



REPORT TO PLANNING COMMISSION **10** City of Sacramento

915 I Street, Sacramento, CA 95814-2671

PUBLIC HEARING
March 10, 2011

To: Members of the Planning Commission

Subject 1600 H Parking Waiver (P10-088)

A request to waive a portion of the required parking for an existing residential mixed use project in the General Commercial (C-2) zone within the Central Business Design Review District.

- A. Environmental Determination:** Categorical Exemption pursuant to CEQA Section 15301, Existing Facility;
- B. Special Permit** to waive a portion of the required parking for an existing residential mixed use project.

Location

1600 H Street
Assessor's Parcel Number: 006-0063-020-0000
Council District 3
Central Business Design Review District

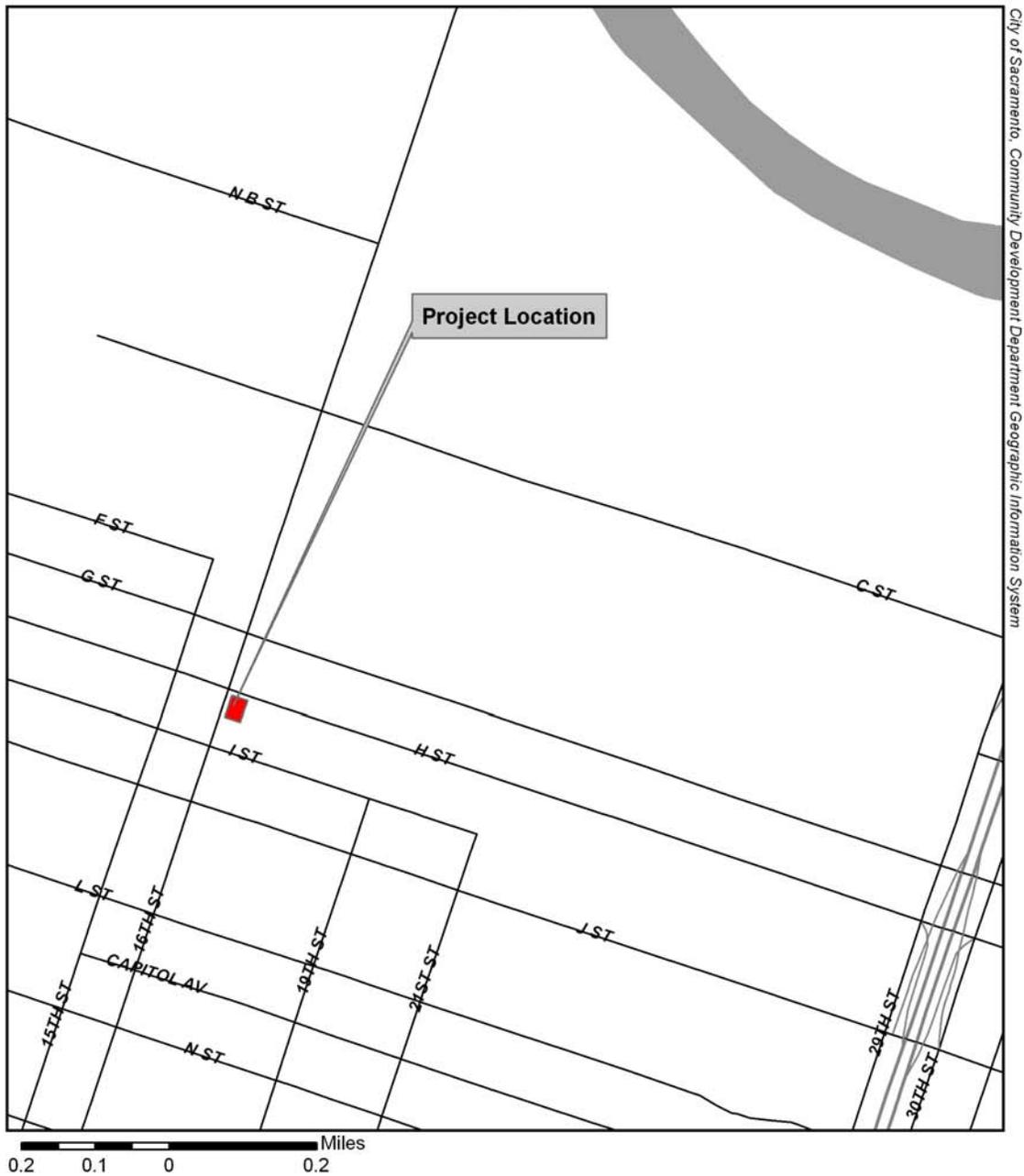
Recommendation

Staff recommends the Planning Commission approve the request based on the findings and subject to the conditions listed in Attachment 1. The Planning Commission has final approval authority over items A-B above, and its decision is appealable to City Council. **Several nearby neighbors have expressed concerns regarding the parking waiver.**

Contact Elise Gumm, LEED AP, Associate Planner, (916) 808-1927;
Stacia Cosgrove, Senior Planner (916) 808-7110

Applicant/Owner 1600 H Investors, LP, c/o: Gurjeet Toor, (916) 383-3333
1530 J Street Suite 200, Sacramento, CA 95814

Vicinity Map



**P10-088
1600 H Street Parking Waiver
Vicinity Map**



E Gumm | December, 2010

Summary

The applicant is requesting to waive a portion of the required parking for an existing mixed use project in the General Commercial (C-2) zone within the Arts and Entertainment District. A mixed use project was approved by Planning Commission in 2006. The construction started in 2007 and was not completed prior to the property going into foreclosure. The current owner purchased the property and completed the construction in 2010. The project was completed with 44 units, and the owner rents them as apartment units due to the depressed condominium, for-sale, housing market. Twenty-eight parking spaces were approved to be located a block and a half away at the City's Memorial Garage. The applicant is now requesting to waive those off-site spaces.

The project is located adjacent to the Central Business District and is within the Arts and Entertainment District. Infill development and smart-growth projects are encouraged in this area. The project also located in an area well-served by public transit.

