

February 12, 2002

**Honorable Chairman and Members of the
Hermosa Beach Planning Commission**

**Regular Meeting of
February 19, 2002**

SUBJECT: PRECISE DEVELOPMENT PLAN 01-19
 PARKING PLAN 01-4
 VARIANCE 01-4

LOCATION: 1605 PACIFIC COAST HIGHWAY

APPLICANT: SHOOK DEVELOPMENT CORPORATION
 220 TECHNOLOGY DRIVE, SUITE 110
 IRVINE, CA 90025

REQUESTS: PRECISE DEVELOPMENT PLAN FOR AN EXPANSION AND REMODEL
 TO AN EXISTING RETAIL AND ENTERTAINMENT CENTER, "THE
 HERMOSA PAVILION;" PARKING PLAN FOR SHARED PARKING TO
 ACCOMMODATE A HEALTH AND FITNESS FACILITY IN
 CONJUNCTION WITH OFFICE AND RETAIL USES; VARIANCE TO THE
 35' HEIGHT LIMIT TO ENCLOSE THE UPPER FLOOR OPEN DECK
 AREAS AND TO ADD FLOOR AREA ABOVE THE OPEN AREA OF THE
 PARKING STRUCTURE

Recommendations

To approve the Precise Development Plan and Parking Plan subject to the conditions as contained in the attached resolution.

Based on the required findings for a Variance, determine whether to approve the Variance for enclosing the entire deck area and the area above the parking structure (see Variance discussion).

Project Information

The applicant is proposing new construction and remodeling to expand and reconfigure the uses within the existing retail and entertainment center. The existing and proposed uses are summarized as follows:

| Prior Approved Use | Allocation | Proposed Project | Proposed Allocation |
|---------------------------|-------------------|-------------------------|----------------------------|
| Theatre (6-Plex) | 26,680 SF | Health and Fitness Club | 44,300 |
| Retail and Restaurant | <u>46,180 SF</u> | Office | 48,990 |
| Total | 72,860 SF | Retail | <u>12,088</u> |
| | | Total | 105,378 SF |

ZONING:

SPA 8 - Specific Plan Area

| | |
|------------------------------|--|
| GENERAL PLAN: | Commercial Corridor |
| LOT SIZE: | 9,460 Square Feet |
| FLOOR AREA RATIO: | 1.25 |
| PARKING PROVIDED: | 450 spaces-334 standard, 116 compact 481 (if 30 tandem spaces used) Up to 514 with valet parking |
| ENVIRONMENTAL DETERMINATION: | Recommended Negative Declaration |

The Hermosa Pavilion was constructed in 1987. At that time the building was constructed in compliance with zoning requirements in effect at that time, which included a height limit of 45 feet. The intended use was a mix of theatre, restaurant and retail uses. The building is currently vacant, and only the theatre and a small portion of the retail and restaurant uses were occupied.

The Staff Environmental Review Committee, at their meeting of January 10, 2002 considered the environmental impacts of the proposed project, and based on the initial study check-list (attached), recommended a mitigated Negative Declaration. The finding that parking and traffic impacts are less than significant was based on an amended and updated parking and traffic analysis prepared by Linscott, Law, and Greenspan. The project and allocation of space within the building has been slightly modified since the initial study, slightly increasing the square footage of each use but also increasing the parking supply by 10 spaces. These changes are minor and do not require modifying the initial study.

Project History

- ❑ July, 1986: Conditional Use Permit and Parking Plan for shared parking were originally approved for theater, retail and office use with valet assisted parking.
- ❑ January, 1999: The Planning Commission approved a Precise Development Plan, Parking Plan for shared parking and Variance for expansion and remodel to the Hermosa Pavilion to accommodate a health and fitness center and expanded retail floor area, and to allow enclosure of the upper deck to exceed the height limit.
- ❑ July, 1999: The Commission approved an amendment to above project with additional retail floor area. The project was never implemented and the Precise Development Plan expired.
- ❑ August, 1999: The Planning Commission approved a Variance, as amended, for the expanded enclosure of the upper deck.
- ❑ July, 2001: The City Council concurred with the Planning Commission and denied a project application to expand and remodel the facility under a revised development program with office (56,000 SF) fitness club (45,000 SF) and retail (5,000 SF). The Council concurred with the Commission decision to deny a slightly larger project.
- ❑ The 1999 approvals for the Precise Development Plan, Parking Plan, and Variance have all expired.

