DEPARTMENT OF

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CITY PLANNING COMMISSION

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December 5, 2024

Owner

Armine Nazloyan 2176 Chevy Chase Drive Glendale, CA 91206

Applicant/Representative

Sam Aslanian Sam Aslanian Architect, Inc. 19951 Turnberry Drive Tarzana, CA 91356

CITY OF LOS ANGELES

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KAREN BASS

EXECUTIVE OFFICES

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LISA M. WEBBER, AICP DEPUTY DIRECTOR

Case No. ADM-2024-5922-DB-HCA-RED1 Related Case: None

CEQA: Location:	None 7937 W. Foothill Boulevard
Council District:	7 – Monica Rodriguez
Neighborhood Council:	Sunland – Tujunga
Community Plan Area:	Sunland - Tujunga - Lake View Terrace - Shadow Hills - East La Tuna Canyon
Overlay Plan:	Foothill Boulevard Corridor
Land Use Designation:	Community Commercial
Zone:	C2-1VL
Legal Description:	Lot FR 10, Arb None, Block None, Tract 3719

LETTER OF COMPLIANCE – Ministerial Density Bonus Affordable Housing Incentive Program

Pursuant to the Los Angeles Municipal Code ("LAMC") Section 12.22 A.25, I have reviewed the proposed project and as the designee of the Director of Planning, I hereby:

Determine, that the project qualifies as a ministerial review, pursuant to Resolution (CF 22-1545) relative to the Declaration of Local Emergency by the Mayor, dated December 12, 2022, concerning homelessness in the City of Los Angeles, pursuant to the provisions of the Los Angeles Administrative Code (LAAC) Section 8.27, adopted by the City Council on December 13, 2022 and Executive Directive 1 dated December 16, 2022 (revised July 7, 2023 and on July 1, 2024).

Approve a ministerial review of Density Bonus Compliance, pursuant to LAMC, Section 12.22 A.25, AB 2345, AB 1287, a 70% Density Bonus for a Housing Development Project totaling 63 dwelling units, including 49 unit for Very Low Income Household occupancy, 13 units for Low Income Household occupancy, and 1 unit for Managers unit

at Market Rate for a period of 55 years, with the following Off-Menu and On-Menu Incentives for a qualifying 100% affordable housing project:

On-Menu Incentives

a. **Floor Area Ratio (FAR).** An up to 68.66% increase in FAR for a total FAR of 2.53:1 in lieu of the maximum FAR of 1.5:1.

Off-Menu Incentives

- a. Foothill Boulevard Corridor. An exemption of section 7(A)(1) and (2) of the Foothill Boulevard Corridor Specific Plan to remove the 100% commercial requirement in order for the construction of residential units in a commercial zone otherwise restricted only to Target Areas.
- **b.** Height. An up to 100% increase in the height requirement, allowing up to 66 feet in height in lieu of the permitted 33 feet per section 7(B)(3) of the Foothill Boulevard Corridor Specific Plan.
- c. **Parking.** An up to 73% reduction in residential parking, allowing 23 automobile parking spaces in lieu of 85 automobile parking spaces otherwise required per section 7(B)(4) of the Foothill Boulevard Corridor Specific Plan.
- d. **Commercial Parking.** An up to 13% reduction in commercial parking, allowing 7 automobile parking spaces in lieu of 8 automobile parking spaces otherwise required per LAMC Section 12.21A(4).

CONDITIONS OF APPROVAL

- 1. **Site Development**. Except as modified herein, the project shall be in substantial conformance with the plans and materials submitted by the Applicant, stamped "Exhibit A," and attached to the subject case file. No change to the plans will be made without prior review by the Department of City Planning, Valley Project Planning Division, and written approval by the Director of Planning. Each change shall be identified and justified in writing. Minor deviations may be allowed in order to comply with the provisions of the Los Angeles Municipal Code or the project conditions.
- 2. **Residential Density**. The project shall be limited to a maximum density of 63 residential units, including Density Bonus units and one manager unit.
- 3. **Affordable Units.** A minimum of 62 units of the 63 total units shall be reserved as affordable units for a period of 55 years as follows: 49 unit shall be reserved for Very Low Income Households as defined in Section 50105 of the California Health and Safety Code, and 13 units shall be reserved to Low Income Households as defined in Section 50079.5 of the California Health and Safety Code.
- 4. **Changes in Restricted Units**. Deviations that increase the number of restricted affordable units or that change the composition of units or change parking numbers shall be consistent with LAMC Section 12.22 A.25.