Staff sent out an early notice to property owners within a 500 foot radius of the subject site when the project was submitted and has received several phone calls from neighbors who have concerns regarding the project. Many of them are concerned the parking waiver will create negative impacts to the on-street parking availability in the neighborhood.

Table 1: Project Information	
General Plan designation:	Urban Corridor High (33-150 du/na)
Existing zoning of site:	General Commercial (C-2)
Existing use of site:	5-story Mixed Use building
Property dimensions/area:	0.44± acres; 160'x120'
Building square footage:	45,497 ± square feet
Building height:	52'± to the plate line

Background Information

The mixed-use project was approved by the Planning Commission in 2005 on the subject site. The site had been vacant for some time, after the original gas station was demolished. The site was originally approved for the development of a 27,540± square foot mixed use building that would include thirteen (13) loft apartments, 1,220 square feet of office/retail, 5,120 square feet of restaurant area, and 9,376 square feet of additional tenant area. The project was approved with Variances for reduced setbacks and Special Permit for a gated parking lot (P04-237).

In 2006, the Planning Commission approved the revised mixed use project, which had similar massing as the 2005 version but a higher number of residential units (P06-167). The 2006 project increased the building height by 4 feet, changed the ground floor to 3,200 square feet of retail space and 6,181 square feet of restaurant space, and modified the loft apartment units and the unclassified loft tenant area on the 2nd and 3rd

floors to 48 residential condominium units. The total building square feet was increased to 45,497 square feet. The project entitlements included Special Permits for a project over 40,000 square feet in General Commercial (C-2) zone, residential condominiums, and off-site parking. The construction of the project started in 2007 and the project later went into foreclosure after the housing market suffered its recent setback.

The current owner purchased the project from the lender in 2009 and completed the construction in 2010. Currently, the project contains 44 residential units and 9,381 square feet of retail space. The condominium map is complete and recorded, but all units are under sole ownership and are rented as apartments.

The project site contains 19 on-site parking spaces. With the approved Special Permit for off-site parking, the project included 28 off-site parking spaces for residents at the City's Memorial Garage at 15th & H Streets. The applicant is now requesting to waive the 28 off-site parking spaces.

