

LARKSPUR PLANNING COMMISSION
REGULAR MEETING MINUTES OF JUNE 8, 2021

The Larkspur Planning Commission was convened at 7:00 p.m. by Chair Wagstaff via teleconference due to the Coronavirus (COVID-19).

Commissioners Present: Chair Brock Wagstaff, Natasha Chalmers, Daniel Kunstler, Jeffrey Swisher, Laura Tauber

Staff Present: Planning Director Neal Toft
Senior Planner Kristin Teiche

OPEN TIME FOR PUBLIC EXPRESSION

There were no comments.

PLANNING DIRECTOR'S REPORT

- Staff will present the Climate Action Plan to the City Council next week. A public workshop was held last month, and staff updated the plan based on comments.
- The Regional Housing Needs Assessment (RHNA) methodology has been approved by the Association of Bay Area Governments (ABAG) Executive Board. There is a 30-day appeal period of this decision. The RHNA number for Larkspur is 979 units- over four times the prior number. One of the challenges is that two-thirds are affordable units (very-low and low income). He discussed the grounds for appeal.
- The City has gone into contract with a company that manages Track It permit software. It is a commonly used and robust program.
- Staff is looking forward to opening the doors to City Hall at the end of the month. The department is short staffed and will have limited public hours.
- They are recruiting for an Associate Planner position and will advertise a Permit Technician once the Budget is adopted.

PUBLIC HEARINGS

STUDY SESSION ITEMS

- 1. Study Session #21-16; 1135-1169 Magnolia Avenue, AP #20-034-16; Liavish Moazzani, applicant; Shops at Magnolia LLC, Property Owners; C-2 (Commercial) Zoning District. Request for a Planning Commission workshop (Study Session) on a conceptual design for the redevelopment of existing commercial buildings with 24 townhomes (19 market rate and 5 below-market rate units), 5,400 square feet of retail, and associated open spaces on Magnolia Avenue at the southeast corner of the Magnolia Avenue and Estelle Avenue intersection. Note: This is a request for an informal study session to consider design approaches to a potential development plan. There has been no formal analysis regarding consistency with General Plan goals, policies, and programs and all zoning regulations. No final recommendation, action, or decision will be rendered by the Planning Commission at this time.**

Planning Director Toft stated staff received an additional item of late mail today from former Mayor Joan Lundstrom. Ms. Lundstrom, resident of Murray Park, was opposed to the proposed residential units fronting on Magnolia Avenue and the proposal for a three-story structure.

Mr. Sean Kennings, Planner with LAK Associates, gave a PowerPoint presentation that included the following: 1) Magnolia Mixed Use Project Study Session; 2) Aerial Overlay; 3) Corner of Magnolia/Estelle- looking east; 4) Looking Southwest; 5) Concept Proposal; 5) Site Plan- Residential, commercial, parking; 6) Massing/Concept Exhibits; 7) Development Standards Consistency; 8) Issues for Consideration; 9) Pros and Cons; 10) Public Comments; 11) Recommendation/ Next Steps.

Commissioner Kunstler referred to page 5 of the staff report and asked about the drainage improvements done by the City on the Hillcrest Avenue dirt road and the remaining risk to the hillside. Mr. Kennings stated any required remediation would be part of a formal application. Planning Director Toft stated any conclusive answer would be speculative and any application would include a detailed evaluation.

Commissioner Chalmers asked about the affordable housing requirements and the actual expectations- five, up to five, etc. Mr. Kennings stated 20% (the City's Inclusionary Housing requirement) of 24 units is 4.8 and it is typical to round up. The applicant could decide to do only four units with an inclusionary housing fee for the 0.8 remainder. The State Density Bonus Law provides for more concessions and waivers if more affordable units are provided. Planning Director Toft noted the City would prefer to see the units built as opposed to payment of an in-lieu fee.

Chair Wagstaff asked if there was any density benefit for senior housing. Planning Director Toft stated "no". However, senior housing can be identified as a "community benefit".

Commissioner Tauber asked if there was a reason why the proposal does not put the housing above the commercial space. Planning Director Toft stated the zoning is primarily commercial and the General Plan encourages second story residential above commercial. The applicants have decided to take another approach (horizontal mixed-use). Commissioner Tauber stated her concern is the density and they could keep that "storefront feel" by putting housing on top. Twenty-four units on a little over an acre is a lot. She was also concerned about the number of home offices.

