

## **TRANSIT ORIENTED COMMUNITIES AFFORDABLE HOUSING INCENTIVE PROGRAM /AFFORDABLE HOUSING INCENTIVES COMPLIANCE FINDINGS**

Pursuant to LAMC Section 12.22-A,31(e), the Director of Planning shall review a Transit Oriented Communities Affordable Housing Incentive Program project application in accordance with the procedures outlined in LAMC Section 12.22-A,25(g).

- 1. The incentives do not result in identifiable and actual cost reductions to provide for affordable housing costs, defined in California Health and Safety Code Section 50052.5 or Section 50053 for rents for the affordable units.**

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. There were no substantial evidence that would allow the Director to make a finding that the requested incentives are not necessary to provide for affordable housing costs per State Law.

The list of base incentives in the Transit Oriented Communities Guidelines were pre-evaluated at the time the Transit Oriented Communities Affordable Housing Incentive Program Ordinance was adopted to include various types of relief that minimize restrictions on the size of the project. The base incentives are required to provide for affordable housing costs because the incentives by their nature may result in increasing the scale of the project. The additional incentives requested for the use of RAS3 setbacks and transitional height would result in building design or construction efficiencies that provide for affordable housing costs. As a result of the prescribed incentives, it is likely that the Director will always conclude that the incentives are required for such projects to provide for affordable housing units as identified by the TOC Guidelines.

**Setback (Side and Rear).** Eligible Housing Developments within commercial zones may utilize the RAS3 yards in lieu of those otherwise required. In this case, the project would be required to provide 10-foot side yards and a 19-foot rear yard in conformance with the C2 Zone. The applicant has requested to utilize the RAS3 yards, thereby reducing the rear yard from 19 feet to five (5) feet and the side yard from 10 feet to five (5) feet.

**Open Space.** Eligible Housing Developments may utilize up to a 25 percent reduction of the open space required when located in a Tier 3 TOC area. In this case, the project would be required 11,000 square feet of open space, however with a 25% reduction would be permitted to provide 8,250 square feet of open space. The project proposes to allocate 9,740 square feet of open space.

- 2. The Incentive will have a 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 are 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 has been no evidence provided that indicated that the proposed incentives will have a 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. 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 project does not involve a contributing structure in a designated Historic Preservation Overlay Zone or on the City of Los Angeles list of Historical-Cultural Monuments. The proposed project and potential impacts were analyzed in accordance with the California Environmental Quality Act (CEQA) Guidelines and the City's L.A. CEQA Thresholds Guide and the project was determined to be exempt from CEQA pursuant to Article 19, Class 32 of the CEQA Guidelines.

Therefore, there is no substantial evidence that the proposed project will have a specific adverse impact on the physical environment, on public health and safety, or on property listed in the California Register of Historic Resources.

**3. The incentives/waivers are contrary to state or federal law.**

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

**ADDITIONAL MANDATORY FINDINGS**

4. 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 not located in a flood zone.
5. The City of Los Angeles determined that the propose project is exempt from CEQA pursuant to CEQA Guidelines, Section 15332, Class 32, and there is no substantial evidence demonstrating that any exceptions contained in Section 15300.2 of the CEQA Guidelines regarding location, cumulative impacts, significant effects based on unusual circumstances, scenic highways, hazardous waste sites, or historical resources apply.

**TRANSIT ORIENTED COMMUNITIES AFFORDABLE HOUSING INCENTIVE PROGRAM BACKGROUND**

Measure JJJ was adopted by the Los Angeles City Council on December 13, 2016. Section 6 of the Measure instructed the Department of City Planning to create the Transit Oriented Communities (TOC) Affordable Housing Incentive Program, a transit-based affordable housing incentive program. The measure required that the Department adopt a set of TOC Guidelines, which establish incentives for residential or mixed-use projects located within ½ mile of a major transit stop. Major transit stops are defined under existing State law.

The TOC Guidelines, adopted September 22, 2017, establish a tier-based system with varying development bonuses and incentives based on a project's distance from different types of transit. The largest bonuses are reserved for those areas in the closest proximity to significant rail stops or the intersection of major bus rapid transit lines. Required affordability levels are increased incrementally in each higher tier. The incentives provided in the TOC Guidelines describe the range of bonuses from particular zoning standards that applicants may select.

## **TIME LIMIT – OBSERVANCE OF CONDITIONS**

All terms and conditions of the Director's Determination shall be fulfilled before the use may be established. Pursuant to LAMC Section 12.25-A,2, the instant authorization is further conditional upon the privileges being utilized within **three years** after the effective date of this determination and, if such privileges are not utilized, building permits are not issued, or substantial physical construction work is not begun within said time and carried on diligently so that building permits do not lapse, the authorization shall terminate and become void.

The applicant's attention is called to the fact that this grant is not a permit or license and that any permits and licenses required by law must be obtained from the proper public agency. Furthermore, if any condition of this grant is violated or not complied with, then the applicant or his successor in interest may be prosecuted for violating these conditions the same as for any violation of the requirements contained in the Municipal Code, or the approval may be revoked.

Verification of condition compliance with building plans and/or building permit applications are done at the Development Services Center of the Department of City Planning at either Figueroa Plaza in Downtown Los Angeles, West Los Angeles Development Services Center, or the Marvin Braude Constituent Service Center in the Valley. In order to assure that you receive service with a minimum amount of waiting, applicants are encouraged to schedule an appointment with the Development Services Center either by calling (213) 482-7077, (310) 231-2901, (818) 374-5050, or through the Department of City Planning website at <http://cityplanning.lacity.org>. The applicant is further advised to notify any consultant representing you of this requirement as well.

Section 11.00 of the LAMC states in part (m): "It shall be unlawful for any person to violate any provision or fail to comply with any of the requirements of this Code. Any person violating any of the provisions or failing to comply with any of the mandatory requirements of this Code shall be guilty of a misdemeanor unless that violation or failure is declared in that section to be an infraction. An infraction shall be tried and be punishable as provided in Section 19.6 of the Penal Code and the provisions of this section. Any violation of this Code that is designated as a misdemeanor may be charged by the City Attorney as either a misdemeanor or an infraction. Every violation of this determination is punishable as a misdemeanor unless provision is otherwise made, and shall be punishable by a fine of not more than \$1,000 or by imprisonment in the County Jail for a period of not more than six months, or by both a fine and imprisonment."

## **TRANSFERABILITY**

This determination runs with the land. In the event the property is to be sold, leased, rented or occupied by any person or corporation other than yourself, it is incumbent that you advise them regarding the conditions of this grant. If any portion of this approval is utilized, then all other conditions and requirements set forth herein become immediately operative and must be strictly observed.