



REPORT to the MAYOR and MEMBERS of the CITY COUNCIL
From the CITY MANAGER

DATE: October 11, 2022

SUBJECT: RATIFICATION OF THE DESIGN REVIEW BOARD'S APPROVAL OF PROJECT 2021-40 (PALM STREET VENTURES LLC) – A PROPOSED MIXED-USE DEVELOPMENT AT 4757 PALM AVENUE, APN 494-410-24-00 IN THE CD-D (DOWNTOWN COMMERCIAL / URBAN DESIGN OVERLAY) ZONE

ISSUING DEPARTMENT: Community Development

SUMMARY:

Issues:

1. Does the proposed design meet the intent of the Urban Design Program policies?
2. Is the proposed design consistent with the design policies and objectives of the Downtown Village Specific Plan?

Recommendation:

Ratify the Design Review Board's approval of Project 2021-40 (**Attachment A**).

Fiscal Impact:

There would be no impact to the General Fund related to this project. City of La Mesa policy is to recover 100% of the cost of staff time through application processing fees.

City's Strategic Goals:

- Revitalize neighborhoods and corridors
- Ensure safe and affordable homes for La Mesa's current and future residents

Environmental Review:

This project is categorically exempt under the California Environmental Quality Act Guidelines Sections 15332.

BACKGROUND:

The project site is a vacant, 0.49-acre lot located at the southeast corner of Palm Avenue and Allison Avenue. It has frontage on a public alley to the south. The south half of the site was previously developed with a two-story office building that was lost to fire in 2020. The north half of the site contains surface parking and landscaping. While mostly level, the northern portion sits approximately three feet higher in elevation than the southern portion.

Surrounding uses include a municipal parking lot to the east, a church and professional offices on the north side of Allison Avenue, a private parking lot on the west side of Palm Avenue, and village commercial uses to the south that have storefronts facing La Mesa Boulevard. The Assessor Parcel Map sheet is provided as **Attachment B**, and photos of the project site are provided as **Attachment C**. A vicinity map is provided below.

Situated in the central commercial area of the downtown village, the neighborhood is highly walkable and transit-oriented. The La Mesa Boulevard trolley station is located one block to the west. Right-of-way along both of the site's street frontages is improved with enhanced streetscape features that include sidewalks, street trees with tree grates, bollards, decorative acorn street lights, catenary string lights, brick crosswalks, and pedestrian ramps.

A landscaped pocket park with bench seating occupies the northwest corner of the site and there is a low retaining wall at back-of-sidewalk along Palm Avenue. Metered parallel parking is in place along both street frontages. There is a curb opening on Allison Avenue. The public alley is designated one-way, eastbound. Utilities are installed below ground.



Zoning is CD-D (Downtown Commercial / Urban Design Overlay) and the planned land use designation is Downtown Commercial. Entitlement review for new development in Zone CD-D consists of site development plan review and design review. The Design Review Board (DRB) evaluates projects for consistency with the City's Urban Design Program, which identifies the downtown area as a special design district. Projects in the downtown village are subject to additional design guidelines contained within the Downtown Village Specific Plan (DVSP).

DISCUSSION:

The Design Review Board reviewed the submitted project plans (**Attachment F**) in consideration of the City's Urban Design Program and Downtown Village Specific Plan.

Project applicant Palm Street Ventures LLC proposes to develop a five-story, mixed-use building on the vacant site. Included within the development are 64 one- and two-bedroom apartment units, 2,377 square feet of commercial lease area, 29 off-street parking spaces on the ground floor, and various landscape and hardscape improvements.



Eight (8) of the units within the development will be deed-restricted affordable to very-low-income households. As a qualifying affordable housing project under Government Code Section 65915 and the City's Affordable Homes Bonus Program, the development is eligible for incentives and waivers of development standards. The applicant is utilizing one incentive to allow for ground-floor residential on the west and north sides of the building. A waiver is being utilized to increase building height to 56 feet from the CD zone height limit of 46 feet and a DVSP site-specific design guideline that calls for a three-story height limit. A second waiver is being used to omit a 10-foot third story setback prescribed by the DVSP design guidelines. A third waiver is to modify the parking requirements to allow for parking space sizes and aisle widths consistent with a multi-level parking structure. The project also utilizes a parking ratio of 0.5 spaces per unit as allowed under Government Code Section 65915 for sites located less than one-half mile from a major transit stop.

