



AGENDA REPORT

Meeting Date: March 20, 2008

Item Number: D-1

To: Honorable Mayor & City Council

From: Vincent P. Bertoni, AICP, Director of Community Development
Rita Naziri, Senior Planner
Joyce Parker-Bozylinski, AICP, Consulting Planner

Subject: Consideration of Planning Commission's recommendation for approval of a General Plan Amendment, Zone Change, Specific Plan, Development Agreement and Environmental Impact Report for a Proposed Condominium Project with Ancillary Commercial Uses at 9900 Wilshire (Robinsons-May Site)

Attachments:

1. Santa Monica and Wilshire Boulevard Intersection Study
2. City Council Staff Report Dated March 11, 08 (without attachments)

RECOMMENDATION

Staff recommends that the City Council:

1. Hear the staff presentation, applicant's presentation, take public testimony on the project and close the public hearing.
2. Consider the Planning Commission recommendations for the project.
3. Provide direction to staff on the proposed project and direct staff to bring back draft Resolutions and Ordinances at the next hearing.
4. Continue hearing until April 1, 2008.

INTRODUCTION

The project site is located at 9900 Wilshire and is bounded by the Los Angeles Country Club on the west, Wilshire Boulevard to the north, Merv Griffin Way to the east, and Santa Monica Boulevard to the south. The project applicant, Project Lotus, LLC, proposes to demolish the existing 228,000 square foot Robinsons-May department store building and associated parking structure and replace the structures with 235 condominium units in two buildings located near the western (Los Angeles Country Club) border, two commercial buildings which would consist of approximately 11,656 square feet of retail space, 4,200 square feet of restaurant dining space including a 585 square foot outdoor dining space, for a total of 16,441 square feet of retail and restaurant space, and landscaped private and public gardens.

DISCUSSION

The City Council held a public hearing on the project on March 11, 2008. At the hearing, staff presented the proposed project and the Council took public testimony. Due to audio problems with the televised portion of the hearing and the tremendous amount of public comment, the applicant was able to present only a portion of their presentation. At this hearing, the applicant will present the remainder of their presentation. In addition, in order to give the public another opportunity to speak on the project, the Council left the public hearing open. In addition, the Mayor requested that public comments should be limited to only those speakers that didn't speak at the previous hearing.

Staff is currently working on questions received from the City Council at the last hearing and other questions received to date. Responses to each of the questions will be provided to the Council the night of the hearing. After receiving staff and applicant presentations and public testimony, staff recommends that the Council ask any additional questions they may have and deliberate on the project.

Beverly Hills Unified School District

The City was invited to attend a meeting on March 13th with the El Rodeo PTA to answer questions concerning the proposed 9900 Wilshire and the Beverly Hilton Revitalization projects. Vice Mayor Brucker and Planning Commission Chair Furie were in attendance at the meeting. Staff gave a brief overview of the review process and proposed mitigation measures. There were a lot of questions and responses but the main concerns raised at the meeting were related to construction noise, traffic and air quality. The discussion centered on ways to reduce or eliminate the impacts and how the mitigation measures would be implemented.

Staff has been working closely with Karen Christiansen, Facilities Director, for the Beverly Hills United School District who has been assigned to be the main point of contact regarding both of these projects. Staff is currently working with Ms. Christiansen on possible refinements to some of the mitigation measures. She has also met with both applicants and is working with them on other possible solutions to help mitigate the impacts. In addition to determining the cost of new replacement windows at El Rodeo School to mitigate noise impacts, she is determining the cost of installing air filters to help mitigate indoor air quality impacts. Due to the age of school, the HVAC and electrical system may need to be upgraded or replaced to accommodate the air filters. Based on the cost of these improvements, the Council will need to determine whether they can be required as mitigation measures or whether they want to include them as part of the School Benefit Fee identified in the Development Agreement. In addition, the School District has developed a Communications Plan that establishes Ms. Christiansen as the point of contact during all phases of construction. She will be attending all pre-construction and construction meetings and will be actively working with the Environmental Monitor hired by the City to ensure compliance with the various mitigation measures.

