

THE CITY OF SAN DIEGO

REPORT TO THE CITY COUNCIL

DATE ISSUED: January 30, 2008 REPORT NO.: 08-003

ATTENTION: Council President and City Council

Agenda of February 5, 2008

SUBJECT: KENSINGTON TERRACE. Project No. 105244.

Council District 3. Process 4.

REFERENCE: Planning Commission Report No. PC-07-140,

http://www.sandiego.gov/planning-commission/pcreports/07140.pdf

<u>REQUESTED ACTION:</u> Should the City Council deny the appeal and reaffirm the Planning Commission approval of 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. **Deny** the appeal;
- 2. **Certify** Mitigated Negative Declaration No. 105244; and
- 3. **Approve** Planned Development Permit No. 360181 and Vesting Tentative Map No. 360180.

SUMMARY:

Planning Commission Action:

On November 15, 2007 the Planning Commission heard a staff presentation and took public testimony in favor and opposition of the proposed project during a noticed public hearing. After considering the information presented and associated discussion, the Planning Commission voted 5:1:0 to approve the project.

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 east of State Route 15. The 0.78-acre site is adjacent to Adams Avenue on the south, Marlborough Drive on the west, an alley to the north, and Edgeware Road to the east. The project site, being composed of several properties, has two zones. The western portion of the site, a

total of 0.31 acres, is zoned CU-3-3 and the eastern portion of the site, 0.47 acres, is 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. All existing structures would be demolished to prepare the site for development.

The Mid-City Communities Plan designates the site for Commercial and Mixed-Use development 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 majority of the surrounding development is one- and two-story development; however, three-story structures exist adjacent to the project to the west, and to the south of Kensington Park, which is diagonally across Adams Avenue from the project site.

The project site is served by bus route, 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.

Project Description:

The Kensington Terrace project requires a Planned Development Permit and Vesting Tentative Map to demolish the existing gas station, convenience store, and four residences and construct a 56,643 square-foot, three-story mixed-use development located at 4142, 4166, and 4178 Adams Avenue and 4708 Edgeware Road 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 penthouse units and three, three-bedroom, three-bath townhome units. All nine units would be sold for private ownership at market rates.

The third-floor penthouse units 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 townhome would have a private 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. Approximately 80 percent of the third level of the structure is set back 11 feet, creating a terraced effect.

San Diego Municipal Code Sections 142.0525 and 142.0530 require 90 vehicle parking spaces for the proposed development. Of the 90 parking spaces, four would be required as

accessible parking spaces, three as motorcycle spaces and seven as bicycle spaces. The proposed development would provide 112 parking spaces, which is twenty-two spaces in excess of the City's requirement. Within those 22 additional spaces, the applicant has included a car pool space and two, fuel efficient automobile spaces. The project would provide all vehicular access to and from the site within the alley north of and adjacent to the project site, which is a requirement of the Mid-Cities Community Plan. Except for the six vehicle spaces provided in the three townhome units, all parking required for the project would be located within a two-level underground parking garage. Grading would include approximately 22,100 cubic yards of excavated earth for export. Any contaminated soils would be transported and disposed of at appropriately permitted disposal facilities under monitoring by the County Department of Environmental Health.

The project incorporates a variety of various architectural features. These include features similar in design with historic craftsmen style, Spanish themed arches and a variety of materials reflecting the surrounding neighborhood. Two corner plazas of approximately 500 square feet each set the building back at the intersections to open up space and create 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 solar electricity generation system through the installation of photovoltaic solar panels sufficient to generate at least 50 percent of the on-site residential energy demand and 30 percent of the on-site commercial energy demand. In addition, approximately 10,000 square feet of the third floor is proposed as a "green roof." The green roof would be planted with drought tolerant grasses, herbaceous and succulent plant species and reduce surface water run-off during storm events by capturing the water in the roof top soil and making it available to the plants. Runoff in excess of the roof's capacity for absorption would be controlled and delivered to the neighboring storm drain system. Green roofs offer many environmental, economic and health benefits, including reduced urban stormwater runoff, reduced demand for air conditioning, smaller less costly mechanical systems, the production of oxygen from roof top plantings, and reduced building maintenance costs.

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. The traffic study 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 evaluated and as a result, the project was conditioned to mitigate the traffic impacts resulting from implementation of the project to the surrounding street network. The mitigation measures included the construction of a raised median on Adams Avenue between State Route 15 to just east of Terrace Drive; the re-striping of Adams Avenue with a continuous center left-turn lane from just east of Terrace Drive to Aldine Drive; the widening of Marlborough Drive to 36 feet from Adams Avenue to the Alley just north of Adams Avenue; and the installation of a traffic signal at the intersection of Adams Avenue and Kensington Drive.

The implementation of the traffic mitigation listed above would improve traffic flow and provide safer vehicular and pedestrian movements at intersections along that entire corridor of Adams Avenue between State Route 15 and Aldine Drive. It would also address the community plan recommendation to restripe Adams Avenue to a three-lane collector street.

Community Plan Analysis:

The Mid-City Communities Plan designates the proposed 0.78-acre site for Commercial and Mixed-Use development 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 neighborhood serving and specialty businesses. The recommendation to reinforce and enhance pedestrian character would be implemented by the creation of a sixteen foot wide sidewalk that would include tree wells for street trees along Adams Avenue. In addition, the project design would include plazas at the corners of Marlborough Drive and Edgeware Road with Adams Avenue, as well as an internal courtyard. Additionally, bike racks would be provided at street level along Marlborough Drive and Edgeware Road, and bicycle storage facilities would be provided within the two-story underground parking garage to accommodate both patrons and employees of the proposed commercial-retail and office uses. To further the goals of creating a pedestrian environment, the project would remove an existing gas service station and three driveways; two on Adams Avenue and one on Marlborough Drive. The removal of these driveways would create a safer and more defined pedestrian environment.