The building footprint covers most of the site at ground level and has a C-shaped plan on the second through fifth floors that surrounds a second level courtyard. At street level, residential units and commercial storefronts have their entrances near the sidewalk, with the building's main entrance oriented towards the northwest corner. The ground-level parking area is situated to the rear and accessed from a single point of

entry at the one-way alley to the south. The existing curb opening on Allison Avenue will be closed.

The northwest corner of the building is set back a few feet from the property line to provide for a landscaped entry plaza at the main lobby entrance that will tie into the existing pocket park. The plaza includes an area for outdoor seating and dining. New landscape and hardscape elements within the adjacent pocket park, including decorative pavers and a sculptured bench, are designed to unify the public and private spaces.

Community outdoor space includes a central open courtyard on the second floor and a second-floor deck above the entry plaza. Each of the community outdoor spaces is finished with water-efficient landscaping, hardscape, and furniture. Additional landscaping is proposed in a narrow planter along a portion the east wall of the building and the municipal parking lot. Existing Podocarpus gracilor street trees will be removed and replaced with Marina strawberry trees, Chinese flame trees, and Mexican sycamore. Decorative tree grates will be required for all new trees as a condition of approval.

The building's structure is comprised of four stories of frame construction over a 17-foot-high podium deck. Architectural styling is modern and asymmetrical with a flat roof and a variety of wall projections and recesses. The design incorporates angled parapets, balconies, and varied fenestration. Finish materials include metal siding, fiber cement board, brick veneer, block, stucco, perforated metal, and wood siding. The color palette has tones of green and gray with accents of light pinkish tan terra cotta and medium-tone wood.



Mechanical equipment is roof-mounted and screened behind parapet walls. Trash and recycling facilities are located in a room accessed from the parking area. A small area along the south wall of the building is set aside for utility meters and related infrastructure. USPS parking for mail delivery will be made available on the south side of Allison Avenue. Correspondence from utility providers is provided as **Attachment D**.

The project design was reviewed and approved with conditions by the Design Review Board on June 13, 2022, subject to City Council ratification. It was found to be consistent with the Urban Design Program and Downtown Village Specific Plan as described in the Design Review Board Certification of Action (**Attachment A**).

The Planning Commission reviewed and approved the site development plan for the project on September 21, 2022, with conditions. Resolution No. PC-2022-11 is provided as **Attachment E**. The site development plan approval included approval of a parking modification to reduce the amount of required on-site parking by 11 parking spaces beyond the number allowed under Government Code Section 65915.

Regional Housing Needs Allocation (RHNA)

State law requires that each city plan for the existing and future housing need identified in its Regional Housing Needs Allocation (RHNA) allocation. This is done through the Housing Element of the General Plan. In order to accommodate La Mesa's RHNA allocation, the City's Housing Element identifies a list of sites where the City's RHNA allocation could be built. The subject property is one of the identified sites in the City's adopted 6th Cycle Housing Element and the proposed affordable housing project helps the City meet its RHNA goals by providing housing units, including units in the very-low-income category.

Environmental Review

The project is exempt from environmental review pursuant to categorical exemption Class 32 as provided by the California Environmental Quality Act (CEQA) Guidelines Section 15332. Section 15332 exempts infill development that is consistent with zoning, is located on a project site of no more than five acres, is surrounded by urban uses, has no value as natural habitat, would not result in any significant effects relating to traffic, noise, air quality, and water quality, and can be served by utilities and public services.

The applicant submitted traffic, noise, air quality, and water quality technical studies prepared by qualified professionals to substantiate a conclusion that the project is eligible for the exemption and would not cause any significant environmental effects. None of the exceptions to the exemption listed under Section 15300.2 would occur.

CONCLUSION:

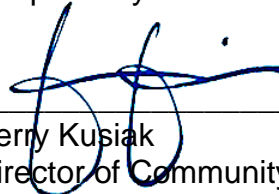
Staff recommends that the City Council ratify the Design Review Board's approval of Project 2021-40.

Reviewed by:



Greg Humora
City Manager

Respectfully submitted by:



Kerry Kusiak
Director of Community Development

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Attachments:

- A. Design Review Board Certification of Action Project 2021-40
- B. Assessor Parcel Map Sheet
- C. Site photographs
- D. Correspondence
- E. Planning Commission Resolution PC-2022-11
- F. Project plans