Public/Neighborhood Outreach and Comments

As part of the application review process, staff routed the application package to the Midtown Business Association, the Midtown Neighborhood Association (formerly Winn Park), and the Alkali / Mansion Flats Historic Neighborhood Association on December 17, 2010. An early notification to all property owners within the 500 foot radius was sent out on January 19, 2011. Staff also mailed Planning Commission hearing notices to all property owners within the 500 foot radius on February 25, 2011. Staff is aware of neighbors concerns regarding the project. Staff will have further discussion about these concerns and the parking proposal in the "Project Design" section of the staff report. Staff received a letter of support for the parking waiver from the California Infill Builders Council (Attachment 4).

Environmental Considerations

The Community Development Department, Environmental Planning Services Division has reviewed this project and determined that it is exempt from the provisions of the California Environmental Quality Act (CEQA) Section 15301, Existing Facilities. The project consists of the operation of an existing facility, involving no expansion of use beyond that which is already existing.

Policy Considerations

The 2030 General Plan Update was adopted by City Council on March 3, 2009. The 2030 General Plan's goals, policies, and implementation programs define a roadmap to achieving Sacramento's vision to be the most livable city in America. The 2030 General Plan designated the subject site as Urban Corridor High, which includes multi-story structures and highly developed transit service. Developments along the corridor contribute to a more compact and consistent pattern that relocates parking primarily to structures and to the rear of buildings. Street level frontages are lined with retail and other pedestrian-oriented uses. The streetscape is appointed with pedestrian amenities that support and enhance pedestrian activity.

General Plan

The 2030 General Plan has identified goals and policies under the Land Use and Urban Design Element. Some of the goals and policies supported by this project are:

- Infill Development. The City shall promote and provide incentives (e.g., focused infill planning, zoning/rezoning, revised regulations, provision of infrastructure) for infill development, redevelopment, mining reuse, and growth in existing urbanized areas to enhance community character, optimize City investments in infrastructure and community facilities, support increased transit use, promote pedestrian and bicycle-friendly neighborhoods, increase housing diversity, ensure integrity of historic districts, and enhance retail viability. (Policy LU 1.1.5)
- Sustainable Development Patterns. The City shall promote compact development patterns, mixed use, and higher-development intensities that use land efficiently; reduce pollution and automobile dependence and the expenditure of energy and other resources; and facilitate walking, bicycling, and transit use. (Policy LU 2.6.1)
- Walkable Blocks. The City shall require new development and redevelopment projects to create walkable, pedestrian scaled blocks, publicly accessible mid-block and alley pedestrian routes where appropriate, and sidewalks appropriately scaled for the anticipated pedestrian use. (Policy LU 2.7.6)
- Reduce Minimum Parking Standards. The City shall reduce minimum parking standards over time to promote walkable neighborhoods and districts and to increase the use of transit and bicycles. (Policy M. 6.1.2)
- Separate Parking Costs. The City shall provide incentives for projects that separate the cost of parking from lease payments. (Policy M. 6.1.8)
- Reduction of Parking Areas. The City shall strive to reduce the amount of land devoted to parking through such measures as development of parking structures, the application of shared parking for mixed-use developments, and the implementation of Transportation Demand Management plans to reduce parking needs. (Policy M. 6.1.4)

Smart Growth Planning Principles

Sacramento City Council adopted a set of Smart Growth Principles in December 2001 in order to promote growth that is economically sound, environmentally friendly, and supportive of community livability. The Smart Growth Principles encourage:

- Mixing land uses and supporting vibrant city centers by giving preference to the redevelopment of city centers and transit oriented development within existing transportation corridors with vertically or horizontally integrated mixed uses to create vibrant urban places;

- Concentrating new development and targeting infrastructure investments within the urban core of the region;
- Fostering a walkable community.

The proposed project is designed to incorporate many elements of the Smart Growth Principles listed above. The residential mixed use project is located in an area designated for urban development, located just outside the Central Business District. The building offers a mix of commercial and residential uses, contributing to a vibrant city center. The streets are designed to provide adequate connections for multi-modal transportation (e.g. walking, bicycling) and the building elevations and orientation on the site contribute to a pedestrian friendly streetscape.

