



**CITY of CALABASAS**

**CITY COUNCIL AGENDA REPORT**

---

**DATE: AUGUST 18, 2008**

**TO: HONORABLE MAYOR AND COUNCILMEMBERS**

**FROM: MAUREEN TAMURI, COMMUNITY DEVELOPMENT DIRECTOR  
TOM BARTLETT, AICP, CITY PLANNER  
GLENN MICHITSCH, SENIOR PLANNER  
MICHAEL KLEIN, ASSOCIATE PLANNER**

**SUBJECT: ADOPTION OF RESOLUTION NO. 2008-1149, CERTIFYING THE ADEQUACY OF AN ENVIRONMENTAL IMPACT REPORT AND APPROVING A GENERAL PLAN AMENDMENT TO CHANGE THE LAND USE DESIGNATION FROM BUSINESS-PROFESSIONAL OFFICE (B-PO) TO MIXED USE (MU), A DEVELOPMENT AGREEMENT FOR THE PURCHASE OF FOUR (4) OFF-SITE MARKET RATE RESIDENTIAL UNITS TO BE SOLD TO QUALIFYING VERY-LOW INCOME RESIDENTS, A VESTING TENTATIVE TRACT MAP (NO. 66208) FOR THE SUBDIVISION OF RESIDENTIAL CONDOMINIUM UNITS, AN OAK TREE PERMIT FOR THE REMOVAL OF FOUR (4) COAST LIVE OAK TREES AND THE ENCROACHMENT INTO THE PROTECTED ZONE OF TWENTY EIGHT (28) COAST LIVE OAK TREES, A DEVELOPMENT PLAN FOR AN INCREASE IN THE ALLOWED FLOOR AREA RATIO FROM 0.2 TO 0.7447; AND THE INTRODUCTION OF AND RECOMMENDATION TO WAIVE FURTHER READING OF ORDINANCE NO. 2008-255, APPROVING A ZONE CHANGE FROM COMMERCIAL OFFICE (CO) TO COMMERCIAL MIXED USE (CMU) TO ACCOMMODATE THE DEVELOPMENT OF A 174,413 SQUARE-FOOT, 44.3-FOOT TALL MIXED USE PROJECT, WHICH CONSISTS OF 79 RESIDENTIAL CONDOMINIUM UNITS AND 13,135 SQUARE FEET OF RETAIL/RESTAURANT USES, LOCATED AT 23500 PARK SORRENTO.**

**MEETING DATE: SEPTEMBER 10, 2008**

---

## **SUMMARY RECOMMENDATION:**

Staff recommends that the City Council adopt Resolution No. 2008-1149 (Attachment A) and approve a motion to waive further reading of and introduce Ordinance No. 2008-255 (Attachment B), certifying the adequacy of the Environmental Impact Report and approving GPA-006-006, ZCH-007-000, DA-007-000, TTM-006-004, OTP-007-004 and DP-007-000 for the development of a 174,413 square-foot mixed use project located at 23500 Park Sorrento.

## **REVIEW AUTHORITY:**

The City Council is reviewing this project because Sections 17.76.030 (General Plan Amendment); 17.41.040 (Tentative Tract Map); 17.62.060 (Development Plan); 17.68.030 (Development Agreement); 17.26.070 (Oak Tree Permit) of the Calabasas Municipal Code stipulate that upon receipt of the Planning Commission's recommendation, the City Council shall approve, conditionally approve or disapprove the above mentioned permits.

## **BACKGROUND:**

On March 17, 2006, D2 Development submitted an application for the construction of a 270,000 square-foot mixed use project to include 15,000 square feet of retail, a 4,500 square-foot senior center and 122 residential condominium units. Throughout the development review process the scope of the project has been modified numerous times and downscaled to the current proposal. The subject site is currently developed with the Calabasas Inn banquet facility. The applicant proposes to demolish the existing structure and site improvements, and re-develop the site with a new 174,313 square-foot mixed use project. The property is located within the Commercial Office (CO) zoning district and has a General Plan land use designation of Business-Professional Office (B-PO). Commercial retail and residential multi-family uses are not permitted in the CO zoning district; therefore, the applicant is requesting a zone change to Commercial Mixed Use (CMU) and a general plan amendment to Mixed Use (MU) in order to allow approval of the project.

The project was reviewed by the Development Review Committee (DRC) on May 16, 2006 and December 5, 2006. The Design Review Panel (DRP) reviewed the project on June 22, 2007 and July 27, 2007. The DRP recommended approval of the project design on July 27, 2007. In addition, the City Council and Planning Commission held a joint preliminary scoping meeting on July 5, 2006, to review and discuss the proposed concept for the redevelopment of the Calabasas Inn site, and provide preliminary guidance to staff regarding the scope of environmental review under CEQA.

