

## FINDINGS

(As adopted by City Planning Commission on April 23, 2020)

### DENSITY BONUS/AFFORDABLE HOUSING INCENTIVES COMPLIANCE FINDINGS

1. Government Code Section 65915 and LAMC Section 12.22 A.25 state that the Commission shall approve a density bonus and requested incentive(s) unless the Commission finds that:

*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 City Planning Commission to make a finding that the requested on- and off-menu incentives are not necessary 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.

Based on the set-aside of 15 percent of base units for Very Low Income households, the applicant is entitled to three (3) Incentives under both the Government Code and LAMC. Therefore, the first On- and Off-Menu requests qualify as the proposed development’s Incentives. The remaining request must be processed as a Waiver of Development Standard.

*FAR:* The subject site is zoned C2-1XL-CPIO, with a Height District No. 1XL and CPIO designation that permit a maximum Floor Area Ratio (“FAR”) of 1.5:1. The applicant has requested an Off-Menu Incentive for an FAR of 2.65:1 in lieu of the otherwise allowable 1.5:1 FAR. The project includes many larger-sized dwelling units (including 53 studios, 19 one-bedroom units, and 30 two-bedroom units). The requested increase in FAR will allow 35,908 square feet of additional floor area, and will allow for the construction of affordable units in addition to larger-sized dwelling units.

FAR by-right	Buildable Lot Area (sf)	Total Floor Area (sf)
1.5:1	31,500	31,500 x 1.5 = <b>47,250</b>

FAR Requested	Buildable Lot Area (sf)	Total Floor Area (sf)	Additional Floor Area (sf)
2.65:1	31,500	83,158	83,158- 47,250= <b>35,908</b>

*Open Space:* LAMC Section 12.21 G requires 100 square feet of usable open space per dwelling unit with less than 3 habitable rooms, and 125 square feet of usable open space per dwelling unit with 3 habitable rooms. For the proposed project with 53 studio units, 19 one-bedroom units, and 30 two-bedroom units, a total of 10,950 square feet of open space would be required. Strict compliance with the open space requirements would have the effect of physically precluding construction of the development proposing 102 dwelling units, 12 of which will be set aside for Very Low Income Households. The applicant has requested a 20 percent reduction to allow 8,381 square feet of open space through an On-Menu Incentive. Without the incentive to reduce the minimum usable open space required to 8,381 square feet, the project would need to provide an additional 2,119 square feet of common or private open space on-site. The project currently proposes dwelling units that range in size from 370 square feet to 986 square feet. Compliance with the minimum usable open space provision would require the removal of floor area that could otherwise be dedicated to the number, configuration, and livability of affordable housing units. Specifically, the project would not only need to comply with the total amount of usable open space requirements, but also the design, dimension, and area requirements set forth in LAMC Section 12.21 G. Common open space would need to be at least 15 feet in width on all sides, have a minimum area of 400 square feet, and be open to sky. The project would lose floor area of the development in order to meet all of these additional requirements for common open space

*Rear Yard Setback:* LAMC Section 12.14 C.2 requires rear and side yards to conform to the requirements of the R4 Zone for buildings erected and used for residential purposes. The R4 Zone requires a rear yard of a minimum of 15 feet, and requires one additional foot in the width of the rear yard for each additional story above the 3<sup>rd</sup> story. The Project is a 4-story residential building. Given all levels of the project would be utilized in whole or in part by residential uses, the Project would therefore be required to provide a 16-foot rear yard setback. The Applicant has requested an Off-Menu Incentive for a reduced yard, and proposes a 5-foot rear yard setback in lieu of the 16 feet otherwise required. Strict compliance with the rear yard requirement would reduce the buildable lot area by 11 feet for the rear yard, thereby limiting the buildable area for new development and reducing the number and range of units that could be developed. The requested incentive allows the developer to reduce setback requirements so the affordable housing units can be constructed and the overall space dedicated to residential uses is increased.

- b. The Incentive will have specific adverse impact upon public health and safety or the physical environment, or on 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 the general plan land use designation shall not constitute a specific, adverse impact upon the public health or safety.***

There is no evidence in the record that the proposed density bonus incentive(s) will have a specific adverse impact. 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)). The finding that there is no evidence in the record that the proposed incentive(s) will have a specific adverse impact is further supported by the recommended CEQA finding. The findings to deny an incentive under Density Bonus Law are not equivalent to the findings for determining the existence of a significant unavoidable impact under CEQA. However, under a number

of CEQA impact thresholds, the City is required to analyze whether any environmental changes caused by the project have the possibility to result in health and safety impacts. For example, CEQA Guidelines Section 15065(a)(4), provides that the City is required to find a project will have a significant impact on the environment and require an EIR if the environmental effects of a project will cause a substantial adverse effect on human beings. The proposed project and potential impacts were analyzed in accordance with the State California Environmental Quality Act (CEQA) Guidelines. Analysis of the proposed Project determined that it is Categorically Exempt from environmental review pursuant to Article 19, Class 32 of the CEQA Guidelines. The Categorical Exemption (CE) could be adopted, including, on the basis that none of the potential environmental effects of the proposed Project would cause substantial adverse effects on human beings, the physical environment, on public health and safety, or on property listed in the California Register of Historic Resources. Based on all of the above, there is no basis to deny the requested incentive.

***c. The incentive(s) are contrary to state or federal laws.***

There is no evidence in the record that the proposed incentives are contrary to state or federal law.

Following is a delineation of the findings related to the request for one (1) Waiver of Development Standard, pursuant to Government Code Section 65915.