Staff is currently evaluating different ways of accomplishing the proposed demolition and is exploring possible mitigation measures that would require all construction hauling vehicles operate at night, that all demolition, grading and excavation be completed during the summer or that the building be wrapped during demolition to minimize the

amount of dust and pollutants. Staff will have further information about these options at the hearing.

Policy Questions

As part of City Council deliberations, there is several policy questions that staff is seeking direction on. One of these is whether the Housing Element should be amended. Staff had recommended to the Planning Commission an amendment to the Housing Element to recognize this as an appropriate site for mixed use development. The Planning Commission did not recommend the amendment to the City Council because the Commission believed that there was insufficient commercial development to consider this to be a mixed use project. Staff had recommended the following amendment (new text is underlined) to the Housing Element:

Program 4.3: "Develop standards for mixed residential-commercial developments, with and without low income housing components, including additional height, in areas currently zoned for commercial use and consider appropriateness of various areas, such as:

- South side of Wilshire Boulevard, east of Beverly Drive (Between Stanley Drive and LeDoux Road, extend to the north side of Charleville Boulevard).
- Eastern area of the Business Triangle.
- South side of Burton Way (commercially zoned parcels).
- Olympic Boulevard (commercially zoned parcels).
- La Cienega Boulevard north of Wilshire Boulevard.
- City-owned property where some or all of the residential units would be for lower-income housing.
- East side of Beverly Drive.
- 9900 Wilshire Boulevard"

Does the City Council believe that this is a mixed use project and that it furthers the General Plan direction to explore opportunities for mixed use development?

The other policy questions relate to provisions in the Development Agreement. The questions are as follows:

- 1) The Planning Commission had recommended that \$6,150,725.50 be set aside from the Public Benefit Contribution for Affordable Housing. Is the City Council in agreement with this amount?
- 2) The Planning Commission also recommended that ten percent (or \$2,300,000) of the Public Benefit Contribution be used solely for the purpose of implementing improvements to address congestion at the intersection of Santa Monica Boulevard and Wilshire Boulevard. How much, if anything should be set aside from the Public Benefit Contribution for future Wilshire/Santa Monica Intersection improvements?

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- 3) The Planning Commission made a recommendation that the applicant pay a school benefit fee but did not make a recommendation regarding the amount of the fee. How much, if anything, should be required as a school benefit fee?

The three options for improvements to Santa Monica Boulevard and Wilshire Boulevard are included as Attachment 1.

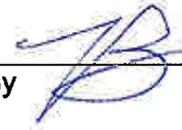
Summary

In summary, staff is recommending that the City Council:

- 1) Hear the staff presentation, applicant's presentation and take public testimony on the project,
- 2) Consider the Planning Commission recommendations for the project,
- 4) Provide direction to staff on the proposed project, and
- 4) Continue the hearing until April 1st and direct staff to bring back draft Resolutions and Ordinances.

