



PLANNING COMMISSION AGENDA REPORT

DATE: June 2, 2017

AGENDA OF: June 15, 2017

ITEM: 1 **GP15-0002, Amendment to Downtown Recovery Plan, (a Specific Plan) to extend Additional Height Zone A, modify Additional Height Zone B, and modify development standards; amendment to General Plan 2030 to modify Floor Area Ratio for Regional Visitor Commercial land use designation; amendment to Local Coastal Program Land Use Plan text to modify San Lorenzo Urban River Plan land use development policies; amendment to Municipal Code Section 24.10, Part 24, Central Business District (CBD) of the Zoning Code to modify Extension Area regulations and add Parklet standards. This meeting includes accepting comments on what the environmental impact report should analyze relating to the proposed changes. Environmental Determination: Environmental Impact Report.**

RECOMMENDATION: That the Planning Commission hear the staff presentation, hold a public hearing to accept public comments, discuss the item and provide direction on proposed amendments.

The purpose of this public hearing is to encourage comments on DRAFT development standards for the Central Business District (CBD) as currently located in the Downtown Recovery Plan (DRP), as well as review associated amendments to the General Plan 2030, the Local Coastal Plan and the Zoning Code. These amendments will be analyzed in the Environmental Impact Report, which is expected to be released in July or August for public comment.

BACKGROUND:

The Planning Department and the Planning Commission have been working on development standards for the Pacific Avenue Retail District and the Front Street/Riverfront Corridor since the City Council provided direction to undertake a massing study for this area in October 2014.

The June 15th Planning Commission meeting will be the 18th public hearing/meeting to discuss the Downtown Recovery Plan development standards.

It is important to note that the scope of the massing study was to identify issues that might be of concern if allowable building heights were to be increased for properties in the study area. This effort and direction was never intended to be an entire re-write of the Downtown Recovery Plan or to modify the successful policies and standards that have served the City well for the past twenty-six years.

AGENDA REPORT

PC Meeting of June 15, 2017

SUBJECT: Downtown Recovery Plan Amendments – GP15-0002

Page 2

Instead, the effort was to focus on these areas as opportunities to achieve some of the key City objectives (e.g. providing additional housing and connections to the Riverwalk), while still preserving the positive aspects of downtown and the original vision as developed from the post Loma Prieta earthquake Vision Santa Cruz process.

In addition to the public hearings and meetings with the Planning Commission and City Council, in December 2015 a Planning Commission ad hoc committee was formed to evaluate ROMA Design Group recommendations relating to development standards. This committee completed its analysis in May 2016.

On April 28, 2016, the Planning Commission heard a presentation from ROMA Design Group and McCann Adams Studio with recommendations for modifications to the development standards in the study area. This Planning Commission meeting was followed by similar presentation to the City Council on May 10, 2016.

Additional Planning Commission meetings were held on June 16, July 21, August 18, and September 15, 2016. Since September 2016, the draft plan changes have been available on the Planning Department's webpage for public review and comment and the environmental analysis has been initiated.

Attachment 1 is the Clean version of Chapter 4 of the Downtown Plan. Attachment 2 is the Strikeout version of Chapters 1-4 of the Plan as compared to the September 2016 version reflecting the proposed changes from September. Chapters 5-7 are not reproduced with this packet since there are no changes proposed to these sections from the September 2016 version.

The Environmental Impact Report (EIR) for the Plan is expected to be publicly available for review and comment later this summer with the final action by the Planning Commission in the fall, followed by the City Council consideration of the EIR and Plan amendments.

Additional background reports and presentations are available on the Planning Department website under the Downtown Recovery Plan Amendments tab.

COMPONENTS OF THE DOWNTOWN RECOVERY PLAN REVISIONS

There are several parts to this project, which when combined together, form the project for the purposes of the environmental analysis.

1. Text amendments to the Downtown Recovery Plan. (Attachments 1 and 2. Chapters 5-7 were not reproduced for this packet.)
2. Text amendment to the City's General Plan 2030 relating to modification of the Regional Visitor Commercial land use designation Floor Area Ratio range. (Attachment 3)
3. Text Amendments to the City's certified Local Coastal Program's Land Use Plan in the form of modification to San Lorenzo Urban River Plan policies. (Attachment 4)

AGENDA REPORT

PC Meeting of June 15, 2017

SUBJECT: Downtown Recovery Plan Amendments – GP15-0002

Page 3

4. Ordinance amendments to the Extension Area regulations, which apply to private leasing of public parking spaces, along with establishing a new Parklet ordinance. (Attachment 5)

