

8819 South Sepulveda Eastway

Project Description, Density Bonus Incentives and Waivers, Justifications and Findings

I. Proposed Density Bonus Incentives and Waivers

Density Bonus pursuant to Los Angeles Municipal Code (“LAMC”) Section 12.22-A.25 and California Government Code Section 65915 to allow the construction of 495 dwelling units (“du”). Per the LAMC the Site has a base density of 1 du per 400 square feet (“sf”) and a base density of 115 du. The 100% affordable housing Project is entitled to unlimited density pursuant to Assembly Bill (“AB”) 2345 and would provide 495 dwelling units (inclusive of 1 manager’s unit and 494 affordable units).

State Law Density Bonuses

1. Unlimited density for a 100% affordable housing project pursuant to AB 1763 and AB 2345.
2. Vehicular parking reduction to impose no minimum parking requirement for a 100% affordable housing project located within ½ mile of a Major Transit Stop pursuant to AB 1763 and AB 2345.

Off Menu Incentives

1. To allow for a FAR of 5.12:1 in lieu of 3:1 (171% increase).
2. To allow for a rear yard setback of 10’-7” in lieu of 20’ (47% reduction).
3. To allow for a southerly side yard setback of 6’-5” in lieu of 11’ (48% reduction).
4. To allow residential uses on ground floor (relief from Q Condition and CDO Standard 5a).
5. To allow for open space of 0 sf in lieu of 49,100 sf (100% reduction).

Waiver of Development Standards

1. Waiver of CDO Standard 2g for reconfiguration of shared parking.

II. Project Description

SCAH-LA LLC (the “Applicant”) proposes a 100% affordable housing project located in the Westchester – Playa Del Rey Community Plan area. The Site consists of three parcels located at 8819 S. Sepulveda Eastway (“Site”) in the City of Los Angeles (“City”). The Site’s Assessor Parcel Numbers (“APNs”) are 4123-001-010, -011, and -012. The Project Site is currently improved with a surface parking lot. The Project would demolish all improvements to allow for the construction of the 100% affordable housing project.

A. General Plan Land Use Designation and Zoning

The Site has a General Plan Land Use designation of Community Commercial within the Westchester – Playa Del Rey (“Community Plan”). The Site is zoned [Q]C2-2D-CDO and is located in the Downtown Westchester Community Design Overlay (“CDO”). The Site is in the Tier 3 Transit Oriented Community (“TOC”), the Los Angeles Coastal Transportation Corridor Specific Plan area (“Specific Plan”), and it is in a Transit Priority Area, and California State Enterprise Zone.

B. Proposed Project

The Project would construct an 8-story, 78'0"-foot-tall, 223,890-sf, 100% affordable residential development with 495 dwelling units (inclusive of 1 market rate manager's unit, 394 Low Income ("LI") units and 100 Moderate Income ("MI") units). In exchange, the Project requests five off-menu incentives and one waiver.

The Site has a lot area of 43,702.6 sf (46,002.6 sf including the ½ alley). The building would consist of approximately 223,890 sf, a FAR of 5.12:1. The Project proposes a two-level subterranean garage with parking spaces, bicycle storage area, laundry room parcel room, mail room, leasing office, two trash collection areas, and open-air patios. On the ground level, the Project would have a lobby, trash collection areas, residential units, and short-term bicycle parking. The second through the eighth floors would consist of additional dwelling units. Access to the parking garage is provided from a single driveway from the alley.

The Project qualifies for reduced parking pursuant to AB 2345, which provides for no minimum parking requirements for 100% affordable housing projects located within ½ mile of a Major Transit Stop. The 100% affordable housing project is located within ½ mile from the Sepulveda/La Tijera and the Westwood/Sepulveda bus stations, both of which service Big Blue Bus Route 3, Metro Route 102 and Culver City Bus Route 6. The Project would therefore qualify for no parking minimums pursuant to AB 2345. The Project would nevertheless provide 188 vehicular parking spaces, including 6 accessible parking spaces.

The Project would provide 19 short-term bicycle parking spaces as required by the LAMC and 240 long-term bicycle parking spaces, which exceeds the 196 long-term bicycle parking spaces required by LAMC Section 12.21-A.16.