Project Design

Land Use

The project site is zoned General Commercial (C-2) within the Arts and Entertainment District. The project is allowed in the C-2 zone with the approval of a Planning Commission Special Permit if the building is over 40,000 square feet. The project site had obtained the Special Permit and it is consistent with the residential land use policies and density requirements of the General Plan.

Special Permit to Waive a Portion of the Required Parking

The mixed use project has been developed with a gated parking, providing 19 secured parking spaces on the site. Per the Zoning Ordinance, the project requires a minimum of 47 parking spaces, calculated on the ratio of one (1) space per residential unit for total of 44 units and one (1) guest parking space per 15 residential units. The project has a Special Permit for off-site parking, which allows all parking spaces in excess of the 19 on-site spaces, to be located at the Memorial Garage.

Parking Reduction

The applicant is requesting a Special Permit to waive the required parking that was to be located off-site. Based on the total of 47 required spaces and the 19 spaces provided on-site, the applicant is requesting a parking reduction of 28 spaces.

The City has traditionally supported reduced parking for mixed use projects located in areas well served by transit. Mixed use projects are anticipated to share parking facilities and usually attract a higher pedestrian market, since they are located in areas with high employment.

The applicant was asked to do a parking survey with all current tenants in order to demonstrate tenants' current parking arrangements and to get an understanding of their preferences. Currently, 43 of the total 44 units are leased and all tenants have a car. The on-site parking is leased out to tenants based on a first-come, first-served basis per the leasing term and expiration date. The parking fee is \$150 in addition to the rental

rate. Other tenants who were not able to park on-site are using on-street parking, using City's on-street parking permits or other nearby surface parking lots. Approximately 57% of the tenants either work from home or work in the Downtown / Midtown area (6 – home, 19- downtown/midtown). Their ages range from mid-20/s to mid-60;s, and the majority are single (36-single, 7- married). Currently, no tenant has chosen to pay for the parking at the Memorial Garage parking structure. Therefore, rather than maintain 28 parking spaces that are not being used, the applicant/owner is requesting the parking waiver.

Staff finds that the project is located in an area well served by public transit and there are more parking spaces available after business hours when the parking demand in the area is higher.

The site is situated on several bus lines that operate on G, H, I, J, K Streets and 15th & 16th Streets. The site is in close walking distance of bus stops on H, I, and 16th Streets. The project site is also within close proximity to several surface parking lots that are mainly used by office patrons during the daytime. Some tenants are already using them as their alternative parking choices. The availability of the on-street parking on 15th & 16th Streets is increased after business hours because additional travel lanes on Highway 160 (which is 15th & 16th Streets) are open for parking after traffic hours.

For the reasons listed above, staff supports the special permit for parking reduction because it will help to encourage the reduction of gas emissions by encouraging alternative modes rather than the automobile. Tenants are still compelled to use off-street parking facilities in the area that may be more conveniently located for them.

As stated in the City Zoning Ordinance, a special permit shall be required for any parking reduction request. In evaluating special permit proposals of this type, the Planning Commission is required to make the following findings:

- A. A special permit shall be granted upon sound principles of land use.

It is appropriate to support reduced parking requirement for mixed use projects that are located in areas that are well served by transit and within walking distances of the downtown core.

- B. A special permit shall not be granted if it will be detrimental to the public health, safety or welfare, or if it results in the creation of a nuisance.

The project, as conditioned, will not be detrimental to the public welfare nor result in the creation of a public nuisance in that there are alternative parking options available to tenants. The mixed use building and neighborhood provide for a range of commercial uses to meet daily needs of residents and are within convenient walking distance to its residents.

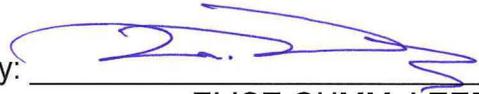
- C. A special permit use must comply with the objectives of the general or specific plan for the area in which it is to be located.

The site is not located within an identified high need parking area. The proposed project is consistent with the residential land use policies of the General Plan which encourage modified parking standards to improve the use of public transportation and pedestrian amenities while downplaying the reliance on the automobile for transportation. In addition, approving the request will not create new parking demands or impacts to the neighborhood because the current parking situation is already the end result of the requested parking reduction. Thus, staff concludes that the Special Permit as properly conditioned, will not negatively affect adjacent businesses and residences, and public transit, carpooling, walking, and bicycling are viable transportation modes at the site. Therefore, staff supports the parking reduction request.