- 5. **SB 8 No Net Loss Declaration.** Pursuant to California Government Code Section 66300, as amended by Senate Bill (SB) 8 (2021), a Housing Development Project outside the Very High Fire Hazard Severity Zone must include at least as many residential dwelling units as the greatest number of residential dwelling units that existed on the project site within the last five years (i.e., "no net loss"). Projects subject to the Housing Crisis Act of 2019 (HCA) that result in a net loss of housing are prohibited. The applicant has submitted a No Net Loss Declaration dated July 30, 2024.
- 6. **Housing Requirements.** Prior to issuance of a building permit, the owner shall execute a covenant to the satisfaction of the Los Angeles Housing Department ("LAHD"). The covenant shall bind the owner to reserve 49 units to Very Low Income Households as defined in Section 50105 of the California Health and Safety Code, and 13 units be reserved for Low Income Households as defined in Section 50105 of the California Health and Safety Code for sale or rental as determined to be affordable to such households by LAHD for a period of 55 years. In the event the applicant reduces the proposed density, the number of required reserved on-site Restricted Units may not be adjusted. A new entitlement will be required to adjust the number of required reserved on-site Restricted Units.) Enforcement of the terms of said covenant shall be the responsibility of LAHD. The applicant shall submit a copy of the recorded covenant to the Department of City Planning for inclusion in this file. The project shall comply with the Guidelines for the Affordable Housing Incentives Program adopted by the City Planning Commission and with any monitoring requirements established by the LAHD.

Unless otherwise required by state or federal law, the project shall provide an onsite building manager's unit, which the owner shall designate in the covenant. The Owner may not use an affordable restricted unit for the manager's unit.

7. **100% Affordable Housing Project (RED1).** If a project changes at any time in the review and construction process such that it no longer meets RED 1 eligibility criteria, the project becomes disqualified from RED1 streamlining and all prior determinations on the project become inapplicable. For projects requiring a City Planning application, if a project changes at any point during the City Planning review or post-approval process such that the project would no longer qualify for RED 1, a new application for the revised project shall be required.

8. On-Menu Incentives.

a. **Floor Area Ratio (FAR).** An up to 68.66% increase in FAR for a total FAR of 2.53:1 in lieu of the maximum FAR of 1.5:1.

9. **Off-Menu Incentives.**

- a. **Foothill Boulevard Corridor.** An exemption of section 7(A)(1) and (2) of the Foothill Boulevard Corridor Specific Plan to remove the 100% commercial requirement in order for the construction of residential units in a commercial zone otherwise restricted only to Target Areas.
- b. **Height.** An up to 100% increase in the height requirement, allowing up to 66 feet in height in lieu of the permitted 33 feet per section 7(B)(4) of the Foothill Boulevard Corridor Specific Plan.

- c. **Parking.** An up to 73% reduction in residential parking, allowing 23 automobile parking spaces in lieu of 85 automobile parking spaces otherwise required per section 7(B)(4) of the Foothill Boulevard Corridor Specific Plan.
- d. **Commercial Parking.** An up to 13% reduction in commercial parking, allowing 7 automobile parking spaces in lieu of 8 automobile parking spaces otherwise required per LAMC Section 12.21-A(4).
- 10. **Automobile Parking Minimums.** The project proposes to provide 30 total parking spaces. In accordance with AB 1287, and based on the revised Affordable Housing Referral Form dated September 10, 2024, 23 spaces shall be provided for residential automobile parking and 7 spaces shall be provided for commercial automobile parking. The relief is granted through two off menu density bonus incentives.
- 11. **Adjustment of Parking**. In the event that the number of Restricted Affordable Units should increase, or the composition of such units should change (i.e. the number of bedrooms, or the number of units made available to Senior Citizens and/or Disabled Persons), or the applicant selects another Parking Option (including Bicycle Parking Ordinance) and no other Condition of Approval or incentive is affected, then no modification of this determination shall be necessary, and the number of parking spaces shall be recalculated by the Department of Building and Safety, based upon the ratios set forth ratios set forth in the Density Bonus Affordable Housing Incentive Program Guidelines.