The Mid-City Communities Plan Land Use Element encourages new market-rate housing in a variety of types, sizes, and costs to the meet the needs of residents in a variety of socioeconomic brackets. The project would create six penthouse residential units above the commercial office space and three townhomes at street level along Edgeware Road. The proposed project would also realize 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 16,255 square feet of office space also creates the opportunity for additional employment within the community.

Properties to the north are designated for residential uses at a density range of six to ten dwelling units per 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 Mid-City Communities Plan does not contain specific policies related to the incorporation of sustainable development measures within new development projects, yet it does embrace the vision of development contributing to the environmental quality of the area. The project would meet this goal by incorporating a "green roof" and the generation of electricity on site by solar photovoltaic technology, as described above

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 proposed project is consistent with this recommendation. The project would construct a three-story, mixed-use structure.

To comply with recommendations that new development reflect the neighborhood character the project includes several design features to meet this goal. Specifically regarding maximum height, building setbacks and massing, roof and window design, front porches, street façade, other architectural details and landscaping, the proposed project incorporates many features to assimilate into the existing neighborhood character. Along Edgeware Road the three proposed townhomes would emulate a Craftsman architectural style to achieve compatibility with existing residences along that street. To further articulate the street façade and reduce the scale of the building, the proposed building would utilize various materials and textures. The rear of the proposed project would also incorporate an articulated façade with windows, varying setbacks, and landscaping rather than create a dead façade onto the alley. The design of this elevation would reduce the bulk and scale of the building when viewed from residences across the alley to the north.

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 resulted in a determination the proposed project could potentially result in significant, yet mitigable impacts in the areas of Paleontological Resources, Human Health and Public Safety, and Transportation/Circulation. These impact areas are discussed in detail 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 Five (Roman numeral) 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:

The project proposes to deviate from 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 San Diego Municipal Code allows an applicant to propose development that deviates 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. These goals would be achieved and are supported by the following information.

The western portion of the site adjacent to Marlborough Avenue is zoned CU-3-3 and the eastern portion of the site adjacent to Edgeware Road is zoned CN-1-3. The CU-3-3 Zone allows a maximum height of 50 feet. The proposed building in this location on the site is a maximum height of forty feet, eight inches. The building on the CU-3-3 Zoned property is well below the maximum allowable height limit.

Rather than build to the maximum height allowed by the zones, the application proposes a deviation from the maximum height of the CN-1-3 Zone. On the western most portion of the project site, the height would be nine feet, four inches lower than the allowed maximum (40 feet 8 inches proposed, 50 feet allowed). On the eastern most portion of the site, the height would exceed the allowable height by eight feet for specific portions of the building (30 feet allowed, 38 feet proposed). The elevations of the proposed building illustrate the intended effect. To reduce the visual appearance of the building height at the western most portion of the site, the project design proposes a public plaza at the corner of Adams Avenue and Marlborough Drive, to build to substantially less than the maximum allowed height, and to step back the third floor from the intersection of Adams Avenue and Marlborough Drive. Combined, these design elements open up the massing of the building and reduce the bulk and scale. The project proposes this lower, terraced design on the western portion of the site in return for an eight-foot increase in height on the eastern part of the site.

Balancing of the two zoning height limitations has many positive results for the project and community. The consistent height across the site eliminates the need for an inefficient additional staircase and elevator access point, allows for the placement of residential units across the entire top floor rather than stacked only within the CU-3-3 zoned portion of the site, provides an unfettered level surface for the green stormwater rooftop technology, and allows for the generation of electricity through the installation of photovoltaic panels. Without the height deviation, the potential fifty-foot building would shadow the remaining

rooftop as well as increase the shadowing of neighboring properties. In addition to terracing the project at both corners (Adams Avenue with Marlborough Drive and Edgeware Road); the design has set the third floor back horizontally along eighty percent of the building. This setback horizontally creates a perception of the façade, when viewed from the sidewalk, 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 apparent scale of the building. The rear of the proposed project would also incorporate an articulated façade with windows, varied building setbacks at each floor level and landscaping to harmonize the proposed project with neighboring residences across the alley to the north.

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

<u>Appeal Issues</u>: The appeal (Attachment 8) filed raises several issues. All appeal issues have been listed in bold followed by staff response and included as Attachment 4 to the City Council Report.

<u>FISCAL CONSIDERATIONS</u>: All costs associated with the processing of this project are recovered from a deposit account maintained by the applicant.

PREVIOUS COUNCIL and/or COMMITTEE ACTION: None with this action.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: On October 10, 2007, the Kensington-Talmadge Planning Committee voted 9-0-0 to approve the project as presented (Attachment 21 of the attached Planning Commission Report). On November 14, 2007 City staff participated in a community meeting held at a church in the community to answer community questions and provide information regarding the entitlement process. Attendance was estimated to be between 250 and 300 community residents.

KEY STAKEHOLDERS:

Terrace Partners, L. P. (See Attachment 5)	
Kelly Broughton	William Anderson
Director	Deputy Chief of Land Use and
Development Services Department	Economic Development

ATTACHMENTS:

- 1. Aerial Photograph/Location Map
- 2. Planning Commission Report No. PC-07-140

- 3. Planning Commission Resolution (PDP) No. 4333-PC-3
- Appeal Issues, including Staff Responses 4.
- Ownership Disclosure Statement 5.
- 6.
- Planning Commission Resolution (VTM) No. 4333-PC-2 Planning Commission Environmental Resolution No. 4333-PC-1 7.
- Appeal by Margaret B. McCann 8.