

FINDINGS

DENSITY BONUS / AFFORDABLE HOUSING INCENTIVES/WAIVERS FINDINGS (12.22 A.25)

1. **Government Code Section 65915 and LAMC Section 12.22 A.25(c) 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 12.5% percent of the provided units for Very Low Income households (the proposed project also provides 12.5% of the provided units for Low Income households), the applicant is entitled to three (3) Incentives under both Government Code Section 65915 and LAMC 12.22 A 25. Therefore, three On- and Off-Menu requests qualify as the proposed development's Incentives including a request to: (a) permit a 3 percent decrease in required rear yard setback to allow a 14-foot, 6.5-inch rear yard setback in lieu of the 15-foot rear yard setback required in the R3 Zone pursuant to LAMC 12.10 C.3., (b) permit a 21 percent decrease in required front yard setback to allow an eleven-foot, 11-inch front yard setback in lieu of the 15-foot rear yard setback required in the R3 Zone pursuant to LAMC 12.10 C.1., and (c) permit an 11-foot increase in height to allow a 41-foot maximum varied roof height and a 36-foot maximum flat roof height in lieu of the 30-foot maximum varied roof height and 25-foot maximum flat roof permitted pursuant to the Venice Coastal Zone Specific Plan. The remaining requests to: (d) permit three roof access structures in lieu of the single roof access structure permitted pursuant to the Venice Coastal Zone Specific Plan, (e) allow seven parking stalls to be provided as standard stalls and five spaces to be provided as compact stalls in lieu of the minimum 8 standard parking stalls required pursuant to LAMC 12.21 A.5. (c), and (f) permit seven units to have access to parking stalls in lieu of eight units per the requirement for each required parking stall within a parking area to be accessible pursuant to LAMC 12.21 A.5. (h) are Waivers of Development Standards.

Rear Yard Setback Decrease: The subject site is located on Pisani Place, in the R3-1 Zone of the Oakwood-Milwood-Southeast Venice subarea of Venice Coastal Zone Specific Plan. Typically, a 15-foot rear yard setback is required for developments in the R3 Zone pursuant to LAMC 12.10 C.3. The applicant is requesting an On-menu

incentive for a 3 percent decrease in the allowable rear yard setback to permit a 14-foot, 6.5-inch rear yard setback in lieu of the rear yard setback otherwise required in the R3 Zone (as shown on Plan Sheets A2.30 and A2.40) . The site is comprised of two adjacent interior lots on a Limited Local street that intersects with Venice Boulevard about 280 feet away. Currently, the surrounding neighborhood – part of the Oakwood-Milwood-Southeast Venice Subarea of the Venice Coastal Zone Specific Plan – is characterized by low-density single- and multi-family homes, mostly built in the early 20th century, along the side streets and a high volume of community-facing commercial development along Venice Boulevard.

The proposed condominium project is designed to balance the density needed to support the area's housing demands with the valued neighborhood character that has been established over the past century. To that end, the proposed project's request to decrease the rear yard setback by 5.5 inches would increase the building envelope to allow for more square footage on the third and fourth floor penthouse levels. In total, decreasing the rear yard setback by the requested 5.5 inches adds approximately 50 square feet of floor space spread between the third and fourth floor's four penthouse units. Increasing the amount of square footage available on the floors containing ocean-facing market rate units supports the project's financial feasibility. The project is able to enhance the worth of its market rate dwellings with fewer, high-value units instead of increasing the density by the 40 percent permitted by LAMC 12.22 A.25. for the provision of 12.5% Very Low Income affordable units, respecting the unique scale and character established in the area. Furthermore, the provision of additional units, even at the lowest habitable room size, would necessitate more project-serving parking facilities, increasing the cost both to develop and to own the proposed condominium units. The additional floor area enabled by the expanded building envelope would allow the project to construct market rate units of a larger size, reducing the marginal cost of constructing its affordable units. Therefore, the rear yard setback decrease would result in identifiable and actual cost reductions to provide for the project's affordable housing costs.

Front Yard Setback Decrease: As previously stated, the subject site is located in the R3 Zone of the Oakwood-Milwood-Southeast Venice subarea of Venice Coastal Zone Specific Plan. Properties located in the R3 Zone are typically required to maintain a 15-foot front yard pursuant to LAMC 12.10 C.1. The applicant requests an Off-menu incentive to permit a 21 percent decrease in required front yard setback to allow an 11-foot, 11-inch front yard setback in lieu of the 15-foot front yard setback required in the R3 Zone pursuant to LAMC 12.10 C.1 (as shown on Plan Sheet A1.00). The neighborhood surrounding the proposed development site is made up of older, low density residential uses on the interior streets and a high volume of community-facing commercial uses along the main corridor, Venice Boulevard. The applicant proposes a residential development that meets the area's housing needs while respecting the unique character distinguished by more traditional development scale and density.