On August 28, 2007, the Traffic and Transportation Committee (TTC) reviewed the application and associated traffic study. The TTC recommended approval of the project with six (6) conditions for the Planning Commission and City Council to consider. Those conditions were incorporated into the conditions of approval for the project (Attachment E, Exhibit E).

An Initial Study was prepared for this project, and after considering the potential impacts the proposed project might have on the environment, it was determined that an Environmental Impact Report (EIR) was required. The Draft Environmental Impact Report (DEIR) was prepared and circulated for public review and comment on April 7, 2008. The public review and comment ended on May 21, 2008. The EIR has been posted on the City's webpage from the beginning of the comment period and remains posted. Comments sent to the Planning Department were responded to and are incorporated into the Final EIR, along with the Mitigation Monitoring and Reporting Program (MMRP), the Final EIR is attached as Attachment H.

The Planning Commission reviewed the project on August 14, 2008 (see PC Minutes attached as Attachment D). At the meeting, there were various members of the public that spoke about the project. Public comments in general were favorable to the mixed use concept and architectural style of the building. A few concerns, however, were raised about the height (one speaker), traffic, parking, and a future pedestrian linkage to Old Town Calabasas. After having reviewed the staff report, staff presentation, and public comments, the Planning Commission unanimously adopted Planning Commission Resolution No. 08-432 (by a vote of 4-0) with the changes reflected in the Addendum to the Staff Report. As a result, the Planning Commission approved Conditional Use Permit No. 600-054 and Site Plan Review No. 006-054, and forwarded a recommendation that the City Council certify the adequacy of the Environmental Impact Report and approve General Plan Amendment No. 006-006, Zone Change No. 007-000, Development Plan No. 007-000, Tentative Tract Map No. 006-004, Development Agreement No. 007-000, and Oak Tree Permit No. 007-004.

#### **DISCUSSION/ANALYSIS:**

The following analysis is designed to provide a basic overview of the project, and to focus on the most critical issues. For a more detailed discussion and analysis of the project including basic Code conformance matrices, please refer to the Planning Commission Agenda and Addendum reports in Attachments E and F.

- A. **Site Design/Building Layout:** The proposed project consists of a mixed use development with 79 residential condominium units and 13,135 square feet

of restaurant and retail uses. The restaurant and retail uses will be located on the ground level and situated toward Park Sorrento. The proximity of the retail uses to Park Sorrento will encourage pedestrian friendly shopping. Outdoor dining and patio areas will also be provided adjacent to the two restaurants and one bakery. The residential units will be located on floors one through four, with the ground floor units situated towards the rear of the property. There will be a one level subterranean parking structure below all three buildings that will provide the majority of residential, commercial and guest parking. Additional commercial parking will be located on grade adjacent to the commercial uses. The proposed site design is intended to keep commercial patrons towards the front of the property, while residential owners will have access to the rear of the property and use of the Calabasas Lake and Tennis and Swim Center. It is also important to note that the project is designed to utilize only the existing developed/disturbed areas of the project site, and not to encroach into any undisturbed portions of the site.

Although connected by a subterranean garage, the (above ground) project components consist of three buildings spaced reasonably apart to create an open, village feel. The driving force behind the current design were comments made by Council and Commissioners from the joint Planning Commission and City Council meeting held on July 5, 2006, when the project concept consisted of a significantly larger project massed into one large building. All three buildings feature open air landscaped atriums and are connected by bridges/catwalks that allow residents to access the residential portion of the project without having to enter the public commercial areas. The residential units will have direct elevator access to the subterranean parking garage, and separate gated parking. Furthermore, the residential units can be accessed from the ground floor via a private lobby entrance. As a result, the residential component of this project has been designed to provide adequate separation from the commercial component. The applicant has also proposed on-site amenities such as a 100% non-smoking project (including the condominiums) and a creekside trail that could be used as part of a future public walkway to Old Town Calabasas should the City decide to pursue a connection. Please see Attachment G for project plans, color/materials boards and renderings.

- B. **Circulation/Traffic:** Access and exiting to the project site will be accommodated through two driveways, a main (western) driveway and a secondary (eastern) driveway. Although both driveways accommodate ingress/egress needs, the primary western entrance will allow for easier access to the subterranean parking garage. The secondary eastern entrance will allow for quick surface parking access and will function as the main

accessway for commercial deliveries, which will use a loading/unloading space adjacent to the restaurant/retail uses in the structure closest to Park Sorrento. Emergency vehicle access is via both driveways; however, the eastern driveway is gated approximately 230 feet south of Park Sorrento, only allowing for emergency vehicles within the gated area to access areas south of the building.

