

9. **100% Affordable Housing Projects.** *Buildings that are Eligible Housing Developments that consist of 100% On-Site Restricted Affordable units, exclusive of a building manager's unit or units shall, for purposes of these Guidelines, be eligible for one increase in Tier than otherwise would be provided.*

The project does not consist of 100 percent On-Site Restricted Affordable units. It is not eligible for or seeking an increase in Tier. As such, this eligibility requirement does not apply.

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. **Pursuant to Section 12.22 A.25(g)(2)(i)(c) of the LAMC and Section 65915(3) of the California Government Code, the Director shall approve a density bonus and requested incentive(s) unless the director 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 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 a percent gross income based on area median income thresholds dependent on affordability levels. There was no substantial evidence in the record 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 to utilize any or all of the yard requirements for the RAS3 zone, transitional height for a Tier 3 project pursuant to the TOC Guidelines to allow the building height limit shall be stepped-back at a 45-degree angle as measured from a horizontal plane originating 25 feet above grade at the property line of the adjoining lot in the RW1 Zone or more restrictive zone or Specific Plan subarea and a 25 percent reduction in the required open space 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.

Setbacks/Yards. The requested use of the yards/setbacks consistent with the RAS3 zone is expressed in the Menu of Incentives in the Transit Oriented Communities Guidelines. Eligible Housing Developments located in a commercial zone may utilize any or all of the yard requirements for the RAS3 zone per LAMC 12.10.5. The Menu of Incentives allows for the use of any or all of the yard requirements for the RAS3 zone to count as one (1) incentive for a project located in a Tier 3 TOC area. In this case, the project would be required to provide side yards conforming to the requirements of the C2 Zone. The project as proposed, will provide yards consistent with the RAS3 zone.

Transitional Height. The requested transitional height is expressed in the Menu of Incentives in the Transit Oriented Communities Guidelines. An Eligible Housing Development may select the following transitional height requirements in lieu of those found in LAMC 12.21.1 A.10. Tier 3 - the building height limit shall be stepped-back at a 45 degree angle as measured from a horizontal plane originating 25 feet above grade at the property line of the adjoining lot in the RW1 Zone or more restrictive zone or Specific Plan subarea. This incentive will result in a building design that provides for affordable housing costs and supports the applicant's decision to set aside six (6) dwelling units for Extremely Low Income Households.

Open Space. The requested use of a 25 percent reduction in the required open space is expressed in the Menu of Incentives in the Transit Oriented Communities Guidelines. Eligible Housing Developments located in a residential zone may utilize up to a 25 percent decrease in the open space requirements. The Menu of Incentives allows for the reduction in open space to count as one (1) incentive for a project located in a Tier 3 TOC area. The project is requesting one (1) incentive. In this case, the project would be required to provide a minimum of 6,100 square feet of open space, with the 25% decrease, the project would be required to provide 4,575 square feet of open space. The project as proposed, will provide 4,575 square feet of open space.

- b. *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 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.

c. 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

2. 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.
3. It has been determined based on the whole of the administrative record that the project is exempt from CEQA pursuant to State CEQA Guidelines, 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 proposed project qualifies for a Class 32 Categorical Exemption because it conforms to the definition of "In-fill Projects". The project can be characterized as in-fill development within urban areas for the purpose of qualifying for Class 32 Categorical Exemption as a result of meeting five established conditions and if it is not subject to an Exception that would disqualify it. The Categorical Exception document prepared by Department of City Planning and attached to the subject case file provides the full analysis and justification for project conformance with the definition of a Class 32 Categorical Exemption.

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