



CITY OF CARMEL-BY-THE-SEA

Planning Commission Report

July 13, 2016

To: Chair Goodhue and Planning Commissioners

From: Marc Wiener, Interim Community Planning and Building Director

Subject: Consideration of Design Review (DR 16-32), Coastal Development Permit and Use Permit (UP 16-034) applications to demolish an existing commercial building in order to construct a new mixed-use building that includes commercial space, eight dwelling units, and an underground parking garage. The project site is located in the Service Commercial (SC) Zoning District

Recommendation:

Approve Design Review (DR 16-32), Coastal Development Permit and Use Permit (UP 16-034) applications subject to the attached findings and conditions

Application:	DR 16-032/UP 16-034	APN:	010-138-021
Location:	SW corner of Dolores Street and 5 th Avenue		
Block:	55	Lot:	1 and 3
Applicant:	Erik Dyar	Property Owner:	Leidig/Draper

Background and Project Description:

The project site is located at the southwest corner of Dolores Street and 5th Avenue in the Service Commercial (SC) Zoning District. The lot is currently developed with a two-story commercial building that includes retail on the lower level and office spaces on the upper level. The existing building is approximately 10,967 square feet in size and includes an underground garage with 9 parking spaces.

The applicant is proposing to demolish the existing building in order to construct a new 11,860-square foot two-story building that includes commercial space on the ground level, 4 subdivided condominium units on the upper level, and 4 low/moderate-income rate apartments (2 on the upper level and 2 on the lower level). The project also includes an

underground garage with 13 parking spaces and a courtyard with intra-block walkways, allowing circulation from Dolores Street to 5th Ave.

The street level would include three retail spaces totaling 3,702 square feet in size, a public restroom and 2 moderate income apartments, for a total street level square footage of 4,776 square feet. The second floor includes 2 low income apartments and 4 condominiums, each with two bedrooms and a mezzanine, for a total of 7,084 square feet. Staff notes the mezzanine would add a third level to the building, which will be discussed in a later section of this report.

On March 9, 2016, the Planning Commission conducted a Concept Review of the project and was highly supportive of the design. Staff has schedule this application for final review and approval.

PROJECT DATA FOR A 8,000-SQUARE FOOT SITE (Service Commercial District):			
Site Considerations	Allowed	Existing	Proposed
Floor Area	12,000 sf (150%)*	10,697 sf (133%)	11,860 sf (150%)
Building Coverage	7,600 sf (95%)	4,672 sf (42%)	7,600 sf (95%)
Building Height ⁱ	30 ft.	Not shown	29' – 3"
Parking Requirement	13 spaces	9 spaces	13 spaces
Proposed Floor Area – Street Level			
Retail Space 1	-	-	1,634 sf
Retail Space 2	-	-	1,539 sf
Retail Space 3	-	-	529 sf
Restroom	-	-	61 sf
Residential Unit 5 (Apt)	-	-	510 sf
Residential Unit 6 (Apt)	-	-	503 sf
			Total: 4,776 sf
Proposed Floor Area – Second Level			
Residential Unit 1 (Condo)	-	-	1,554 sf**
Residential Unit 2 (Condo)	-	-	1,547 sf**

Residential Unit 3 (Condo)	-	-	1,529 sf**
Residential Unit 4 (Condo)	-	-	1,455 sf**
Residential Unit 7 (Apt)	-	-	495 sf
Residential Unit 8 (Apt)	-	-	504 sf
			Total: 7,042 sf**
Setbacks	Minimum Required	Existing	Proposed
Front	0	2.5 ft. Dolores 0 ft. 5 th Ave	0
Rear	0	0	0
Side Yard	0	0	0
*Include 10% courtyard bonus and 5% Affordable House bonus			
**CMC 17.14.140 defines mezzanines are floor area			

Staff analysis:

Zoning District: This site is zoned Service Commercial (SC). CMC Section 17.14.010.B states that the following purpose of the SC Zoning District: *“To provide an appropriate location for services, offices, residential and limited retail activities that primarily serve local needs. This district is intended to provide a distinct transition between the more intense activities in the CC district and the less intense activities in the districts on its periphery. Mixed uses of commercial and residential activities are appropriate throughout this district.”* In staff’s opinion, the proposed use of the building complies with the intent of the SC Zoning District.

Housing Density: CMC Section 17.14 establishes the range of permitted and conditional uses that are allowed in the SC Zoning District. Multi-family projects between 0 and 22 dwelling units per acre (du/acre) are a permitted use. Projects between 22-33 du/acre require a conditional use permit and projects with densities between 34-44 du/acre require a conditional use permit with a finding that the project complies with State Density Bonus Law (Gov. Code Section 65915). The applicant is proposing 8 units on an 8,000 square foot site, which is a density of 43.7 du/acre and requires a density bonus from the City.

The applicant is proposing two “low income” units and two “moderate income” units. State Density Bonus Law requires that at least one of the rental units be offered at a “low income” rate for a minimum term of 55 years. Staff notes that “low income” is defined by the

Association of Monterey Bay Area Governments (AMBAG) as being available for an individual that makes 51-80% of the Monterey County Median income. Currently the maximum allowable monthly rent would be \$1,450 for a low income unit. The rental rate is subject to change over time, however, the property owner is required to comply with AMBAG standards for a period of 55 years. A condition has been drafted requiring the property owner to sign an agreement with the City ensuring future compliance with this standard.