The applicant has submitted a traffic and circulation study to determine the potential traffic and circulation impacts associated with the proposed mixed-use project. Area intersections were studied for traffic volume impacts based on two scenarios: 1) a 2009 traffic forecast combined with the numbers generated from development of the project, and 2) an analysis that adds the traffic numbers (from the calculation described above) to traffic increases expected from the cumulative build out of area projects. Based on the findings of the traffic study, development of the proposed project would not exceed the City of Calabasas or City of Los Angeles impact thresholds for any of the area intersections based on the 2009 forecast traffic numbers. However, based on the cumulative build-out of area projects, it was concluded that the traffic generated by the proposed project would exceed the City's established impact threshold for one intersection, the Calabasas Road (W)/101 Southbound Ramps intersection (across from the Volvo Dealership). Because of incremental impacts associated with the proposed project along with development of the Volvo dealership and a recently approved affordable housing complex (Farmer Project) in the Old Town Calabasas area, the City is planning to develop future improvements to this intersection. In order to mitigate for its contribution of traffic impacts, the project has been conditioned to contribute its fair share to the cost of anticipated improvements to this intersection.

The traffic study also examined sight distances at the proposed driveway locations on Park Sorrento. At the proposed western driveway, the sight distance looking west towards Park Granada is over 400 feet. However, the sight distance looking east would be limited by cars parked along the south side of Park Sorrento. Similarly, at the proposed eastern driveway, the sight distance looking to the east is 260 feet; however, the sight distance looking west is limited to 120 feet by on-street parking. Therefore, it is recommended that on-street parking be prohibited along the south side of Park Sorrento between the two driveway locations. This would increase sight distance from both driveways in both directions to over 250 feet, which is consistent with Caltrans standard for minimum stopping distance for roadways with 35 mph speed. It would also eliminate 6 street parking spaces in an area with observed parking deficiencies. In order to mitigate for the loss of six (6) street parking spaces, staff recommends that the applicant

be required to provide six (6) additional on-site parking spaces (available to the general public for any purpose), for a revised project total of 308 parking spaces.

General traffic concerns on Park Sorrento were raised by the public both during the EIR public review process and the Planning Commission meeting. The concerns were mainly regarding the affects of development of the project on intersections at Park Granada/Park Sorrento, and at Park Sorrento/Park Ora. According to the traffic study, impacts at both these locations will be minimal. Although the project will contribute more cars during peak AM and PM hours, the Level of Service (LOS) at these intersections will not be significantly impacted. Other public comments focused on safe car movements into and out of the project site. Although left turn visibility is limited because of an inward curve of the road at the project site location, removal of parking on the south side of Park Sorrento as described above will increase visibility to a safe level, and no significant queuing is expected on Park Sorrento or from those exiting the development.

- C. **Parking:** The proposed mixed use project includes 79 residential condominium units and 13,135 square feet of retail/restaurant uses including additional outdoor dining areas. Based on the parking requirements of section 17.28.040 of the CMC the proposed project is required to provide 302 total parking spaces (see table below). The applicant is proposing to provide 57 of these as surface level parking spaces and the remaining 245 spaces in a one-level subterranean parking structure located beneath the buildings. The surface level parking spaces will be used exclusively for self parking for the commercial component. Also, there will be 59 commercial, 26 guest and 160 residential parking spaces in the subterranean garage. The parking garage will include one ramp located in the center of the property. The residential parking spaces will be separated from the commercial and guest parking by an unmanned gate.

As outlined above, the proposed project will provide the required number of parking spaces per City Code. By complying with the City's parking requirement, the proposed project will have adequate parking to accommodate the users of the facility without spillover to the public streets. Furthermore, based on a shared parking analysis submitted to and peer reviewed by the City, the project's actual parking demand is expected not-to-exceed 287 spaces at its peak period of 7pm daily, which is 15 spaces less than the number of parking spaces provided.

Taking a broader look at area wide parking resources, the commercial (northwestern) portion of Park Sorrento exhibits a high volume of public

street parking usage. This is mainly due to several adjacent facilities (permitted and constructed prior to the City's incorporation) containing parking deficiencies. To compensate for this general shortage, office tenants and patrons have utilized street parking resources and, more recently, used spaces at the project site (under a licensing agreement) to serve their parking needs. With development of the Calabasas Inn site, parking opportunities on-site will be lost, and additionally, as mentioned above, 6 street spaces will be lost to ensure safe egress from the proposed project. Because of the recognized value of the street parking, the applicant is required to mitigate the loss of these 6 spaces by providing 6 additional spaces on the project site that will be unrestricted public parking spaces in perpetuity. These spaces can be accommodated without expanding the development footprint.

