CITY PLANNING COMMISSION SACRAMENTO, CALIFORNIA MEMBERS IN SESSION:

ITEM # 17 DECEMBER 9, 1993 PAGE 1

P93-149 - PENSIONE K

REQUEST:

- A. Negative Declaration
- B. Mitigation Monitoring Plan
- C. <u>Special Permit</u> to construct a Single Room Occupancy Residential Hotel having 129 units.
- D. <u>Special Permit</u> to construct eight residential units in the C-2 zone.
- E. <u>Special Permit</u> to permit 16 parking spaces to be located off-site.
- F. <u>Major Project Special Permit</u> to construct a project exceeding 40,000 square feet in the C-2 zone.
- G. <u>Variance</u> to reduce the required front yard setback from 15 feet to between 3 feet and 11 feet 8 inches.
- H. <u>Variance</u> to waive one required parking space.
- I. <u>Variance</u> to allow 45% of the parking spaces to be compact.
- J. <u>Lot Line Adjustment</u> to merge four parcels into two parcels.

LOCATION:

SW corner of 17th and K Streets

Parcel Number: 006-0124-002 through 005

Central City Community Plan area

Council District 3

APPLICANT: S

Sacramento SRO Ltd. Partnership c/o Michael Galasso

501 W. Broadway, Koll Center #1660

San Diego, CA 92101-3505 (619) 232-2100

OWNER:

Sacramento Housing & Redevelopment Agency

P.O. Box 1834, Sacramento, CA 95812

PLANS BY:

David Baker & Associates Architects

APPLICATION FILED:

October 4, 1993

STAFF CONTACT:

Jeff Archuleta, 264-5381

SUMMARY/RECOMMENDATION:

The applicant proposes to construct a four-story, 48,400 square foot single room occupancy (SRO) hotel containing 129 living units. The project would also include, as a second phase, the development of eight residential units that could be used as live-work Because the project is receiving below market-rate financing from the Sacramento Housing and Redevelopment Agency (SHRA), rents on one-half of the SRO units will be restricted to very low income persons.

In order to meet the applicant's objectives, the project requires the discretionary planning entitlements described above. In evaluating the project, the basic issues are the scale and intensity of the SRO development and the design of the adjoining residential buildings. Staff recommends approval of the project. This recommendation is based on its consistency with policies contained in the General Plan and Central City Housing Strategy encouraging new housing and mixed use development in the central city, construction of affordable SRO housing, and the project's compatibility with existing land uses in the vicinity.

PROJECT INFORMATION:

General Plan Designation:

Community/Neighborhood Commercial & Offices

Community Plan Designation:

General Commercial

50 feet: 4 stories

40 feet: 2.5 stories

Existing Land Use of Site:

Vacant

Existing Zoning of Site:

C-2 (General Commercial)

Surrounding Land Use and Zoning:

North:

Ballet offices, auto repair: C-2

South:

YWCA facility; C-2

East:

5-story office; C-2

West:

SRO:

8-unit Residential:

3-story office: C-2

Setbacks:	Required	<u>Provided</u>
Front:	7.5'- 15'	3' - 11.66'
Side(St):	5 ′	7.5' - 10.5'
Side(Int):	· 0′	0' - 10'
Rear:	0'	5.25' - 28.25'
Property Dimensions:		160' x 200'
Property Area:		.74 <u>+</u> gross acres (32,000 sq.ft.)
		.74+ net acres
Density of Development:		101.4 dwelling units per net acre
Square Footage		
SRO:		48,400 square feet
8-unit Residential:		8,400 square feet
Height of Buildi		• • • • • • • • • • • • • • • • • • • •

Exterior Building Materials:

SRO:

stucco; wood decks and trellises galvanized aluminum; wood trellises

Roof Material:

SRO:

not visible

8-unit Residential

8-unit Residential:

galvanized aluminum

Parking Provided:

31 spaces

Parking Required:

32 spaces

Topography: Street Improvements:

Flat Existing

Utilities:

Existing

OTHER APPROVALS REQUIRED: In addition to the entitlements requested, the applicant will also need to obtain the following permits or approvals, including, but not limited to:

Permit

Agency

*Design Review
Encroachment Permit
Building Permit
Development and Disposition
Agreement

Design Review Board, Staff Public Works, Development Services Building Division SHRA, City Council

BACKGROUND INFORMATION:

The subject site, along with other surrounding properties east of 16th Street, were rezoned from C-3 to C-2 in 1980, concurrent with adoption of the Central City Community Plan update. Among other things, the intent was to establish 16th Street as the easterly limit of the Central Business District, as well as encourage a smaller scale mixture of residential, office and commercial uses in this transition zone between the more intense CBD on the west and the neighborhoods to the east.

In 1985, the City Council approved a Special Permit and Variance (P84-208) for the construction of a 112,500 square foot, five-story office building on the property across 17th Street from the subject site. That approval later expired, and the developer reapplied and was granted approval for the same project in July, 1987 (P87-291). One of the conditions of approval for that project, known as St. John's Plaza, required the developer to dedicate a 12,800 square foot parcel, located at the southwest corner of 17th and K Streets, to SHRA for future housing development. The site was dedicated to SHRA, and St. John's Plaza office building was completed in 1989. SHRA subsequently acquired three additional parcels which, along with the dedicated parcel, now comprise the entire 32,000 square feet site.

^{*}Requires a public hearing

The SRO project was originally proposed for a site on the south side of L Street between 18th and 19th Streets. That particular proposal would have involved a significant parking reduction because of the smaller property size. In October, 1992, the developers submitted that project to SHRA in response to a Notice of Funding Availability (NOFA) for the development of residential or mixed-use projects in the central city. The NOFA was issued by SHRA for the purpose of providing financial assistance for new housing development, as recommended in the Central City Housing Strategy. The SRO project was one of three that were ultimately selected for financial assistance. Due to constraints associated with the L Street site, SHRA decided to make its 17th and K site, which is slightly larger, available in exchange for the L Street site. The development team agreed, and Pensione K was reconfigured for the new site, with room to spare. This extra space will be utilized for additional parking and eight separate residential units.

STAFF EVALUATION: Staff has the following comments:

A. Policy Considerations

The proposed project is consistent with numerous goals and policies set forth in the General Plan, Central City Community Plan, and Central City Housing Strategy. The pertinent goals and policies contained in each plan document are listed below, followed by an explanation of how the project meets those goals and policies.

1. General Plan

- Provide appropriate residential opportunities to meet the City's required share of the region's housing need.
- Provide affordable housing for all income groups.
- Provide quality housing that is safe and attractive.
- Provide a mix of housing types and styles throughout the City.
- Prevent housing discrimination and provide accessibility and housing opportunities for special need groups.

The project will consist of both SRO units and larger, loft-type units, thereby providing housing opportunities for individuals of varying income levels. The SRO portion of the project will contain 129 units, all of which will have a private, handicapped adaptable bathroom, sink with disposal, small refrigerator, microwave, closet, desk, color TV, bed, and a small dining table. Most of the rooms will be 230 square feet in area, approximately the size of a typical hotel room, while four of the units will have approximately 440 square feet. Two one-bedroom units will be provided for the on-site manager and assistant manager. Common facilities

available to the residents include a full kitchen on the second floor, a library/reading room, and a laundry facility. A common courtyard will be available for residents as well as non-residents patronizing the cafe along K Street.

The SRO project will provide decent housing that is affordable to the "working poor", those single individuals employed in minimum wage jobs who often cannot afford to pay the first and last month's rent for a typical apartment. A significant number of the people working in central city offices, stores, and businesses fall within this income level. According to a 1991 survey conducted for the San Diego Housing Commission, residents of the numerous SROs in that city included security guards, maids, cab drivers, store clerks, students, artists and graphic designers, and people on fixed incomes. Rents on one-half (64) of the SRO units will be restricted to very low income persons (earning less than 50% of the area median income). The remainder of the units will be allowed to charge market rents.

In contrast, the residential loft units will provide an alternative housing option for artists, self-employed people, or others desiring a live-work environment.

2. Central City Community Plan

- Provide rental and homeownership opportunities to meet the needs of elderly persons, low and moderate income families, and other groups with specialized housing needs.
- Provide the opportunity for mixture of housing with other uses in the same building or site at selected locations to capitalize on the advantages of close-in living.
- Encourage mixed land uses including high density residential uses in and around the CBD in order to increase the economic viability and livability of the area.

As noted above, the project will target very low and moderate income individuals. In addition, the project will contain ground floor retail space and a small cafe, adding to the pedestrian ambience and livability of the neighborhood.

3. Central City Housing Strategy

 Participate in the construction of new housing projects to demonstrate the market for new housing in the central city.

- Pursue SHRA's plan for preservation and production of single room living (SRO) units.
- Require any project receiving financial assistance to provide 20 percent affordable (very low, low and moderate income) housing units.

This proposal implements these three recommended strategy measures, as discussed in Section A above.

B. Site Plan Design/Zoning Requirements

1. Setbacks

For purposes of determining setbacks, the K Street side is considered to be the front, and 17th Street the side. The four-story SRO building is required by code to have a 15-foot front setback in the C-2 zone. The building will have a variable setback, ranging from 3 feet to 11 feet 8 inches, therefore a variance is requested. There is no side or rear yard setback requirement, however, along 17th Street the building will have a setback ranging from 7.5 to 10.5 feet. The interior side yard, where the SRO abuts the 8-unit residential project, will be 10 feet except in the front along K Street where the building will have no setback. At the rear adjacent to the alley, most of the building will be set back 24.75 to 28.25 feet, except for the corner along 17th, which will have a 5-foot setback.

The 8-unit residential project will have a 5-foot front setback, less than the required 15 feet, thus the variance is necessary for this building as well. No side yard setbacks are required because of the C-2 zoning, and none are provided. The rear yard setback will be 90 feet; most of this area will be parking and landscaping.

Given the fact that most other surrounding buildings, including the YWCA, the office building at 16th and K, and the two buildings to the north across K Street on both sides of 17th, have no setbacks, staff believes that the setbacks proposed for this building are reasonable and appropriate.

2. Recycling/Trash Facilities

The 72 square foot trash enclosure will be located at the rear of the building. In addition, a 300 square foot recycling area will be provided in an enclosed area in the side yard between the SRO and residential projects. Both areas will be accessible from the SRO building to allow convenient disposal of trash and recyclable materials by residents without having to open the main enclosure gates. The recycling area will provide eight cubic

yards of recycling volume, as required in Section 34 of the Zoning Ordinance. Containers will be marked by material to be stored.