The focus of the modifications to the Downtown Recovery Plan is on Chapter 4, the development standards. However, when viewing the DRP as a guiding document for context, it was apparent that simply modifying Chapter 4 would lead to internal inconsistencies. Maintaining the context of the original plan is critical, but an update of some of the language is equally important to recognize the past 26 years of positive development that has occurred in the downtown. Proposed modifications to Chapters 1, 2, and 3 represent an attempt to maintain a balance between the key visions from the original plan, with the opportunities to promote more downtown housing. These revisions are part of an overall effort (along with the Corridor Planning work) to re-confirm the City objective to maintain a compact and efficient urban form with public greenbelt to limit suburban-type sprawl and to provide some appropriate development incentives to activate the river connections, a longstanding objective of the City's vision. (Attachment 2, Redlined Version of the Chapters 1-4 of the Downtown Recovery Plan)

Chapter 4 of the draft master clean version has been reorganized to combine redundant sections and also add more section titles and topic headings for easier reference and administration of the standards. Much of the existing DRP language fluctuated between a general guideline and a specific standard, so rather than re-write much of the existing language, the categories were combined by topic and hopefully, can be more effective in the way the language is administered. Including some of the 'intent' language alongside any specific development standard should help to achieve better understanding of individual sections.

The Redlined version also includes language proposed for deletion from the Appendices relating to Floor Area Ratio, High Density Overlay Zone District, a Live Entertainment Ordinance and other Central Business District ordinances. The Floor Area Ratio and High Density Overlay (HDO) Zone District appendices are no longer relevant since the adoption of the General Plan 2030 included specific General Plan floor-area-ratio for the Regional Visitor Commercial designation and HDO Zone was repealed in 2016. The Live Entertainment and Central Business District ordinances are found in the Zoning Code and are proposed to be removed as appendices from the Downtown Plan.

ANALYSIS OF PROPOSED CHANGES

The Draft Downtown Plan recognizes that the City has 'recovered' from the devastating 1989 Loma Prieta earthquake and the past 27 years have seen redevelopment of the downtown into an active community environment.

Some of the key changes include:

- Inclusion of a Use Chart in a table format for both ground level and upper level uses for the districts. This modification allows for easier reference with notes to details about particular uses.

AGENDA REPORT

PC Meeting of June 15, 2017

SUBJECT: Downtown Recovery Plan Amendments – GP15-0002

Page 4

- Combining the Guideline language with Development Standard language into the same sections. As noted above, this change allows both the intent and specific language to be read in one location and should help with administration.
- Changes the upper level setback 42 degree or 52 degree standard to either a numeric setback above a specific height or a percentage limitation of height.
- Introduces a percentage footprint with varying height limits for the Pacific Avenue Retail District and west of Front Street for projects taller than 55 feet. This volumetric approach ensures both vertical and horizontal variation to avoid monolithic structures. This approach is appropriate for the Pacific Avenue Retail District between Cathcart and Laurel Streets. This approach also provides the appearance of multiple buildings that more closely follow the existing development pattern of the downtown.
- The Draft Plan includes standards for contributing to adjacent public passageways along Cathcart, Elm and Maple. These accessways were identified in the original DRP, but the development standards in the Draft Plan introduce standards that can lead to their construction.
- The Draft Plan includes language to require filling adjacent to the river levee to encourage activating the Riverwalk. The original DRP did encourage filling along the levee, but the proposed language makes this public objective a mandatory design feature for new development.
- The Draft Plan increases allowable heights from 55 feet between Pacific Avenue and Front Street (between Cathcart and Laurel) to 75 feet under certain conditions and up to 85 feet for a smaller portion of large sites.
- The Draft Plan increases the allowable height along Front Street Properties between Soquel Avenue and Laurel Street from a maximum of 50 feet to a maximum of 70 feet under specific conditions.

GENERAL PLAN TEXT AMENDMENT

The Central Business District (CBD) zone is the primary zone district that implements the broader Regional Visitor Commercial (RVC) General Plan land use designation. The modifications proposed for the CBD additional height Zone A between Pacific Avenue and Front Street would potentially allow for upper level floor area that could exceed the existing 3.5 FAR in the General Plan RVC designation. The FAR limit is one of three development standards that work together to address bulk and mass of new construction: 1) FAR, 2) Height, and 3) establishing a percentage limitation of varying heights in direct relationship to the size of the property (a volumetric standard).

The proposed text change for RVC designation is from 3.5 FAR to 5.0 FAR. (Attachment 3)

LOCAL COASTAL PROGRAM (LCP) REVISIONS

A portion of the downtown lies within the Coastal Zone and Chapter 4 of the Downtown Recovery Plan is an implementation section of the LCP, which means that revisions to the Chapter 4 require approval by the Coastal Commission. In addition to the development

AGENDA REPORT

PC Meeting of June 15, 2017

SUBJECT: Downtown Recovery Plan Amendments – GP15-0002

Page 5

standards of Chapter 4, there are also several LCP land use policies that are proposed to be modified.

