



Legislation Text

File #: 18-0413, **Version:** 1

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Anne McIntosh, Community Development Director
Angela Soo, Executive Secretary

SUBJECT:

Resolution No. 18-0132 Approving a Pass-Through Agreement with Rincon Consultants, Inc. for \$120,560 to Prepare an Environmental Impact Report (EIR) for the Sunrise Senior Living Project Located at 250-400 North Sepulveda Boulevard (Community Development Director McIntosh).

ADOPT RESOLUTION NO. 18-0132

RECOMMENDATION:

Staff recommends the City Council adopt Resolution No. 18-0132.

FISCAL IMPLICATIONS:

There are no fiscal implications associated with the recommended action. Pursuant to a separate Reimbursement Agreement with Sunrise Development, Inc. (Sunrise), the developer of the project, Sunrise must pay all City costs associated with preparing the EIR, in addition to other expenses. Pursuant to the agreement with Rincon Consultants, Inc. (Rincon), the City has no obligation to pay Rincon from any source of funds other than funds deposited by Sunrise (see Section 4.C. in attached Agreement).

BACKGROUND:

On December 21, 2017, Sunrise submitted an application to build a new 111-unit Sunrise Senior Living project at 250-400 N. Sepulveda Boulevard. The project includes demolition and removal of three existing buildings containing a mix of office, retail and restaurant uses. The three buildings are Pizza Hut/Schwarz Chiropractic, Goat Hill Plaza, and Big Wok Mongolian BBQ Restaurant. The development also includes an unimproved parcel located between Manhattan Auto Center and Big Wok.

According to the project description, the new structure would consist of approximately 80,000 square feet, varied in height between two and three stories., a fully enclosed parking garage with 62 spaces, as well as common areas such as a bistro, dining room, private dining room and activity rooms. The operations are described as an integrated care-based residential facility focused on providing housing and care to seniors in need of assistance, including 24-hour non-medical care for elderly persons in need of personal services, supervision, protection or assistance with activities of daily living. Personalized services also include Alzheimer's and memory care, food and restaurant dining,

housekeeping and laundry, transportation, programs and activities for daily physical fitness, creative, social, learning and spiritual opportunities and medication coordination.

The initial submittal on December 21, 2017 was not deemed complete by staff due to additional materials needed. The submittal was considered complete on April 17, 2018.

On May 9, 2018, Community Development Director Anne McIntosh issued an "Inconsistency Determination Letter," stating the Sunrise project is considered a senior residential housing development and not "Residential Care, General" use, deeming the project inconsistent with the applicable General Plan and zoning designations of General Commercial (GC) and Commercial General (CG).

On May 23, 2018, the applicant filed an appeal of the Inconsistency Determination Letter, disagreeing with the director's determination. The applicant states the project does qualify as a "Residential Care, General" use as defined in the Manhattan Beach Municipal Code.

On June 13, 2018, the appeal went to the Planning Commission as a General Business item but was continued per the applicant's request. The appeal has not been rescheduled to a date certain because applicant is waiting on the outcome of the the Sepulveda Initiatives. City Council is expected to hear the Sepulveda Initiatives item on October 2, 2018.

Nevertheless, an EIR is needed in order to continue moving the project forward while land use determinations are pending. The City does not have the special expertise nor time to prepare the report and requires the services of a consultant.

DISCUSSION:

The attached agreement is considered a "pass-through" agreement (i.e., the cost of all services performed by Rincon are passed through to Sunrise). The City's obligation to pay invoices submitted by Rincon is subject to there being sufficient funds in the developer's deposit account. As stated in the agreement, the City has no obligation to pay Rincon from any source of funds other than funds in developer's deposit account.

PUBLIC OUTREACH/INTEREST:

After analysis, staff determined that public outreach was not required for this issue.

ENVIRONMENTAL REVIEW

The City has reviewed the proposed activity, the Agreement, for compliance with CEQA and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines the activity is not subject to CEQA. Thus, no environmental review is necessary.

LEGAL REVIEW

The City Attorney has approved as to form the agreement.

Attachments:

1. Resolution No. 18-0132
2. Agreement - Rincon Consultants, Inc.