Mr. Liavish Moazzani, applicant, and Mr. Richard Berling, representing Pacific Design Architects, gave a PowerPoint presentation that included the following: 1) 1135-1169 Magnolia – Project Presentation; 2) Magnolia Mixed Use Community Benefits; 3) State Density Bonus Law- Overview; 4) State Density Bonus Law- Applied to Project; 5) Existing Site; 6) Proposed Plan; 7) Enlarged Proposed Plan; 8) Concept Imagery; 9) Concept Massing; 10) Concept Elevations.

Commissioner Chalmers asked how the home offices would be private offices. She noted there were large front windows. Mr. Moazzani stated this would be a dedicated home office space for people such as lawyers, etc. The storefront window system gives it more of a commercial look and feel. Chair Wagstaff asked if it would be accessed from the residence above. Mr. Moazzani stated the home office is the front door, but the residence could also be accessed through the garage. Commissioner Chalmers asked if they had examples from other cities of the home office concept being deemed as commercial use. Mr. John Thatch, representing the Dahlin Group, stated he is aware of a successful use of this concept in Southern California. Mr. Richard Berling, representing Pacific Design, stated there were many live/work situations in San Diego.

Commissioner Tauber asked about the size of the home offices. Mr. Dahlin stated they range from 150 to 450 square feet on the corners.

Mr. Kennings stated they are seeking an incentive for horizontal mixed use rather than vertical mixed use and the home offices are there because that is what buyers are looking for.

Commissioner Kunstler was not sure why the home offices were "fictitiously" presenting as store fronts. Mr. Berling stated they could provide a variety of connections to the sidewalk.

Mr. Moazzani stated they wanted to make the ground floor feel more commercial, but it is certainly subjective. They are open to suggestions and feedback.

Commissioner Kunstler noted they are using brick veneer as a significant design element and stated brick is not often used in the area because of earthquakes. Another material would be representative of the natural surroundings. Mr. Kennings stated they are open to a more organic feel.

Commissioner Tauber asked if the intent is for the home office to serve as an office where clients would visit or is it really like a “bedroom turned into a home office” that happens to be on the ground floor. Mr. Moazzani stated it is a private home office.

Chair Wagstaff stated the entrance to the residence is from the back via the garage or through the office. This needs to be reconsidered. Commissioner Tauber agreed and stated she was not sure someone would want visitors coming through the garage or the home office. It would be nice to have a real front door. Mr. Kennings agreed and stated they will look at this in the next steps.

Commissioner Kunstler stated the residences would range from 1,450 to 2,000 square feet and he asked if that included the two-car garages. Mr. Kennings stated it did not include the garage. Commissioner Kunstler stated these are envisioned to be residences for families, but he did not see a lot of space for kids to run around. Mr. Moazzani stated there is a lot of open space and parks in the area.

Commissioner Tauber asked why they did not want to put housing above the commercial space. Mr. Moazzani stated the existing buildings are old and adding to it would be economically challenging. Commissioner Tauber reiterated her concern that the proposal is very dense and crowded. She would like to see housing above the commercial space, so the project is at a similar height with less massing.

Chair Wagstaff stated something needs to anchor the north part of the complex and it might be commercial. He likes the indent for the landscaping. These are big units (three and four bedrooms) and the heights could vary more.

Commissioner Chalmers stated there is a need for residential housing. She asked if there would be three commercial units left- Rustic Bakery, the salon, and another business. Mr. Berling stated “yes” and he explained the proposed configuration.

Commissioner Chalmers asked about the plan for the existing tenants and if the leases would be terminated. Mr. Moazzani stated the intent is to sign the three existing tenants long-term but as the applicant he cannot speak to the other commitments. Commissioner Chalmers asked how the open space next the Rustic Bakery would be used. Mr. Berling stated the intent is to create outdoor dining that would be used mostly by the Rustic Bakery. Commissioner Chalmers asked if the open space in the back would be for the residents. Mr. Berling stated “yes”. Commissioner Chalmers asked if there were plans for bicycle infrastructure. Mr. Dahlin stated “yes”.

Chair Wagstaff opened the Public Hearing.

Philip, Francis Avenue, made the following comments:

- He is generally supportive.
- He has questions about the use of the home offices and how to prevent those frontages from becoming living rooms.
- He is concerned about the parking.
- He asked if the street parking could become reserved for residents.

Tamsen McCracken, a resident made the following comments:

- Two of the spaces on Estelle are already used by residents of an apartment building that is behind the development.
- The parking shown in front of the Rustic Bakery is not additional parking.
- Parking is already an issue on Francis Avenue.
- She is in favor of the development.
- The sidewalk along Magnolia should be double the proposed size.