Since the original certification of the City's LCP in 1985, additional plans have been prepared and policies incorporated into the LCP as amendments. One of the documents that the City approved in 2003 was the San Lorenzo Urban River Plan (SLURP). This document was approved as a resource management protection plan for the river. Subsequent to the City Council approval, several resource-related and land use policies were extracted from the SLURP and packaged for certification by the Coastal Commission as an amendment to the City's LCP.

The resource-related policies and river management policies remain appropriate policies for the long-term ecological health of the river. All of these river management and environmental policies remain intact with no proposed changes as part of the update to the DRP.

The remaining SLURP policies that were listed as recommendations in the plan and reflect land use policies that encourage greater access to Riverwalk and better interface between the built environment and the Riverwalk. There were nine SLURP policies relating to Front Street development that were simply added to the LCP for certification after the SLURP was approved. The proposed policy modifications are shown in Attachment 4.

The original DRP included key connections to the Riverwalk as key urban development concepts. These connections were identified for Cathcart Street, Elm Street and Maple Street. The SLURP reinforced these connections to the Riverwalk with policies to encourage the interaction. While the downtown has largely been reconstructed after the Loma Prieta earthquake and development has successfully followed the DRP guidelines and standards, the redevelopment of Front Street properties to encourage these Riverwalk connections to link downtown and the river have not materialized.

In 2010, the City completed another study to specifically analyze the development standards along Front Street (and other areas) to evaluate and identify the impediments to construction and redevelopment to make these connections more realistic. The River/Front and Lower Pacific Design Guidelines and Development Incentives (River/Front Study) concluded that the shallow depth of the Front Street parcels and the associated on-site parking requirements did not incentivize redeveloping these parcels. The 2010 River/Front Study included an economic analysis that concluded that redevelopment of the parcels at 50 foot height limits would not be economically viable redevelopment due to the land costs, shallow parcel depth and on-site parking requirements. The in-depth River/Front Study was more complete as a land use planning document for properties adjacent to the river than the SLURP and the original DRP. The SLURP was a conceptual land use document with emphasis on the river ecosystem between the levees.

The ROMA Design Group recommendations relating to the DRP reinforced the River/Front Study analysis that to achieve these river connections and to incentivize more activity along the Riverwalk, additional height would be needed to make the redevelopment of this area

AGENDA REPORT

PC Meeting of June 15, 2017

SUBJECT: Downtown Recovery Plan Amendments – GP15-0002

Page 6

economically feasible. The Draft Plan will also allow for the option of parking to be located off-site within the Downtown Parking District, which will relieve these shallow parcels from the requirement to include parking on-site.

The combination of the River/Front Study and the additional ROMA massing evaluation have provided technical analysis to move the development standards from the original concepts of the DRP and the SLURP. The resulting Downtown Plan will include far superior (and realistic) development incentives to finally implement the downtown vision to connect people from downtown to the Riverwalk.

The Draft Plan is consistent with the Coastal Act and will:

- Encourage and incentivize maximum public access to the San Lorenzo River in accordance with the Public Access Section 30210 of the Coastal Act.
- Achieve superior connections to the San Lorenzo River above the existing DRP and existing SLURP policies consistent with Section 30211 of the Coastal Act. While the downtown has no coastal beach access within its boundaries, the Plan will provide better public access to the Riverwalk.
- Ensure that development adjacent to the Riverwalk will be designed to prevent impacts to the adjacent sensitive San Lorenzo River and will incentivize clean-up of degraded areas along the levee. The Plan will continue to be sensitive to the pedestrian experience along the Riverwalk with design guidelines and upper floor step backs and open river pedestrian connects that will provide light, air and open space between buildings. The Plan is consistent with Section 30240 of the Coastal Act relating to Land Resources and adjacent development.
- Enhance opportunities to view and interact with the San Lorenzo River as a coastal resource. The Plan standards ensure that development will be sited and designed to be visually compatible with the surrounding downtown, while promoting new open space pedestrian plazas and passageways to the Riverwalk. The filling of the levee and associated required landscaping of these areas is superior to the existing DRP and SLURP land use policies and will better achieve stewardship and scenic values over the existing conditions near the Riverwalk. The Plan supports the Coastal Act Scenic and Visual protection policy Section 30251 to protect and increase opportunities for viewing the river, a coastal resource. New development will not obstruct public views to the San Lorenzo River since the levee is an average of about 10 feet above the Front Street sidewalk, but will increase ability and opportunities for the public to view the river.

The Planning Department is in the process of updating the LCP to simplify the language to more directly follow the Coastal Act. The updated LCP is anticipated to be presented to the Planning Commission in 2018.

