



AGENDA REPORT

Meeting Date: April 3, 2008

Item Number: C-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, Zone Text Amendment, 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. Resolution for Environmental Impact Report with Attachments (Findings of Fact, Statement of Overriding Considerations and Mitigation Measures)
2. Ordinance for Zoning Text and Map Amendment
3. Ordinance for Development Agreement with Attachment (Development Agreement)
4. City Council Staff Reports
5. Further Revisions to Responses to Comments (under separate cover)
6. Final EIR-Appendix D

RECOMMENDATION

Staff recommends that the City Council:

1. Receive a staff presentation.
2. Deliberate on the attached Resolution and Ordinances.
3. Adopt CEQA Resolution and Introduce for 1st Reading Ordinances for Zoning Text and Map Amendment and Development Agreement.
4. Adjourn the meeting until April 9, 2008.

PROJECT DESCRIPTION

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 that 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 public hearings on the project on March 11, March 20, and March 27, 2008. At the last hearing on March 27th, staff responded to City Council questions and provided proposed conditions of approval addressing construction impacts. The applicant's representative made a presentation in response to City Council questions raised at the last meeting. He presented building elevations of the South condominium building that reduced the size of the 15th story (top floor) by setting the floor back from the 14th story. This reduction in square footage adds additional articulation to the building and reduces the overall mass of the building. He also discussed the option of transferring the square footage removed from the top floor to a garden residential building that would be placed on top of the restaurant proposed on Merv Griffin Way. However, he stated that should adding a small multi-family residential building prove infeasible, the applicant proposes an open landscape structure to provide an eastern terminus to the garden area. The City Council indicated that whichever option was selected, it was important that there was no net gain in overall project square footage. At the conclusion of the hearing, the Council directed staff to prepare Resolutions and Ordinance for consideration at the next hearing.

The purpose of this hearing is for the City Council to review and adopt a resolution certifying the Environmental Impact Report (EIR) and conduct first reading of ordinances amending the Zoning Code and approving a Development Agreement between the City and the project developer.

The City Council must take action to certify the Environmental Impact Report (EIR) before taking action on the project. The CEQA Resolution is included as Attachment 1 and contains the Findings of Fact, Statement of Overriding Considerations and Mitigation Measures. The Council must adopt Findings of Fact and a Statement of Overriding Considerations as well as a Mitigation Monitoring and Report Program as part of the EIR certification. Please note that some minor changes have been incorporated in the Mitigation Monitoring and Reporting Program to strengthen the mitigation measures, specifically AQ 14 (second to last bullet) regarding continuing work if there is a hazard and assigning authority for making those determinations to the City's environmental monitor, and TRAF-5, which now includes a 5th item stating prohibition on queuing of construction-related vehicles on public streets in the City.

As part of the Final EIR, two documents are attached. The first document includes further revisions to Response to Comments document. Throughout the hearing process, the Planning Commission and the City Council received additional public comments pertaining to the analysis included in the Final EIR. The attached document includes responses to comments for two additional comment letters submitted to the City Council on March 11, 2008, as well as revisions to original responses to comments resulting from subsequent modifications requested by the Planning Commission and/or the City Council. The other document is Appendix D which analyzes the changes made to the original project. The analysis of those changes found that no new significant

environmental impacts were created by the changes and as such recirculation of the EIR is not necessary.

As noted in staff's answers to City Council questions (Answers to Questions 29 and 30 distributed as a separate document at the March 27th hearing), staff has determined after further analysis that with the revisions proposed to the project, the project is now consistent with both the land use policies and conservation element policies.

The Ordinance approving the Zoning Code Amendment (Attachment 2) would change the zoning designation for the entire project site from "C3" to the "9900 Wilshire Specific Plan" zone and add the new zone to the Zoning Code. Details of the development standards and project conditions will be included in the Specific Plan resolution which will be before the City Council on April 9, 2008 hearing for review and adoption.

The Ordinance approving the Development Agreement is included as Attachment 3. At the last hearing, the City Council directed staff to set the School Benefit Fee at \$1,000,000. This fee resulted from negotiations concluding between the Beverly Hills Unified School District and the developer. In addition, staff had previously distributed a matrix to the Council which outlined several recommended changes to the Development Agreement. These recommendations as noted below have been included in the revised Development Agreement attached to this report.

1. Public Benefit Contribution: This amount was changed from \$23 million to \$30 million as a result of further negotiation between the City and the developer.
2. Timing of Payment of Public Benefit Contribution: The amounts due to the City were changed to reflect the same timing and the same proportion as was previously outlined as \$23 million. As a result \$13 million is due within 90 days of the issuance of the first building permit; \$6.5 million is due within 455 days after the first building permit is issued (one year after the first payment); and \$10.5 million is due prior to the issuance of the first certificate of occupancy (or temporary certificate of occupancy) for any portion of the project.
3. Adjustment of Public Benefit Contribution: This section was deleted because it was no longer necessary due to the fact that the City and the developer agreed on a lump sum of \$30 million Public Benefit Contribution.
4. Affordable Housing Contribution: This amount was changed to \$3.0 million. This amount is 10% of the Public Benefit Contribution.
5. Funding for Improvement of Intersection of Santa Monica and Wilshire Boulevards: This section was deleted. Staff believes that this set-aside unnecessarily binds the city to use this flexible funding source for this specific purpose. As the city establishes priorities for use of the \$30 million Public Benefit Contribution the need for funding for this purpose could be less or more. A decision about the dedication of these funds for improvements at this intersection should be made within the context of a broader discussion about all the possible uses for these funds.

Staff is recommending that the City Council continue the hearing until April 9th and direct staff to bring back Resolutions for the General Plan Amendment and the Specific Plan. The April 9th hearing would also include 2nd readings of the Ordinances adopted by the City Council at this hearing.

Vincent P. Bertoni, AICP
Director of Community Development



Approved By