**2. Government Code Section 65915 and LAMC Section 12.22 A.25 state that the Commission shall approve a density bonus and requested Waiver of Development Standard(s) unless the Commission finds that:**

***a. The waiver(s) or reduction(s) are contrary to state or federal laws.***

There is no evidence in the record that the proposed incentives are contrary to state or federal law.

A project that provides 15 percent of total units for Very Low Income Households qualifies for three (3) Incentives, and 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)).

Therefore, the request for the following is recommended as a Waiver of Development Standards. Without the below Waiver, the existing development standards would preclude development of the proposed density bonus units and project amenities:

*Height:* The subject site is zoned C2-1XL-CPIO, with a Height District No. 1XL and CPIO designation that permit a maximum 30-foot building height. The applicant has requested an increase for 15 feet and 5 inches to allow for 45 feet and 5 inches through a Waiver of Development Standard. The limitation on the height would remove one (1) story from the proposed building which contains 27 dwelling units, and will limit the ability to construct the residential dwelling units permitted by-right and the Restricted Affordable Units which are of a sufficient size. This development standard would have the effect of physically precluding construction of a development providing 102 dwelling units, of which 12 units will be set aside for Very Low Income households. As proposed, the additional height will allow for the construction of the affordable residential units. The

requested waiver will allow the developer to expand the building envelope so the additional units can be constructed and the overall space dedicated to residential uses is increased.

- b. The Incentive will have specific adverse impact upon public health and safety or the physical environment, or on 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 the general plan land use designation shall not constitute a specific, adverse impact upon the public health or safety.***

There is no evidence in the record that the proposed density bonus incentive(s) will have a specific adverse impact. 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)). The finding that there is no evidence in the record that the proposed incentive(s) will have a specific adverse impact is further supported by the recommended CEQA finding. The findings to deny an incentive under Density Bonus Law are not equivalent to the findings for determining the existence of a significant unavoidable impact under CEQA. However, under a number of CEQA impact thresholds, the City is required to analyze whether any environmental changes caused by the project have the possibility to result in health and safety impacts. For example, CEQA Guidelines Section 15065(a)(4), provides that the City is required to find a project will have a significant impact on the environment and require an EIR if the environmental effects of a project will cause a substantial adverse effect on human beings. The proposed project and potential impacts were analyzed in accordance with the State California Environmental Quality Act (CEQA) Guidelines. Analysis of the proposed Project determined that it is Categorically Exempt from environmental review pursuant to Article 19, Class 32 of the CEQA Guidelines. The Categorical Exemption (CE) could be adopted, including, on the basis that none of the potential environmental effects of the proposed Project would cause substantial adverse effects on human beings, the physical environment, on public health and safety, or on property listed in the California Register of Historic Resources. Based on all of the above, there is no basis to deny the requested incentive.

## DENSITY BONUS LEGISLATION BACKGROUND

The California State Legislature has declared that “[t]he availability of housing is of vital statewide importance,” and has determined that state and local governments have a responsibility to “make adequate provision for the housing needs of all economic segments of the community.” Section §65580, subds. (a), (d). Section 65915 further provides that an applicant must agree to, and the municipality must ensure, the “continued affordability of all Low and Very Low Income units that qualified the applicant” for the density bonus.

With Senate Bill 1818 (2004), state law created a requirement that local jurisdictions approve a density bonus and up to three “concessions or incentives” for projects that include defined levels of affordable housing in their projects. In response to this requirement, the City created an ordinance that includes a menu of incentives (referred to as “on-menu” incentives) comprised of eight zoning adjustments that meet the definition of concessions or incentives in state law (California Government Code Section 65915). The eight on-menu incentives allow for: 1) reducing setbacks; 2) reducing lot coverage; 3) reducing lot width, 4) increasing floor area ratio (FAR); 5)

increasing height; 6) reducing required open space; 7) allowing for an alternative density calculation that includes streets/alley dedications; and 8) allowing for “averaging” of FAR, density, parking or open space. In order to grant approval of an on-menu incentive, the City utilizes the same findings contained in state law for the approval of incentives or concessions.

California State Assembly Bill 2222 went into effect January 1, 2015, and was amended by Assembly Bill 2556 on September 28, 2016, and with that Density Bonus projects filed as of that date must demonstrate compliance with the housing replacement provisions which require replacement of rental dwelling units that either exist at the time of application of a Density Bonus project, or have been vacated or demolished in the five-year period preceding the application of the project. This applies to all pre-existing units that have been subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of lower or very low income; subject to any other form of rent or price control (including Rent Stabilization Ordinance); or is occupied by Low or Very Low Income Households (i.e., income levels less than 80 percent of the area median income [AMI]). The replacement units must be equivalent in size, type, or both and be made available at affordable rent/cost to, and occupied by, households of the same or lower income category as those meeting the occupancy criteria. Prior to the issuance of any Director’s Determination for Density Bonus and Affordable Housing Incentives, the Housing and Community Investment Department (HCIDLA) is responsible for providing the Department of City Planning, along with the applicant, a determination letter addressing replacement unit requirements for individual projects. The City also requires a Land Use Covenant recognizing the conditions be filed with the County of Los Angeles prior to granting a building permit on the project.

Assembly Bill 2222 also increases covenant restrictions from 30 to 55 years for projects approved after January 1, 2015. This determination letter reflects these 55 year covenant restrictions.

Under Government Code Section § 65915(a), § 65915(d)(2)(C) and § 65915(d)(3) the City of Los Angeles complies with the State Density Bonus law by adopting density bonus regulations and procedures as codified in Section 12.22 A.25 of the Los Angeles Municipal Code. Section 12.22 A.25 creates a procedure to waive or modify Zoning Code standards which may prevent, preclude or interfere with the effect of the density bonus by which the incentive or concession is granted, including legislative body review. The Ordinance must apply equally to all new residential development.