3. Parking/Circulation

Vehicular access to the project will be provided via the alley to the rear; all existing curb cuts will be removed. The project is very much oriented to pedestrians in that both street frontages contain numerous building entrances, including the main lobby entrance to the SRO, the retail space and cafe, and a total of six residential units. A rack for eight bicycles will be provided along the 17th Street side of the retail space.

The project is well-served by public transit, although there are no bus lines immediately adjacent to the site. A total of nine bus lines operate within a two block radius of the site, along J, L, 15th and 19th Streets.

A total of 32 parking spaces are required for the various components of the project as follows:

127 SRO units @ 1 space/10 units	13
2 manager's units @ 1 space/unit	2
8 residential units @ 1 space/unit	8
cafe @ 1 space/3 seats	7
retail @ 1 space/500 sq. ft.	_2

Total 32 spaces

The project proposes 31 spaces, thus a variance is required to waive one space. Also, there will be two more compact spaces than normally allowed, 45% rather than 40%, thus a variance is necessary. Because the cafe and future retail establishment will be patronized to some degree by residents of the project, the waiver of one parking space should not pose any problems. In addition, the project will have 360 feet of uninterrupted street frontage, adequate to provide 15 on-street parking spaces (at 22 feet per parallel space, 7 spaces could be accommodated on 17th Street, and 8 spaces on K Street). It is likely that most of the off-street parking will be used by residents and employees of the cafe and retail establishment (although some employees may live in the SRO or adjacent units), while patrons of the cafe will most likely park on-street.

Due to the configuration of the two parcels to be created (out of four existing), 16 of the required parking spaces for the SRO/cafe/retail space will be located to the rear of the eight residential units, which will be on a separate parcel. This will make those 16 spaces "off-site", therefore, a Special Permit is required. A condition has been imposed to require that the

developer record a reciprocal parking agreement to ensure that the parking will always be provided in the event the parcels are ever sold to different owners at some future point in time.

4. Landscaping

Landscaping will be provided at various locations of the project site, including most of the 17th Street frontage, the K Street frontage of the 8-unit residential portion, in the rear parking lot, and in the courtyard between the two rows of residential loft units. Ground covers, shrubs, and small trees will be drought tolerant species. Potted palms will be placed in the interior courtyard of the SRO.

The project will also include the replacement of the landscaped parkway along the entire street frontages, where it is currently discontinuous and broken up by old driveways and concrete surfaces. This landscaping will consist of lawn and new and some existing street trees, including Chinese Pistache along K Street, and Southern Magnolia along 17th.

5. Signage

The project will have two identification signs: a 10.5 square foot galvanized aluminum projecting sign for the SRO, and a 9 square foot aluminum wall mounted sign for the retail storefront. Neither sign is proposed to be illuminated. Also, address letters will be installed for the SRO building, four SRO units having entrances facing the street, and the eight residential loft units. The cafe will probably have a window sign.

C. Building Design

The SRO structure is generally 45 feet in height, the maximum allowable height in the C-2 zone, although the corner and elevator tower are 48 and 50 feet tall. This additional height is permitted since the project developer is entering into a development disposition agreement (DDA) with SHRA. The residential loft structures, which have sloped roofs, are 40 feet high at their highest point. The building will have a total of 48,400 square feet of area, 1,950 of which will be devoted to ground floor retail and cafe space.

The SRO units will be a minimum 230 square feet in size, with four as large as 430-440 square feet, far greater than the 100 square foot minimum. Approximately 1,900 square feet of common area will be provided for residents, including a lounge/reading room and courtyard areas on the ground floor, and a full kitchen on the second floor. This exceeds the minimum of 1,290 square feet required (10 square feet per unit). There will also be a laundry facility on the ground floor.

The project is designed in a contemporary theme, although the architect uses color and varied building planes to break up the building mass in such a way as to make it appear to be a combination of several smaller buildings, reminiscent of the scale of older, traditional shopping streets. Exterior materials of the SRO structure are colored stucco, stained wood trellis members, integral colored concrete terrace surfaces, and painted aluminum windows. The color palette consists of warm earth colors, including terra cotta red, burnt sienna, burnt umber, and ochres. The residential loft structures are proposed to have corrugated galvanized aluminum siding and roofing, with wood trellises.

The project design went before the Design Review Board on November 17th for review and comment only. Overall, the Board liked the design of the SRO structure, including the colors, massing and attention to details, although individual members expressed personal concerns with color, the use of stucco, and the need for some additional architectural design treatments.

As for the eight residential loft units, on the other hand, the Board was divided over the use of corrugated metal siding. Of the seven Board members present, three liked the metal buildings, while four did not like them at all. Because there was no consensus for or against the use of metal, the applicant and architect will not make any design changes until after the Planning Commission hearing.

PROJECT REVIEW PROCESS:

A. Environmental Determination

The Environmental Services Manager has determined the project, as proposed, will not have a significant impact to the environment; therefore, a Negative Declaration has been prepared. In compliance with Section 15070(B)1 of the California Environmental Quality Act Guidelines, the applicant has incorporated mandatory mitigation measures into the project plans to avoid identified impacts or to mitigate such impacts to a point where clearly no significant impacts will occur. These mitigation measures were regarding issues relating to the Combined Sewer System, Plant Life, and Cultural Resources. The mitigation measures are listed in the attached Mitigation Monitoring Plan (Attachment C).

B. <u>Public/Neighborhood/Business Association Comments</u>

When the project was initially proposed for the L Street site, the applicant and SHRA met with surrounding property owners, some of whom expressed concern with the use, project size, and minimal amount of parking. Partly as a result of this concern, as well as the fact that the L Street site had some constraints, SHRA offered the 17th and K site as a trade. The Pensione K project now fits much better on the current site, in that it will sit among other commercial and

institutional buildings of a compatible size and scale, and it will have greater parking capacity, both on- and off-street.

The selection committee that reviewed the Pensione K project (along with other projects submitted to SHRA for funding assistance) consisted of five members, representing the Planning Commission, Housing and Redevelopment Commission, SHRA staff, City Planning staff, and the Central City Alliance of Neighborhoods. The committee gave consideration to the merits of each project, including how the project met housing and land use goals within the central city, as well as the appropriateness of the project to its location. This project was strongly supported by the committee in that it provides a much-needed housing resource in an area close-in to the CBD, and because of the applicants' excellent track record with similar projects in San Diego and Berkeley.

Information and plans for this project proposal were sent to SOCA, Boulevard Park Neighborhood Association, the Midtown Business Association, and the Capitol Area Development Authority. Notices for the public hearing were sent to all property owners within a 500-foot radius on Wednesday, November 24. No comments have been received.

C. Summary of Agency Comments

The project has been reviewed by several City Departments and other agencies. The following summarizes the comments received:

- 1. Traffic Engineering: Traffic determined that since the proposed use is consistent with current zoning, and is less-intense than other projects that could be constructed on this site, no traffic study was necessary. Specific conditions imposed, which are listed in the resolutions, address alley improvements and parking setbacks along the alley.
- 2. Engineering Development: The comments which are specifically listed as conditions in the resolutions address standard lot line adjustment requirements, grading, and drainage. Mitigation language suggested by Engineering has been incorporated into the Mitigation Monitoring Plan and Negative Declaration.

PROJECT APPROVAL PROCESS: Of the entitlements below, Planning Commission has the authority to approve or deny all of them. The Planning Commission action may be appealed to the City Council. The appeal must occur within 10 days of the Planning Commission action.

<u>RECOMMENDATION</u>: Staff recommends approval of the proposed development for the following reasons:

- The project is consistent with, and furthers the goals and policies of, the General Plan, Central City Community Plan, and Central City Housing Strategy with regard to housing, land use, and mixed use development.
- The project provides a mix of housing opportunities in an area close to the CBD.
- The project is designed at an appropriate scale and massing to be compatible with the surrounding development.

Staff recommends the Planning Commission take the following actions:

- A. Ratify the Negative Declaration
- B. Adopt the attached Resolution approving the Mitigation Monitoring Plan.
- C-F. Adopt the attached Resolution approving the Special Permits to c) construct a Single Room Occupancy Residential Hotel having 129 units; d) to construct eight residential units in the C-2 zone; e) and permit 16 parking spaces to be located off-site; and f) approving a Major Project Special Permit to construct a project exceeding 40,000 square feet in the C-2 zone.
- G-I. Adopt the attached Resolution approving Variances to g) reduce the required front yard setback from 15 feet to between 3 feet and 11 feet 8 inches; h) to waive one required parking space; and i) allow 45% of the parking spaces to be compact.
- J. Adopt the attached Resolution approving the Lot Line Adjustment to merge four parcels into two parcels.

Jeff Anchuleta	Steve Peterson	
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Report Prepared By,	Report Reviewed By,	

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P93-149 - PENSIONE K

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5-story office; C-2

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3-story office; C-2

Setbacks:
Front:
Side(St):

Required 7.5'- 15' Provided 3' - 11.66'

5' 0'

0'

7.5' - 10.5'

Side(Int):

0' - 10'

Rear: Property Dimensions: 5.25' - 28.25' 160' x 200'

Property Area:

.74<u>+</u> gross acres (32,000 sq.ft.)

.74 + net acres

Density of Development:

101.4 dwelling units per net acre

Square Footage of Buildings:

SRO:

SRO:

48,400 square feet

8-unit Residential:

8,400 square feet

Height of Buildings:

50 feet; 4 stories

8-unit Residential:

40 feet; 2.5 stories

Exterior Building Materials:

SRO:

8-unit Residential:

stucco; wood decks and trellises galvanized aluminum; wood trellises

Roof Material:

SRO:

not visible

8-unit Residential

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Topography:

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Street Improvements:

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Utilities:

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Agreement

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B. Site Plan Design/Zoning Requirements

1. Setbacks

For purposes of determining serbacks, the K Street side is considered to be the front, and 17th Street the side. The four-story SRO building is required by code to have a 15-foot front setback in the C-2 zone. The building will have a variable setback, ranging from 3 feet to 11 feet 8 inches, therefore a variance is requested. There is no side or rear yard setback requirement, however, along 17th Street the building will have a setback ranging from 7.5 to 10.5 feet. The interior side yard, where the SRO abuts the 8-unit residential project, will be 10 feet except in the front along K Street where the building will have no setback. At the rear adjacent to the alley, most of the building will be set back 24.75 to 28.25 feet, except for the corner along 17th, which will have a 5-foot setback.