Analysis

The proposed plan revision involves interior alterations and additions to remove restaurant and theaters uses and replace them with the health and fitness club, offices, and retail at the ground floor. The fitness club will include a pool and basketball court and will be similar to the “24-Hour Fitness Club” in Costa

Mesa identified as a similar facility in the applicant's parking study. The building frontage will be extended to the street edge at the ground level and the upper floor deck areas and open corridors will be enclosed. Additional floor area is proposed above the open area of the parking deck at the northwest corner of the building.

PARKING

Parking is projected to be satisfied with the existing supply within the parking structure due to the proposed new mix of uses with varying times of peak parking demand. The applicant has submitted a revised and updated Shared Parking Analysis (dated January 25, 2002), prepared by Linscott Law and Greenspan. The shared parking analysis demonstrates that the existing parking supply will be sufficient for the proposed mix of uses based upon peak and off-peak usage.

Parking spaces within the parking structure will be striped to provide 450 parking spaces (334 standard size, and 116 compact size). If necessary, attendant assistance could be provided for parking vehicles in 31 tandem spaces and 33 parallel aisle-parking spaces, for a possible total of 514 spaces. The original project of 72,860 square feet was approved with 540 parking spaces. (474 standard and compact, and 66 valet assisted)

The analysis shows that based on the City's parking requirements the proposed mix of uses results in a total aggregate parking requirement of 687 spaces (Table B). This calculation is based on net floor area, and excludes common areas/internal circulation within the office area. This calculation, however, does not take into account the peak parking requirements and hourly variation in parking demand for each individual use in a mixed-use project. Therefore, the study includes a *shared demand parking analysis* based on the methodology and hourly parking adjustment factors developed by the Urban Land Institute (Table C and D). The parking demand rates used for the health club are less than the code required 1 space per 100 square feet and are instead based on a study of a 24-hour fitness facility in Costa Mesa in August, 2001 (6.75 spaces required per 1000 square feet at peak times). The parking rates for the office and retail uses are based on the parking requirements in the Zoning Code (4 spaces per 1,000 square feet). The study states that the 45,000 square foot health club with similar uses in Costa Mesa generated a parking demand of 6.43 spaces per 1,000 square feet. To be more conservative a factor of 6.75 was used in the subject study.

Parking Tabulation:

| Proposed Use | Allocation | Code Requirement | Number | Peak Shared Weekday 5:00 P.M |
|--------------|-------------------|--------------------|------------|---------------------------------|
| Fitness Club | 44,300 SF | 10 per 1000 sq. ft | 443 | 299* |
| Retail | 12,088 SF | 4 per 1000 sq. ft | 48 | 38 |
| Office | 48,990 SF | 4 per 1000 sq. ft | 196 | 92 |
| Total | 105,378 SF | | 687 | 429 |

*Based on parking rate of 6.75 spaces per 1000 square feet.

The City's Traffic Engineer reviewed this parking study, and found the theory and premise of the shared parking analysis acceptable, but questions the transferability of the parking demand rates found in Costa Mesa for the health club analyzed, which are less than the City's parking requirements. His conclusion is that the study is valid only if it can be confirmed that the facility used for comparison has similar membership and patronage, and is in a similar type of location where most of the patrons will drive to

the facility. Staff has investigated the Costa Mesa club and found that it is a similar type of fitness club with similar amenities and very close in size to the proposed club. Both structured and surface parking is available. The location near the 405 and 55 Freeways, however, is not comparable as it is in a high employment commercial district while a residential community surrounds the proposed location. On a Thursday, February 2, 2002 staff found that the facility and the immediate area was very congested and parking was not readily available in the surface parking lot near the fitness club. However, it should be noted that parking was available on the top floor of the parking structure and in surface lots further from the club.