In exchange for setting aside a defined number of affordable dwelling units within a development, applicants may request up to three incentives in addition to the density bonus and parking relief which are permitted by right. The incentives are deviations from the City’s development standards, thus providing greater relief from regulatory constraints. Utilization of the Density Bonus/Affordable Housing Incentives Program supersedes requirements of the Los Angeles Municipal Code and underlying ordinances relative to density, number of units, parking, and other requirements relative to incentives, if requested.

For the purpose of clarifying the Covenant Subordination Agreement between the City of Los Angeles and the United States Department of Housing and Urban Development (HUD) note that the covenant required in the Conditions of Approval herein shall prevail unless pre-empted by State or Federal law.

### SITE PLAN REVIEW FINDINGS

3. **The project is in substantial conformance with the purposes, intent and provisions of the General Plan, applicable community plan, and any applicable specific plan.**

The proposed project is in substantial conformance with the purposes, intent, and provisions of the General Plan and the San Pedro Community Plan.

The project site is located in the San Pedro Community Plan, and is designated for Neighborhood Commercial land uses, with corresponding zones of C1, C1.5, C2, C4, R3, and RAS3. The site is zoned C2-1XL-CPIO, and is consistent with the land use designation. Height District No. 1XL limits Floor Area Ratio (“FAR”) to 1.5:1 and building height to 30 feet. The site is not located within a Specific Plan, however it is located within the San Pedro Community Plan Implementation Overlay (“CPIO”) District Coastal Commercial A Subarea (Subarea No. 150). The CPIO contains additional regulations for ground floor and building height, density, floor area, building disposition, building design, and parking.

Consistent with the Community Plan, the proposed 102-unit multi-family residential development, which includes 12 Very Low Income units, adds new multi-family housing and much needed affordable housing to Los Angeles’s housing supply, in a neighborhood which is conveniently located to a variety of regional destinations, community services and amenities, and multi-modal transportation options.

#### Framework Element

The General Plan designates the subject site with Neighborhood Commercial land use designation with corresponding zones of C1, C1.5, C2, C4, R3, and RAS3. The Framework Element describes Neighborhood Commercial areas as pedestrian-oriented districts that provide local identity, commercial activity, and support Los Angeles’ neighborhoods. The property is zoned C2-1XL-CPIO which is consistent with the Neighborhood Commercial land use. The C2-1XL-CPIO zone allows for R4 (High Medium Residential) land uses and estimates 56 to 109 dwelling units per acre.

Per the Framework Element’s Long Range Land Use Diagram for the West/Coastal Los Angeles area, the site is also along a Mixed Use Boulevard. A Mixed Use Boulevard is described as “connect[ing] the city’s neighborhood districts and community, regional and Downtown centers. Mixed Use development is encouraged along these boulevards, with the scale, density and height of development compatible with the surrounding areas. Generally, different types of Mixed Use Boulevards will fall within a range of floor area ratios from 1.5:1 up to 4.0:1 and be generally characterized by 1- to 2-story commercial structures, up to 3- to 6-story mixed use buildings between centers and higher buildings within centers. Mixed Use Boulevards are served by a variety of transportation facilities”.

Therefore, as a 4-story multi-family residential development with a maximum 2.65:1 FAR as allowed by Density Bonus, the proposed project is consistent with the General Plan Framework.

#### Land Use Element – San Pedro Community Plan

The proposed project aligns with the intent of the 2017 San Pedro Community Plan including the following:

*Goal LU3: Multi-family residential neighborhoods with a mix of ownership and rental units that are well-designed, safe, provide amenities for residents, and exhibit the architectural characteristics and qualities that distinguish San Pedro*

*Policy LU3.1: Neighborhood stability. Stabilize and improve existing multi-family residential neighborhoods, allowing for growth in areas where there are sufficient public infrastructure and services and where quality of life can be maintained or improved*

*Policy LU3.2: Key locations. Incorporate multi-family housing in areas targeted for mixed use and in the Regional Center*

*Policy LU3.3: Equitable housing distribution. Provide an equitable distribution of housing types for all income groups throughout San Pedro's multi-family neighborhoods and promote mixed-income developments rather than creating concentrations of below-market-rate housing*

*Policy LU3.4: Affordable housing and displacement. Encourage the replacement of demolished quality affordable housing stock with new affordable housing opportunities while minimizing the displacement of residents, through programs that support development while meeting the relocation needs of existing residents*

*Policy LU3.6: Amenities. Include amenities for residents such as on site recreational facilities, community meeting spaces, and useable private and/or public open space in new multi-family development*

The project is for the construction of a new mixed-income multi-family residential development on an underutilized site that includes 3 vacant commercial structures. The project will result in the net increase of 102 dwelling units which will include 12 Very Low Income units. The site is located within walking distance of public transit and local and regional amenities. As shown in Exhibit "A" and Finding No. 4 below, the Project will provide design features and landscaping improvements to enhance the visual quality of the area.