The 8-unit residential project will have a 5-foot front setback, less than the required 15 feet, thus the variance is necessary for this building as well. No side yard setbacks are required because of the C-2 zoning, and none are provided. The rear yard setback will be 90 feet; most of this area will be parking and landscaping.

Given the fact that most other surrounding buildings, including the YWCA, the office building at 16th and K, and the two buildings to the north across K Street on both sides of 17th, have no setbacks, staff believes that the setbacks proposed for this building are reasonable and appropriate.

2. Recycling/Trash Facilities

The 72 square foot trash enclosure will be located at the rear of the building. In addition, a 300 square foot recycling area will be provided in an enclosed area in the side yard between the SRO and residential projects. Both areas will be accessible from the SRO building to allow convenient disposal of trash and recyclable materials by residents without having to open the main enclosure gates. The recycling area will provide eight cubic

yards of recycling volume, as required in Section 34 of the Zoning Ordinance. Containers will be marked by material to be stored.

3. Parking/Circulation

Vehicular access to the project will be provided via the alley to the rear; all existing curb cuts will be removed. The project is very much oriented to pedestrians in that both street frontages contain numerous building entrances, including the main lobby entrance to the SRO, the retail space and cafe, and a total of six residential units. A rack for eight bicycles will be provided along the 17th Street side of the retail space.

The project is well-served by public transit, although there are no bus lines immediately adjacent to the site. A total of nine bus lines operate within a two block radius of the site, along J, L, 15th and 19th Streets.

A total of 32 parking spaces are required for the various components of the project as follows:

127 SRO units @ 1 space/10 units	. 13
2 manager's units @ 1 space/unit	2 .
8 residential units @1 space/unit	8
cafe @ 1 space/3/ seats	7
retail @ 1 space/500 sq. ft.	_2
Total /	32 spaces

The project proposes 31 spaces, thus a variance is required to waive one space. Also, there will be two more compact spaces than normally allowed, 45% rather than 40%, thus a variance is necessary. Because the cafe and future retail establishment will be patronized to some degree by residents of the project, the waiver of one parking space should not pose any problems. In addition, the project will have 360 feet of uninterrupted street frontage, adequate to provide 15 on-street parking spaces (at 22 feet per parallel space, 7 spaces could be accommodated on 17th Street, and 8 spaces on K Street). It is likely that most of the off-street parking will be used by residents and employees of the cafe and retail establishment (although some employees may live in the SRO or adjacent units), while patrons of the cafe will most likely park on-street.

Due to the configuration of the two parcels to be created (out of four existing), 16 of the required parking spaces for the SRO/cafe/retail space will be located to the rear of the eight residential units, which will be on a separate parcel. This will make those 16 spaces "off-site", therefore, a Special Permit is required. A condition has been imposed to require that the

developer record a reciprocal parking agreement to ensure that the parking will always be provided in the event the parcels are ever sold to different owners at some future point in time.

4. Landscaping

Landscaping will be provided at various locations of the project site, including most of the 17th Street frontage, the K Street frontage of the 8-unit residential portion, in the rear parking lot, and in the courtyard between the two rows of residential loft units. Ground covers, shrubs, and small trees will be drought tolerant species. Potted palms will be placed in the interior courtyard of the SRO.

The project will also include the replacement of the landscaped parkway along the entire street frontages, where it is currently discontinuous and broken up by old driveways and concrete surfaces. This landscaping will consist of lawn and new and some existing street trees, including Chinese Pistache along K Street, and Southern Magnolia along 17th.

5. Signage

The project will have two identification signs: a 10.5 square foot galvanized aluminum projecting sign for the SRO, and a 9 square foot aluminum wall mounted sign for the retail storefront. Neither sign is proposed to be illuminated. Also, address letters will be installed for the SRO building, four SRO units having entrances facing the street, and the eight residential loft units. The cafe will probably have a window sign.

C. <u>Building Design</u>

The SRO structure is generally 45 feet in height, the maximum allowable height in the C-2 zone, although the corner and elevator tower are 48 and 50 feet tall. This additional height is permitted since the project developer is entering into a development disposition agreement (DDA) with SHRA. The residential loft structures, which have sloped roofs, are 40 feet high at their highest point. The building will have a total of 48,400 square feet of area, 1,950 of which will be devoted to ground floor retail and cafe space.

The SRO units will be a minimum 230 square feet in size, with four as large as 430-440 square feet, far greater than the 100 square foot minimum. Approximately 1,900 square feet of common area will be provided for residents, including a lounge/reading room and courtyard areas on the ground floor, and a full kitchen on the second floor. This exceeds the minimum of 1,290 square feet required (10 square feet per unit). There will also be a laundry facility on the ground floor.

The project is designed in a contemporary theme, although the architect uses color and varied building planes to break up the building mass in such a way as to make it appear to be a combination of several smaller buildings, reminiscent of the scale of older, traditional shopping streets. Exterior materials of the SRO structure are colored stucco, stained wood trellis members, integral colored concrete terrace surfaces, and painted aluminum windows. The color palette consists of warm earth colors, including terra cotta red, burnt sienna, burnt umber, and ochres. The residential loft structures are proposed to have corrugated galvanized aluminum siding and roofing, with wood trellises.

The project design went before the Design Review Board on November 17th for review and comment only. Overall, the Board liked the design of the SRO structure, including the colors, massing and attention to details, although individual members expressed personal concerns with color, the use of stucco, and the need for some additional architectural design treatments.

As for the eight residential loft units, on the other hand, the Board was divided over the use of corrugated metal siding. Of the seven Board members present, three liked the metal buildings, while four did not like them at all. Because there was no consensus for or against the use of metal, the applicant and architect will not make any design changes until after the Planning Commission hearing.

PROJECT REVIEW PROCESS:

A. <u>Environmental Determination</u>

The Environmental Services Manager has determined the project, as proposed, will not have a significant impact to the environment; therefore, a Negative Declaration has been prepared. In compliance with Section 15070(B)1 of the California Environmental Quality Act Guidelines, the applicant has incorporated mandatory mitigation measures into the project plans to avoid identified impacts or to mitigate such impacts to a point where clearly no significant impacts will occur. These mitigation measures were regarding issues relating to the Combined Sewer System, Plant Life, and Cultural Resources. The mitigation measures are listed in the attached Mitigation Monitoring Plan (Attachment C).

B. <u>Public/Neighborhood/Business Association Comments</u>

When the project was initially proposed for the L Street site, the applicant and SHRA met/with surrounding property owners, some of whom expressed concern with the use, project size, and minimal amount of parking. Partly as a result of this concern, as well as the fact that the L Street site had some constraints, SHRA offered the 17th and K site as a trade. The Pensione K project now fits much better on the current site, in that it will sit among other commercial and

institutional buildings of a compatible size and scale, and it will have greater parking capacity, both on- and off-street.

The selection committee that reviewed the Pensione K project (along with other projects submitted to SHRA for funding assistance) consisted of five members, representing the Planning Commission, Housing and Redevelopment Commission, SHRA staff, City Planning staff, and the Central City Alliance of Neighborhoods. The committee gave consideration to the merits of each project, including how the project met housing and land use goals within the central city, as well as the appropriateness of the project to its location. This project was strongly supported by the committee in that it provides a much needed housing resource in an area close-in to the CBD, and because of the applicants' excellent track record with similar projects in San Diego and Berkeley.

Information and plans for this project proposal were sent to SOCA, Boulevard Park Neighborhood Association, the Midtown Business Association, and the Capitol Area Development Authority. Notices for the public hearing were sent to all property owners within a 500-foot radius on Wednesday, November 24. No comments have been received.

C. Summary of Agency Comments

The project has been reviewed by several City Departments and other agencies. The following summarizes the comments received:

- 1. Traffic Engineering: Traffic determined that since the proposed use is consistent with current zoning, and is less-intense than other projects that could be constructed on this site, no traffic study was necessary. Specific conditions imposed, which are listed in the resolutions, address alley improvements and parking setbacks along the alley.
- 2. Engineering Development: The comments which are specifically listed as conditions in the resolutions address standard lot line adjustment requirements, grading, and drainage. Mitigation language suggested by Engineering has been incorporated into the Mitigation Monitoring Plan and Negative Declaration.

PROJECT APPROVAL PROCESS: Of the entitlements below, Planning Commission has the authority to approve or deny all of them. The Planning Commission action may be appealed to the City Council. The appeal must occur within 10 days of the Planning Commission action.

<u>RECOMMENDATION</u>: Staff recommends approval of the proposed development for the following reasons:

- The project is consistent with, and furthers the goals and policies of, the General Plan, Central City Community Plan, and Central City Housing Strategy with regard to housing, land use, and mixed use development.
- The project provides a mix of housing opportunities in an area close to the CBD.
- The project is designed at an appropriate scale and massing to be compatible with the surrounding development.

Staff recommends the Planning Commission take the following actions:

- A. Ratify the Negative Declaration
- B. Adopt the attached Resolution approving the Mitigation Monitoring Plan.
- C. Adopt the attached Resolution approving the Special Permit to construct a Single Room Occupancy Residential Hotel having 129 units; to construct eight residential units in the C-2 zone; and permit 16 parking spaces to be located off-site; and approving a Major Project Special Permit to construct a project exceeding 40,000 square feet in the C-2 zone.
- D. Adopt the attached Resolution approving a Variance to reduce the required front yard setback from 15 feet to between 3 feet and 11 feet 8 inches; to waive one required parking space; and allow 45% of the parking spaces to be compact.