The issue of an area parking shortage was brought up several times by the public commenting throughout the EIR process and at the Planning Commission hearing. A number of area office condominium owners across Park Sorrento from the project site purchased into office complexes that were not developed with enough spaces to accommodate their business needs. The applicant originally suggested that the development could provide extra spaces to be leased out by members of the general public. Unfortunately, Calabasas Park Homeowners Association (CPHA) issued a letter of support for the project that included strong opposition statements to the project providing extra spaces for the purpose of leasing them to the general public. Because of this, the applicant revised the proposed to not include extra parking spaces for the community. However, at the Planning Commission meeting held on August 14, 2008, a representative from CPHA spoke to the parking issue, and indicated that CPHA would most likely be amenable to the leasing of parking spaces as long as they are leased only to area office condo owners. As mentioned above, the actual parking demand for the project is 15 spaces less at the project's peak parking need. In recognizing this, the Planning Commission conditioned that the applicant should submit an application for review and approval of the Community Development Director to approve a parking reduction consistent with City Code and allow those extra spaces to be leased to area business owners.

- D. **Architecture/DRP:** The proposed mixed-use project has been designed to incorporate Santa Barbara Mission Style architecture. Specific design elements include: mansard roof design incorporating skylights and rustic finishes, attractive balconies/patio with glass/metal railings, stone-clad first floor colonnade, and large atriums between buildings with lush landscaping (Attachment G). The commercial and outdoor dining areas include attractive glass/plaster/stone entryways, fountains and sculptures. Overall, the architecture is intended to provide the neighborhood with an upscale, visually

attractive, pedestrian friendly shopping environment, and high-end residential living.

The project was reviewed and given an approval recommendation by the Design Review Panel (DRP). Two minor design modifications were suggested by the DRP including providing a more prominent and inviting pedestrian entrance from Park Sorrento and reducing the massing of the structures by softening the building corners through the use of decking or by stepping the structure. The DRPs comments have already been incorporated into the final design concept.

- E. **Biology/Oak Trees:** The project site has been thoroughly examined for Biological Resources. Of the 5.43-acre site, 2.87 acres are currently developed with the Calabasas Inn structure, a paved parking area and landscaped areas consisting mostly of turf and landscaping trees. The remaining portions of the property are comprised of McCoy Creek and associated riparian vegetation. A segment of McCoy creek beginning from an existing small concrete footbridge/crossing (behind the existing Calabasas Inn structure) south and westward to the property line has been channelized with concrete and contains considerably less riparian vegetation than the non-channelized portions.

The biological assessment submitted by the applicant and peer reviewed by the City surveyed, mapped and described all biological resources on-site. The assessment also includes a survey of sensitive habitats, and sensitive plant and animal species that were observed on-site or expected to occur either on-site or in the general vicinity that could potentially be affected by the proposed development.

Southern Coast Live Oak Riparian Forest is the only sensitive habitat that occurs onsite. This habitat is a relatively isolated habitat, being that it is surrounded by development and is not close to any large blocks of open space or native wildlife habitat. The Southern Coast live oak riparian forest occupies 0.76 acres (14 percent) of the subject site and is located within and adjacent to McCoy Creek. Regionally, McCoy Creek connects to Arroyo Calabasas, which is a tributary to the Los Angeles River, and therefore, portions of the riparian/wetland area also fall under the jurisdiction of the United States Army Corps of Engineers (Corps) and the California Department of Fish and Game (CDFG).

The biological assessment has identified the four (4) following sensitive wildlife species and two (2) species of concern that may occur or are known to occur on the site:

- oak titmouse (sensitive - year round resident)
- Nuttall's woodpecker (sensitive - year round resident)
- white throated swift (sensitive - transient, but observed on-site)
- rufous hummingbird (sensitive - transient, but observed on-site)
- two-striped garter snake (species of concern – not observed, but may occur onsite)
- San Bernardino ringneck snake (species of concern – not observed, but may occur onsite)

These sensitive species and species of concern could be affected by development of the parcel; however, implementation of mitigation measures D-1, D-3 and D-4 as described in the EIR will mitigate any potentially significant impact to less than significant levels by requiring planting of mitigation Oak trees, requiring a program to capture and relocate all reptiles prior to any grading activity, and requiring pre-construction bird surveys prior to any in-nesting-season construction work.