#### Housing Element 2013-2021

The proposed project also conforms with the applicable policies of the Housing Element, including:

*Goal 1: A City where housing production and preservation result in an adequate supply of ownership and rental housing that is safe, healthy and affordable to people of all income levels, races, ages, and suitable for their various needs.*

*Objective 1.1: Produce an adequate supply of rental and ownership housing in order to meet current and projected needs.*

*Policy 1.1.4: Expand opportunities for residential development, particularly in designated Centers, Transit Oriented Districts, and Mixed-Use Boulevards*

*Policy 1.3.5: Provide sufficient land use and density to accommodate an adequate supply of housing units within the City to meet the projections of housing needs*

*Goal 2: A City in which housing helps to create safe, livable and sustainable neighborhoods.*

*Objective 2.2: Promote sustainable neighborhoods that have mixed-income housing, jobs, amenities, services and transit.*

*Policy 2.2.2: Provide incentives and flexibility to generate new multi-family housing near transit and centers, in accordance with the General Plan Framework element, as reflected in Map ES.1.*

*Objective 2.5: Promote a more equitable distribution of affordable housing opportunities throughout the City.*

*Program 98: In accordance with State law, provide a density bonus up to 35% over the otherwise allowable density as well as reduced parking requirements for all residential developments that include units affordable to very low-, low- and/or moderate-income households. Provide additional incentives and concessions to required development standards in order to provide the buildable area needed for the affordable units and increased density.*

The proposed project will result in a net increase of 102 new residential units to the City's housing stock and conforms with the applicable provisions of the Housing Element. The applicant has requested deviations from code requirements under the Density Bonus program for increased FAR and height and reduced yard and open space, thereby allowing the creation of affordable units around transit stops. Pursuant to Density Bonus requirements, 15 percent (12 units) of the base units, will be set aside for Very Low Income units. Additionally, this mixed-income development is in close proximity to public transit options and bus stops, and a variety of retail, commercial, entertainment, recreational, and employment opportunities. Locating new housing in this portion of Pacific Avenue will allow residents to have better access to employment centers and places of interest in area.

#### Mobility Plan 2035

The proposed project also conforms with the following additional policies of the Mobility Plan, including:

*Policy 3.1 – Access for All: Recognize all modes of travel, including pedestrian, bicycle, transit, and vehicular modes - including goods movement – as integral components of the City's transportation system.*

*Policy 3.3 – Land Use Access and Mix: Promote equitable land use decisions that result in fewer vehicle trips by providing greater proximity and access to jobs, destinations, and other neighborhood services.*

The project utilizes Density Bonus for the construction of a mixed-income development that provides both housing opportunities in close proximity to public transit along the Pacific Avenue corridor, and to permit reduced parking in accordance with Density Bonus Parking Option 1 and bicycle parking reduction, encouraging multi-modal transportation and decreasing vehicle miles traveled in the neighborhood. The site is located along a portion of Pacific Avenue that is designated by the Mobility Plan as a Tier 2 Bicycle Lane in the Bicycle Lane Network, and is also within the designated Pedestrian Enhanced District.

Therefore, the proposed project is consistent with the purposes, intent and provisions of the General Plan, San Pedro Community Plan, Housing Element, and Mobility Plan by meeting several of its goals, objectives, and policies. Specifically, the project would provide a diverse set of uses that (1) facilitate vehicle trip reduction, reduce vehicle miles traveled, and reduce air pollution; (2) accommodate necessary residential growth and provide a mix of apartment

sizes and affordability levels, including restricted very low income units; and (3) reinforce an existing mixed-use corridor by providing an array of housing options, streetscape, and landscaping opportunities, that would be inviting to nearby residents and pedestrians along Pacific Avenue.

- 4. The project consists of an arrangement of buildings and structures (including height, bulk and setbacks), off-street parking facilities, loading areas, lighting, landscaping, trash collection, and other such pertinent improvements that is or will be compatible with existing and future development on adjacent properties and neighboring properties.**

The subject site is located in the San Pedro Community Plan along the Pacific Avenue commercial corridor, at the northwestern corner of Pacific Avenue and 14th Street. The surrounding area is developed with a combination of primarily single-story commercial uses and multi-family residential uses up to three stories in height, with some one- and two-story single-family residential uses in the surrounding area.

The proposed project is the construction of a 4-story, 45-foot and 5-inch tall residential building comprised of 102 dwelling units (including 12 Very Low Income units). The project will be approximately 83,158 square feet in floor area with a Floor Area Ratio ("FAR") of 2.65:1. The project will provide 127 parking spaces in 2 subterranean levels, in addition to 81 long-term and 8 short-term bicycle parking spaces. The primary building entrance is located along Pacific Avenue, and ground-floor street-facing units will have individual entrances from the sidewalk. Residential amenities are provided in the form of a recreation room, gym, and dog care room at the ground floor; open-air landscaped courtyard at the second floor; and roof decks. Vehicular access is proposed from one driveway along 14th Street. The proposed project would include design features, landscaping improvements, off-street parking facilities, lighting, landscaping, and enclosed trash collection, to enhance the visual quality of the area, and to be compatible with existing and future development on adjacent properties and neighboring properties.

#### Height

The proposed project will be four (4) stories and approximately 45 feet and 5 inches in building height. The subject property is zoned C2-1XL-CPIO and is located within Height District 1XL. Both the Height District No. 1XL and San Pedro CPIO Section IV-2.A.2(a) and IV-2.B.1 restrict the site to a maximum building height of 30 feet and Floor Area Ratio ("FAR") of 1.5:1, respectively. Neither the Height District nor CPIO restrict the number of stories for a residential building. The project would be allowed an 11-foot height increase for a maximum 41-foot building height through an On-Menu Incentive under the Density Bonus program. The proposed 45-foot and 5-inch building height is requested through an Waiver of Development Standard. Properties across 14th Street to the south and further west are developed with multi-family residential buildings up to three stories in height. In addition, the project is compliant with the transitional height requirements of the San Pedro CPIO Section IV-2.A.3(a), which requires the structure be set back or stepped back one foot for every foot in height as measured 14 feet above grade at the shared property line of a contiguous residentially zoned lot. Therefore, the proposed height is comparable with the maximum building height allowable under the On-Menu Density Bonus program, and will provide a transition to be compatible with existing neighboring buildings.