E. Adopt the attached Resolution approving the Lot Line Adjustment to merge four parcels into two parcels.

All Reports

Report Prepared By,

Chules

Report Reviewed By,

Jeff Afchuleta

Planner

Steve Peterson

Senior Planner

Attachments

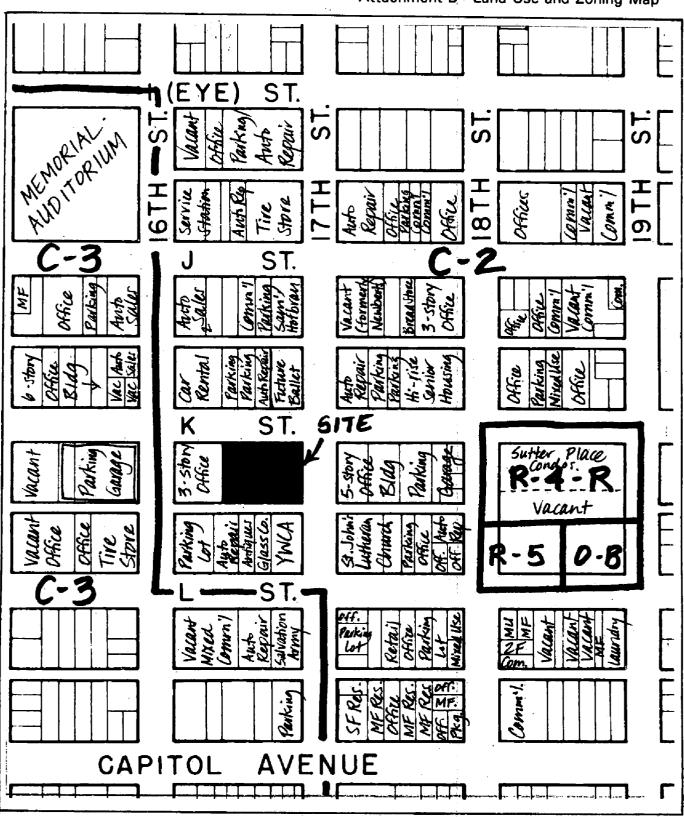
Attachment A Vicinity Map Attachment B Land Use and Zoning Map Attachment C Resolution Approving the Mitigation Monitoring Plan Mitigation Monitoring Plan Exhibit C-1 Attachment D Resolution Approving the Lot Line Adjustment Exhibit D-1 Lot Line Adjustment Map Attachment E Resolution Approving the Special Permits Exhibit E-1 Site Plan Exhibit E-2 Floor Plans Exhibit E-3 Elevations Attachment F Resolution Approving the Variances Article on SROs from Planning, June 1993 Attachment G

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Attachment B - Land Use and Zoning Map



Recording Not Required

MITIGATION MONITORING PLAN

FOR

Pensione K (P93-149)

Initial Study

Prepared By: City of Sacramento, Planning Division November 29, 1993

Adopted By: City of Sacramento Planning Commission

CITY OF SACRAMENTO

MITIGATION MONITORING PLAN

This Mitigation Monitoring Plan has been required and prepared by the Department of Planning and Development, Planning Division, 1231 I Street, Suite 301, Sacramento, CA 95814, (916) 264-5381, pursuant to California Environmental Quality Act Guidelines Section 21081.

SECTION 1: PROJECT IDENTIFICATION

Project Name / File Number:

Pensione K (P93-149)

Owner:

Sacramento Housing and Redevelopment Agency

Address:

P. O. Box 1834

Sacramento, CA 95812-1834

Applicant:

Sacramento SRO Ltd.

Address:

501 W. Broadway, Koll Center #1660

San Diego, CA 92101-3505

Project Location / Legal Description of Property (if recorded):

See Attachment A

SECTION 2: GENERAL INFORMATION

The project as approved includes mitigation measures placed on the Combined Sewer System, Plant Life, and Cultural Resources. The intent of the Plan is to prescribe and enforce a means for properly and successfully implementing the mitigation measures as identified within the Initial Study for this project. Unless otherwise noted, the cost of implementing the mitigation measures as prescribed by this Plan shall be funded by the owner/developer identified above.

The subject site is located within the Central City Community Plan (CCCP) area and is located on the southwest corner of 17th and K Streets. The site is also identified by Assessor Parcel Numbers (APN's) #006-0124-002, -003, -004, and -005. The 1986-2006 Sacramento General

Plan Update (SGPU) designates the site as Community/ Neighborhood Commercial & Offices, while the CCCP land use designation is General Commercial.

Currently the site is vacant with a paved parking area located on the southeast corner. There are three street trees located along 17th Street and two street trees located along K Street. According to the Environmental Questionnaire, past uses on the project site have included a local bar "Top Hat Tavern" and a retail establishment in the early twenties. The adjacent land uses are zoned and developed with commercial uses.

The applicant is requesting the above referenced entitlements to construct 137 housing units, 2,100 square feet of retail use, and thirty one parking spaces. This project will be constructed in two phases:

Phase I

As proposed, Phase I will consist of 129 SRO units, 23 parking spaces, and 2,100 square feet of retail space. The SRO units will be approximately 230 square feet in area and each unit will have a private handicapped adaptable bathroom, sink with disposal, under counter refrigerator, microwave, four foot wide closet, desk, color TV, bed, and a small dining table.

Common facilities will be available to the residents. These facilities will include a full kitchen, a library/reading room, and a laundry room. The retail portion of the project is approximately 2,100 square feet. This retail space includes a cafe. The cafe is intended to accent the pedestrian experience within the area and will serve the neighborhood as well as the SRO residents. It is also anticipated that residents of the SRO will be a good source for cafe staff.

Phase II

Phase II will consist of 8 residential loft units. Each loft will be approximately 1,025 square feet in area. The lofts will include a kitchen, bath room, a storage closet, and an overhead mezzanine. The lofts will have an outside entry and a second story private balcony.

As designed, the loft will be divided by a landscaped walkway between the two loft structures which will extend from 17th Street to the proposed parking area.

Building materials, for the proposed project, will consist of stucco, wood trellis, concrete terraces, aluminum windows, and metal siding (on the lofts). Building colors will consist of earth tones (beiges, reds, and burnt amber) and architecture will employ visual relief through varying building setbacks and heights. The SRO hotel portion of the project is designed to accommodate single adults with a middle to low income level, whereas, the 8 unit residential loft complex is intended to accommodate middle income level persons.

SECTION 3: PLAN CONTENTS

1. COMBINED SEWER/STORM DRAIN CEASE AND DESIST AREA

A. The applicant agrees to pay such lawful fees, taxes or assessments imposed through the use of development fees, impact fees, fee districts, community facilities districts, assessment districts, or other fair, equitable, and appropriate mechanisms designed to address project impacts on the existing combined stormwater sewer system, and shall execute an agreement satisfactory to the City Attorney and suitable for recordation which obligates the applicant to pay fair, equitable and appropriate development or related fees, impact fees or assessments or taxes as and when enacted, imposed, or levied.

ENTITY RESPONSIBLE FOR ENSURING COMPLIANCE

City Attorney, City of Sacramento
Department of Planning and Development, City of Sacramento
Department of Public Works, City of Sacramento

MONITORING PROGRAM

Prior to issuance of the Notice to Proceed with commencement of work, and prior to issuance of the Building Permit, the applicant shall execute an agreement as described above subject to approval by the City Attorney. The City Entities shall obtain a copy of this agreement prior to commencement of work and prior to issuance of building permit.

2. TREE PRESERVATION

- B. All City street trees located along 17th and K Streets, as identified above, shall be saved. These street trees shall be protected and preserved subject to the following:
 - 1. Erect the six foot construction barrier along the curb and gutter side of any tree affected. For all other dripline areas, the required barrier shall be erected.
 - 2. No machine trenching for utilities or irrigation lines shall occur within the dripline of existing trees to remain except as allowed by this measure. Acceptable methods for installing utility and irrigation lines through tree dripline areas are boring, tunneling and hand trenching. All plans for boring, tunneling and trenching within the dripline areas shall be subject to the approval of the City Arborist.
 - 3. A permit is required for all pruning of City street trees.
 - 4. No storage of materials or parking of vehicles shall occur within the dripline of the trees.
 - 5. If, during construction activities, site grading for roadways and sidewalks, and sidewalk repair roots greater than 2 inches in diameter are encountered, prior to cutting the root(s), a root inspection must be performed by an arborist from a list of certified arborists as maintained by the Planning Division (see Attachment B).
 - 6. These plans and protection methods shall be noted on all improvement and grading plans submitted for Building Permits for the project.
 - 7. Alternative protection methods may be used subject to approval of the Planning Division.

ENTITY RESPONSIBLE FOR ENSURING COMPLIANCE

Department of Planning and Development, City of Sacramento Department of Public Works, City of Sacramento

MONITORING PROGRAM

Prior to the issuance of any Building Permit, the Building Division shall require that the project plans incorporate the tree protection measures as specified by the above mitigation measure. Prior to the issuance of any Notice to Proceed, the Public Works Department shall require that the project plans incorporate the tree protection measures as specified by the above mitigation measure.

If any protective barriers are penetrated, moved or removed as a result of construction activities, the Building Division/Public Works Department shall require the developer to provide an analysis from a certified arborist identifying the condition of the affected trees. In such a case, the responsible City department shall be that department with responsibility for inspection of the particular component of the project which is affected by the discovery.

In the event that any protective barriers are penetrated, moved or removed as described above, the responsible City department shall require that all work within the driplines of affected trees, as shown on the original project plans, be ceased. The responsible City department shall verify the accuracy of the required arborist report by referring the report to the Planning Division (the geographic environmental coordinator) for review. If the trees are determined to be damaged or removed as a result of construction activities, the Building Division/Public Works Department shall require that alternative mitigation measures be developed and implemented subject to approval by the Planning Division. The Building Division/Public Works Department shall require the approved alternative measures to be incorporated into the project plans, prior to resumption of work within the affected area.

In the case of additional review as required above, the developer shall deposit with the City adequate funds, as determined by the Planning Division, to provide funding for City review of revised mitigation measures and monitoring program provisions. These funds will be deposited prior to resumption of work within the affected area.

Documentation of completion of the required mitigation measures shall be placed in the project record by the applicable City Entity as follows:

- The Building Division shall document implementation of all mitigation measures prior to issuance of final building permits, a Certificate of Occupancy or a Certificate of Completion for the project.
- The Public Works Department shall document implementation of all mitigation measures prior to issuance of Notice of Completion.

3. CULTURAL RESOURCES

C. If subsurface archaeological or historical remains (including unusual amounts of bones,

stones, or shells) are discovered during excavation or construction of the site, work shall stop immediately and a qualified archaeologist and a representative of the Native American Heritage Commission shall be consulted to develop, if necessary, further mitigation measures to reduce any archaeological impact to a less-than-significant level before construction continues.

ENTITY RESPONSIBLE FOR ENSURING COMPLIANCE

Department of Planning and Development, City of Sacramento Department of Public Works, City of Sacramento

MONITORING PROGRAM

Prior to issuance of any building permits by the Building Division, a suitable noise barrier shall be approved by the Planning Department. The noise barrier shall be constructed as part of the project site work. The Building Inspection Division will verify that the wall is constructed prior to final building permits, or issuance of a Certificate of Compliance or Certificate of Occupancy.