The project development would permanently impact 0.04 acres (5.2 percent) of southern coast live oak riparian forest habitat, 0.025 acres of which is jurisdictional by Calif. Dept. of Fish and Game. This is due to the unavoidable encroachment of the Fire Department-required access road. Implementation of EIR Mitigation Measure D-1, involving the establishment of a new Oak forest onsite at a 1:1 replacement ratio totaling 0.04 acres to an onsite open space area, and fencing off oaks that fall within 20 feet of the construction area, will reduce this impact to a less than significant level.

The applicant submitted an Oak Tree Report to the City that surveyed Oak trees on or adjacent to the project site, described impacts to the Oak trees, and made recommendations for protection of and mitigation of Oak tree impacts. According to the Oak tree report, there are 174 total Oak trees within the project construction zone. Of the 174 Oak trees, 134 are protected under the City's Oak Tree Ordinance (i.e. trunk diameter of 2" or greater at 4.5 feet above grade), and 21 of the 134 are Heritage trees. The following impacts to Oak trees are expected:

- 4 removals (to be transplanted on-site)
- 24 encroachments into the protected zone by structures/grading
- 4 encroachments into the protected zone by proposed footpath
- 29 potential encroachments if the City were to develop a pedestrian connection to Old Town Calabasas
- 10 of the 21 Heritage trees will be encroached upon with no removals

The City's Oak Tree Ordinance requires protective measures during and after construction such as Oak tree protective fencing, observation of work by the project arborist, preservation of natural leaf litter, mulching after work is completed, and implementation of a mitigation plan that includes inch for inch replacement for all removals and/or transplants either on-site or at an approved off-site location and monitoring of all impacted and replacement trees for a period of 5 years. The applicant's Oak Tree Report recommended mitigation measures in compliance with the City Code requirements for the protection of Oak trees. The City's arborist, James Dean, has peer reviewed the applicant's Oak Tree Report, and concurs that the findings and recommendations in the Oak Tree Report are consistent with the City's Oak Tree Ordinance, and therefore recommends approval of the permit (see Attachment E, Exhibit G). Additionally, the project EIR contains a series of Mitigation Measures (contained in Mitigation Measure D-1), which are also consistent with the requirements of the City's Oak Tree Ordinance, and provide maximum protection for the Oak trees.

- F. **Affordable Housing/Development Agreement:** Chapter 17.22 of the CMC requires all new residential development with 5 or more dwelling units to provide affordable housing within the development. If it is not feasible for the applicant to incorporate affordable housing units within the development, the applicant may request that the City Council allow the developer to satisfy the requirement off-site or pay an in-lieu fee. Both of these options require entering into a development agreement with the City which requires City Council approval. Furthermore, projects that offer affordable housing are eligible under State law for a density bonus and at least one incentive (or concession) based on the number and type of affordable housing provided. Section 17.22.020(B)(2) allows for up to a 20% density bonus when 5% of the total project units are dedicated as very low income units (meaning they are sold at prices affordable to households with an income of up to 50% of the county median income). Because the proposed project includes the construction of 79 residential units, the applicant is required (under the City's Inclusionary Housing Ordinance) to provide at least 4 (5% of 79 units) very low income units to satisfy the City's affordable housing requirements and qualify for the density bonus and incentive described above.

When provision of affordable housing is determined to not be feasible on-site, Section 17.22.040(D) allows the applicant to convert existing market rate housing to affordable housing through a "buy down" mechanism, and establishing restrictive covenants. In this case, the applicant is requesting to provide four (4) very-low income for sale housing units through the purchase of existing off-site condominiums near the project site at current market rate, and then selling those units to qualified individuals, couples or families at a

reduced rate established by the City's affordable housing requirements. The request includes an application for a development agreement as required by Code. If approved, the proposed purchase and buy down of off-site units for affordable units will satisfy the City's inclusionary housing requirement.

It is important to note that, as mentioned above, the City is required to grant a density bonus and one (1) concession (if requested by the applicant) for providing 5% of the total number of units as (very low income) affordable units. The idea is that the density bonus and/or incentive help the project become economically viable so that the developer does not bear a financial hardship in providing the affordable units. The developer can request the density bonus, the concession, both or none. The City is obligated to grant a requested density bonus and provide a requested concession under State law. However, the City can dispute the need for the concession only if it makes written findings supported by evidence that the concession is not necessary to provide for affordable housing costs, or that the concession would have a specific adverse impact on public health and safety or the physical environmental or on any real property listed in the California Register of Historical Resources.