The proposed project's request to decrease the front yard setback by three feet and one inch would increase the building envelope to allow for more square footage across each of its four levels. In total, this decreases the front yard setback by 37 inches and adds to the project approximately 500 square feet of floor space spread between all eight units. Increasing the amount of square footage available to the project's residential floor area supports the project's financial feasibility. The project is able to enhance the worth of its dwellings with fewer, high-value units instead of increasing the density by the 40 percent permitted by LAMC 12.22 A.25. for the provision of 12.5% Very Low Income affordable units, adding value to the neighborhood and bringing much-

needed homeownership opportunities. The additional floor area enabled by the expanded building envelope would allow the project to construct affordable and market rate units of a larger size, reducing the marginal cost of constructing its affordable units. Therefore, the requested front yard setback decrease would result in identifiable and actual cost reductions to provide for the project's affordable housing costs.

Height Increase: The proposed project is located in the R3-1 Zone of the Oakwood-Milwood-Southeast Venice subarea of Venice Coastal Zone Specific Plan. Pursuant to the Venice Coastal Zone Specific Plan Section 10. G. 3.a., Venice Coastal Development Projects located in the Oakwood-Milwood-Southeast Venice subarea are permitted a maximum 30-foot varied roof height and maximum 25-foot flat roof height. The applicant is requesting an On-menu development incentive to permit an 11-foot height increase to allow a 41-foot maximum varied roof height and a 36-foot maximum flat roof height in lieu of the 30-foot maximum varied roof height and 25-foot maximum flat roof permitted pursuant to the Venice Coastal Zone Specific Plan (as shown on Plan Sheet A4.10). The request supports the project's financial feasibility by increasing the building envelope to allow for an additional floor of residential dwelling units. As designed, the project proposes eight for-sale dwelling units across four floors. The first floor contains a lobby, a parking garage, and three one-bedroom units with an average square footage of about 500 square feet (as shown on Plan Sheet A2.10). The second floor contains one two-bedroom dwelling unit of 1,833 square feet (as shown on Plan Sheet A2.20). The third and fourth floors each contain two three-bedroom penthouse dwelling units of 2,025 square feet each (as shown on Plan Sheets A2.30 and A2.40). The third and fourth floor penthouse units' value is enhanced with designated dining areas, additional balconies, master bedroom suites equipped with their own master bathrooms, and private roof deck open space. The requested height increase will allow the applicant to add an additional floor of high-value, market-rate units, decreasing the marginal cost of providing the two affordable units, one Very Low Income and one Low Income. Therefore, the requested On-menu height increase would result in identifiable and actual cost reductions to provide for the project's affordable housing costs.

- 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 (Government Code Section 65915(d)(1)(B) and 65589.5(d)).**

There is no substantial evidence in the record that the proposed incentive 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)). As required by Section 12.22 A.25 (e)(2), the project meets the eligibility criterion that is required for density bonus projects. The project also does not involve a contributing structure in a designated Historic Preservation Overlay Zone or on the City of Los Angeles list of

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Historical-Cultural Monuments. The project does not involve the demolition of a historic structure that was placed on a national, state, or local historic register prior to the submission of the application. Therefore, there is no substantial evidence that the proposed incentives will have a specific adverse impact on public health and safety.

c. The concession or incentive would be contrary to state or federal law.

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 three (3) Waivers of Development Standards, pursuant to Government Code Section 65915.

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

a. The construction of the project would be physically precluded without the waiver(s) or reduction(s) of development standard(s)

A project that provides 12.5 percent of its 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 requests below are recommended as a Waivers of Development Standards. Without the below Waivers, the existing development standards would preclude development of the proposed density bonus units and project amenities:

Increased Roof Access Structures: The proposed site is located in the Venice Coastal Zone Specific Plan Area. Venice Coastal Development Projects located on properties in the Venice Coastal Zone Specific Plan Area are typically only permitted one roof access structure per building. The applicant requests an Off-menu Waiver of Development Standard to increase the number of allowable roof access structures to three in lieu of the single roof access structure allowed for Venice Coastal Development Projects in the Venice Coastal Zone Specific Plan Area (as shown on Plan Sheet A2.50). Four-story buildings are required to have an elevator. Additionally, the 2020 City of Los Angeles Fire Code requires two sets of egress stairs for buildings with a roof deck of the size proposed by the applicant. The building’s residential units as well as their accompanying open space would not be able to be provided safely as regulated by the City of Los Angeles Fire Code without three roof access structures. Therefore, denial of the requested waiver of development standard would physically preclude construction of the project with its proposed eight residential dwelling units, including two units reserved for Very Low and Low Income households, and 1,709 square feet of common and private roof deck open space.

