

FINDINGS

Density Bonus / Affordable Housing Incentives Findings

1. Pursuant to Section 12.22 A.25(g)(2)(i)(c) of the LAMC and Section 65915(e) of the California Government Code, the Director of Planning shall approve a density bonus and requested incentive(s) and/or Waiver(s) unless the Director of Planning finds that¹:
 - a. *The Incentives do not result in identifiable and actual cost reductions to provide for affordable housing costs as defined in California Health and Safety Code Section 50052.5 or Section 50053 for rents for the affordable units.*

The record does not contain substantial evidence that would allow the Director to make a finding that the requested incentives do not result in identifiable and actual cost reductions to provide for affordable housing costs per State Law. The California Health & Safety Code Sections 50052.5 and 50053 define formulas for calculating affordable housing costs for very low, low, and moderate income households. Section 50052.5 addresses owner-occupied housing and Section 50053 addresses rental households. Affordable housing costs are a calculation of residential rent or ownership pricing not to exceed 25 percent gross income based on area median income thresholds dependent on affordability levels.

In exchange for reserving at least 15 percent of the base density for Very Low Income households, the applicant is entitled to three Incentives under both Government Code Section 65915 and the LAMC. The project proposes to reserve at least 15 percent of the base density of 101 units for Very Low Income households; accordingly, the project is entitled to the three requested On- and Off-menu Incentives. These requested Incentives provide cost reductions that provide for affordable housing costs because the incentives by their nature increase the scale of the project, which facilitates the creation of more affordable housing units.

Parking Stall Dimension and Clearance

The project proposes to provide vehicle parking stalls without the otherwise required 10-inch column clearance for a reduced drive aisle width. The project proposes to demolish a portion of the existing improvements on the property and construct a new eight-story residential structure, including an underground parking level, on that portion of the property only. As a result, vehicle parking will only be provided on a limited and irregularly shaped parcel of land, and as such requiring parking spaces to provide the otherwise required clearance along with all other engineering and architectural requirements would be infeasible within the subject property and would physically preclude the provision of the proposed 108 new units, including 18 restricted affordable units. In addition, vehicle parking is a desirable amenity that attracts tenants and may potentially increase the value of the market-rate units, thereby supporting and off-setting the costs of providing the restricted affordable units. The requested Incentive enables the development of the proposed project, including the proposed restricted affordable units, along with vehicle parking for residents and guests.

Vehicular Access on Collector Roadway

¹ Pursuant to LAMC Section 12.22 A.25(g)(3), the City Planning Commission is considered the decision-maker for Off-menu density bonus requests. The findings referenced in LAMC Section 12.22 A.25(g)(2)(i)(c) apply to Off-menu requests.

The subject property fronts Gower Street, a designated Collector roadway in the City of Los Angeles Mobility Plan 2035. The project proposes to demolish a portion of the existing improvements on the property and construct a new eight-story residential structure on that portion of the property only, primarily fronting Gower Street. As a result, it is practically necessary to provide vehicular access on Gower Street, and prohibiting such access would result in an infeasible design and layout that would physically preclude the provision of the proposed 108 new units, including 18 restricted affordable units. The requested Incentive enables the development of the proposed project, including the proposed restricted affordable units, along with adequate vehicle access and parking for residents and guests.

Open Space

Based on the number and typology of residential units proposed, the project would be required to provide 13,575 square feet of open space. The project proposes to provide approximately 10,181 square feet of open space that can be counted towards zoning requirements, and accordingly is requesting an Off-menu Incentive for a 25 percent decrease in the required amount of open space. This reduction enables the project to expand the building envelope by utilizing more space for building floor area and provide additional floor space and residential units, thus enabling the provision of more dwelling units. The larger building footprint facilitates the creation of more residential units of all types, including market-rate units which enable the applicant to subsidize and reserve more residential units for lower income levels. Therefore, the incentive supports the applicant's decision to set aside 16 dwelling units for Very Low Income households and two additional dwelling units for Low Income households as proposed. The requested Incentive provides actual and identifiable cost reductions that provide for affordable housing costs because the incentive by nature increases the building envelope of the project so that additional residential units can be provided, resulting in additional affordable housing units.

- b. ***The Incentives and/or Waivers will have a Specific Adverse Impact upon public health and safety or the physical environment or any real property that is listed in the California Register of Historical Resources and for which there is no feasible method to satisfactorily mitigate or avoid the Specific Adverse Impact without rendering the development unaffordable to Very Low, Low and Moderate Income households. Inconsistency with the zoning ordinance or general plan land use designation shall not constitute a specific adverse impact upon the public health or safety (Government Code Section 65915(d)(1)(B) and 65589.5(d)).***

There is no substantial evidence in the record that the proposed Incentives and Waivers will have a specific adverse impact upon public health and safety or the physical environment, or any real property that is listed in the California Register of Historical Resources. A "specific adverse impact" is defined as "a significant, quantifiable, direct and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete" (LAMC Section 12.22 A.25(b)). There are no historic resources on the subject property, and although there are historic resources nearby, the project will not adversely affect any other properties and will not result in any change to any existing historic resource. In addition, potential environmental impacts, including impacts to historic resources, have been fully analyzed in the SCEA prepared for the project, which concludes the same. The property is not located on a substandard street in a Hillside area and is not located in a Liquefaction Zone, a Special Grading Area, a Very High Fire Hazard Severity Zone, a Methane Zone, or any other special hazard area. Therefore, there is no

substantial evidence that the proposed project, and thus the requested Incentives and Waivers, will have a specific adverse impact on the physical environment, on public health and safety or the physical environment, or on any Historical Resource. Based on the above, there is no basis to deny the requested Incentives.