The parking demand study of the Costa Mesa facility was limited to an analysis of demand rates to be used in the ULI shared parking analysis. It is not intended to verify or support the shared parking relationships and adjustment factors developed by ULI, nor is it intended to serve as an example of how the parking relationships will work on this site. The transferability of the demand rates to this location are also limited, as described above, because the immediate surroundings differ. If anything, the demand at the Costa Mesa location would probably peak earlier in the afternoon because of its proximity to more employment sites, while here the peaks may occur later in the afternoon and evenings since the facility is closer to the patrons homes. Further information and details regarding the parking demand study of the Costa Mesa club are attached.

The conclusion of the shared parking analysis for the project is that the highest shared parking demand occurs weekdays at 5:00 P.M. for the combination of uses and is projected at 429 spaces and is satisfied by the on-site supply of 450 spaces. While the supply can be increased to 514 spaces with tandem and valet assisted parallel parking behind the standard stalls the increased supply is unnecessary given the parking needs of this project. The study does indicate that these extra parking spaces could be made available during weekdays when parking demand is largely due to the office use, by the use of discount parking passes to office personnel and other employees.

PRECISE DEVELOPMENT PLAN AMENDMENT/ S.P.A. 8 ZONE COMPLIANCE

The Specific Plan Area zone includes two sets of development standards. This two tier approach was established to allow development that complies with the first tier standards as a matter of right without a Precise Development Plan. In this case, the project exceeds first tier standards for bulk (greater than 1:1 F.A.R.), and maximum size (greater than 10,000 square feet). Thus, the Precise Development Plan review is required for the project to exceed these first tier standards. Also, the plan requires a Variance, as previously granted, to exceed maximum building height.

Pursuant to the specific standards of the S.P.A. 8 zone and the underlying C-3 zoning, other than the need for approval of a Parking Plan to comply with parking requirements and a Variance to comply with height, the project conforms with the S.P.A. 8 zoning requirements.

As described in the previous PDP for this project, the proposed revised expansion is generally within the existing building footprint (a portion of the building entry will be reconfigured and is achieved by remodeling within the building, and enclosing some outdoor deck areas). The remodeling includes converting a large portion of existing retail and restaurant spaces for use as an office or the health and fitness club; converting the existing service loading and storage areas to a pool and basketball court; and, adding internal stairways to internally connect the three level health and fitness club. On the most visible elevations on P.C.H. and 6th Street, the building façade is to be completely remodeled. A contemporary design is proposed to replace an existing eclectic mix of rooflines and materials. The

proposed design includes curved architectural features, storefront glass and standing seam arched metal roof to help articulate the building facade. These improvements are carried to the south and east building elevations. The proposed plan revisions are consistent with the previously approved project design.

The new proposed plan revisions modify the central retail corridor/arcade and eliminate the escalators. The second floor retail corridor/arcade would also be modified and reduced for the office level. These changes result in a total of 30,000 square feet more of interior space than the 1987 plan. No additional building coverage, reduction of landscaping, or changes to building setbacks are proposed. The building contains only nominal landscaping on the P.C.H. frontage which is nonconforming to landscape standards of S.P.A. 8. Existing building setbacks adjacent to residential uses are 14 feet from the rear property line and 12 feet from the north side property line. The parking structure is proposed to be maintained with respect to overall parking supplies but will be improved and made more attractive with new lighting, paint, directional signing and new striping under the revised plans. Staff has added conditions of approval to ensure that the parking area is well lit and includes security personnel.