Recommendation

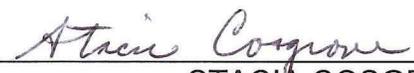
Staff recommends that the Planning Commission approve the proposed project subject to the attached Findings of Facts and Conditions of Approval.

Respectfully submitted by:



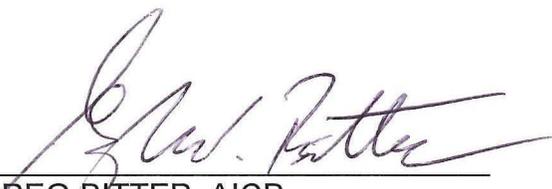
ELISE GUMM, LEED AP
Associate Planner

Approved by:



STACIA COSGROVE
Senior Planner

Recommendation Approved:



GREG BITTER, AICP
Principal Planner

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Attachment 1 Recommended Findings of Fact and Conditions of Approval

Findings of Fact**A. Environmental Determination: Exemption**

Based on the determination and recommendation of the City's Environmental Planning Services Manager and the oral and documentary evidence received at the hearing on the Project, the Planning Commission finds that the Project is exempt from review under **Section 15301, Existing Facilities** of the California Environmental Quality Act Guidelines as follows:

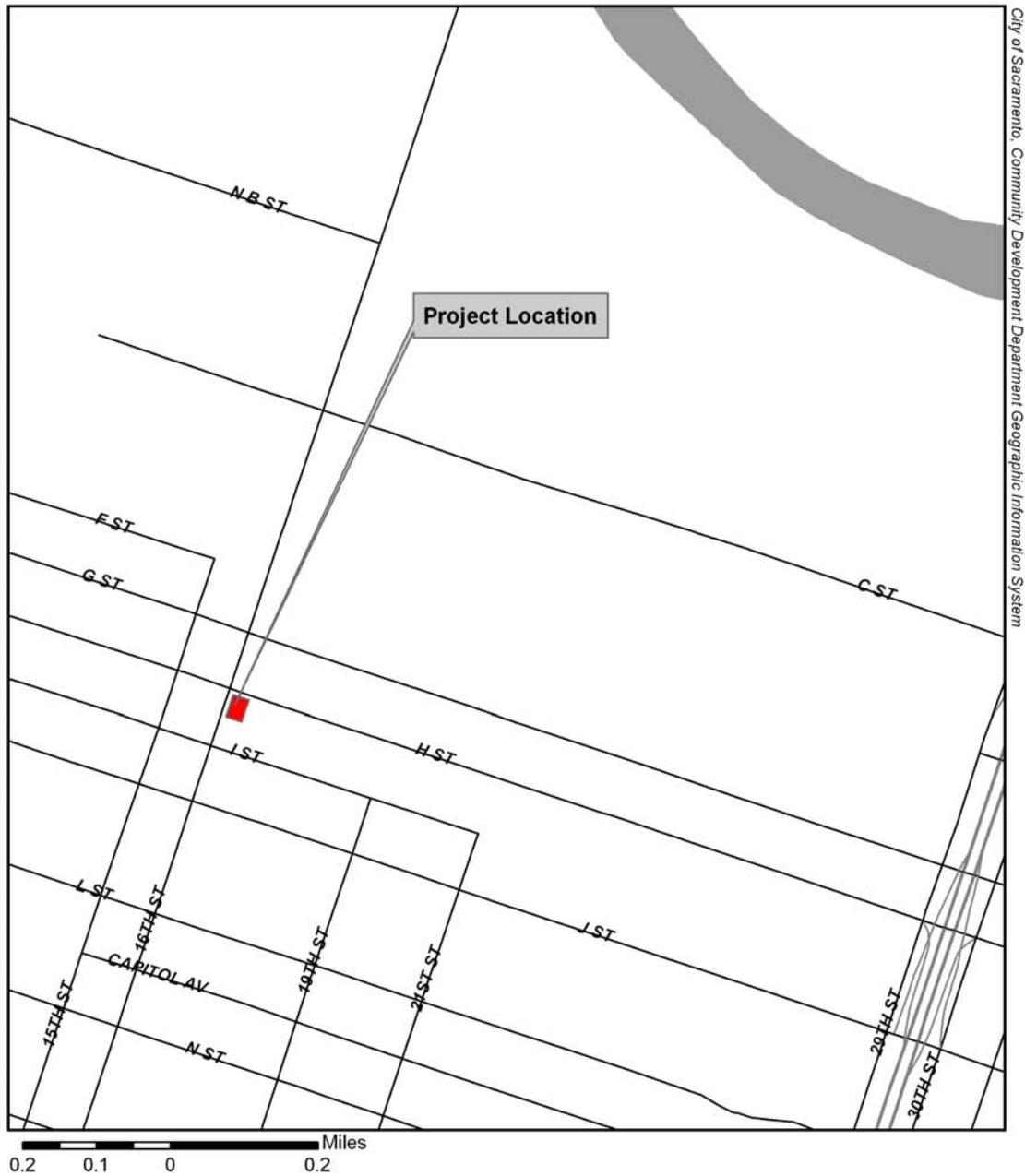
The project consists of the operation of an existing parking lot, involving no expansion of use beyond that existing.