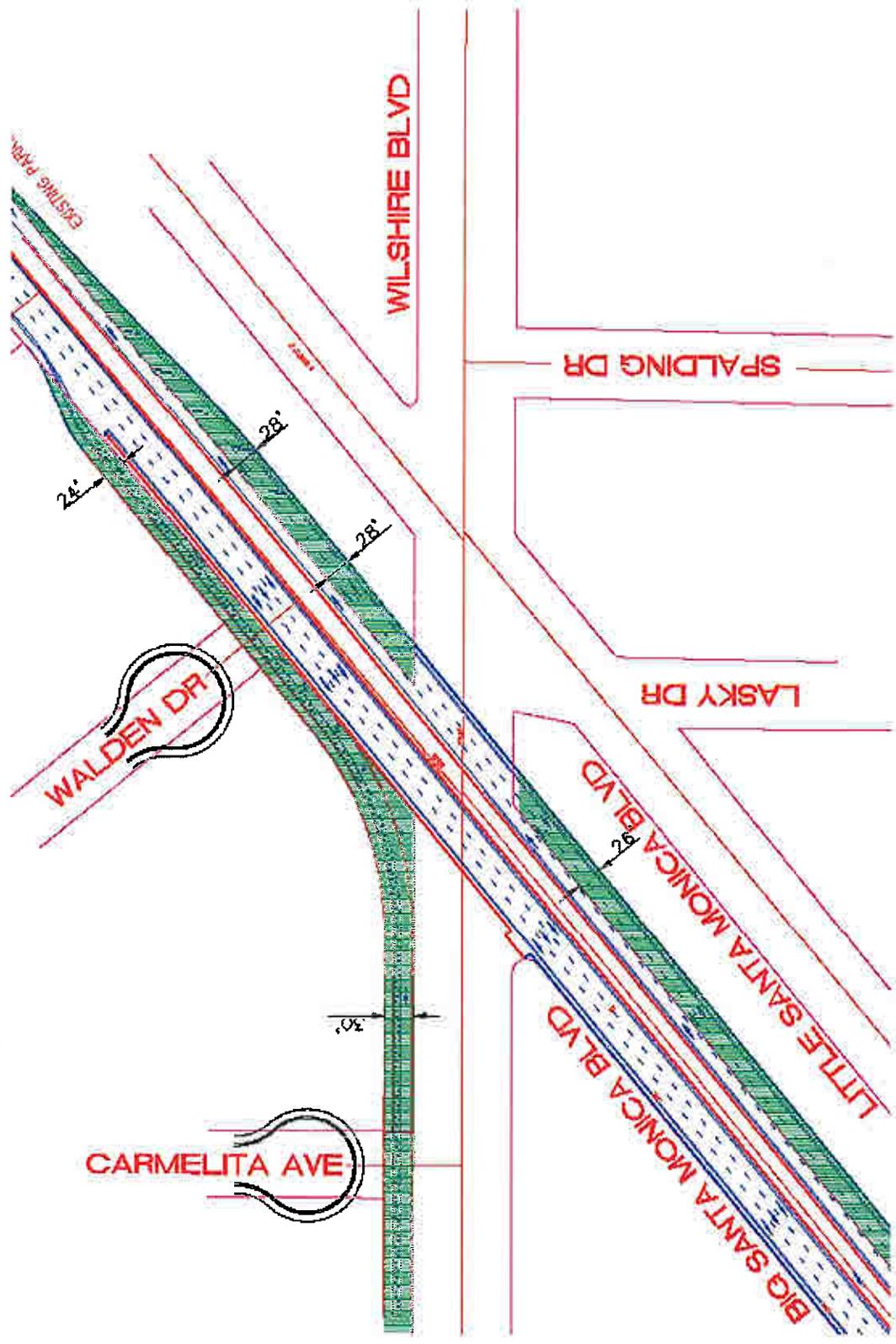
Vincent P. Bertoni, AICP
Director of Community Development