Administrative Conditions

- 12. **Final Plans.** Prior to the issuance of any building permits for the project by the Department of Building and Safety, the applicant shall submit all final construction plans that are awaiting issuance of a building permit by the Department of Building and Safety for final review and approval by the Department of City Planning. All plans that are awaiting issuance of a building permit by the Department of Building and Safety shall be stamped by Department of City Planning staff "Plans Approved". A copy of the Plans Approved, supplied by the applicant, shall be retained in the subject case file.
- 13. **Notations on Plans.** Plans submitted to the Department of Building and Safety, for the purpose of processing a building permit application shall include all of the Conditions of Approval herein attached as a cover sheet and shall include any modifications or notations required herein.
- 14. **Approval, Verification and Submittals.** Copies of any approvals guarantees or verification of consultations, review of approval, plans, etc., as may be required by the subject conditions, shall be provided to the Department of City Planning prior to clearance of any building permits, for placement in the subject file.
- 15. **Code Compliance.** Use, area, height, and yard regulations of the zone classification of the subject property shall be complied with, except where granted conditions differ herein.
- 16. **Department of Building and Safety**. The granting of this determination by the Director of Planning does not in any way indicate full compliance with applicable provisions of the Los Angeles Municipal Code Chapter IX (Building Code). Any corrections and/or

modifications to plans made subsequent to this determination by a Department of Building and Safety Plan Check Engineer that affect any part of the exterior design or appearance of the project as approved by the Director, and which are deemed necessary by the Department of Building and Safety for Building Code compliance, shall require a referral of the revised plans back to the Department of City Planning for additional review and sign-off prior to the issuance of any permit in connection with those plans.

17. **Covenant.** Prior to the issuance of any permits relative to this matter, a covenant acknowledging and agreeing to comply with all the terms and conditions established herein shall be recorded in the County Recorder's Office. The agreement (standard master covenant and agreement form CP-6770) shall run with the land and shall be binding on any subsequent owners, heirs or assigns. The agreement with the conditions attached must be submitted to the Development Services Center for approval before being recorded. After recordation, a certified copy bearing the Recorder's number and date shall be provided to the Development Services Center at the time of Condition Clearance for attachment to the subject case file.

18. **Indemnification and Reimbursement of Litigation Costs.** Applicant shall do all of the following:

- (i) Defend, indemnify and hold harmless the City from any and all actions against the City relating to or arising out of the City's processing and approval of this entitlement, including <u>but not limited to</u>, an action to attack, challenge, set aside, void, or otherwise modify or annul the approval of the entitlement, the environmental review of the entitlement, or the approval of subsequent permit decisions, or to claim personal property damage, including from inverse condemnation or any other constitutional claim.
- (ii) Reimburse the City for any and all costs incurred in defense of an action related to or arising out of the City's processing and approval of the entitlement, including but not limited to payment of all court costs and attorney's fees, costs of any judgments or awards against the City (including an award of attorney's fees), damages, and/or settlement costs.
- (iii) Submit an initial deposit for the City's litigation costs to the City within 10 days' notice of the City tendering defense to the Applicant and requesting a deposit. The initial deposit shall be in an amount set by the City Attorney's Office, in its sole discretion, based on the nature and scope of action, but in no event shall the initial deposit be less than \$50,000. The City's failure to notice or collect the deposit does not relieve the Applicant from responsibility to reimburse the City pursuant to the requirement in paragraph (ii).
- (iv) Submit supplemental deposits upon notice by the City. Supplemental deposits may be required in an increased amount from the initial deposit if found necessary by the City to protect the City's interests. The City's failure to notice or collect the deposit does not relieve the Applicant from responsibility to reimburse the City pursuant to the requirement in paragraph (ii).
- (v) If the City determines it necessary to protect the City's interest, execute an indemnity and reimbursement agreement with the City under terms consistent with the requirements of this condition.

The City shall notify the applicant within a reasonable period of time of its receipt of any action and the City shall cooperate in the defense. If the City fails to notify the applicant of any claim, action, or proceeding in a reasonable time, or if the City fails to reasonably

cooperate in the defense, the applicant shall not thereafter be responsible to defend, indemnify or hold harmless the City.

The City shall have the sole right to choose its counsel, including the City Attorney's office or outside counsel. At its sole discretion, the City may participate at its own expense in the defense of any action, but such participation shall not relieve the applicant of any obligation imposed by this condition. In the event the Applicant fails to comply with this condition, in whole or in part, the City may withdraw its defense of the action, void its approval of the entitlement, or take any other action. The City retains the right to make all decisions with respect to its representations in any legal proceeding, including its inherent right to abandon or settle litigation.

For purposes of this condition, the following definitions apply:

"City" shall be defined to include the City, its agents, officers, boards, commissions, committees, employees, and volunteers.