C. Surrounding Context and Conditions

The Site is bounded by S. Sepulveda Eastway to the east, a parking lot in the [Q]C2-2D-CDO zone to the north and south, and commercial buildings in the [Q]C2-2D-CDO zone to the west across the alley. The parcels east of the site across S. Sepulveda Eastway are zoned R4-1 and R1-1.

D. Streets and Circulation

Mobility Plan 2035 provides the following street standards:

S. Sepulveda Eastway: Adjoining the Project Site to the east is a designated Collector Street and is required to have a right-of-way width of 66 feet and a roadway width of 40 feet. The existing right of way is approximately 58 feet wide, therefore S. Sepulveda Eastway is not currently up to mobility standards. The Project would need to provide an 8-foot dedication along S. Sepulveda Eastway to provide a half-right-of-way of 43 feet.

Alley: Adjoining the Project Site to the west is a designated Alley, which is required to have a total right-of-way width of 20 feet. The existing right-of-way width is approximately 20 feet therefore, no dedication is required along the alley.

III. Density Bonus Findings

A. Eligibility Justifications

As a threshold matter, in order to be eligible for any incentives, a Housing Development Project shall comply with the following (per CP-3251):

1. The façade of any portion of a building that abuts a street shall be articulated with a change of material or with a break in plane, so that the façade is not a flat surface.

The Project's facade along S. Sepulveda Eastway incorporates a variety of architectural features to create a building of visual interest. As seen in the Project's Exterior Elevation – East (Sheet A5.2), the street-facing façade incorporates a variety of materials and colors. The placement of materials and colors creates façade articulation and break in plane. The S. Sepulveda Eastway fronting façade meets this eligibility requirement.

2. All buildings must be oriented to the street by providing entrances, windows, architectural features and/or balconies on the front and along any street-facing elevations.

As shown on the First Floor Plan (Sheet A2.2), the building is oriented toward S. Sepulveda Eastway and has a residential lobby with a main pedestrian access from S. Sepulveda Eastway. The residential units along S. Sepulveda Eastway have windows along S. Sepulveda Eastway. The façade features windows and a variety of materials and colors that provide architectural interest through variations along the street-facing elevation (Sheets A2.2 and A5.2).

3. The Housing Development Project shall not be a contributing structure in a designated Historic Preservation Overlay Zone and shall not be on the City of Los Angeles list of Historical-Cultural Monuments.

Per ZIMAS, the Site does not contain any structures identified as contributing structures in a designated Historic Preservation Overlay Zone, or any structures identified on the City of Los Angeles list of Historical-Cultural Monuments.

4. The Housing Development Project shall not be located on a substandard street in a Hillside Area or in a Very High Fire Hazard Severity Zone as established in Section 57.4908 of the Municipal Code.

Per ZIMAS, the Site is not located in a Hillside Area or in a Very High Fire Hazard Severity Zone.

B. Density Bonus Counter Findings

Having met these threshold criteria, pursuant to LAMC Section 12.22-A.25.c, Applicant's request for off-menu density bonus incentives shall be approved, unless the following findings are made.

1. The Incentives are not required in order 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 25 percent gross income based on area median income thresholds dependent on affordability levels.

Off-Menu Incentives

LAMC Section 12.22-A.25.g.3 allows an applicant to request a "waiver or modification of any development standard(s) not included on the Menu of Incentives..." Development standards which may be waived include "a height limitation, a setback requirement, a floor area ratio, an on-site open-space requirement, or a parking ratio that applies to a residential development pursuant to any ordinance, general plan element, specific plan, charter, or other local condition, law, policy, resolution, or regulation." (Government Code Section 65915(o)(1).)