Approved By

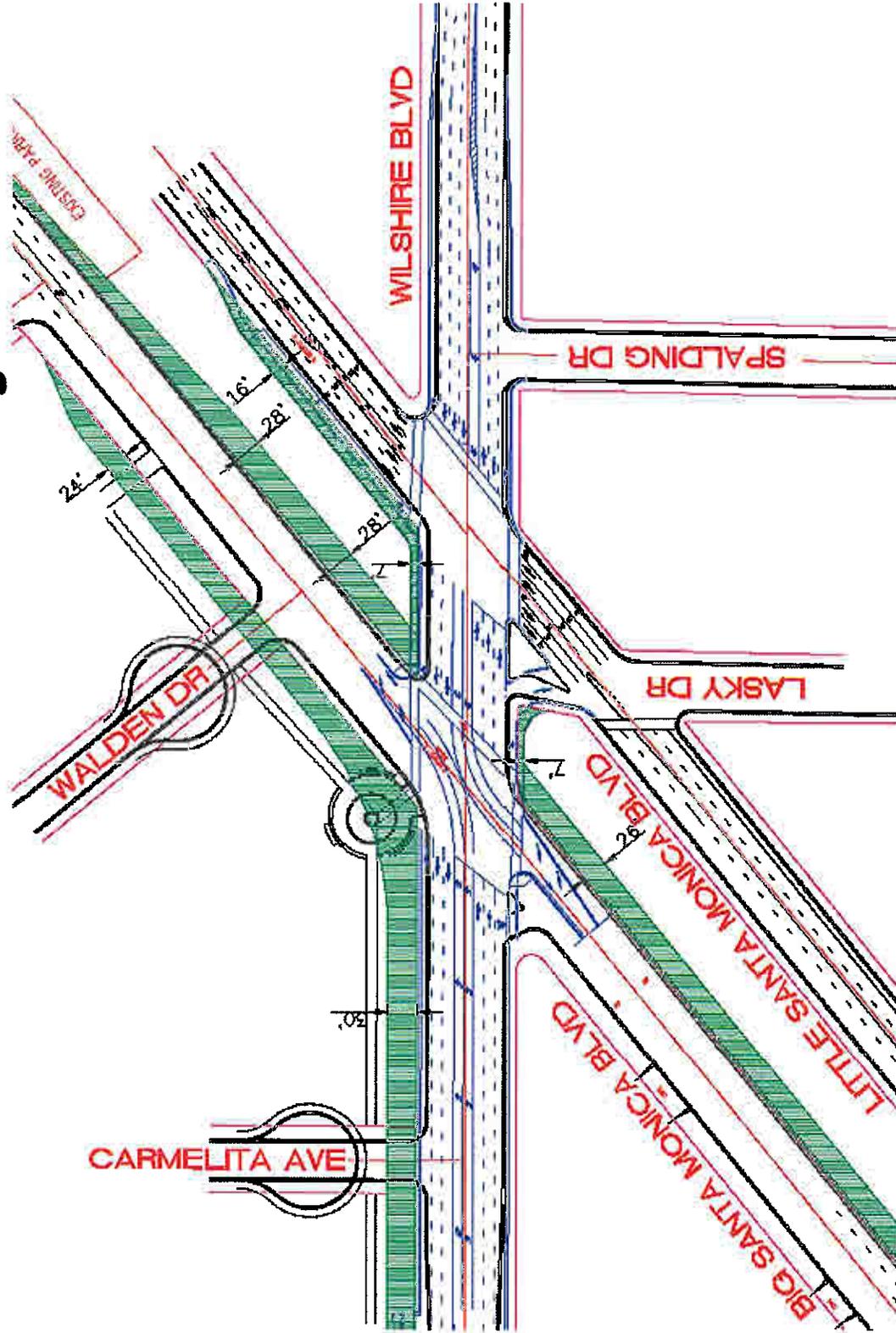


Santa Monica and Wilshire Boulevard Intersection Study

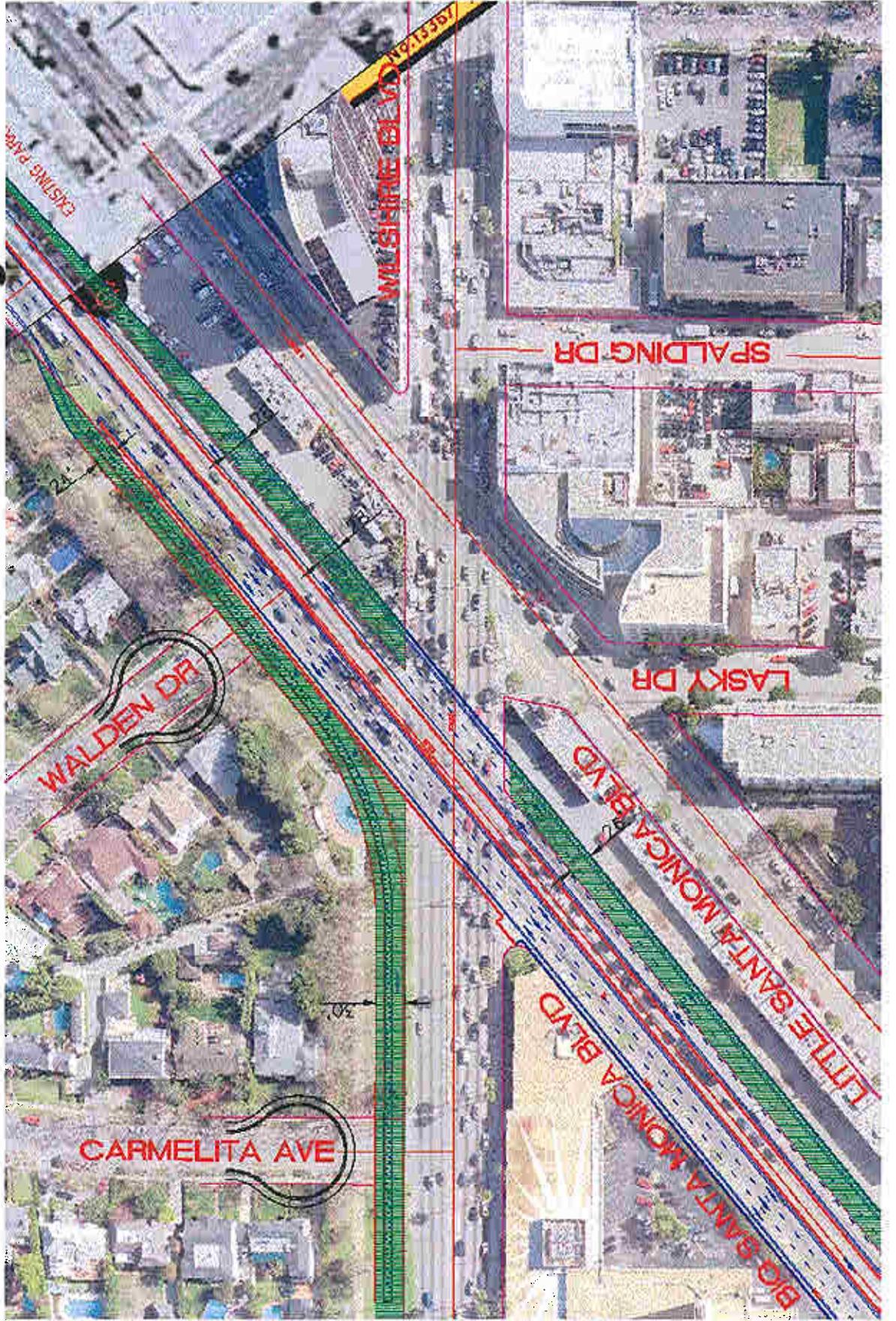
CONCEPT 3 - Santa Monica under Wilshire



CONCEPT 3 - Wilshire At-grade



CONCEPT 3 - Santa Monica Under Background



**City Council Staff Report Dated
March 11, 08 (without attachments)**



AGENDA REPORT

Meeting Date: March 11, 2008

Item Number:

To: Honorable Mayor & City Council

From: Vincent P. Bertoni, AICP, Director of Community Development
Larry Sakurai, Principal Planner
Donna Jerex, Senior Planner

Subject: Consideration of Planning Commission's recommendation for approval of a General Plan Amendment, Zone Change, Specific Plan, Development Agreement and Environmental Impact Report for a Proposed Condominium Project with Ancillary Commercial Uses at 9900 Wilshire (Robinsons-May Site)

Attachments:

1. Commission Environmental Impact Report Resolution with Attachments (Findings of Fact, Statement of Overriding Considerations and Mitigation Measures)
2. Commission General Plan and Zoning Amendment Resolution
3. Commission Specific Plan Resolution with Attachments (Conditions of Approval and 9900 Wilshire Specific Plan)
4. Commission Development Agreement Resolution with Attachment (Development Agreement)
5. Planning Commission Staff Reports
6. Applicant's Submittal Packet
7. Final Environmental Impact Report
8. Project Plans

RECOMMENDATION

Staff recommends that the City Council:

1. Take public testimony and approve the Planning Commission recommendations for the project.
2. Provide direction to staff on the proposed project and continue the hearing until March 20, 2008.