B. Planning Commission Special Permit to allow a parking reduction of twenty-eight (28) spaces for a 45,497± square foot residential mixed-use building in the General Commercial (C-2) zone is approved subject to the following Findings of Fact and Conditions of Approval:

1. It is appropriate to support reduced parking requirement for mixed use projects that are located in areas that are well served by transit and within walking distances of the downtown core.
2. The project, as conditioned, will not be detrimental to the public welfare nor result in the creation of a public nuisance in that there are alternative parking options available to tenants. The mixed use building and neighborhood provide for a range of commercial uses to meet daily needs of residents and are within convenient walking distance to its residents.
3. The site is not located within an identified high need parking area. The proposed project is consistent with the residential land use policies of the General Plan which encourage modified parking standards to improve the use of public transportation and pedestrian amenities while downplaying the reliance on the automobile for transportation. In addition, approving the request will not create new parking demands or impacts to the neighborhood because the current parking situation is already the end result of the requested parking reduction. Thus, staff concludes that the Special Permit as properly conditioned, will not negatively affect adjacent businesses and residences, and public transit, carpooling, walking, and bicycling are viable transportation modes at the site. Therefore, staff supports the parking reduction request.

Conditions of Approval

- B. Special Permit** to allow a parking reduction of twenty-eight (28) spaces for a 45,497± square foot residential mixed-use building in the General Commercial (C-2) zone is **approved** subject to the following Conditions of Approval:
- B1. The applicant shall meet all other project conditions per the previous Planning Approval P06-167.
 - B2. Approval of this Special Permit constitutes the waiver of 28 required parking spaces. Any modification to the numbers of units on site or to the configuration of the existing on-site parking may result in the need for additional Planning entitlements.