Compact Parking Stalls: The proposed project is comprised of three one-bedroom dwelling units, one two-bedroom dwelling unit, and four three-bedroom dwelling units.

Density Bonus projects that comply with the affordability provisions of LAMC 12.22 A.25. are permitted to provide parking at a rate of one onsite parking space for each residential unit of zero to one bedroom and two onsite parking spaces for each residential unit of two to three bedrooms pursuant to LAMC 12.22 A.25. (d)(1) (Parking Option 1). Housing development projects are able to replace automobile parking spaces at a rate of one automobile parking space per four provided bicycle parking spaces for a maximum of 10 percent of the required automobile parking spaces pursuant to LAMC 12.21 A.4. Based on these provisions, the proposed project, which provides 18 bicycle parking spaces is required to provide 12 on-site automobile parking spaces. The applicant requests an Off-menu waiver of development standard to provide the 12 on-site parking spaces with 7 parking stalls to be provided as standard stalls and 5 spaces to be provided as compact stalls in lieu of the minimum 8 standard parking stalls required pursuant to LAMC 12.21 A 5 (c) (one standard parking stall per residential dwelling unit).

By providing five of the parking stalls with compact dimensions, the project is able to devote garage floor area to secure bicycle parking systems and devote more of the building footprint to residential dwelling area, including the two dwelling units reserved for Very Low and Low Income households (as shown on Plan Sheet A2.10). The project is able to re-allocate a total of 202.5 square feet of floor area based on the provision of five of the twelve required automobile parking spaces as compact parking stalls. For context, Unit 1B is 488 square feet, about twice the size of the total re-allocated floor area. Hence, the project is able to offer market rate and affordable units of adequate size based on the provision of five compact parking stalls. Therefore, denial of the requested waiver of development standard to provide the 12 on-site parking spaces with 7 parking stalls to be provided as standard stalls and 5 spaces to be provided as compact stalls would physically preclude construction of the project at the proposed density of eight residential dwelling units including two units reserved for Very Low and Low Income households.

Tandem Parking Stalls: The proposed project contains eight total units, three one-bedroom dwelling units, one two-bedroom dwelling unit, and four three-bedroom dwelling units. Density Bonus projects that comply with the affordability provisions of LAMC 12.22 A.25. are permitted to provide parking at a rate of one onsite parking space for each residential unit of zero to one bedroom and two onsite parking spaces for each residential unit of two to three bedrooms pursuant to LAMC 12.22 A.25. (d)(1) (Parking Option 1). Housing development projects are able to replace automobile parking spaces at a rate of one automobile parking space per four provided bicycle parking space for a maximum of 10% of the required automobile parking pursuant to LAMC 12.21 A.4. Based on these provisions, the proposed project, which provides 18 bicycle parking spaces is required to provide 12 on-site automobile parking spaces. The applicant requests an Off-menu waiver of development standard to permit 7 units to have access to parking stalls in lieu of 8 units (one accessible parking stall per residential dwelling unit) per the requirement for each required parking stall within a parking area to be accessible pursuant to LAMC 12.21 A.5. (h) (as shown on Plan Sheet A2.10). Residential buildings in the Venice Coastal Zone are required to provide habitable space on the ground floor, precluding any possibility of devoting a greater amount of ground floor area to parking facilities than what is already proposed. The request to provide five sets of tandem parking spaces is directly related to the square footage available on the site and the need to preserve space for residential uses to accommodate the affordable and market rate units proposed. By parking five units in the tandem position, the project

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is able to fit the required parking facilities into the available building envelope while helping the City meet its stated goal of discouraging personal automobile dependency in walkable areas well-served by public transportation facilities. Including this request allows the proposed project to devote the space necessary to provide the high-value, adequately-sized for-sale market rate and affordable dwelling units. Therefore, denial of the requested waiver of development standard would physically preclude construction of the project at the proposed density of eight residential dwelling units including two units reserved for Very Low and Low Income households.

- b. The waiver 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 substantial evidence in the record that the proposed 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)). As required by Section 12.22 A.25 (e)(2), the project meets the eligibility criterion that is required for density bonus projects. The project also 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 project does not involve the demolition of a historic structure that was placed on a national, state, or local historic register prior to the submission of the application. Therefore, there is no substantial evidence that the proposed waivers of development standards will have a specific adverse impact on public health and safety.