The Planning Commission resolutions recommending approval of the project are included as Attachments 1 through 4. The Commission recommended approval of the project on a 3-2 vote. The two Planning Commissioners that did not support the project had concerns about the overall mass of the two buildings which extend along the length of the property (793 feet combined with 43 feet between the two buildings). The Commissioners felt that the combination of increased height and overall length of the two buildings created too much building mass.

Project Description

The proposed project includes 235 condominium units in two buildings located near the western (Los Angeles Country Club) border, a one-story commercial building which would consist of approximately 11,656 square feet of retail space along Santa Monica Boulevard frontage, 2,000 square feet of restaurant dining space, and 2,200 square feet of "back-of-house" restaurant space at the corner of Santa Monica Boulevard and Merv Griffin Way, for a total of 15,856 square feet of retail and restaurant space, as well as 585 square feet of outdoor dining space and landscaped private and public gardens. Further details on the project are provided in Attachment 6 (Applicant's Submittal Packet) and Attachment 8 (Project Plans).

The major project components include the following:

- North Condominium Building with 103 units. The North Building would incorporate a stepped design from Wilshire Boulevard with heights ranging from 9 stories (108 ft. from the datum point and from adjacent grade), 12 stories (149 ft. from the datum point from adjacent grade) and 13 stories (161 ft. from the datum point and from adjacent grade). The North Building also includes back of house facilities such as two screening rooms, an events room, game rooms, resident wine storage and general storage, warming kitchen, laundry area, staff facilities and a building office in an underground mezzanine. All of these would be shared with the residents in the South Building.
- South Building with 132 condominium units. The height of the South Building would range from 13 stories (161 ft. from datum point and 169 ft. from adjacent grade), 14 stories (180 ft. from datum point and 188 ft. from adjacent grade) and 15 stories (185 ft. from datum point and 193 ft. and 205 ft. from adjacent grade).
- Total Residential Unit Count:

| | |
|---------------|------------|
| Studios | 58 |
| 1 Bdrm | 24 |
| 2 Bdrm | 38 |
| 3 Bdrm | 28 |
| 3 Bdrm + Den | 36 |
| 4 Bdrm | 27 |
| 4 Bdrm + Den | 10 |
| Penthouses | 14 |
| Total: | 235 |

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Several circulation improvements are proposed as part of the project. These include the following improvements:

- Reconstruct Santa Monica Boulevard along the project frontage to both facilitate project access and also provide a third westbound lane.
- Contribute a "fair-share" towards the cost of realigning Merv Griffin Way and providing a northbound left-turn, through, and right-turn lane at the intersection of Wilshire Boulevard and Merv Griffin Way.
- Contributing a "fair share" towards the cost of signaling the intersection of Santa Monica Boulevard and Merv Griffin Way.

Project Entitlements

General Plan and Zoning Amendment

As part of the project, the applicant is proposing a General Plan Amendment that would change the land use designation for the entire project site from "Low Density General Commercial" to "9900 Wilshire Specific Plan" and add the following underlined language to the Land Use Element.

IDENTIFICATION OF LAND USE ISSUES AND OBJECTIVES

1. Recommendations and Development Criteria for Land Use

Amend the fourth paragraph under 2.2 *Commercial Areas* as follows:

It is also recommended that certain anchor locations be set aside to permit development of a higher intensity type of development which is not otherwise provided in the community. These anchor locations should include large parcels that are located at the gateways to the City, such as the site at 9900 Wilshire Boulevard where additional building height is appropriate. A variety of land uses such as commercial, residential, and mixed use should be considered for the gateway locations. A change of use from commercial to residential or mixed use should be allowed only if such uses provide an adequate transition to adjacent single family neighborhoods. These areas should be located so as to be accessible from the City's major shopping areas and close to the City's major streets.