Applicant requests the following five off-menu incentives:

1. To allow for a FAR of 5.12:1 in lieu of 3:1 (171% increase).
2. To allow for a rear yard setback of 10'-7" in lieu of 20' (47% reduction).
3. To allow for a southerly side yard setback of 6'-5" in lieu of 11' (48% reduction).
4. To allow residential uses on ground floor (relief from Q Condition and CDO Standard 5a).
5. To allow for open space of 0 sf in lieu of 49,100 sf (100% reduction).

a) FAR Increase

The Site is zoned [Q]C2-2D-CDO and fronts S. Sepulveda Eastway, a designated Collector Street. As discussed above, because the Project is a 100% affordable Housing Development Project, in which 1 unit will be a market rate, manager's unit, and 494 units will be affordable units (394 LI units, and 100 MI units), the Project is permitted to have unlimited density to facilitate the production of much needed affordable housing within the City. However, the Site's [Q] Condition permits only a FAR of 3:1¹, which would significantly limit the Site's ability to physically provide affordable units or for the project to be financially feasible.

¹ Ordinance No. 179907.

Additionally, the Site is an ED1 affordable development that is located within ½ mile of a Major Transit Stop. The 3:1 FAR would physically preclude the Site from being able to be constructed with higher density affordable housing. Therefore, the Applicant requests an Off-Menu Incentive to allow a FAR of 5.12:1 (an increase of 171%) to allow the Project to be developed with the allowable height and the requested number of affordable units.

b) Reduction in Side and Rear Yard Setbacks

The Site is zoned [Q]C2-2D-CDO. For the proposed eight-story building, the required rear yard setback is 20 feet (15 feet plus 1 foot for each story over the third story, up to 20 feet), and the required side yard setback is 11 feet (5 feet plus 1 foot for each story over the second story, up to 16 feet). However, the Applicant would be unable to develop the Site with the required side and rear setbacks. The Site is 190 feet in width and allows the development of unlimited density as a 100% affordable housing project under AB 2345. In order to accommodate the proposed density, the Project proposes to develop dwelling units across the width of the Site, and without relief from the required southerly side yard setback, the Project would not be able to provide adequately sized dwelling units and corridors. The proposed dwelling units would be narrow and not be sized in a way where residents would be comfortable inhabiting the units. Because of this, the Project requests that the side yard requirement be reduced to 6'-5" feet on the southerly side of the building to provide adequate buildable width to accommodate the building. In terms of the rear setback, the lot is 230 feet long, and for the proposed nine-story building, the rear setback requirement is 20 feet, leaving only 210 feet of buildable length. Without the rear and side setback reduction incentives, the building design and construction would not be efficient as the remaining buildable area would not physically allow the construction of the Project at the permitted densities. The reduction of the rear and side yard setbacks would physically and financially enable the Project to provide much needed affordable housing in the neighborhood, including 494 affordable housing units. Accordingly, the requested incentive is required to provide for affordable housing costs.

a) Relief from [Q] Condition and CDO Standard 5a to permit residential uses on the ground floor.

The Site is zoned [Q]C2-2D-CDO. Pursuant to the [Q] Condition imposed by Ordinance No. 179907 ground floor uses for commercial zoned parcels are limited to retail, restaurant, and community services – no residential uses, medical uses, or offices are permitted. Additionally, pursuant to CDO Standard 5a, ground floor residential uses are prohibited. Residential uses may be located on upper floors and accessed through an entrance and lobby on the ground floor. Residential entrances and lobby areas are limited to 50% of any ground floor with the remaining balance dedicated to commercial uses.

The Project would construct 495 dwelling units (inclusive of 1 market rate manager's unit, 394 LI units and 100 MI units). Fifty-eight units are currently proposed on the ground floor (9 studio units and 49 one-bedroom units). The exclusion of residential units on the ground floor would result in the elimination of 58 dwelling units.

Accordingly, relief from the [Q] Condition and CDO Standard prohibiting residential uses on the ground floor would physically and financially enable the Project to provide much needed

affordable housing in the neighborhood, including 494 affordable housing units. Accordingly, the requested incentive is required to provide for affordable housing costs.

b) Open Space Reduction

The requested open space incentive to waive open space requirements for the Site would provide design and construction efficiencies that would facilitate the construction of affordable dwelling units. The provision of open space adds significant costs to the construction of residential dwelling units. Without the requested incentive, the Project would not be able to be constructed at the proposed densities. The Project is providing two open-air patios on the First Level (Sheets A2.2 and L1). The Project cannot provide sufficient open space on the roof because the roof needs to accommodate the elevator penthouse, stairwells, and other mechanical space (Sheet A2.10). Additionally, because portions of the roof are open to the two First Level patios below, there is not enough roof area to provide a common open space where the horizontal dimensions would comply with the 15' width requirements for common open space (Sheet A2.10). Additionally, due to the provided side and rear setbacks, the Site could not provide adequate open space to meet the open space requirements for the Project. The Applicant therefore requests the incentive in order to ensure that the 494 dwelling units of affordable housing can be constructed.