F/1

CERTIFIED ARBORISTS

1. Kemper Tree Care
P.O. Box 1271
Roseville, CA 95661
(916) 781-3777

Contact:

Kevin Kemper, Owner/Operator

2. June A. Ritzman 8209 Sanwood Court Orangevale, CA 95662 (916) 725-6541

Contact:

June A. Ritzman, Owner/Operator

3. R-B Enterprises
9980 Calvine Road
Sacramento, CA 95829
(916) 689-9426

Contact:

Gene Robinson, Owner/Operator

Tree Care Incorporated (merger of Austin B. Carroll & Son and Sta-Green Tree Service)
 P.O. Box 1247
 Carmichael, CA 95609-1247
 (916) 485-4303

Contact:

Michael Hutnick and William A. Carroll, Owners/Operators

5. Roger Poulson Tree Services
7770 Chancery Court
Citrus Heights, CA 95610
(916) 729-7485

Contact:

Roger Poulson, Owner/Operator

September 9, 1993

LEGAL DESCRIPTION OF LOTS TO BE CREATED Planning Commission Lot Line Adjustment

The Applicant proposes to merge four existing parcels into two parcels which will comprise the properties for building Phases I & II of the Pensione K project:

Phase I: Merge APN 006-0124-005 and APN 006-0124-004 (1626 K Street and 1622 K Street).

Phase II: Merge APN 006-0124-003 and APN 006-0124-002 (1616 K Street and 1612 K Street).

LEGAL DESCRIPTION OF EXISTING PARCELS

The Sacramento Housing and Redevelopment Agency provides the following information:

1626 K Street (APN 006-0124-005)

Lot 4, in the Block bounded by "K" and "L", Sixteenth and Seventeenth Streets of the City of Sacramento, according to the official map or plan of said City.

1622 K Street (APN 006-0124-004)

The East one half (1/2) of Lot 3, in the Block bounded by "K" and "L", Sixteenth and Seventeenth Streets in the City of Sacramento, according to the official map or plan of said City.

1616 K Street (APN 006-0124-003)

The West one half (1/2) of Lot 3 in the Block bounded by "K" and "L", Sixteenth and Seventeenth Streets in the City of Sacramento, according to the official map or plan of said City.

1612 K Street (APN 006-0124-002)

The East one half (1/2) of Lot 2 in the Block bounded by "K" and "L", Sixteenth and Seventeenth Streets, in the City of Sacramento, according to the official map of said City.

P93-149 RECEIVED

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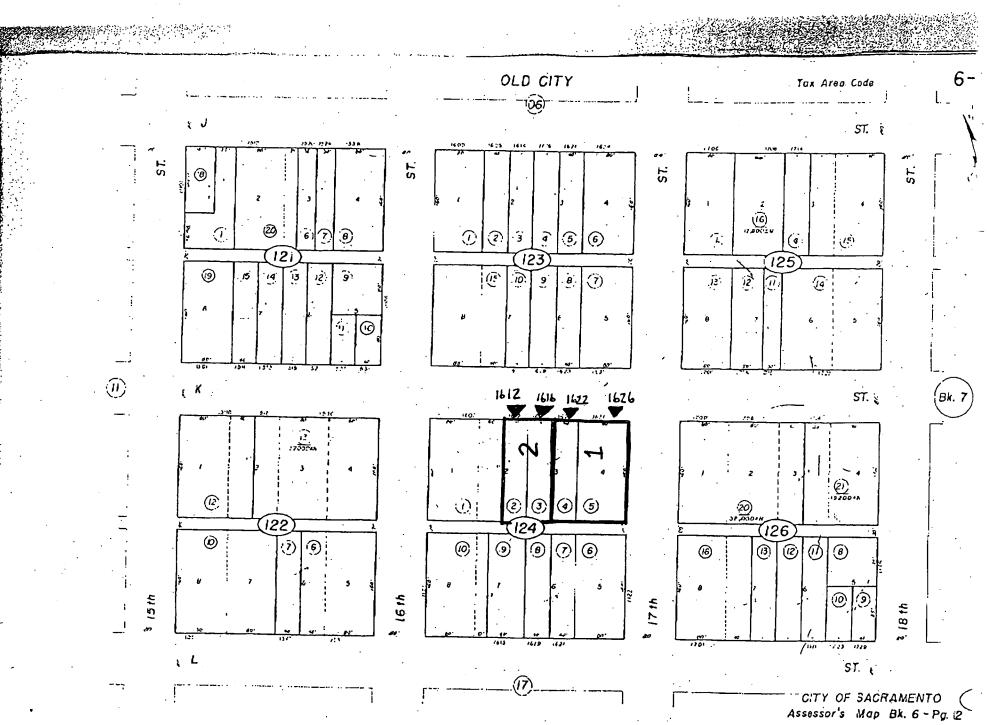
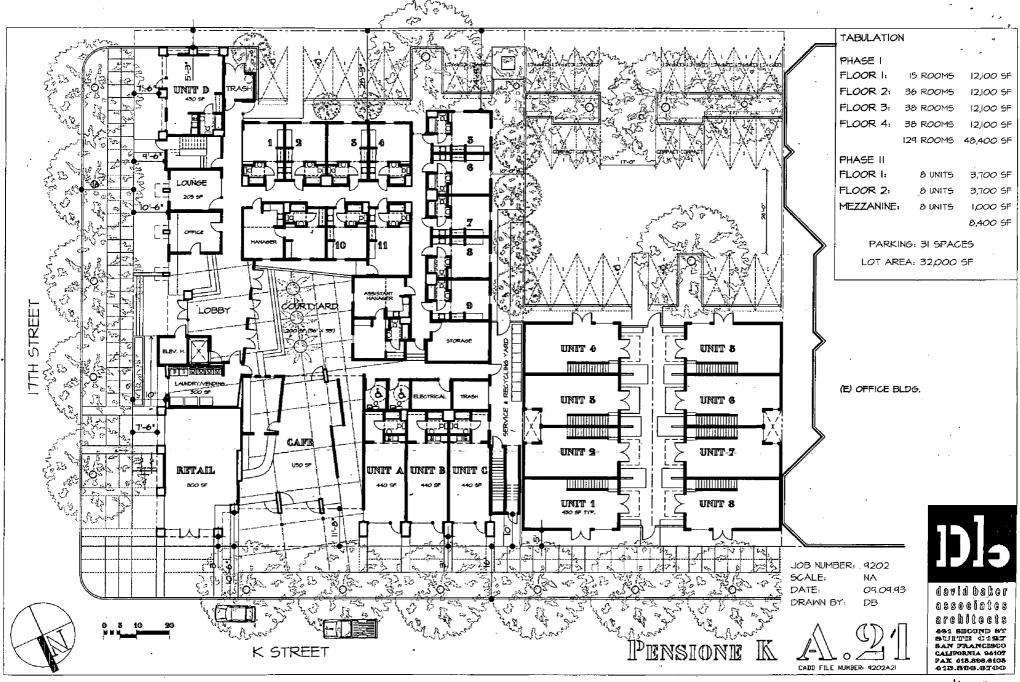
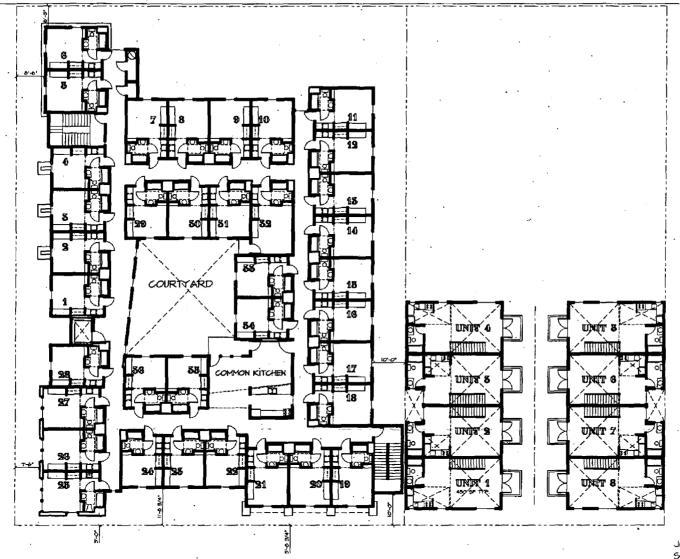
CITY OF SACRAMENTO CITY PLANNING DIVISION 

Exhibit E-1





PHASE I: FLOOR 2:

11,950 SF 36 ROOMS

PHASE II:

FLOOR 2:

3,700 SF

B UNITS

JOB NUMBER: 9202 SCALE: NA DATE: 09.09.93

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FLOOR PLAN

Pensione K

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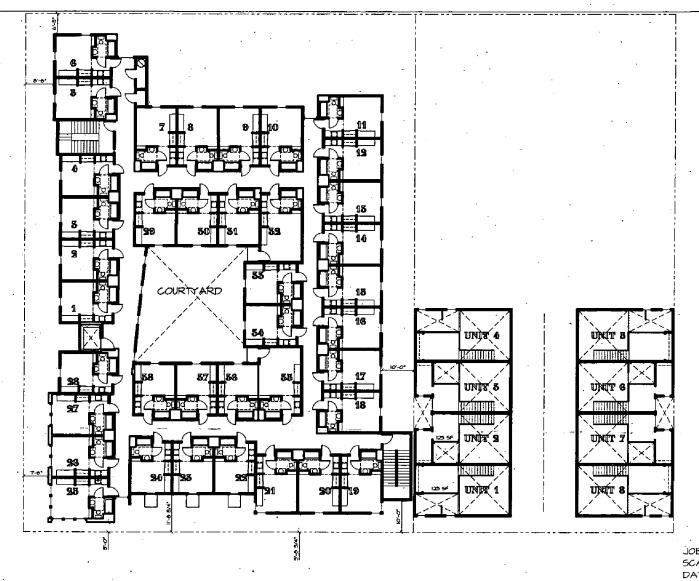
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#17



PHASE I:

FLOORS 3 - 4

12,100 SF

38 rooms

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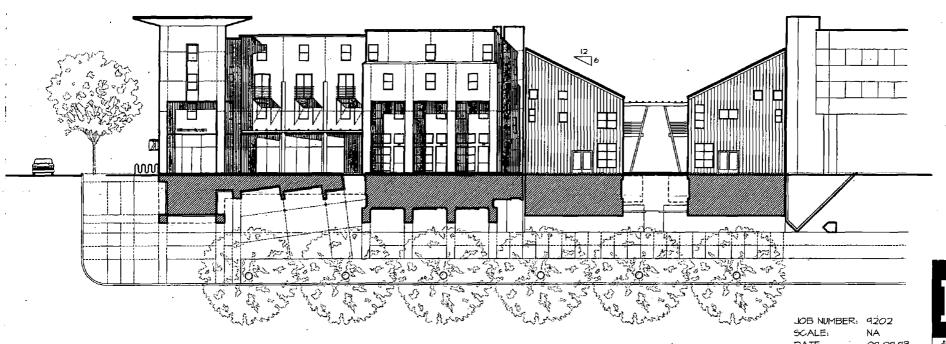
san francisco
california 94107
fax 408-086-0108
412-803-3700