#### Bulk/Massing

The proposed project abuts two streets, with the street-fronting facades measuring approximately 210 feet along the west side of Pacific Avenue and 150 feet along north side of 14th Street. While the proposed project massing exceeds the existing prevailing development pattern, the overall height is comparable to the maximum building height

allowable under the On-Menu Density Bonus program. In addition, the project is compliant with the transitional height requirements of CPIO Section IV-2.A.3(a), which requires the structure be set back or stepped back one foot for every foot in height as measured 14 feet above grade at the shared property line of a contiguous residentially zoned lot. The project will provide a 15-foot wide westerly side yard adjacent to the neighboring residential uses, which exceeds the code required side setback of 7 feet. Therefore, the project massing will be appropriately set back from the neighboring residential uses. Lastly, the project provides architectural detailing that enhances the street-facing building frontage along Pacific Avenue by applying recesses, balconies, and varied rooflines along the building facade, along with varying building materials and colors to incorporate variation in design.

#### Building Materials

The building design incorporates a variety of recesses, balconies, varied rooflines, and different materials to add architectural interest to the building and creates distinct breaks in the building plane. These breaks are further differentiated through the use of a variety of building materials that include stucco, double pane aluminum, and aluminum woven wire mesh. Together, these elements are applied to create sufficient breaks in plane and articulation. In accordance with CPIO Section IV-2.C.2 and IV-2.C.4, respectively, at least 60 percent of the Primary Frontage of the Ground Floor shall consist of doors and windows, and heavily textured stucco is prohibited.

#### Entrances

The primary building entrance is proposed along Pacific Avenue, and is differentiated from the remainder of the street frontage through a recess that is enhanced with Pedestrian Amenities along the sidewalk. In addition, all ground-floor street-facing units along Pacific Avenue and 14th Avenue will have individual unit entrances that will be directly accessible from the street and set back a minimum of 3 feet from the sidewalk in accordance with CPIO Section IV-2.D.3 and IV-2.D.4.

#### Setbacks

The project creates a strong street wall with minimal setbacks along both Pacific Avenue and 14th Street. CPIO Section IV-2.C.1 requires that the exterior wall of any building shall be located not more than 5 feet from the Primary Lot Line, except that exterior walls may be more than 5 feet from the Primary Lot Line when the setback is improved with Pedestrian Amenities and/or landscaping. The ground floor along Pacific Avenue is set back approximately 3 feet to provide more area for pedestrian access in compliance with the CPIO, which allows a setback along Pacific Avenue ranging from 0 to 5 feet. The northerly rear yard will be 5 feet, as granted and conditioned herein, and landscaped to provide a buffer from the adjacent commercial building. The westerly side yard will be 15 feet in width to create a buffer from the adjacent residential buildings, and enhanced as residential amenity space to include landscaping, trees, seating, and a firepit.

#### Parking/Loading

The Applicant has requested to utilize a parking reduction granted by-right under Density Bonus Parking Option 1 LAMC Section 12.22 A.25(d)(1). Density Bonus Parking Option 1 requires parking spaces at the following ratios: 1 space per unit containing 0 to 1 bedrooms, 2 spaces per unit containing 2 to 3 bedrooms, and 2.5 space per unit containing 4 or more bedrooms. The project provides 72 studios and one-bedroom units, and 30 two-bedroom units, and is therefore required to provide a total of 132 parking spaces. The Bicycle Parking Ordinance, LAMC Section 12.21.A.4, allows affordable residential projects to reduce required vehicle parking by 10 percent, in this case, a reduction of 13 vehicular parking spaces, to provide 119 vehicular parking spaces. The applicant is requesting only a 4 percent reduction of 5 vehicular parking spaces, to provide a total of 127 vehicular parking spaces for the project. The parking is proposed in the form of two (2) subterranean parking

levels. No parking spaces are proposed at or above grade level in accordance with CPIO Section IV-2.E.2. The project will reduce the number of curb cuts and driveways currently on-site from two existing curb cuts to one proposed curb cut. The curb cut is proposed along 14th Street and will provide access to one driveway serving the subterranean parking. Therefore, the project will improve walkability of the site by removing an existing curb cut and surface parking lot. As conditioned, all electric vehicle charging spaces (EV Spaces) and electric vehicle charging stations (EVCS) shall comply with the regulations outlined in Sections 99.04.106 and 99.05.106 of Article 9, Chapter IX of the LAMC.

#### Lighting

The project will comply with CPIO Section IV-2.H.1 to provide ancillary lighting along pedestrian and vehicular access ways, and is conditioned so that all pedestrian walkways and vehicle access points will be well-lit with lighting fixtures that are harmonious with the building design. As conditioned, all outdoor lighting provided on-site will be shielded to prevent excessive illumination and spillage onto adjacent public rights-of-way, adjacent properties, and the night sky.

#### Landscaping/Open Space

On-site landscaping and open space is provided in the form a 3,241 square-foot courtyard, 2,940 square foot roof deck, and private balconies. The common open space areas shall meet the minimum dimension, landscaping, and amenity requirements per LAMC Section 12.21 G.2(a). Additional landscaping is proposed along the northerly rear yard, and residential amenity space with landscaping, trees, seating, and firepit in the easterly side yard. The project is conditioned to submit landscape plans prepared by a licensed landscape architect or licensed architect to show the size and location of all plants, and ensure sufficient depth and soil volume for trees and green roofs.

#### Trash Collection

Trash and recycling areas are conditioned to be located within the subterranean parking level to ensure that they are not visible from public view from the street per CPIO Section IV-2.H.3. Service providers will access the trash area from the driveway along 14th Street and enter the parking garage for trash collection. Therefore, trash collection will not affect circulation for surrounding properties.