2. The 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 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.

There is no evidence that the proposed incentives will have a specific adverse impact upon public health and safety, 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.”²

The Site is not listed in the California Register. Additionally, the Site is not in a designated Historic Preservation Overlay Zone and does not contain any structures that are listed in the City of Los Angeles list of Historic-Cultural Monuments or in the California Register of Historical Resources. Therefore, there is no substantial evidence that the proposed Project, and thus the requested incentives, will have a specific adverse impact on the public’s health and safety, the physical environment, or on any Historical Resource.

² LAMC Section 12.22-A.25.b.

3. The Incentives are contrary to state or federal law.

The Applicant's requested incentives, which include five off-menu incentives to allow: (1) a FAR increase; (2) a reduction in the required rear setback; (3) a reduction in the required southerly side yard setback; (4) relief from the Site's [Q] Condition and CDO Standard 5a prohibiting residential uses on the ground floor; and (5) a reduction in the required open space. State or federal laws do not regulate setbacks, open space, ground-floor use restrictions; therefore, the requested incentives are not contrary to any state or federal laws. While the California Building Code does regulate buildings' distances from property lines, the requested side yard and rear yard setbacks would meet the requirements within the California Building Code.

C. Density Bonus Waiver Counter Findings

Pursuant to Government Code Section 65915, the decision maker shall approve a Density Bonus and requested Waiver(s) of Development Standards unless the decision maker finds that:

1. The waiver[s] or reduction[s] of development standards 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)).

Pursuant to Government Code Section 65915, the decision maker shall approve a Density Bonus and requested Waiver(s) of Development Standards unless the decision maker makes the following findings.

The Applicant requests the following waiver of development standards:

1. Waiver of CDO Standard 2g for reconfiguration of shared parking.

a) Waiver of CDO Standard 2g for reconfiguration of shared parking

The Site is within the Downtown Westchester Community Design Overlay. Pursuant to Standard 2g of the CDO, no new project, change of use, or building modification may result in the reconfiguration, separation, division, walling, fencing, or otherwise impede existing shared parking facilities and lots.

CDO Standard 2g's limitation on the reconfiguration of shared parking would preclude construction of the Project, which proposes to construct an 8-story residential building with 495 units on the existing surface-level parking lot.

The Project, which has no parking minimums pursuant to AB 2345, would nevertheless provide 188 parking spaces within a basement two-level subterranean parking garage. Moreover, the project located at 8820 Sepulveda is proposed to be demolished therefore there would no longer be shared parking.

Accordingly, the waiver is necessary to permit the construction of the project on the existing surface lot.

2. The waivers or reductions of development standards would have a specific, adverse impact, as defined in paragraph (2) of subdivision (d) of Section 65589.5, upon public health and safety 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 low-income and moderate-income households.

There is no evidence that the requested waivers will have a specific adverse impact upon public health and safety, the physical environment. 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.”³

The Project also would not have any specific adverse impact upon any real property that is listed in the California Register of Historical Resources.

The demolition of the existing development would facilitate the construction of 495 new dwelling units (inclusive of 1 market rate manager’s unit and 394 LI units and 100 MI units). The Project would bring much needed affordable housing to a neighborhood that is located near major transit stops and existing commercial uses.

Therefore, there is no substantial evidence that the proposed Project, and thus the requested waiver, will have a specific adverse impact on the public’s health and safety, the physical environment, or on any real property that is listed in the California Register of Historical Resources

3. The waivers or reductions of development standards are contrary to state or federal law.

The requested waiver of development standards is related to shared parking. These requirements are not regulated by state or federal law. Therefore, the requested waiver of development standard is not contrary to state or federal law.

³ LAMC Section 12.22-A.25.b