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FLOORS 3 & 4 PLAN PERSIONE K



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K STREET ELEVATION

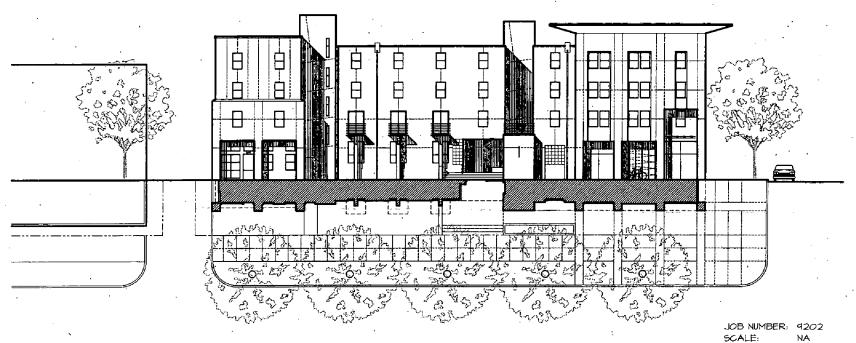
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17TH STREET ELEVATION

Pensione K



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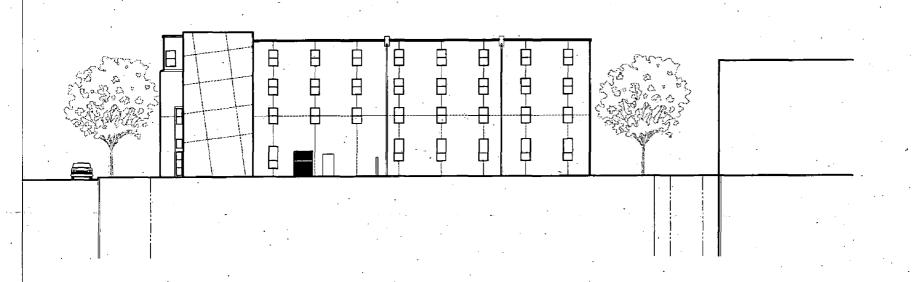
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WEST ELEVATION

Pensione K

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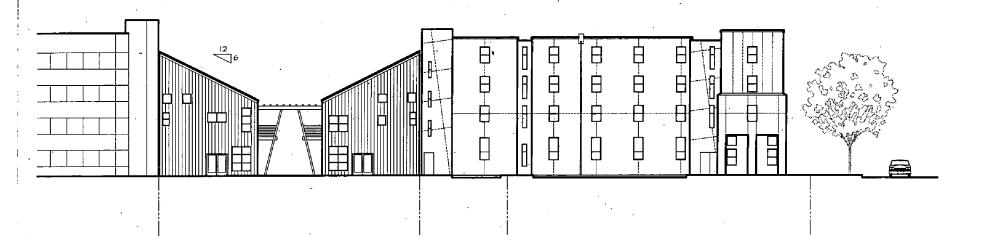
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ALLEY ELEVATION

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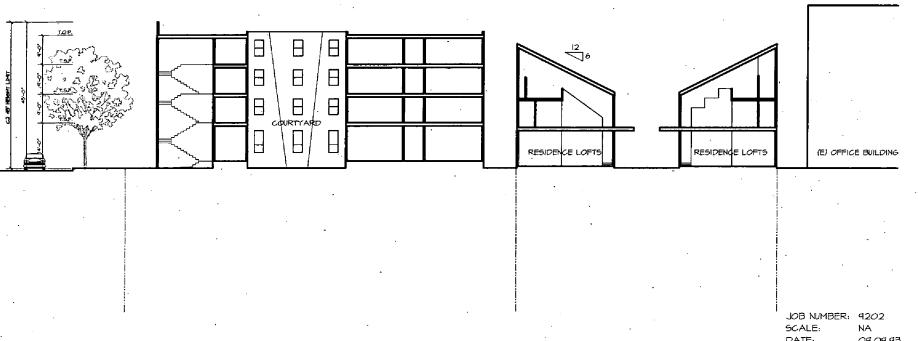
Pensione K





dayid balar associates arghitects out excond et auther class ban francisco california 20107 pax 618.804.805 018.804.8700





david baker

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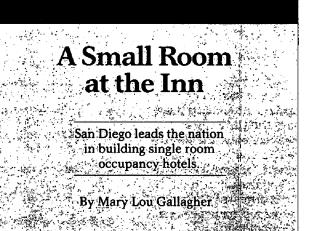
AMERICA'S CITIES: WHAT WORKS

#11

It was just before Christmas 1985, and San Diego was galvanized by the story of 60 people made homeless by a parking lot. They had been residents of a single room occupancy hotel, evicted so the building could be demolished and replaced with parking for the San Diego Blood Bank.

Like many cities eager to redevelop their downtowns, San Diego had bulldozed numerous SROs in the 1970s and 1980s to construct projects such as the six-block, \$140 million Horton Plaza retail center. But this episode captured the attention of the city council. It responded with a temporary moratorium on SRO demolition and conversion.

At the same time, the council asked the planning department to develop a strategy that would preserve the SROs without dampening develop-



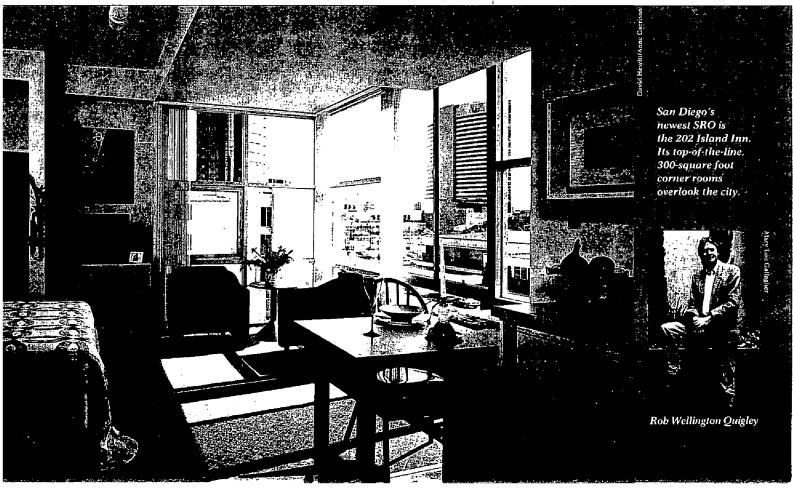
Judith Lenthall



ment. "They wanted a miracle," says Judith Lenthall, who was the city's senior housing planner. She pulled together a task force that eventually included developers, homeless advocates, the city's fire and building departments, and the housing commission. "I wanted the innovators, the trouble mak-

ers, the ones who didn't fit into the usual bureaucratic slot," Lenthall says. "And we got those people."

From this energetic group came the inspiration for the first new SRO built in the U.S. in 50 years. San Diego remains the leader in promoting new construction of this type of affordable housing. To date, the city has seen the construction of 18 hotels with a total of 2,262 new rooms, and the renovation of another nine, with a total of 388 rooms. It also discouraged further loss of SRO units by adopting an ordinance in 1987 requiring owners to replace very-



low-income SRO units lost through demolition or conversion and pay relocation costs.

The task force encouraged the city to enact code changes and invest \$4.7 million in nine new SROs. Private developers invested another \$33.7 million in those first projects and built nine more on their own. Today, there are more SRO rooms in San Diego (5,164) than there were in 1976 (4,672), before wholesale demolition began.

San Diego's SRO program has been honored with an Innovations in State and Local Government award from the Ford Foundation, a national AIA award, and an honorable mention from APA. Individual hotels have won numerous architectural awards. But the proliferation of SROs has brought its own problems. Last year the city council adopted a plan, proposed by the downtown redevelopment agency, that limits new SRO construction in the interest of creating an upper income residential district.

A problem of numbers

By 1985, some 1,247 units in 30 single room occupancy hotels were lost to demolition or conversion in San Diego, and rents on remaining rooms rose by 80 percent between 1980 and 1985, according to a housing commission study. Nationwide, housing advocates esti-

The Baltic bin : - grand Developer: BMV Parmersid

207 rooms: 41 restricted to

very low income lettors.

\$2.2 millioricomeniumel 5500 con Sais Dispollor

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Rates 1308 to 1400 Financing

mate that nearly 900,000 SRO rooms were lost between 1974 and 1983. To Lenthall and other advocates, this loss significantly contributed to the increase in homelessness. Notes Lenthall: "SROs won't solve the homeless problem, but you can't solve homelessness without SROs."

Her colleagues say Lenthall's enthusiasm and ability to analyze the issues were largely responsible for the success of San Diego's public-private housing partnership.

"Once we had Judy there was no turning back," says city council member Judy McCarty, another champion of the SRO project.

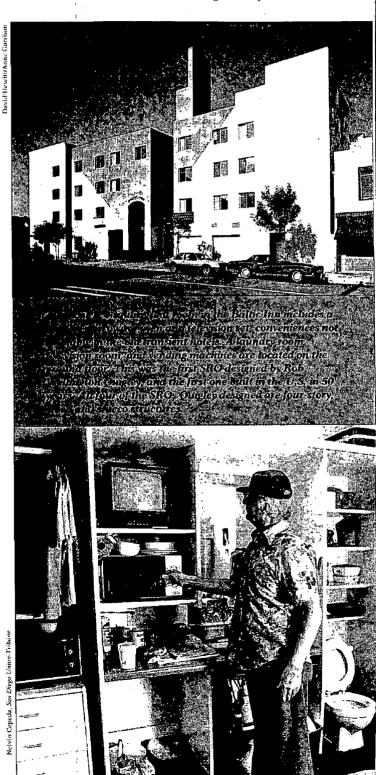
Lenthall found that the city's transient hotel population was diverse, including the working poor, the elderly and others on fixed incomes, along with some people who lived on the streets when they couldn't afford to pay rent. She learned that residents often developed strong support networks, and, although SROs had a higher turnover rate than apartments, many people lived in one room for 10 or even 20 years. Finally, Lenthall discovered that SROs could be lucrative, often yielding more rent per square foot than apartment buildings. The perception of SROs began to change.