In addition, the applicant is proposing to change the zoning designation for the entire project site from "C3" to the "9900 Wilshire Specific Plan" zone. The floor area ratio (FAR) allowed under the C3 zone is 2 to 1 and the project is proposing 2 to 1 for the commercial portion of the site and 2.66 to 1 for the residential portion. Another way to view the residential square footage would be as dwelling units per square foot of the site area. The R-4 zone allows one unit for 900 square feet. The applicant is proposing 1 unit per 1,472 square feet (i.e. lower density). The FAR for the site will be established as part of the 9900 Wilshire Specific Plan.

9900 Wilshire Specific Plan

The proposed "9900 Wilshire Specific Plan" would establish land uses and development, design, and operational standards for the project and the project site. The draft specific plan is included as Exhibit A in Attachment 3.

The purpose of preparing an EIR for a project is to provide the City and the public in general with detailed information about the effects the proposed project is likely to have on the environment and to list ways in which the significant effects might be minimized. An EIR must also identify and analyze alternatives to the proposed project.

A Draft EIR was prepared and circulated on August 8, 2007 for a 52-day comment period. Copies of the Draft EIR and the Appendices were provided to the City Council at that time and are not included as attachments to the staff report. Copies of these documents are available upon request. At the end of the comment period, a Final EIR which consists of Response to Comments and Changes to the Draft EIR was prepared and is included as Attachment 7.

Significant and Unavoidable Environmental Impacts

Six significant, unavoidable impacts were identified in the Environmental Impact Report. Of these six, three impacts related to air quality, noise and ground vibration would only occur during the project construction. The six significant, unavoidable impacts are as follows:

- Aesthetics and Views – The proposed project would conflict with two objectives within the Land Use Element of the General Plan such that the visual character of the site and surrounding area would be substantially altered. The North and South Buildings would also obstruct panoramic views from west-facing guestrooms in the adjacent Wilshire Tower hotel building of The Beverly Hilton.
- Air Quality – During project construction, oxides of nitrogen (NO₃) emissions would exceed SCAQMD established significance thresholds such that significant unavoidable impacts would result, even after incorporation of mitigation. The LST analysis shows that maximum 24-hour PM₁₀ and PM_{2.5} concentrations would exceed the threshold of significance at the nearest residential and sensitive receptors to the project site during construction.
- Cultural Resources – Demolition of the Robinsons-May building would result in significant and unavoidable impacts to an historic resource, as defined in Section 15064.5 of the CEQA Guidelines.
- Land Use and Planning – The proposed project would conflict with two objectives within the Land Use Element (Areas of transitional Conflict and Scale of the City) of the General Plan and one program (landmark preservation) included in the Conservation Element such that significant land use impacts would result from inconsistency with the City's General Plan.
- Noise – For construction activities performed outside the hours specified within the City's noise ordinance, the project would result in significant project-level and cumulative noise impacts.
- Groundborne Vibration – Due to the proximity of sensitive receptors, ground vibrations from project construction would exceed the Federal Railway Administration (FRA) groundborne vibration threshold such that significant unavoidable impacts would result.

Environmental Impacts Less than Significant

The EIR found that the following areas were less than significant either with or without mitigation: Aesthetics (Light and Glare, Shade and Shadow), Air Quality (Criteria Pollutants – Operations, Localized Carbon Monoxide Emissions – Operations,

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City Council Questions and Comments

- March 20 Staff Presents Additional Information Requested by Council
City Council Direction
- April 1 Adopt Resolutions and 1st Reading of Ordinances
- April 8 2nd Reading of Ordinances

FISCAL IMPACT

See discussion under "Development Agreement" above which addresses the potential fiscal impacts to the City resulting from a change from commercial to residential uses at the project site.

Vincent P. Bertoni, AICP
Director of Community Development

Approved By