Zoning Compliance: The proposed project complies with the floor area, building coverage, height, setback, and parking standards. With regard to floor area, the proposed building would be 11,860 square feet (\approx 150%) in size and complies with the zoning standards. The floor area ratio for a two-story building in the SC Zoning District is 135% of the site area; however, the applicant is entitled to a 10% bonus for the intra-block walkway/courtyard, and a 5% bonus for the low/moderate income housing (note: separate from density bonus regulations), bringing the total allowed floor area ratio to 150%. Staff notes that CMC 17.14.140 specifically excludes underground parking and storage from the floor area calculations.

At a height of 29-feet 3-inches, the proposed building would be slightly below the allowed height limit of 30 feet for buildings in the SC Zoning District. With regard to setbacks, the proposed building would have a zero setback from all property lines. CMC 17.14.130 requires a zero lot-line setback for at least 70% of the street frontage. A zero lot-line setback is also permitted for the side and rear-yard property lines.

With regard to parking, the proposed garage would include 13 spaces, which is the minimum required for this building. Pursuant to CMC 17.38.020 (Table A), 7 parking spaces are required for the 3,702 square feet of commercial floor area, 4 parking spaces are required for the 4 condominiums, and 2 parking spaces are required for the 4 low/moderate income units. The dimensions of the parking spaces meet the requirements of CMC 17.38.020.E.

Design Standards and Guidelines: The basic standard of review in the Commercial District is whether *“the project constitutes an improvement over existing conditions – not whether the project just meets minimum standards”* (CMC 17.14.010). At the Concept Review meeting on March 9, 2016, the Planning Commission was highly supportive of the design and the improvement that it would be to the site.

In addition to the above code section, the Commercial Design Guidelines provide the following guidance for reviewing projects:

Commercial Design Guideline Section A states that: *“Modifications to buildings should respect the history and traditions of the architecture of the commercial districts. Basic elements of design integrity and consistency throughout each building should be preserved or restored”* and *“New Buildings should not imitate styles of the past but strive to achieve compatibility with the old.”*

Guidelines Section E states that *“building materials and colors should respect traditions already established in the commercial district. The use of richly detailed wood, tile, molding, corbels, brick and stone are encouraged”* and *“building walls facing public streets and walkways should provide visual interest to pedestrian. Variations such as display windows, changes in building form, and changes in material, texture, or color are appropriate.”*

Staff supports the contemporary-style (modern) design of the building and concludes that it would be consistent with the Commercial Design Guidelines. In staff’s opinion, the proposed design respects the traditions of the commercial district and does not imitate styles of the past, which may be typical of other architectural styles such as Spanish or European revival.

The proposed finish materials include stucco siding, stone on the ground level, and steel doors and windows. The proposed stone is a beige/tan color and doors and windows would be painted black. A material pallet will be provided at the meeting that includes samples of the proposed finish materials, including the courtyard pavers.

In staff’s opinion, the proposed finish material are consistent with the Contemporary style of the building, and with the Guideline’s recommendation for natural materials. In addition, the building would provide visual interest as depicted in the renderings and elevations. The applicant has provided their own summary of how the project meets the objectives of the Design Guidelines, which is included as Attachment C.

Landscaping/Trees: The project includes an extensive green-roof system that is depicted on Sheets L1 and L2 of the plan set and will be visible on the front elevations. Staff notes that the green roof has been design to decrease storm-water runoff and assists the project in achieving compliance with the Central Coast Region Post-Construction Storm-Water Requirements. In addition to the green roof, the applicant is proposing two new cypress trees and one new oak tree along the sidewalk in the City right-of-way (ROW), and two new unspecified trees in proposed in the courtyard.

City ROW Improvements: The applicant is proposing to install new pavers on the sidewalk around the site. The proposed pavers are an earth-tone color and meet the requirements of the Public Way Design Standards. A sample will be provided at the meeting for the Commission to review. In addition to new pavers, the applicant is also proposing to replace three trees that are in poor health with two new cypress trees and one new oak tree. The planter cut-outs will be re-designed along with the installation of the new pavers and trees. A condition has been drafted requiring that the applicant apply for and obtain an Encroachment Permit for the proposed work in the City ROW.

Construction Management Plan: The applicant has submitted a construction management plan depicting that construction materials would be stored in the City ROW on the north side of the property and that a security fence would be in place along a portion of the 5th Avenue roadway. A condition has been drafted requiring that the applicant apply for a Temporary Encroachment Permit. The application will be evaluated by the Planning Department, Police Department, and Public Works and revisions may be necessary including a requirement that all construction materials be maintained on site.

Environmental Review: The proposed project is categorically exempt from CEQA requirements, pursuant to Section 15332 (Class 32) – In-Fill Developments. The project proposed to replace a 10,967-square foot building with a new 11,860-square foot mixed-use building with a similar height and footprint as the original building. The proposed changes do not present any unusual circumstances that would result in a potentially significant environmental impact. Furthermore, the project meets the following criteria for exemption pursuant to Section 15332 of the CEQA Guidelines.

- (a) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.
- (b) The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.
- (c) The project site has no value as habitat for endangered, rare or threatened species.
- (d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.
- (e) The site can be adequately served by all required utilities and public services.

ATTACHMENTS:

- Attachment A – Findings for Approval

DR 16-032/UP 16-034) (Leidig/Draper)

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- Attachment B – Conditions of Approval
- Attachment C – Applicant Cover Letter
- Attachment D – Project Renderings
- Attachment E – Project Plans
