proposed development would provide 145 new residential housing units with ground floor commercial space. Each of the requested deviations would be necessary to allow the 145 proposed units given the site size and constraints. The proposed development has otherwise been designed and conditioned to ensure conformance to the requirements of the City of San Diego Land Development Code.

Community Planning Group - The Uptown Community Planning Group voted 8-5-1 on October 4, 2005 to recommend approval of the project with recommendations. The board requested that the applicant consider the use of less heavy building materials, and attempt to lessen the bulk of the exterior overhangs and cornices.

The applicant noted that the issue of utilizing a less heavy exterior building material was in reference to the building material sample they presented at the meeting. Reportedly, a board member did not like the texture on the sample. The precise style of stucco material is not identified on the development plans. The community planning group did request the applicant use less coarse stucco. Though the sample presented at the meeting was a very coarse stucco texture, the applicant does not want to use a surface that would be too smooth. It was noted that a smooth stucco would not be compatible with the architectural character of the buildings. The applicant has acquired updated material boards that include less coarse stucco. Therefore, the applicant has agreed to change the stucco as requested, provided some texture is still allowed.

The applicant noted that the request to reduce overhangs/cornices was in response to an elevation shown at the corner of 4<sup>th</sup> and Pennsylvania. The overhangs/cornices the board member referred to is the result of providing balconies for each unit. Reportedly the applicant explained at the meeting that they can not reduce the visual appearance of those overhangs/cornices without substantially reducing the size, or eliminating entirely, the balconies. The applicant agreed to take a look at this item. The applicant noted they would have to reduce or eliminate the balconies on the upper stories to reduce the prominence of those overhangs. Therefore, the balconies remain a part of the project for architectural interest and for providing outdoor space.

### **Conclusion:**

In summary, staff finds that the project does not adversely affect the community plan, design guidelines, and development standards in effect for this site per the adopted Uptown Community Plan, the NP -1, CV-1 and CN-1A Zones, the Subdivision Map Act, and the City of San Diego Progress Guide and General Plan. In addition, this project will meet the minimum requirements for supplying Affordable Housing and allows improvement and residential use of a site containing no residential uses for both the Community and the City.

### **ALTERNATIVES**

1. **Certify** Mitigated Negative Declaration No. 66300, and **Adopt** the Mitigation, Monitoring and Reporting Program, and **Approve** Site Development Permit No. 201524, and Vesting Tentative Map No. 201525, **with modifications.**
2. **Do Not Certify** Mitigated Negative Declaration No. 66300, or **Adopt** the Mitigation, Monitoring and Reporting Program, and **Do Not Approve** Site Development Permit No. 201524 and Vesting Tentative Map No. 201525, **if the findings required to approve the project cannot be affirmed.**

**Respectfully submitted,**

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**Jeffrey D. Strohminger**  
**Acting Deputy Director, Customer Support**  
**and Information Division,**  
**Development Services Department**

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**Diane Murbach**  
**Project Manager, Customer Support**  
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JDS/DM

Attachments:

1. Aerial Photograph
2. Community Plan Land Use Map
3. Project Location Map
4. Project Data Sheet
5. Proposed Site Rendering – 4<sup>th</sup> Avenue
6. Proposed Site Rendering – 5<sup>th</sup> Avenue
7. Existing Zoning
8. Project Site Plans & Vesting Tentative Map
9. Draft Tentative Map Resolution with Conditions
10. Draft Site Development Permit with Conditions
11. Draft Site Development Permit Resolution with Findings
12. Community Planning Group Recommendation
13. Ownership Disclosure Statement
14. Project Chronology