- 5. The residential project provides recreational and service amenities to improve habitability for its residents and minimize impacts on neighboring properties.**

The proposed project provides recreational and service amenities that will improve habitability for the residents and minimize any impacts on neighboring properties. Common open space is provided in the form of a 3,241 square-foot courtyard on Level 2 and 2,940 square foot roof deck. Additional residential amenity space with landscaping, trees, seating, and firepit is proposed in the easterly side yard. The project also provides private balconies for use as private open space for individual units. Therefore, the proposed project provides sufficient recreational and service amenities for its residents, minimizing any impacts on neighboring properties.

### CEQA Findings

The Department of City Planning determined based on the whole of the administrative record, that the Project is exempt from the California Environmental Quality Act (“CEQA”) pursuant to State CEQA Guidelines, Article 19, Section 15332 (Class 32), and there is no substantial evidence demonstrating that an exception to a categorical exemption pursuant to CEQA Guidelines, Section 15300.2 applies. The Notice of Exemption and Justification for Project Exemption for Environmental Case No. ENV-2019-4909-CE is provided in the case file and attached as Exhibit D.

The project is the construction of a 4-story, 45-foot and 5-inch tall residential building comprised of 102 dwelling units (including 12 Very Low Income units). The project will be approximately 83,158 square feet in floor area with a Floor Area Ratio (“FAR”) of 2.65:1. The project will provide 127 parking spaces in 2 subterranean levels. The site is currently improved with 3 vacant commercial structures, with 26 trees on the subject site and 4 trees along the public right-of-way, all of which will be removed to clear the lot. The project will also involve the grading of approximately 2,500 cubic yards of soil, and export of approximately 20,000 cubic yards of soil.

As a multi-family residential building, and a project which is characterized as in-fill development, the project qualifies for the Class 32 Categorical Exemption.

### CEQA Determination – Class 32 Categorical Exemption Applies

A project qualifies for a Class 32 Categorical Exemption if it is developed on an infill site and meets the following criteria:

- (a) **The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with the applicable zoning designation and regulations.**

The subject site is located within the San Pedro Community Plan and is designated for Neighborhood Commercial Land Uses. The site is zoned C2-1XL-CPIO and is consistent with the land use designation. As shown in the case file and under Finding No. 2 above, the project is consistent with the General Plan, the applicable San Pedro Community Plan designation and policies, and all applicable zoning designations and regulations as permitted by Density Bonus law.

- (b) **The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.**

The subject site is wholly within the City of Los Angeles, on a site that is approximately 0.72 acres (31,521 square feet). Lots adjacent to the subject site are developed with the following urban uses: multi-family and single-family residential and commercial uses. The subject site is within one-half mile of several bus stops served by the Los Angeles County Metropolitan Transit Authority (“Metro”) Silver Line and 205, 246, and 550 bus lines, Los Angeles Department of Transportation (“LADOT”) DASH San Pedro and Commuter Express 142 bus lines. There is a bus stop within 400 feet at the intersection of Pacific Avenue and 15th Street.

- (c) **The project site has no value as habitat for endangered, rare or threatened species.**

The site is previously disturbed and surrounded by development and therefore is not, and has no value as, a habitat for endangered, rare or threatened species. There are no native protected trees on the site per the Tree Report prepared by Courtland Studio, LLC dated

March 26, 2019. There are 26 trees on the subject site and 4 trees along the public right-of-way, all of which will be removed to clear the lot.

- (d) **Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.**

Regulatory Compliance Measures – The project will be subject to Regulatory Compliance Measures (RCMs), which require compliance with the City of Los Angeles Noise Ordinance, pollutant discharge, dewatering, stormwater mitigations; and Best Management Practices for stormwater runoff. More specifically, RCMs include but are not limited to the following, to ensure the project will not have significant impacts:

- **Regulatory Compliance Measure RC-AQ-1 (Demolition, Grading and Construction Activities): Compliance with provisions of the SCAQMD District Rule 403.** The project shall comply with all applicable standards of the Southern California Air Quality Management District, including the following provisions of District Rule 403:
  - All unpaved demolition and construction areas shall be wetted at least twice daily during excavation and construction, and temporary dust covers shall be used to reduce dust emissions and meet SCAQMD District Rule 403. Wetting could reduce fugitive dust by as much as 50 percent.
  - The construction area shall be kept sufficiently dampened to control dust caused by grading and hauling, and at all times provide reasonable control of dust caused by wind.
  - All clearing, earth moving, or excavation activities shall be discontinued during periods of high winds (i.e., greater than 15 mph), so as to prevent excessive amounts of dust.
  - All dirt/soil loads shall be secured by trimming, watering or other appropriate means to prevent spillage and dust.
  - All dirt/soil materials transported off-site shall be either sufficiently watered or securely covered to prevent excessive amount of dust.
  - General contractors shall maintain and operate construction equipment so as to minimize exhaust emissions.
  - Trucks having no current hauling activity shall not idle but be turned off.
- **Regulatory Compliance Measure RC-AQ-2:** In accordance with Sections 2485 in Title 13 of the California Code of Regulations, the idling of all diesel-fueled commercial vehicles (weighing over 10,000 pounds) during construction shall be limited to five minutes at any location.
- **Regulatory Compliance Measure RC-AQ-3:** In accordance with Section 93115 in Title 17 of the California Code of Regulations, operation of any stationary, diesel-fueled, compression-ignition engines shall meet specified fuel and fuel additive requirements and emission standards.
- **Regulatory Compliance Measure RC-AQ-4:** The Project shall comply with South Coast Air Quality Management District Rule 1113 limiting the volatile organic compound content of architectural coatings.
- **Regulatory Compliance Measure RC-AQ-5:** The Project shall install odor-reducing equipment in accordance with South Coast Air Quality Management District Rule 1138.
- **Regulatory Compliance Measure RC-AQ-6:** New on-site facility nitrogen oxide emissions shall be minimized through the use of emission control measures (e.g., use of best available control technology for new combustion sources such as boilers and water heaters) as required by South Coast Air Quality Management District Regulation XIII, New Source Review.