- c. **The waiver[s] or reduction[s] of development standards relate to development standards that will not have the effect of physically precluding the construction of a development meeting the [affordable set-aside percentage] criteria of subdivision (b) at the densities or with the concessions or incentives permitted under [State Density Bonus Law]” (Government Code Section 65915(e)(1)).**

A project that meets the requirements of Government Code 65915 may request other “waiver[s] or reduction[s] of development standards that will have the effect of physically precluding the construction of a development meeting the [affordable set-aside percentage] criteria of subdivision (b) at the densities or with the concessions or incentives permitted under [State Density Bonus Law]” (Government Code Section 65915(e)(1)).

Floor Area Ratio

The underlying zoning of the subject property permits a maximum floor area ratio (FAR) of 3:1. At completion, the project will result in a total of approximately 216,259 square feet, equal to a FAR of approximately 3.12:1. This increase permits the project to expand the building envelope and provide additional building floor area, which enables the provision of additional living space and residential units and enables the applicant to reserve more residential units for lower income levels. Therefore, the Waiver supports the applicant’s decision to set aside 16 dwelling units for Very Low Income households and two additional units for Low Income households. The requested Waiver by nature increases the building envelope of the project so that additional residential units can be provided, and the otherwise limited FAR of 3:1 would physically preclude development of the proposed project.

Building Height

The underlying zoning of the subject property (R3-1 and R3-1XL) permits a maximum building height of 45 feet and 30 feet, respectively. The proposed new building is partially located within both zones and will rise to a maximum of 95 feet. This increase permits the project to expand the building envelope and provide additional building floor area, which enables the provision of additional living space and residential units and enables the applicant to reserve more residential units for lower income levels. Therefore, the Waiver supports the applicant’s decision to set aside 16 dwelling units for Very Low Income households and two additional units for Low Income households. The requested Waiver by nature increases the building envelope of the project so that additional residential units can be provided, and the otherwise limited building height would physically preclude development of the proposed project.

Side and Rear Yard Setbacks

The underlying zoning on the project site would require an 11-foot easterly side yard setback, a 20-foot westerly side yard setback, and a 15-foot northerly rear yard setback. The project is proposing reduced yard setbacks of zero feet for the easterly side yard, zero feet for the westerly side yard, and 15 feet for the northerly rear yard. These reductions enable the project to expand the building envelope and provide additional floor space and residential units, thus enabling the provision of more dwelling units. The larger building footprint facilitates the creation of more residential units of all types, including market-rate

units which enable the applicant to subsidize and reserve more residential units for lower income levels. Therefore, the Waiver supports the applicant's decision to set aside 16 dwelling units for Very Low Income households and two additional units for Low Income households as proposed. The requested Waiver by nature increases the building envelope of the project so that additional residential units can be provided, and the otherwise required side and rear yard setbacks would physically preclude development of the proposed project.

Therefore, the requested Waivers of Development Standards relate to development standards that would physically preclude a project otherwise meeting the requirements of State Density Bonus law.

d. The Incentives and/or Waivers are contrary to State/federal law.

There is no substantial evidence in the record indicating that the requested Incentives and Waivers are contrary to any State or federal laws.

Environmental Findings

- 2. SCEA.** The City of Los Angeles finds that the Proposed Project complies with the requirements of CEQA for using an SCEA as authorized pursuant to Public Resources Code Section 21155.2(b). The City of Los Angeles has determined that:

The Project is a Transit Priority Project (TPP) pursuant to PRC Section 21155:

- a. The Project is consistent with the general use designation, density, building intensity, and applicable policies specified in the project area in the current SCAG RTP/SCS.
- b. The Project contains at least 50 percent residential use, based on total building square footage, and if the project contains between 26 percent and 50 percent non-residential uses, a floor area ratio of not less than 0.75;
- c. The Project provides a minimum net density of at least 20 dwelling units per acre;
- d. The Project is within one-half mile of a major transit stop or high-quality transit corridor included in a regional transportation plan, consistent with PRC Section 21155(b). A major transit stop means a site containing an existing rail transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods. A high-quality transit corridor means a corridor with fixed route bus service with service intervals no longer than 15 minutes during peak commute hours.

The Transit Priority Project has incorporated all feasible mitigation measures, performance standards, or criteria set forth in the following prior applicable EIRs: SCAG's 2020-2045 RTP/SCS EIR.

An initial study has been prepared and circulated in compliance with PRC Section 21155.2(b). A public hearing on the SCEA, and all comments received on the SCEA, will be considered by the City Planning Commission prior to SCEA adoption and approval of the Project.

All potentially significant or significant effects required to be identified in the initial study have been identified and analyzed.

With respect to each significant effect on the environment required to be identified in the initial study, either of the following apply:

- i. Changes or alterations have been required in or incorporated into the project that avoid or mitigate the significant effects to a level of insignificance.
 - ii. Those changes or alterations are within the responsibility and jurisdiction of another public agency and have been, or can and should be, adopted by that other agency.
- 3. Flood Insurance.** The National Flood Insurance Program rate maps, which are a part of the Flood Hazard Management Specific Plan adopted by the City Council by Ordinance No. 172,081, have been reviewed and it has been determined that this project is located outside of a flood zone.