About six months into the project, Lenthall says, the committee began to redefine the problem. "We realized that the issue was not preservation—we had gotten locked into that mind-set," she recalls. "The real issue was lack of supply." That led to a decision to consider new construction. Committee members Christopher Mortenson and his partner Arnold "Bud" Fischer owned several of the old SROs and proposed to build the first new one. They hired local architect Rob Wellington Quigley to

design a low-cost building that would offer amenities not available in old transient hotels. Recalls Quigley: "I wanted the challenge of being the first to make one of these work."

Breaking down barriers

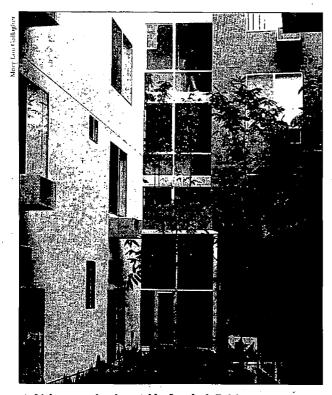
Most of the old hotels were built between 1880 and 1930, primarily in the heart of downtown, and their Spartan rooms contained only a bed, dresser, and sink. Bathroom and kitchen facilities were located down the hall. Illegal hot plates in the



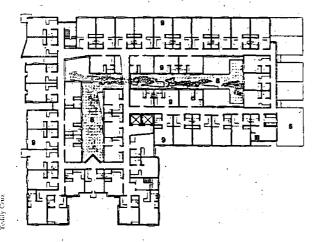
AMERICA'S CITIES: WHAT WORKS

rooms made many of them firetraps. In contrast, Quigley's Baltic Inn provides a toilet and minimal kitchen facilities in each room, along with six showers on every floor.

The city contributed to the effort by reclassifying SROs in the zoning code from multifamily residential to commercial hotels



Light courts landscaped by Spurlock Poirier cut through the center of the L-shaped Island Inn. Winner of a national AIA honor award and a design award from Time magazine, Island Inn displays three different facades, each reflecting its immediate surroundings.



and eliminating numerous building and zoning code barriers. The SRO task force won compromises that included:

- Allowing developers of neighborhood SROs to apply for parking variances, to be reviewed on a case-by-case basis.
- Interpreting SROs as a commercial use in applying access requirements for the disabled, thereby relaxing some standards.

As a commercial use, one accessible unit is required for every 25 units; a residential use classification requires more.

• Agreeing to install sprinkler systems in all new SROs in exchange for allowing fewer fire exits, doors that can withstand fire for 20 minutes instead of one-hour fire doors, and plastic pipe in place of cast iron.

"It was impossible to build a new SRO in San Diego before this," Lenthall says. Today, an SRO unit can be constructed for about \$20,000, compared with \$50,000 a unit for a studio apartment. The city also sponsored statewide legislation, adopted in 1987, that changed the uniform building code to permit a "living unit" of 150 to 400 square feet for two people.

Financial incentives helped too. The water department reduced water and sewer connection and capacity charges to reflect low SRO usage, and the housing commission and the redevelopment agency arranged low-interest loans to underwrite rents and make them affordable for very low-income tenants.

The regulatory streamlining and financial benefits paved the way for the Baltic Inn. Named after the cheapest property on the Monopoly board, the four-story, 207-unit Baltic opened in 1987

202 Island Inn
Developer: 197 Pariners
199 Tooms: 40 Testricted to very
Tow income tenants
Rates: \$394 to \$550
Emancing
\$2.4 million HUD grant
\$4.7 million conventional loan
\$5582,000 CCDC loan
\$887,000 developer investment
Total: \$8.6 million

and was fully occupied in six weeks. Among its residents are people like Ronald McCloskey, 50, who was laid off from his cabinet-making job a little over a year ago. Unable to afford the rent on his apartment, he stayed with friends, slept in his car, and lived in several SROs. Last February, he moved into the Baltic, where he says he is content, at least for now.

The success of the Baltic led the same developer and architect team

to tackle several other projects, including the 221-unit J Street Inn, completed in 1990, and the 197-unit 202 Island Inn, which opened in May 1992.

Award winners

Quigley's attention to detail and imaginative use of colors and materials make his projects seem open and energetic. Bright red and yellow tiles decorate the entrance to the Baltic, and some rooms there and in the other hotels sport small balconies. At J Street and Island Inn he added a library, an exercise room, and sun decks. Quigley created "white noise" in several projects by running water down a corrugated pipe. All of his hotels have received American Institute of Architects' awards.

"You're essentially building barracks," Quigley says, "but if they feel like barracks when you're done, you don't have a successful piece of architecture, and you don't have what is essential for people who live there, which is dignity." His latest project, Malibu Studios—still on the drawing board—offers 224-square-foot rooms designed to feel like one-bedroom apartments. Each unit has two corner windows, a walk-in kitchen, a separate eating area, a bedroom area, and a bathroom. "We spent five years building up knowledge of how to do this,"

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Quigley says. "It would be nice to take advantage of it." As it happens, lack of financing and the city's changing development priorities may leave Malibu unbuilt.

Architects, planners, and housing experts universally praise Quigley for doing a remarkable job on a tight budget. But many of the other SROs are unremarkable. Some look like institutions, with little effort made to create attractive, comfortable rooms. Says former city architect Michael Stepner, AICP, "We've got some that are not good architecture."

The working poor

Housing experts agree that it takes more than award-winning architecture to create an inviting SRO. Good management is also important. San Diego requires a resident manager in all new facilities with 12 or more units, and tenants must comply with strict rules covering visitors and the use of alcohol and drugs.

The rules haven't hurt business. A 1991 survey, conducted for the housing commission by the San Diego-based Meyers Group, found that occupancy rates in the 27 new and renovated developments averaged about 90 percent. Residents are security guards, maids, cab drivers, store clerks, students, graphic designers, elderly American tourists, traveling Europeans, and people on fixed incomes.



"We were thinking in terms of replacing existing stock, and didn't foresee how widespread the demand might be," says Ronald Roberts, city council member and former chairman of the planning commission. He notes that medical residents and other hospital personnel live at Studio 819, located near two hospitals in Hillcrest.

Monthly rents today range from \$200 to \$750, with most in the \$300 to \$400 a month range—higher in the developments that cater to visitors. In contrast, fair market rent for a studio apartment in San Diego County is \$503, and \$618 for a one-bedroom apartment, according to HUD.

Low-interest loans from the housing commission helped add 1,209 new rooms, of which 414 are restricted to those who earn less than 40 percent of the area's median income, which this year is \$12,300 for one person. The commission also contrib-

uted to the renovation of 85 rooms, of which 42 are rentrestricted. A \$2.4 million HUD grant and \$1.5 million in low-interest loans from the Centre City Development Corporation helped finance the J Street and Island inns, supplying 418 more rooms—with 123 for low-income and very low-income tenants.

Under a set of 25 task force recommendations adopted as policy by the city council in 1987, the housing commission is responsible for monitoring the publicly subsidized units downtown in order to ensure a supply of affordable housing.

The critics

To some local observers, new SROs are not the ideal solution to the city's low-income housing needs. Architect Wayne Buss, who chairs the downtown committee for the Citizens' Coordinate for Century Three, says he has no gripe with the upscale hotels that attract business people, tourists, and students. But some of the others, he says, are "petri dishes for negative results." In Buss's view, people who have recently been homeless should be living in smaller projects—12 units or so—with support services.

Some critics elsewhere also question the city's approach. "They're relying on the private sector to solve the housing problem, and they've made incredible concessions on things

No place like home

Kathy Struthers is one of the fortunate ones. For a few weeks last year, she slept in a tent in San Diego's Balboa Park, and later in a makeshift shelter set up in the municipal gym—until she landed a job and in April moved into an SRO. Her story illustrates one of the city's most difficult problems—what to do about its 5,000 to 6,000 homeless people.

Last December, city police dispersed the residents of the tent city that sprang up in a Balboa Park parking lot in October. In January, torrential rains compelled the mayor and the city manager to open an emergency shelter in the gym, also located in the park. The gym shelter housed some 500 people each night from January until it closed in April. Now many of the occupants resort to camping in the park and sleeping in the doorways of downtown businesses. The city's 1,254 shelter beds can house less than a fifth of the homeless. Of about \$2.1 million the city budgeted for shelter and homeless services last year, it spent \$100,000 to provide the emergency shelter at the gym.

In January, city council member John Hartley, who represents the area, proposed that the city create a one-acre campground shelter for 500 in a secluded section of Balboa Park. The proposal is part of an overall park security plan drafted by a committee of advocates, home owners, and service providers appointed by Hartley. They have recommended that the campground include showers and secured storage, and offer two meals a day. Residents would be allowed to stay for perhaps three months at fees ranging from \$1 to \$3 a day. The plan also proposes to increase law enforcement and enhance lighting throughout the park.

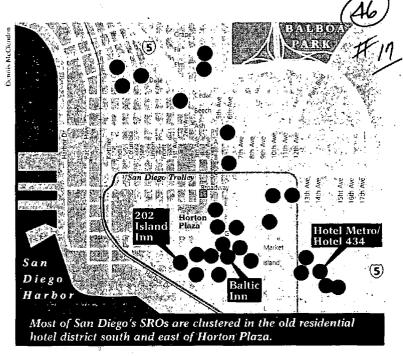
AMERICA'S CITIES: WHAT WORKS

like minimum room size," says architect Thomas Jones of Asian Neighborhood Design, a nonprofit architecture and development group in San Francisco. Jones maintains that on a square foot basis, SROs are the most expensive way to obtain housing. Local advocates for the homeless agree that the new SROs are expensive and suggest that for some, renting a house and sharing it with others would be a better solution.

In response, Quigley notes that SROs are more accessible than apartments because they are furnished, utilities—sometimes even air conditioning—are supplied, and tenants aren't required to sign a long-term lease. In addition, they require a smaller security deposit than apartments—between \$50 and \$100, in most cases.

End of an era

Last year, the city council adopted a redevelopment plan and a corresponding planned district ordinance proposed by the Centre City Development Corporation, the quasi-public corporation that manages downtown development. The plan expands the redevelopment area from 365 acres to 1,500 acres and creates a new, 260-acre downtown residential district. It limits SRO construction to 20 percent of that new district, The result,



In recent years, 700 to 1,000 homeless men, women, and families have moved into Balboa Park, one of the city's jewels. The 1,200-acre park houses the San Diego Zoo and several museums and theaters, and includes nature preserves and playgrounds. It attracts 12 million visitors a year. "The growing incidence of crime, panhandling, prostitution, and homeless people sleeping in the park has made many people afraid to go there after dark," said a recent editorial in the San Diego Union-Tribune, which does not support the campground as a solution.