Mr. Michael Hooper made the following comments:

- The proposal has come a long way. This is a good project.
- The site is prominent and very constrained.
- It will be difficult to fit enough on this space to make it viable.
- They should start with a vision and not the rules. This is what a Planned Development (PD) is for.
- The home office aspect is a bit of a compromise.
- He loves the elevations and the use of glass.
- They might think about rooftop decks.
- The location has great views.
- He encouraged the Commission and the Council to be extremely flexible.

Ms. Arlene Estrada made the following comments:

- He husband owns the barber shop, and he wants to stay.
- There is a building in San Rafael that is using brick in a similar fashion.
- The Lofts at Albert Park has home offices, and it has been working well.
- They should include a small playground in the back.
- Teachers or firefighters could not afford the 80% below-market rate. They might want to think about doing two at 60%.
- The area needs to be developed.

Mr. James Holmes, Larkspur, made the following comments:

- This has the germ of a good idea, but the initial proposal is a bit of a stretch.
- The architecture is great, and the traditional style is harmonious with other styles in Larkspur.
- The size and scale is too great.
- Three stories seem excessive and would loom over the narrow street.
- Every effort should be made to hold the project to two stories.
- There is an inconsistency between the large family units and the lack of open space. This suggests that the units should be smaller and fewer. This would address the size and scale issue.
- The home office storefront seems reasonable in theory, but it might look like vacant store fronts turned into offices.
- The proof will be in the parking and the hillside safety issues.

Ms. Joan Lubamersky. Francis Avenue, made the following comments:

- The staff report provides a good guide for the review process.
- She is pleased that the North Magnolia area is being redeveloped- it will enliven the neighborhood.
- She lives two blocks away and did not receive a meeting notice. She hoped the noticing process would be more inclusive.
- She referred to the exceptions and agreed the City should be flexible.
- She appreciates the need for a project to “pencil out” but felt the City should be getting something when exceptions are granted.

- She referred to the design and massing and stated this is a gateway to Larkspur and the project does not have a “neighborhood’ look.
- The changes in elevation do add interest and she would like to see more elevation in the back of the project.
- She is concerned about the front elevation.
- Larkspur does not need any more market rate housing or 2,000 square feet, four-bedroom units.
- She would like to see more of the low and moderate units.
- She did not want to see in-lieu fees. She wants to see units built.

Chair Wagstaff closed the Public Hearing.

Commissioner Kunstler provided the following comments:

- The staff report was helpful and asked some questions that he will focus on.
- The project does contribute to the commercial vitality of North Magnolia.
- The conceptual design is high quality.
- He is not sure the commercial component (with home offices and below the residential) is a desirable approach. This could be modified to make it seem like more of a natural development as opposed to it being a requirement.
- Perhaps they should look at a Specific Plan as opposed to a set of waivers.
- How the layout will affect the traffic and air quality is an unknown.
- He is concerned about the lack of open space.
- He is not sure if the development is in the right location on the property.
- The concept and renderings are appropriate for this location but “the devil is in the details”.
- He is not sure the access & circulation plan is appropriate from central Magnolia. It might not be fire truck accessible.
- He would prefer an amendment to the General Plan as opposed to some fictitious designation of “home offices” as commercial establishments.
- He applauded the architects for their efforts and work.
- This area will benefit from substantial redevelopment.

Commissioner Chalmers provided the following comments:

- She agreed with many of the comments made by Commissioner Kunstler.
- She thanked the applicant for taking on this challenging project.
- The residential need is strong.
- She is struggling with the idea of wiping out some many of the commercial units. This area is designated C-2.
- She is pleased to see three commercial units and would like to see them supported for the long-term.
- She asked if they would consider a corner shop similar to the market at Tam Ridge (former Wincup site).
- She is not that concerned about the density since this is a downtown location.
- She likes the idea of roof terraces.
- She is not sure about the store front concept since it is not being presented as a commercial use.
- She would love more open space but was not sure where it would go.
- They need to look at the location of the parking and the safety of the hillside.

Commissioner Tauber provided the following comments:

- She asked if they could turn the home office into a bedroom and give people the flexibility of making it a home office.
- There should be a regular entry into the home.
- She would like to see more commercial mixed in.

- There is existing commercial that could have residential above.
- This could help with the parking situation.
- This is a parcel that has been underutilized for a long time.
- This is a gateway to the City, and she is happy to be having this conversation.

