



CITY OF CARMEL-BY-THE-SEA

Planning Commission Report

May 9, 2018

To: Chair LePage and Planning Commissioners

From: Marc Wiener, AICP, Community Planning and Building Director

Submitted by: Marnie R. Waffle, Senior Planner

Subject: Consideration of a Design Review (DR 17-482), Coast Development Permit and Use Permit (UP 18-144) applications to construct a new mixed-use building that includes commercial space, eight dwelling units and an underground parking garage located in the Service Commercial (SC) Zoning District.

Application: DR 17-482/UP 18-144 **APN:** 010-138-003
Location: Dolores Street 2 SW of 5th Avenue
Block: 55 **Lot(s):** 5 & 7
Applicant: Erik Dyar **Property Owner:** Leidig/Draper

EXECUTIVE SUMMARY:

The applicant is requesting approval to construct a new, 11,679-square foot two-story mixed-use building with 1,697 square feet of commercial space and 8 residential units (4 condominiums and 4 apartments) located in the Service Commercial (SC) Zoning District.

RECOMMENDATION:

Approve Design Review (DR 17-482), Coastal Development Permit and Use Permit (UP 18-144) applications subject to the attached Findings for Approval and Conditions of Approval (Attachments B and C).

BACKGROUND AND PROJECT DESCRIPTION:

The project site is 8,000 square feet in size and located on Dolores Street, two parcels southwest of 5th Avenue in the Service Commercial (SC) Zoning District. The lot was previously developed with a one-story commercial building that was approximately 3,650 square feet in size with a surface parking lot located at the rear of the property. A Historic Determination of Ineligibility was issued by the Historic Resources Board on December 11, 2017.

PROJECT DATA FOR A 8,000-SQUARE FOOT SITE (Service Commercial District):			
Site Considerations	Allowed	Existing	Proposed
Floor Area	12,000 SF (150%)*	3,650 SF (45%)	11,679 SF (146%)
Building Coverage	7,600 SF (95%)	4,672 SF (62%)	7,600 SF (95%)
Building Height	30'	Unknown	30'
Parking Requirement	10 spaces (minimum)		14 spaces
Proposed Floor Area – Street Level			
Retail Space 1	-	-	785 SF
Retail Space 2	-	-	912 SF
Trash	-	-	20 SF
Elevator/Stair	-	-	68 SF
Residential Unit 1 (Apt)	-	-	804 SF
Residential Unit 2 (Apt)	-	-	923 SF
Residential Unit 3 (Apt)	-	-	772 SF
		Total:	4,284 SF
Proposed Floor Area – Second Level			
Residential Unit 1 (Condo)	-	-	1,536 SF**
Residential Unit 2 (Condo)	-	-	1,542 SF**
Residential Unit 3 (Condo)	-	-	1,548 SF**
Residential Unit 4 (Condo)	-	-	1,689 SF**
Residential Unit 5 (Apt)	-	-	1,079 SF
		Total:	7,394 SF**
Setbacks	Minimum Required	Existing	Proposed
Front	0	-	0'
Rear	0	-	5'
Side Yard	0	-	0'
*Include 10% courtyard bonus and 5% Affordable House bonus			
**CMC 17.14.140 defines mezzanines are floor area			

The applicant is proposing to construct a new 11,679-square foot two-story mixed-use building. The proposed building would be Contemporary style and clad with stone. The building would include 1,697 square feet of commercial space on the ground level, 4 condominium units, and 4 apartments. The project also includes an underground garage with capacity for 14 parking spaces, which would be connected to the adjacent underground garage to the north and would be accessed off of 5th Avenue. The applicant is also proposing a courtyard with intra-block walkways, allowing circulation from Dolores Street to the two adjacent properties to the north and south, as well as to the courtyard behind the project site on Lincoln Street.

On January 10, 2018, the Planning Commission conducted a preliminary concept review and recommended the following: 1) prepare a 3-D rendering of the project and a streetscape rendering showing the relationship between the project and the surrounding neighborhood; 2)

consider varying the height of the building in relationship to the Del Dono Court project to the north; and, 3) provide details for the pedestrian corridors and consider using them as opportunities to display art.

The applicant has provided 3-D renderings of the project and they are included as Attachment C. With regard to building height, the project would be similar in height to the Del Dono Court project to the north; however, the upper floor has been designed with clerestory windows to differentiate the look between the two buildings (refer to Attachment D, Sheet P4). Lastly, the applicant has provided section details of the courtyard (refer to Attachment D, Sheet P5) and has identified potential locations for the display of art within the courtyard as well as the courtyard entry from Dolores Street and on the south wall facing the Carmel Art Association building.

STAFF ANALYSIS:

Zoning District: The project site is zoned Service Commercial (SC). Carmel Municipal Code Section 17.14.010.B states 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.”*

General Plan Housing Element Policy P3-2.1 states, *“Continue to encourage mixed-use developments (second-floor housing over first-floor commercial uses) as a preferred development form contributing to the village character in all Commercial Districts.”*

General Plan Land Use Element Policy P1-8 states, *“Continue to encourage mixed land uses that create new second floor apartments located over ground floor retail and service uses in the commercial district on streets where a pattern of second story buildings already exists.”*

The proposed building would be mixed-use and primarily occupied by residential dwelling units and therefore would be consistent with the purpose and intent of the SC Zoning District and policies of the General Plan.