In April, the Hartley proposal was referred to the city attorney for a determination as to whether parkland may legally be used to house the homeless. If the answer turns out to be yes, the public safety and services committee, which Hartley chairs, will vote on the plan, then send it to the full council.

Local real estate agent Patrick Alexander, a member of the committee that drafted the plan, says about \$450,000 would be needed to prepare the site, buy equipment, and operate the shelter for the first six months.

If the city decides to go forward, the park campground could be managed by the St. Vincent de Paul Village, which operated the shelter in the gym. St. Vincent's opened its doors in 1983, and today operates a 500-bed emergency and transitional housing facility in downtown San Diego that some consider a national model. The square-block facility, which has an annual budget of \$7 million, includes a health clinic, a school, and a day care center. A 350-bed addition is scheduled to open by Christmas.

Harvey Mandel, St. Vincent's director of development and a consultant to Hartley's committee, says he has overcome his initial skepticism about the tent city. "We had almost no problems" in running the gym, he says. "I doubt if you could get 500 middle-class people sleeping there every night and have it be as peaceful."

A survey of the homeless in the gym, commissioned by the

diverse group. Six percent said they were employed, and 26 percent said they had completed some college. About half were veterans, and 14 percent received Social Security benefits. Almost three-quarters of them said they were not homeless when they arrived in the city.

Members of HABITA, an organization of homeless people and advocates, say they support the campground, but some fear that the security measures in Hartley's plan could result in police harassment of transients in other parts of the park.

Struthers has attended HABITA's meetings and now works: part-time for the Regional Task Force on the Homeless. Her boss, Frank Landerville, who serves on Hartley's committee, says his organization generally supports the campground concept. But he stresses the need for a six-month evaluation, and he recommends adding beds gradually until the number reaches 500.

In contrast, the local Salvation Army opposes the campground proposal, saying, "Our experience indicates that it is almost impossible to guarantee a substance and weaponfree environment in an urban campground." The Salvation Army has managed campgrounds in Phoenix and briefly in Los Angeles.

The cultural institutions in the park are also opposed. "Our response from day one has been we are unequivocally opposed to the use of the park for anything other than recreational and park activities," says Bruce Henderson, a member of the Central Balboa Park Association. Henderson, a former city council member, suggests an alternative campground site in the Otay Mesa area near the Mexican border, site of the county jail and a state prison.

Meanwhile, homeless services coordinator Thomas Leslie says the city is now preparing a homeless policy that will cover such controversial topics as dispersing services and shelters throughout the city's eight council districts.

say local observers, is likely to be an end to the SRO program. "We can't compete where land is that expensive without a subsidy," says Michael Galasso, of Barone Galasso & Associates, developer of five new projects.

Parking requirements pose another problem. Two years ago the city adopted a downtown parking ordinance requiring 0.2 underground parking spaces per SRO room. No parking had been required previously. Galasso puts the cost of each parking space at \$9,000. In other areas of the city, parking requirements for SROs would be even higher—one space for each unit, although a variance is possible. That, in addition to likely NIMBY opposition, would make SRO construction outside of the redevelopment area equally unlikely, Galasso says.

Others are more optimistic. "We've shown we can get them built; now we have to show we can get them built in the neighborhoods, not just downtown," says council member McCarty, who represents district seven in eastern San Diego.

Housing commission officials agree that the greatest need lies with the low-income population. "We would consider another project like [Galasso's] hotels Metro and 434," says Elizabeth Morris, assistant executive director of the San Diego Housing Commission, adding that they "brought the greatest return in

terms of affordability." But, having shown the marketplace that this type of housing can work, she says, the commission has other priorities.

So do most other public agencies. The biggest impediment to building more SROs, says developer Bud Fischer, is financing. He calls HUD's restrictive programs "unworkable." HUD financing includes the \$115 million in Section 8 funds available annually under the McKinney Act for the rehabilitation of vacant SROs that would be used to house homeless people. Another \$300 million is available this year

through HUD's Shelter Plus Care fund, which is designated for housing the mentally or physically disabled, or those who are HIV-positive.

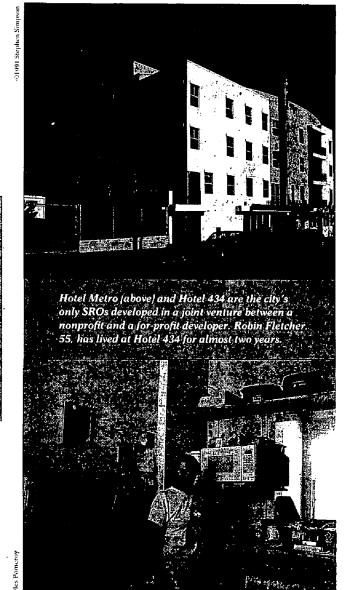
In addition, the Federal Housing Administration insures mortgage loans for SRO construction or rehabilitation. However, housing experts say the FHA's prevailing wage requirement makes many projects financially unfeasible.

Spreading the word

Although SRO construction is on the wane in San Diego, the hotels are gaining popularity elsewhere. The city used its \$100,000 award from the Ford Foundation to send Lenthall around the country spreading the word. She may have had some influence in Atlanta, where a new 211-unit SRO was completed at the end of last year. The California cities of San Jose, Sunnyvale, and Berkeley, plus Richmond, Virginia, have attempted to replicate the San Diego model. Meanwhile, San Diego still receives several calls every week about the SRO program, according to senior planner Myles Pomeroy, AICP, who replaced Lenthall.

California Builder magazine reported several years ago that SROs were also beginning to emerge as a solution to housing shortages for hotel and other service workers in some parts of the country. In fact, Gil Ontai, an architect who has designed several San Diego SROs, is working on one in Anaheim for Disneyland employees.

Lenthall, meanwhile, has returned to her home in Hawaii, where she is a consultant to the Kauai Housing Agency, responsible for disaster recovery and temporary housing for victims of



Hotel Metro/Hotel 434

Codevelopers: Nonprofit Housing
Opportunities and Barone Galasso
193 rooms: All restricted to very low
income tenants
Rates: \$199 or \$285

Financing

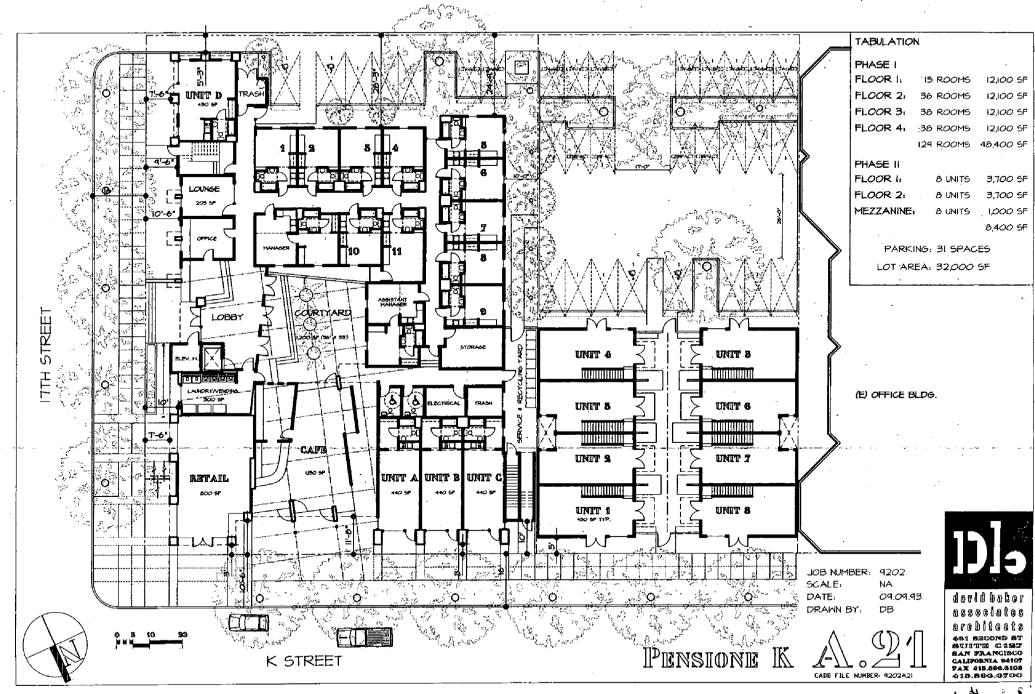
\$1:7 million from syndication
of federal low-income housing
iax credits
\$2:1.million loan [10:75 percent] \$

from Savings Association
Mortgage Company (SAMCO)
\$257 000 land cost underwritten
of housing commission
\$350,000 housing commission loan
Total: \$4.4 million

Hurricane Iniki. When she recalls the program she was instrumental in launching, she often mentions "aloha spirit." Literally, aloha means "giving the breath of life."

"Aloha spirit means compassion, tolerance for different kinds of people, opening your arms and your heart to people," Lenthall explains. It seems to be the theme of her work. "The program is not about buildings," she says, "it's about people."

Mary Lou Gallagher is the associate editor of *Planning*.



1 22

B. Public Works:



- On site grading, paving and drainage shall be approved by Public Works prior to issuance of a building permit. Adjacent curbs, gutters, sidewalks, and alley improvements shall be constructed or reconstructed to City standards.
- 2. The alley entrance on 17th Street shall be improved to City standards.
- 3. Handicap ramps shall be constructed to City standards, and handicap parking spaces shall comply with ADA requirements.
- 4. The parking spaces backing out to the alley shall be moved in one (1) foot in order to provide a six (6) foot setback from the alley right-of-way (to meet the 26-foot maneuvering width).

C. Utilities:

- 1. Only one domestic water service per parcel is allowed. If more than one domestic water service exists on each parcel after the merger is completed, then all but one of the domestic services must be abandoned to the satisfaction of the Department of Utilities.
- 2. Multiple fire services are allowed per parcel and may be required.
- 3. All water connections shall comply with the City of Sacramento's Cross Connection Control Policy.
- 4. Erosion, sediment, and pollution control measures shall be utilized to prevent urban runoff pollution during construction.

	CHAIRPERSON	
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SECRETARY TO PLANNING COMMISSION

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