Commissioner Swisher provided the following comments:

- He is glad the property will be developed- it is currently an eyesore, underutilized, and unsafe.
- There are some big geologic issues.
- The concept of the home office is interesting, and a lot of people want this type of live/work space. This is forward thinking.
- There could be something done to telegraph an entrance to the place. The door implies entrance by the public.
- Parking is an issue and fire truck access will have to be addressed.
- This is an urban type of environment and he is not sure they will find room for more open space or a playground.
- This will be a great project.

Chair Wagstaff provided the following comments:

- He is glad someone is taking this project on- it is an important piece of property.
- This is a good start.
- Trying to renovate the Rustic Bakery building might be the “tail wagging the dog” since there is so much work being done to the rest of the property. There could be smaller apartments on top, some senior housing, ...etc.
- Although expensive, he wondered if underground parking would be possible.
- The proposed amount of parking is not enough (including the number of guest parking spaces).
- He likes the idea of some commercial on the street.
- A four-bedroom townhouse needs an obvious access for people to visit.

Mr. Kennings summarized the comments: a mixed bag on whether the home offices are needed; a desire for a more residential entrance at the ground floor; exploring residential over commercial; the design is high level; excitement about the site being redeveloped; the possibility of multiple commercial spaces; parking is an issue; perhaps a playground or something family friendly for the open space; more variation in heights and massing; the possibility of some roof-top type of development.

Commissioner Kunstler noted the development seems urban in its philosophy and he is not sure if this is good or bad. It would be the first of its kind in Larkspur.

Planning Director Toft stated the area is identified primarily as commercial and the project is largely residential with a nod to a commercial presence. The home offices are not a bad concept and there is probably a market for them. Trying to create the impression of them as being commercial might not be desirable as just implementing these as home offices with residential in front. He asked the Commission if staff should be working towards a horizontal mixed-use approach and how we might accomplish that? He asked the Commission for clarity on their desire to retain a true commercial presence in the larger part of the property- how much commercial to retain commercial on the corner or along Magnolia, which is not represented by home offices? Or should they be looking at how to amend the codes or address the rules to allow for flexibility for the project as having home offices.

Commissioner Kunstler provided the following comments:

- There is an issue of precedence setting if they consider the home offices as commercial.
- A Specific Plan for this area might be a better approach.

Commissioner Chalmers provided the following comments:

- She agreed with Commissioner Kunstler.
- She did not think the presence of the home offices was an attempt at a commercial designation.
- She supported the idea of a Specific Area Plan and did not want to set a precedent.

Commissioner Tauber provided the following comments:

- She agreed- they need to figure out the right development of this particular and difficult parcel.
- We should decide on what is best for this site- and it is probably somewhat different that the proposal they are reviewing.

Chair Wagstaff provided the following comments:

- It would not be hard to provide commercial instead of the home office.
- The corners are large unit spaces.

Commissioner Tauber provided the following comments:

- She agreed- the units F's could be commercial spaces.

Planning Director Toft stated he heard positive responses about the materials and architectural approach and detailing. The area does not have a very defined era or feel, so this is introducing something – it could be softened or modernized. He wants to make sure the applicants have some clear feedback.

Commissioner Swisher provided the following comments:

- He likes the brick.
- He likes the idea of rooftop decks.

Commissioner Tauber provided the following comments:

- She would like to see more variation on the heights and shapes.
- She would like to see it less monolithic. Changing the materials of adjacent townhouses would help.
- She is less concerned about the brick.

Commissioner Chalmers provided the following comments:

- It is close to the road, big and looming.
- It should be less monolithic.

Chari Wagstaff provided the following comments:

- They have the ability to vary the heights.
- There are a lot of ways to mitigate the mass.

Chair Wagstaff asked staff to do a larger public outreach process in the future.

BUSINESS ITEMS

1. Approval minutes of May 25, 2021

M/s, Swisher/Kunstler, motioned and the Commission voted 5-0 to approve the minutes from the meeting of May 25, 2021, as submitted.

2. Planning Commissioners Reports

Commissioner Kunstler thanked the City of Larkspur for adopting a more modern technology with respect to doggy waste bags. They are now biodegradable.

The meeting was adjourned at 9:30 p.m.

Respectfully submitted,

Toni DeFrancis,
Recording Secretary

I HEREBY CERTIFY that the foregoing minutes were duly and regularly adopted at a regular meeting of the Larkspur Planning Commission on July 13, 2021.

Kristin Teiche, Senior Planner