- **Regulatory Compliance Measure RC-GEO-1 (Seismic):** The design and construction of the project shall conform to the California Building Code seismic standards as approved by the Department of Building and Safety.
- **Regulatory Compliance Measure RC-NO-1 (Demolition, Grading, and Construction Activities):** The project shall comply with the City of Los Angeles Noise Ordinance and any subsequent ordinances, which prohibit the emission or creation of noise beyond certain levels at adjacent uses unless technically infeasible.

Traffic - A traffic study was prepared by Linscott Law & Greenspan, dated September 26, 2019 analyzed the proposed project and determined that the project is forecast to generate a net increase of 372 daily trip ends during a typical weekday, 38 vehicle trips during the weekday a.m. peak hour, and 25 vehicle trips during the weekday p.m. peak hour. The traffic analysis accounts for ambient growth factors based on a 1.0 percent annual growth and in addition to trips resulting from other development projects that are located within the study area. The Department of Transportation (LADOT) reviewed the traffic study and confirmed its findings in a memo dated October 22, 2019, confirming that none of the study intersections would be significantly impacted by project-related traffic. Therefore, the project will not have any significant impacts relating to traffic.

Noise – The Project must comply with the adopted City of Los Angeles Noise Ordinances No. 144,331 and 161,574 and LAMC Section 41.40 as indicated above in RC-NO-1, LAMC Section 112.05, as well as any subsequent Ordinances, which prohibit the emission or creation of noise beyond certain levels. These Ordinances cover both operational noise levels (i.e., post-construction), and any construction noise impacts. As a result of this mandatory compliance, the proposed Project will not result in any significant noise impacts. Furthermore, the Noise Impact Analysis prepared by DKA Planning dated November 2019 confirmed that the Project would not result in construction-related or operational noise impacts on the environment. The analysis took into account noise from construction activities, operational noise sources from mechanical equipment, parking and auto-related activities, human conservation and activities, recreation facilities, landscape maintenance, trash collection, vibration, impacts to sensitive receptors. The analysis concluded that the project would not result in any significant effects relating to noise.

Air Quality – The Project's potential air quality effects were evaluated by estimating the potential construction and operations emissions of criteria pollutants, and comparing those levels to significance thresholds provided by the Southern California Air Quality Management District (SCAQMD). The Project's emissions were estimated using the CalEEMod 2016.3.2 model (output October 29, 2019) for the purposes of evaluating air quality impacts of proposed projects and summarized in the Air Quality Technical Report prepared by DKA Planning dated November 2019. The analysis took into account construction activity emissions during demolition, grading building construction, and architectural coating, as well as effects to sensitive receptors. The analysis confirms that the Project would not exceed SCAQMD significance thresholds for air quality impacts. In addition, there are several Regulatory Compliance Measures which regulate air quality-related impacts for projects citywide as noted above.

**(e) The site can be adequately served by all required utilities and public services.**

The project site will be adequately served by all public utilities and services given that the construction of a multi-family residential building will be on a site which has been previously developed and is consistent with the General Plan.

Therefore, the project meets all of the Criteria for the Class 32 Categorical Exemption.

CEQA Section 15300.2: Exceptions to the Use of Categorical Exemptions

There are five (5) Exceptions which must be considered in order to find a project exempt under Class 32:

- (a) **Cumulative Impacts.** *All exemptions for these classes are inapplicable when the cumulative impact of successive projects of the same type in the same place, over time is significant.*

There is not a succession of known projects of the same type and in the same place as the subject project.

There is a proposed project approximately one-half mile from the subject site, located at 2111-2139 South Pacific Avenue (Case No. CPC-2019-4884-CUB-CB-SPR), which is proposed for the construction of a 4-story mixed-use building containing 100 dwelling units and approximately 1,997 square feet of ground-floor retail. However, the project at 2111-2139 South Pacific Avenue is not adjacent to nor within 500 feet of the subject site, and does not constitute a project in the same type and same place as the subject project.

Both projects would be subject to the citywide Regulatory Compliance Measures as noted above, which regulate impacts related to air quality, noise, and geology to a less than significant level. The traffic study prepared by Linscott Law & Greenspan, dated September 26, 2019, accounts for ambient growth factors based on a 1.0 percent annual growth and in addition to trips resulting from other development projects that are located within the study area (including the project located at 2111-2139 South Pacific Avenue and 7 other projects either proposed or under construction), and concluded no traffic impacts. The Department of Transportation (LADOT) reviewed the traffic study and confirmed its findings in a memo dated October 22, 2019, which included standard conditions for a construction work site traffic control plan and limiting construction-related traffic to off-peak hours. There is no evidence to conclude that significant impacts will occur based on past project approvals or that the proposed Project's impacts are cumulatively considerable when evaluating any cumulative impacts associates with construction noise and transportation/traffic in the surrounding area.

- (b) **Significant Effect Due to Unusual Circumstances.** *A categorical exemption shall not be used for an activity where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances.*

The project proposes a multi-family building in an area zoned and designated for such development. All adjacent lots are developed with multi-family and single-family residential and commercial uses, and the subject site is of a similar size and slope to nearby properties. The applicant has requested an Off-Menu Density Bonus Incentive for 2.65:1 FAR on a site that is otherwise permitted for 1.5:1 FAR. The project size and height is not unusual for the vicinity of the subject site, and is similar in scope to other existing multi-family dwellings and proposed future projects in the area. Furthermore, there is no substantial evidence in the administrative record that this project will cause a significant impact. Thus, there are no unusual circumstances which may lead to a significant effect on the environment.