The applicant is not requesting a density bonus; however, the applicant is requesting a concession for an increase in the City's height requirement from 35 feet to 44.3 feet. Staff has examined pro forma data submitted by the applicant to determine if the increase in height is necessary to make the project viable enough for the applicant to provide affordable housing. The same project concept meeting the City's height requirement of 35 feet (which yields 18 less units) will not provide the applicant a rate of return on investment reasonable enough (under current market conditions and reasonable rate-of-return expectations) to provide affordable housing. Therefore, staff believes requesting a concession for an increase in height is a reasonable request to allow for the provision of affordable housing. Additionally, as described in Section I of this agenda report, it is staff's position that the requested increase in height will not create an adverse impact on public health or safety, the environment, or any real property listed in the California Register of Historical Resources.

Also important to note is that the provision of units off-site as requested by the applicant does not help the City in meeting our newly assessed Regional Housing Needs Assessment (RHNA) goals. In order for units to count towards our RHNA goals, the units would have to be new units provided on-site, or must be provided through a buy down program for off-site rental units. Although State policy would allow new affordable units constructed within the development and/or a buy down of existing "rental" units toward

our City's RHNA mandate, the subject application preceded the revision in State law, and the actual RHNA mandate at the time for Calabasas was zero units.

- G. **LEED:** Section 17.34 of the CMC requires all new or reconstructed non-residential development to meet LEED (Leadership in Energy and Environmental Design) (version 2.0) standards. According to section 17.34.010(B) of the CMC, the development of non-residential structures exceeding 5,000 square feet shall be subject to the Calabasas Green Building Ordinance and shall be required to achieve at minimum the equivalent of a "Silver" rating under the LEED for New Construction (version 2.0) rating system.

This project is unique in that it is a mixed-use development that combined both residential and non-residential uses within the same structure. Nevertheless, the commercial component of this project is 13,135 square feet, thus the commercial component must achieve a "Silver" rating. The applicant has provided the City with a LEED version 2.0 checklist and narrative demonstrating how they intend to achieve a "Gold" rating (see Attachment E, Exhibit K). Also important to note is that although the Calabasas "Green" Development Code only requires compliance for non-residential development, the applicant has expressed that there is a possibility that the entire project could achieve the equivalent of a "silver" rating. Some of the more notable LEED project components are:

- Subterranean parking and use of landscape shading (to reduce heat island effect)
- Water efficient native and drought tolerant landscaping (reduce water need)
- Low flow/flush fixtures (reduce water need)
- Solar Power to run water heaters (reduce power need)
- Reuse of materials from the existing Calabasas Inn structure
- Recycled content materials
- Construction Indoor Air Quality Management (construction and pre-occupancy)
- Low Voc Materials (paints, adhesives/sealants, carpet, composite wood)
- System controls (for thermal comfort)
- Green Cleaning

- H. **General Plan/Zoning Amendments:** To accommodate the proposed mix of residential, restaurant and commercial uses, the applicant is proposing to amend both the General Plan and Zoning Designations from Business Professional Office (B-PO) / Commercial Office (CO) to Mixed Use (MU) / Commercial Mixed Use (CMU).

The existing B-PO / CO land use designation permits general business offices, medical, professional, real estate, financial, and other offices, and similar related compatible uses. Furthermore, a 100% senior residential complex is conditionally permitted. The allowable land use intensity for this zone ranges from 0.2 to 0.5 FAR.

The Mixed Use land use designation is intended to promote innovative site design and creation of urban, pedestrian-oriented developments by permitting a broad range of office, retail, other commercial uses and high intensity residential uses within an integrated, multi-use setting. The City's General Plan Land Use Element allows intensities for Mixed Use ranging from 0.2 FAR to 1.0 FAR. Therefore, an amendment to the General Plan designation allows for greater intensities than what currently exist. However, amending the Development Code designation to CMU actually lowers the allowable FAR to 0.2, which provides the City more discretion over projects requesting increases in intensity because the only Development Code mechanism that allows increases to the FAR over 0.2 is through approval of a Planned Development Overlay Zone, which requires Council approval. Additionally, although amending the General Plan/Zoning designation to Mixed Use will allow potential development intensities greater than the current CO designation, the proposed amendment will not create a land use intensity for the subject parcel that is out-of-line with ones that currently exist in the area (see Attachment E, Exhibit H).

The shift to a Mixed Use designation will also promote a more ecological and pedestrian friendly project than would otherwise be allowed. Living spaces in close proximity to necessary services, shopping opportunities, working spaces and public transit reduce the need for vehicle trips, promotes healthier living through encouragement to walk, and creates new social spaces within an area slowly emerging as the City's central core. It also is consistent with the City's existing and continuously reinforced "green" goals and initiatives which encourage using less resources and being more efficient.

Another useful comparison is one of environmental impact. The primary intent of the current B-PO / CO land use designations is to allow for a variety of office uses. Because of this, the project EIR analyzed a viable alternative development of a professional office building at a FAR of 0.5, or approx. 117,000 square feet. At that size, which is allowable under Code without amendments to the General Plan and Development Code, an office project would result in a project with greater impact than what is currently proposed.