AGENDA REPORT

PC Meeting of June 15, 2017

SUBJECT: Downtown Recovery Plan Amendments – GP15-0002

Page 7

PROPOSED ORDINANCE AMENDMENTS TO CHAPTER 24.10

The Central Business District (CBD) zone district is summarized in sections 24.10.2300, et. seq. These sections are being revised to reflect the changes to the Downtown Recovery Plan and essentially reference the Downtown Plan as the source for CBD development standards.

Section 24.10.2340 addresses the Extension Area procedures for allowing private property owners to lease public land adjacent to a business most commonly used for restaurant seating. This section is being expanded to reflect the concept that uses adjacent to the Riverwalk may also utilize the City's license agreement process to be able to allow for private maintenance of public areas adjacent to the Riverwalk. The filling of land adjacent to the levee creates the opportunity for more useable public space and through the extension area agreement process, will allow these areas adjacent to the Riverwalk to be more publicly active spaces. The proposed ordinance changes are consistent with the proposed Downtown Plan changes to encourage activation of these areas adjacent to the Riverwalk.

Finally, Section 24.10.2341 is a newly proposed section of the Zoning Code, which will formalize the Parklet pilot program created a year ago. While this section is not directly related to the Downtown Plan amendments, it is an important component of the downtown activity scene to improve business opportunities and provide another way to activate the street with positive uses. The two existing Parklet facilities have been very successful and the proposed ordinance language reflects the installation and operational details that have been developed during the pilot program by Public Works, Planning and Economic Development.

The combined draft ordinance amendments are found in Attachment 5.

FOCUS AREAS FOR DISCUSSION

While Commissioners are welcome to make comments and suggestions on any portions of the proposed amendments, staff has identified a few key points for specific discussion and requests feedback on the following topics:

Comments on the Scope for the EIR

1. Accept public and commissioner comments specifically related to items to analyze with the EIR.

Draft General Plan FAR Change (See Attachment 3)

2. Discuss FAR change from 3.5 to 5.0.

Draft Local Coastal Plan Changes (See Attachment 4)

3. Discuss San Lorenzo Urban River Plan SLURP policy changes.

Draft Ordinance Amendments to Chapter 24.10 (See Attachment 5)

4. Discuss amendments.

AGENDA REPORT

PC Meeting of June 15, 2017

SUBJECT: Downtown Recovery Plan Amendments – GP15-0002

Page 8

Draft Redline Downtown Plan (See Attachment 2)

5. Introduction and Executive Summary, page 13 and page 31:

- Should SROs be limited to 60 units in any individual project? Staff is suggesting that SRO developments may be considered to exceed 60 units with City Council approval.

Draft Redline Downtown Plan (See Attachment 2)

6. E. Front Street/Riverfront Corridor, graphic on page 59 and text on page 82

- Discuss Upper floor variation.

Draft Redline Downtown Plan (See Attachment 2)

7. Trees planted with the San Lorenzo River Project, page 62 and Attachment 4

- Discuss proposed language in context with SLURP policies.

Draft Redline Downtown Plan (See Attachment 2)

8. Additional Height Zone language, page 72 and page 73, Attachment 2

- Discuss proposed architectural language.

Draft Redline Downtown Plan (See Attachment 2)

9. Off-site Parking, page 90

- Discuss proposed language to allow up to 100% off-site parking.

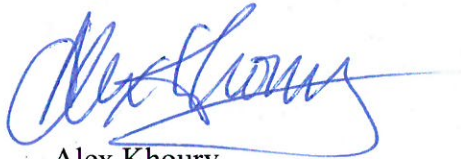
SUMMARY: Together, these proposed amendments will support several key City objectives including activating the Riverwalk, public connections from Front Street to the Riverwalk, enhancing and improving public open spaces and pedestrian connections between Pacific Avenue and Front Street, and increasing opportunities for housing downtown. Many other transportation and climate action objectives are also supported and improved with the proposed amendments. It is therefore recommended that the Planning Commission hear the staff presentation, hold a public hearing to accept public comments, discuss the item and provide direction on proposed amendments.

Prepared by:



Ron Powers
Principal Planner

Approved by:



Alex Khoury
Acting Director of Planning and
Community Development

AGENDA REPORT

PC Meeting of June 15, 2017

SUBJECT: Downtown Recovery Plan Amendments – GP15-0002

Page 9

Attachments:

1. Draft Downtown Plan – Clean Version June 15, 2017
2. Redlined Version of Downtown Recovery Plan June 15, 2017 (Chapters 1-4). This version reflects proposed modifications to the September 2016 version, the last version reviewed by the Planning Commission.)
3. Draft General Plan text Amendment
4. Draft Local Coastal Program Policy Amendments (SLURP policy Revisions)
5. Draft Amendments to Section 24.10, Part 24, Central Business District