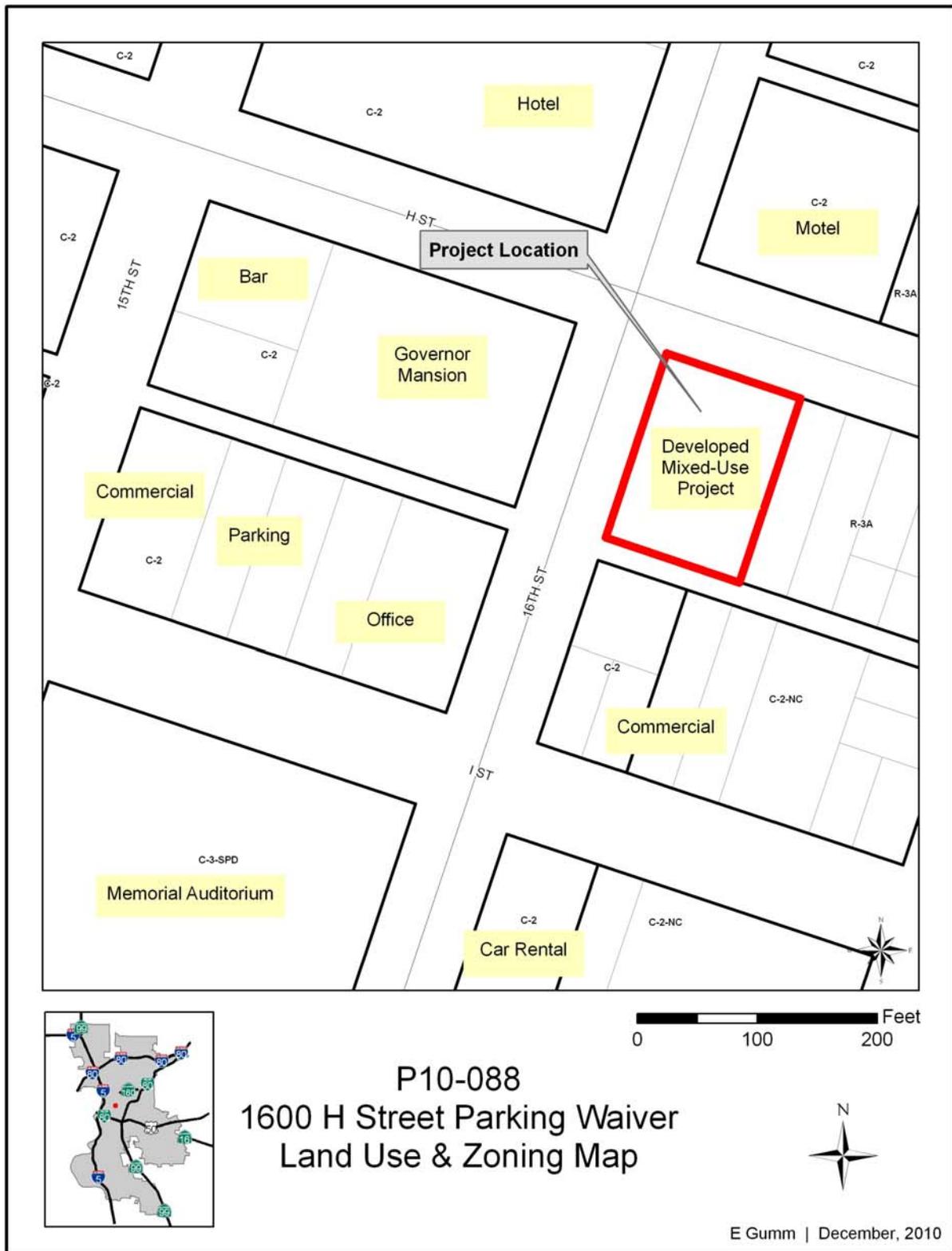


P10-088 1600 H Street Parking Waiver Vicinity Map



E Gumm | December, 2010

Attachment 3 Land Use and Zoning Map



Attachment 4 Support Letter from the California Infill Builders Council



February 10, 2011

City of Sacramento Planning Commission
915 I Street, Council Chambers
Sacramento, CA 95814

Re: Support for Proposed Parking Waiver for 1600 H Street

Dear Planning Commission Members,

The 1600 H Street mixed use project is an excellent example of the kind of development the City encourages in its Infill Development Priorities and Smart Growth Principles. We write to urge you to approve the proposed parking waiver.

The California Infill Builders Council is a statewide organization dedicated to educating decisionmakers and the public concerning the economic and quality of life benefits associated with well planned and well designed infill development supported by transit.

Additional parking for the 1600 H Street project is not warranted. The project has surface parking lots available on three sides, and tenants have other options including bus and light rail transit. The project is also located near services and employment centers. Requiring additional parking for this development is counter to the City's Smart Growth Principles which encourage sharing existing community resources (e.g. parking lots) promoting alternative transportation and reducing the heat island effect. Studies show that projects in the right places with low amounts of parking reduce regional traffic and greenhouse gas emissions, reduce pressure to develop on California's farmlands and allow more efficient use of land.

We urge you to grant the proposed parking waiver.

Sincerely,

A handwritten signature in dark ink, appearing to read "Geof Syphers", is written over a circular scribble.

Geof Syphers,
President of the Council