For example, a 117,000 square-foot office building would require a minimum of 468 parking spaces (or 166 more parking spaces than the proposed project) to be located in either a standalone parking garage or larger subterranean structure, either of which would be more intense than the single-level subterranean parking garage for the proposed project. The office building would require a minimum of 45,550 more cubic yards of dirt export. Additionally, an office building would result in increased traffic volumes and impact to the area (an estimated increase in AM and PM peak trips of up to 300%). To this end, an office building built consistent with the existing General Plan and zoning designations could result in a development with increased impacts without providing the ecological and social benefits that granting the proposed amendments to the General Plan and zoning designations could provide such as reduced vehicle needs, additional retail/restaurant amenities or affordable housing for the area.

The amendment to the General Plan and Zoning designations were also analyzed for compatibility with the surrounding area. The subject parcel is surrounded by a mix of land uses. Old Town Calabasas has mostly boutique commercial retail, restaurant and some service uses. The Civic Center area has office, hotel, civic, and retail uses. East and south of the parcel are single-family and multi-family residential uses, as well as recreational and open space uses. Within this context, a mixed use designation placed on this parcel allows land uses that are already permitted in the general vicinity such as residential, retail and service uses, but now can be consolidated on a single parcel. Additionally, this area of Calabasas is currently the only area of Calabasas that has an existing concentration of mixed-use-designated land and continues to evolve into an area that will benefit more from the creation of more opportunities to live, work, shop, walk, meet and gather in one general area. Upscale restaurant and retail uses will be frequented by local office tenants and residents, as well as on-site residential owners, and as a result, the proposed mixed use development meets the following social objectives outlined in the General Plan as features which enhance community character:

- Provisions of gathering, meeting, and recreational places;
- Pedestrian-oriented uses within a mixed use context in and adjacent to Old Town;
- Design of commercial facilities which facilitate, rather than hinder, pedestrian circulation within the facility, as well as between commercial facilities and adjacent residential neighborhoods.

Given the above mentioned circumstances, the requested General Plan amendment from B-PO to MU and zone change from CO to CMU is consistent with the goals and policies of the General Plan, and is therefore appropriate for the subject site.

- I. **Building Height:** The proposed mixed-use project includes three separate buildings with varying heights. The tallest point of the proposed buildings is 44.3 feet above grade, which exceeds the City's 35-foot height limit. Other portions of the building range in height from 26.4 feet to 43.5 feet above grade. In order to minimize the visual impact of a 44.3-foot tall building, the tallest points are located in the center of the project and are therefore less visible to the public.

The applicant is requesting an increase in height as the one concession for complying with the City's affordable housing requirement. In accordance with section 17.22.030(c) an eligible project shall receive one incentive for providing at least 5 percent of the total units for very low income households. A reduction in parcel development standards is an allowed type of incentive. As described in Section F of this agenda report, staff feels the increase in height is justified through an analysis of pro forma data.

In addition, the grant of concession will not create a specific adverse impact to public health and safety, the environment, or to any real property listed on the California Register of Historical Resources. More specifically, the proposed increase in height to 44.3 feet is consistent with the height of other buildings in the vicinity. Project approved both prior to and after the City's incorporation have been approved and developed in excess of 35 feet high. Please refer to Attachment E, Exhibit I for a table of buildings in the vicinity that exceed the City's maximum height requirement. Some notable examples are the Hilton Garden Inn, the Kilroy office complex and substantial portions of Calabasas Square (the three story office building directly across from the project site).

- J. **Building Size / PD Overlay Zone:** The proposed 174,413 square-foot mixed-use project has a Floor Area Ratio (FAR) of 0.7447, which is greater than the maximum allowed FAR of 0.2 for the CMU zoning district. As a result, the applicant has filed an application for a Planned Development (PD) Overlay in order to allow for the requested increase in FAR. The purpose of the PD Overlay is to provide maximum flexibility in site planning and design for residential, commercial and mixed-use projects. The PD Overlay may be applied where site characteristics, adjacent land uses or other community conditions may be benefited by accommodations in site planning that could not otherwise be accomplished through the development standards required

in the primary zoning district. Planned Developments are encouraged to produce projects of equal or greater quality that would otherwise be feasible through traditional zoning. Approval of a development plan with a PD Overlay district may include specific modifications to the City's development standards normally required by the zoning district, such as FAR.