VARIANCE

In order to grant a Variance, the Commission must make the following findings:

1. There are exceptional or extraordinary circumstances, limited to the physical conditions applicable to the property involved.
2. The Variance is necessary for the preservation and enjoyment of a substantial property right possessed by other properties in the same vicinity and zone, and denied to the property in question.
3. The granting of the Variance will not be materially detrimental to the public welfare or injurious to the property or improvements in such vicinity and zone in which the property is located
4. The Variance is consistent with the General Plan

The project includes enclosing open deck areas located within gaps between existing enclosed spaces at the upper level originally set aside for outdoor uses (dining, open corridors). The building height is not being increased above existing roof heights at these locations. However, a Variance is required because the height limit was changed from 45 to 35 feet when the subject property was rezoned from C-3 to Specific Plan Area 8 in 1990 making most of the existing roof area over height, including the proposed enclosed spaces.

The Variance is also needed to exceed the existing building height along the western side of the building. Currently the deck railing, and top of the wall of the open area of the parking structure represent the highest points of the building along this edge. The enclosure of these exterior spaces is being requested to maximize the utility of the building for the upper floor office space.

Discussion of findings:

Staff believes there are two distinct parts to the Variance request: 1) The part involving enclosing existing open decks already surrounded on at least two sides by fully enclosed spaces, not increasing the height of the building; and, 2) The part involving the enclosure located along the west edge of the building which increases the building height relative to the sloping maximum height line. Each of these portions should be addressed with respect to required findings.

Finding 1. The lot contains a fairly steep slope (a grade change of 20 feet between the upper portion on Pacific Coast Highway and westerly lower side) and is already significantly built-out to its near maximum potential. To its highest point (measured from the sloping grade) the building measures about 40 feet at the front, and height of 45 feet at the back, even though the back portion of the building is stepped down feet from the highest point of the roof on the front. The building is thus currently nonconforming to the 35-foot height limit.

The original design of the building contains open deck areas on the upper level, which have not shown any economic utility since the building was completed. It was anticipated that restaurants would occupy these spaces. These areas could have been enclosed at the time of original construction if an alternate use required enclosure of these areas such as the fitness club.

The combination of the site conditions and the open deck design on the upper floor of the building is arguably exceptional and extraordinary in support of a Variance.

Finding 2. The property owner is seeking to retrofit a building in order to exercise a property right to use a portion of a largely vacant building for a viable purpose. This viable use that is arguably a property right (given that the building is already in place) would otherwise be denied by strict application of the height limit. Making this finding for the portion of the building that increases the building height is more difficult since deck areas could be maintained for the health and fitness club, and/or the total interior square footage of the health and fitness club could be reduced at this upper floor. However the applicant has argued that the proposed development program is the minimum project that can be successfully developed given the existing building configuration and the site.

Finding 3. The portion of the Variance, which does not increase the existing height of the building, as it encloses gaps between existing rooflines, will clearly not be materially detrimental to the public welfare or injurious to the property or improvements in the vicinity. It will negligibly effect the visual appearance of the building, and will not effect any views. Also, the enclosure of these deck areas, which could be used for outside dining under the current plan, will actually be beneficial to nearby residential uses, as it will attenuate potential noise impacts.

This finding is tempered by the condition that a portion of the project will actually increase the building height and be visible from properties located to the southeast of the building. The view analysis provided by the applicant, however, shows the view impacts will not be substantial, and arguably not material. The interior clearance from floor to ceiling at the western end of the building is proposed to be 10 feet, and as high as 12-feet, to keep a consistent roofline. As such, it would be possible to reduce the ceiling height to reduce the overall visual impact, but that would result in a less satisfactory building elevation.

Finding 4. If it is determined pursuant to Finding 3 that the proposed Variance does not result in material damage to surrounding properties, then it is also consistent with the goals, objectives, and

policies of the General Plan. The General Plan encourages viable economic uses along the Commercial Corridor, and also encourages compatibility between commercial and residential uses.

If the Commission decides to approve the Variance it must adopt the findings as described above.

CONCUR:

Ken Robertson
Associate Planner

Sol Blumenfeld, Director
Community Development Department

Attachments

1. Proposed Resolution for Precise Development Plan and Parking Plan
2. Proposed Resolution for Variance
3. Location Map
4. Negative Declaration & Initial Study
5. Parking and Traffic Study
6. Parking demand study of the Costa Mesa facility
7. Correspondence

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