- (c) **Scenic Highways.** *A categorical exemption shall not be used for a project which may result in damage to scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway.*

The only State Scenic Highway within the City of Los Angeles is the Topanga Canyon State Scenic Highway, State Route 27, which travels through a portion of Topanga State Park. The State Route 27 is approximately 27 miles northwest of the subject site. Therefore the subject site will not create any impacts within a designated as a state scenic highway.

- (d) **Hazardous Waste Sites.** *A categorical exemption shall not be used for a project located on a site which is included on any list compiled pursuant to Section 65962.5 of the Government Code*

According to Envirostor, the State of California's database of Hazardous Waste Sites, neither the subject site, nor any site in the vicinity, is identified as a hazardous waste site.

A Phase I Environmental Site Assessment ("ESA") Report prepared by Priority 1 Environmental dated December 28, 2018 for 1309-1323 South Pacific Avenue included reviewing available environmental related information concerning the property and other data; conducting a site visit to observe current site uses, observing adjacent land uses, and gathering data on possible spills or misuse of chemicals that could be considered a Recognized Environmental Concern ("REC"); and reviewing regulatory files regarding the property. The ESA revealed no evidence of RECs in connection with the property, with the exception of historical records indicating that a drycleaners operated at 1311 South Pacific Avenue from 1946 to 1957 (possibly earlier), therefore the use of drycleaning chemicals prior to LAFD regulatory oversight constitutes a potential release. The ESA recommended a limited subsurface soil and soil vapor investigation at 1311 South Pacific Avenue to determine if the historical use as a drycleaners has impacted the property. A Phase II Environmental Site Assessment Report prepared by Priority 1 Environmental dated January 23, 2019 evaluated the subsurface soil vapor and soils in the area of the former drycleaners that was previously on the subject site at 1309-1311 South Pacific Avenue. The gas sampling and soil sampling indicated that only low levels of tetrachloroethane ("PCE") were detected in one soil vapor sample, and is not a significant release to the environment. The Phase II ESA concluded that concerns for the proposed multi-family redevelopment would be resolved by the excavation of the proposed subterranean parking.

A Phase I ESA prepared by Priority 1 Environmental dated August 3, 2018 for 1331-1337 South Pacific Avenue included reviewing available environmental related information concerning the property and other data; conducting a site visit to observe current site uses, observing adjacent land uses, and gathering data on possible spills or misuse of chemicals that could be considered a Recognized Environmental Concern ("REC"); and reviewing regulatory files regarding the property. The ESA revealed no evidence of RECs in connection with the property, with the exception of the historical use of a gasoline service station on site from 1920 to 1959. A Phase II Environmental Site Assessment Report prepared by Priority 1 Environmental dated September 7, 2018 evaluated the subsurface soils in the area of the former gasoline service station that was previously on the subject site, and the suspected underground storage tank that was suspected to be in the center of the property. The soil sampling indicated that contaminants above the regional screening levels were not detected, and that the suspected UST should be confirmed and if confirmed, the City of Los Angeles Fire Department ("LAFD") should be contacted and the UST should be removed per LAFD requirements. The report was reviewed by the LAFD and forwarded to the Los Angeles Regional Water Quality Control Board ("LARWQCB"). In a memorandum dated August 22, 2019, the LARWQCB indicated that the residual concentrations of fuel constituents pose a low threat to human health, and soil and groundwater quality beneath the site, and that no further action is required.

- (e) **Historical Resources.** *A categorical exemption shall not be used for a project which may cause a substantial adverse change in the significance of a historical resource.*

The project site is not listed in the National Register of Historic Places, California Register of Historical Resources, the Los Angeles Historic-Cultural Monuments Register, and/or any local register, and was not found to be a potential historic resource based on the City's HistoricPlacesLA website or SurveyLA, the citywide survey of Los Angeles.

A Historical Resource Evaluation Report prepared by Galvin Preservation Associates ("GPA") Consulting, dated November 2019, indicated that a records search prepared by the South Central Coastal Information Center ("SCCIC") revealed a potential prior evaluation of 1309-1311 South Pacific Avenue and 1331 South Pacific Avenue. The properties have a Status Code of 5S2 (individual property that is eligible for local listing or designation), however, no other details or further documentation was available as part of the record search results. Since no date of evaluation was given, it was assumed that the evaluation was at least five years old, and the properties required re-evaluation. The report evaluated all buildings on the Project site as individual potential historical resources as defined by CEQA. The surrounding area was not examined as a potential historic district for the purposes of this report. It was not recorded as a potential historic district during SurveyLA. Although the area developed as San Pedro's commercial corridor in the 1920s, it does not retain the integrity of setting and feeling needed to convey a sense of a discrete time and place. After careful inspection, investigation, and evaluation, GPA concluded that none of the properties appear to be eligible for listing in the National Register of Historic Places or California Register of Historical Resources, or for designation as a Los Angeles Historic-Cultural Monument due to a lack of significance, architectural distinction, and physical integrity. Furthermore, the properties do not contribute to a potential historic district. Therefore, the properties are not historical resources as defined by CEQA. As such, the Project would have no impact on historical resources and no further study is recommended or required. The report was reviewed by the Office of Historic Resources and accepted per correspondence dated December 24, 2019. Based on this, the project will not result in a substantial adverse change to the significance of a historic resource and this exception does not apply.