The request for a PD Overlay zone in order to increase the allowed FAR for the site (under the proposed CMU zoning) from 0.2 to 0.7447 creates a viable mixed use project. The current (CO) zone allows for a FAR of 0.5, which could accommodate, by Code, either a 158,085 (0.675 FAR) square-foot senior residential complex (assuming the project qualifies for a 35% density bonus for providing affordable housing), or a 117,100 square-foot (0.5 FAR) office building. As a result, the requested increase in FAR is comparable in size to a project likely to occur (without a land use designation and zone change); however, it includes an additional net increase of 16,328 square feet, or 0.07 FAR, over the maximum potential build out of the site under the current zoning district. Allowing the additional ~16,000 square feet transforms a potential 100% residential development with no social benefit into a development that includes retail and restaurant uses, thus making the project a true mixed use development.

A scenario that does not amend the land use designations and proposes a 117,100 square foot office building would result in a significantly smaller building (about 57,000 sq. ft. smaller). However, as mentioned in Section H of this staff report, a commercial office building produces a project with more grading, greater parking needs, and 400% more traffic than the proposed project. More cars in the area also create more noise and greater adverse air quality impacts. Similar to the 100% senior residential example above, an office project would not create additional social gathering spaces or provide more restaurants, retail, and services to the area.

As designed, the proposed mixed use project will promote a healthy pedestrian friendly project adjacent to the Commons and Old Town Calabasas. As a result, a mixed use/pedestrian friendly project in this section of the City is a benefit to the surrounding neighborhood by providing additional retail services and social gathering spaces for local residents and office tenants.

Additionally, since the Mixed Use General Plan land use designation has a maximum land use intensity of 1.0 FAR, a 0.7447 FAR is consistent with the land use intensities allowed under the proposed General Plan designation for the subject site. Given these circumstances, the requested PD Overlay Zone to allow a 0.7447 FAR, is appropriate for this site.

**REQUIRED FINDINGS:**

The findings required in Section 17.62.050(E), 17.62.020(E), 17.26.070(E), 17.76.050(A), 17.76.050(B), 17.62.060(D), and 17.41.100(D) of the Calabasas Municipal Code for Conditional Use Permits, Site Plan Reviews, Oak Tree Permits, General Plan Amendments, Zone Changes, Development Plans, and Tentative Tract Maps are contained in the resolution attached as Attachment A.

**ENVIRONMENTAL REVIEW:**

A Final Environmental Impact Report (FEIR) was prepared for this project and is attached as Attachment H. In preparing the FEIR, staff independently reviewed, evaluated and exercised judgment over the project and the project's environmental impacts.

**CONDITIONS OF APPROVAL:**

See conditions contained in the resolution attached as Attachment A.

**PREVIOUS REVIEWS:**

**Development Review Committee (DRC):**

- |                  |  |
|------------------|--|
| May 16, 2006     | Comments provided by various agencies, requests for revisions were made. |
| December 5, 2006 | Comments provided by various agencies.                                   |

**Design Review Panel (DRP):**

- |               |   |
|---------------|---|
| June 22, 2007 | Overall architecture is good; however, bulk and massing may be an issue. Provide a more inviting pedestrian entrance. |
| July 27, 2007 | Previous comments were addressed.   |

**Preliminary Scoping Meeting:**

- |              |            |
|--------------|------------|
| July 5, 2006 | No action. |
|--------------|------------|

**EIR Scoping Meeting:**

- |                   |                           |
|-------------------|---------------------------|
| November 28, 2007 | Public comments received. |
|-------------------|---------------------------|

**Planning Commission:**

August 14, 2008      Approved Planning Commission Resolution No. 08-432

**FISCAL IMPACT/SOURCE OF FUNDING:**

None

**REQUESTED ACTION:**

Staff recommends that the City Council adopt Resolution No. 2008-1149 (Attachment A) and approve a motion to waive further reading of and introduce Ordinance No. 2008-255 (Attachment B), certifying the adequacy of the Environmental Impact Report and approving GPA-006-006, ZCH-007-000, DA-007-000, TTM-006-004, OTP-007-004 and DP-007-000 for the development of a 174,413 square-foot mixed use project located at 23500 Park Sorrento.

**ATTACHMENTS:**

- A. Draft City Council Resolution No. 2008-1149
- B. Draft Ordinance 2008-255
- C. Planning Commission Resolution No. 08-432
- D. Draft Planning Commission Minutes of August 14, 2008
- E. Planning Commission Agenda Report for August 14, 2008
- F. Planning Commission Agenda Report Addendum for August 14, 2008
- G. Project Plans, Color/Materials Board and Renderings
- H. Final Environmental Impact Report – Available at [www.cityofcalabasas.com](http://www.cityofcalabasas.com) or may be reviewed in the City Clerk's Office