Housing Density Use Permit: 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 results in a density of 43.7 du/acre and requires a density bonus from the City.

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. The applicant is proposing one “low income” apartment unit in order to comply with this requirement. Staff notes that “low income” is defined by the Association of Monterey Bay Area Governments (AMBAG) as being available for households making 51-80% of the Monterey County Area Median Income (AMI). 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 would be required to comply with AMBAG standards for a period of 55 years.

Zoning Compliance: The proposed project complies with the floor area, building coverage, height, setback, and parking standards.

Floor Area: The Municipal code allows up to 135% of the site area for projects in the SC Zoning District with a 10 percent bonus for intra-block walkways and an additional 5 percent bonus if at least 25 percent of the units are reserved for moderate income households (in addition to any affordable units required under the density bonus regulations) for a total allowable floor area of 150 percent. The proposed building would be 11,679 square feet (146% of site area). Staff notes that CMC 17.14.140 excludes underground parking and storage from the floor area calculations. The project would also include intra-block walkways and at least 2 moderate income units.

Building Height: The proposed building would have a height of approximately 30 feet, as measured to the top of the clerestory.

Setbacks: The 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.

Parking: CMC Section 17.38.020.C requires 1 parking space for every 600 square feet of commercial floor area, 1 parking space for each permanent residential use and ½ parking spaces for each affordable unit. The proposed project would contain 1,697 square feet of commercial floor area and 8 permanent residential units of which at least 3 would be affordable housing units resulting in a minimum parking requirement of 10 spaces. The underground garage would provide 14 spaces. CMC Section 17.38.020.E sets forth the minimum dimensions for regular and compact parking spaces and the project meets the minimum requirements.

Zoning Code Design Standards: The following is a list of pertinent excerpts from the City’s Zoning Code addressing development in the Commercial District followed by a Staff response on how the project addresses each standard.

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 17.14.100)

Staff Response: The project would be a significant improvement over existing conditions. Of important note is that the adjacent project at the southwest corner of Dolores and 5th Avenue is similar in design to the proposed new building and was well supported by the Planning Commission and community.

The maximum land area used as a single building site in the CC district is 8,000 square feet, in the SC district is 12,000 square feet and in the RC district is 32,000 square feet. Development of a parcel larger than these limits requires that the land area be broken up into two or more distinctly different developments to avoid the appearance of a single large project and to maintain the small scale and village character of the City. (CMC 17.14.120)

Staff Response: The project site is 8,000 square feet and the applicant is proposing to merge the parcel with the adjacent Del Dono Court project site which is also 8,000 square feet. The two combined projects represent one 16,000-square foot project site and therefore must be designed to appear distinctly different.

The proposed project would have a similar contemporary-style design to the Del Dono Court building but would be differentiated with more extensive use of stone; the stone would be differentiated in color, texture and pattern. The proposed project would also include a second-story loggia (a free standing open wall) on the front elevation with a band of clerestory windows above to further distinguish the design from the adjacent Del Dono Court building. The fenestration on the front elevation would consist of wood frame windows and doors finished in white with steel banding at the clerestory windows on the upper floor. Lastly, the ground floor landscape planters would be constructed of wood instead of stone.

The allowable maximum building height shall be determined primarily by the design context established by the prevailing heights of nearby structures facing the same street or intersection and within the same pedestrian field of view (i.e., generally, within 100 feet to either side of, or across the street from the proposed structure). (CMC 17.14.150)

Staff Response: The proposed project would be two stories and 30 feet high. The building is consistent with the height of the Del Dono Court building on the corner and other buildings along 5th Avenue. However, the buildings on Dolores Street between 5th and 6th Avenues are all single story. The applicant has provided 3-D renderings of the project showing the relationship between the two mixed-use buildings (refer to Attachment C).

Environmental Review: The project qualifies for a Class 32 Categorical Exemption from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15332 (In-Fill

Development Projects) of the State CEQA Guidelines. Class 32 exemptions consist of projects characterized as in-fill development meeting the conditions described in Section 15332. The project is consistent with the General Plan and Zoning designations of Service Commercial (SC); the project is located within the city limits on an 8,000-square foot lot and is surrounded by urban uses; the project site has no value as habitat for endangered, rare or threatened species; the project would not result in any significant effects related to traffic, noise, air quality or water quality; and, the project site can be adequately served by all required utilities and public services. Furthermore, a trip generation analysis was prepared to provide a comparison between the existing land use and trips generated by the proposed project and concluded that the proposed project is expected to generate fewer daily trips during the peak hour compared to existing conditions.

ATTACHMENTS:

- Attachment A – Findings for Approval
- Attachment B – Conditions of Approval
- Attachment C – 3D Renderings
- Attachment D – Project Plans