"Action" shall be defined to include suits, proceedings (including those held under alternative dispute resolution procedures), claims, or lawsuits. Actions includes actions, as defined herein, alleging failure to comply with <u>any</u> federal, state or local law.

Nothing in the definitions included in this paragraph are intended to limit the rights of the City or the obligations of the Applicant otherwise created by this condition.

PROJECT BACKGROUND

Subject Property

The project site is located in the Sunland - Tujunga - Lake View Terrace - Shadow Hills - East La Tuna Canyon Community Plan Area. The subject site is zoned C2-1VL and has a general plan land use designation of Community Commercial by the Sunland - Tujunga - Lake View Terrace - Shadow Hills - East La Tuna Canyon Community Plan Area. According to ZIMAS, the subject site is located within the High Wind Velocity area. The subject site also located within an Urban Agriculture Incentive Zone, but no agricultural uses are proposed herein.

The subject site is a rectangular shaped lot located on the northside of Foothill Boulevard. Foothill Boulevard is designated as a Avenue I under the Mobility Plan 2035 with a designated right-of-way width of 100 feet and a designated roadway width of 70 feet. Currently, Foothill Boulevard has a roadway width of approximately 70 feet and is currently improved with a sidewalk, curb, and gutter.

Surrounding Properties

The subject site is generally surrounded by a mix of office, commercial, industrial, light manufacturing, and both single and multi-family residential uses.

Immediately abutting to the north of the subject property are one to two story single-family residential uses on the R1-1-RFA Zone and designated Low Residential. Immediately abutting to the east of the subject property are one to two story single-family residential uses on the R1-1-RFA Zone and a motel in the C2-1VL Zone and designated Community Commercial. Immediately abutting to the south and west of the subject property is a fast food restaurant and a light manufacturing use respectively on the C2-1VL Zone and designated Community Commercial by the Sunland - Tujunga - Lake View Terrace - Shadow Hills - East La Tuna Canyon Community Plan.

Further north, are one to two story single-family dwellings located within the R1-1-RFA Zone. Further east, are more one to two story single-family dwellings located within the R1-1-RFA Zone along with commercial uses on the C2-1VL Zone. Further west, beyond the adjacent industrial/light manufacturing uses, are one to two story single-family dwellings located within the R1-1-RFA Zone , along with commercial uses on the C2-1VL Zone. Further to the south, beyond the commercial uses, are one to two story single-family dwellings located within the R1-1-RFA Zone , along with commercial uses on the C2-1VL Zone. Further to the south, beyond the commercial uses, are one to two story single-family dwellings located within the R1-1-RFA Zone.

Project Description

The project proposes the construction of a new 6-story 100% affordable 63-unit residential apartment with 2,280 square feet of ground floor retail, located on an approximate 14,631 square-foot vacant lot. This includes 62 units of affordable set aside that includes 49 units for Very Low Income (VLI), 13 units for Low Income Household Occupancy, and one Manager's Unit at market rate. The project proposes 6 stories and a maximum height of 66 feet with a total floor area of approximately 51,208 square feet. As part of the On-menu Incentives, the project proposes a Floor Area Ratio (FAR) of 2.53:1, in lieu of the permitted 1.5:1.

As an Off-menu incentive the project proposes a total of 30 vehicular parking spaces, including 23 residential automobile parking spaces in lieu of 85 parking spaces per LAMC Section

12.21A(4), and 7 commercial parking spaces in lieu of 8 parking spaces per LAMC Section 12.21A(4); the project will include 52 long-term bicycle parking spaces along with 7 short-term parking spaces.

The Project includes a ministerial density bonus under the Mayor's Executive Direct 1, and pursuant to the Los Angeles Municipal Code (LAMC) Section 12.22 A.25 in conjunction with California Assembly Bills AB 1287 with base incentives for a 70% density increase, along with additional off menu reductions of reduced commercial and residential parking, a height increase, and an exemption prohibiting residential uses in Target Areas where residential uses is otherwise prohibited, along with an on menu to increase FAR from the allowable 1.5:1 FAR to 2.53:1.

The project is a 100% affordable housing project and includes 63 residential units and 62 units designated for affordable housing.

Ministerial Review

Following the Mayor's Declaration of Local Emergency dated December 12, 2022, Executive Directive 1 (ED-1) went into effect on December 16, 2022 to facilitate the expeditious processing of shelters and 100 percent affordable housing projects to address the homelessness crisis in the City of Los Angeles...For 100 percent affordable housing projects and shelters, the Directive, with revisions issued June 12, 2023, and July 7, 2023, and on July 1, 2024, requires the review be completed within 60 days after the application is complete.

Density Bonus Incentives or Concessions

State Pursuant to State Density Bonus Law under Government Code Section 65915(v), allows for an additional "stackable" density bonus on top of the existing maximum 50% density bonus provided by Density Bonus Law. This new provision allows an additional density bonus of twenty percent (20%) to fifty percent(50%) when a project provides an additional set-aside of Very Low Income or Moderate-Income units, as set forth in the tables of GC Section 65915(v).

Additionally, AB 1287 increases the number of available incentives or concessions for certain mixed-income and one hundred percent (100%) affordable housing developments, with the number of incentives being increased by one for both project types.

Given that the applicant is providing 100 percent of dwelling units to be affordable at Very Low-Income and Low-Income Household occupancy for a period of 55 years, and meets the criteria and up to five (5) incentives per California Government Code Section 65915(V). The applicant has been approved for the following incentives:

a. **Density.** A total of 70% increase in permitted density per AB 1287.

The site is zoned C2-1VL, with a lot area is approximately 14,631 square feet, for a byright density of 36 units and base density of 37 units using the area standards. Site Plan Review is not required as the project is eligible for ED1 and therefore exempt from the procedures of LAMC, Section 16.05. The project is proposing 63 units, which is consistent with the allowable density under the Density Bonus regulations.

Pursuant to LAMC 12.22 A.25, the project is eligible for, and has been granted, the following Density Bonus On-Menu Incentives:

a. Floor Area Ratio (FAR).

i. An up to 68.66% increase in FAR for a total FAR of 2.53:1 in lieu of the maximum FAR of 1.5:1.

Pursuant to LAMC 12.22 A.25, the project is eligible for, and has been granted, the following Density Bonus Off-Menu Incentives:

b. Foothill Boulevard Corridor.

i. An exemption of section 7(A)(1) and (2) of the Foothill Boulevard Corridor Specific Plan to remove the 100% commercial requirement in order for the construction of residential units in a commercial zone otherwise restricted only to Target Areas.

c. Height.

 An up to 100% increase in the height requirement, allowing up to 66 feet in height in lieu of the permitted 33 feet per section 7(B)(3) of the Foothill Boulevard Corridor Specific Plan.

d. Parking.

An up to 73% reduction in residential parking, allowing 23 automobile parking spaces in lieu of 85 automobile parking spaces otherwise required per section 7(B)(4) of the Foothill Boulevard Corridor Specific Plan.

e. Commercial Parking.

i. An up to 13% reduction in commercial parking, allowing 7 automobile parking spaces in lieu of 8 automobile parking spaces otherwise required per LAMC Section 12.21A(4).

The record does not contain substantial evidence that would allow the decision maker to make a finding that the approved incentives do not result in identifiable and actual cost reduction 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 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 predetermined percentage of income based on area median income thresholds dependent on affordability levels.

CONCLUSION

As a Density Bonus Housing Project that satisfies all the objective planning standards of LAMC Section 12.22 A.25(g)(3) and California Government Code Section 65915 and a 100% affordable housing project consistent with ED1 streamlined approval, the project is considered to be a ministerial project.

OBSERVANCE OF CONDITIONS - TIME LIMIT - LAPSE OF PRIVILEGES

All terms and conditions of the Director's Letter of Compliance shall be fulfilled before the use may be established. The instant authorization is further conditioned 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.

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.

VIOLATIONS OF THESE CONDITIONS, A MISDEMEANOR

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.

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."

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 or the Marvin Braude Building 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 through the Department of City Planning website at http://planning.lacity.org or by calling (213) 482-7052 or (818) 374-5050. The applicant is further advised to notify any consultant representing you of this requirement as well.

The time in which a party may seek judicial review of this determination is governed by California Code of Civil Procedures Section 1094.6. Under that provision, a petitioner may seek judicial review of any decision of the City pursuant to California Code of Civil Procedure Section 1094.5, only if the petition for writ of mandate pursuant to that section is filed no later than the 90th day following the date on which the City's decision becomes final.

<u>Effective Date/Appeals</u>: The decision of this Letter of Compliance is final and effective upon the mailing of this letter and is not appealable.

VINCENT P. BERTONI, AICP Director of Planning

Approved and Reviewed by:

BI

JoJo Pewsawang Senior City Planner

Reviewed by:

for Dang Nguyen

Dang Nguyen City Planner

Prepared by:

oshua Ordonez

Joshua Ordonez Planning Assistant