ATTACHMENT A: Explanation and Analysis of Alternative Overlay

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## **Alternative Zoning**

The alternative, based on the previously recommended zone change, reduces the permitted density in the South section from RM-32 to RM-16 (see map). It then places an overlay over all the parcels facing Los Robles in the South Section of the study area. This overlay would increase the maximum density to 24 units/acre at these sites and use the RM-32 development standards. The units exceeding the 16 units/acre allowed by the underlying zoning would have to be reserved for workforce housing.

Additional Overlay Units: To determine an appropriate density increase for the alternative, staff reviewed recent, RM-32 zoned projects in the Northwest and found two important facts. First, the average density of these projects is 22 units/acre. Second, the majority of projects retained some or all of the existing buildings. In the few cases where projects met the 32 units/acre density nearly all of the existing units were demolished. Therefore, staff believes that an increase of 50% or a final density of 24 units/acre could assist in retaining existing buildings instead of

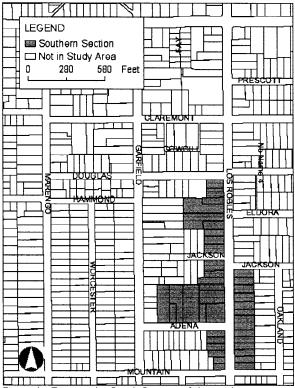


Figure 1: Depicts the South Section of the study area, which is currently zoned RM-32.

encouraging the complete demolition of sites and is consistent with existing market demands. The additional overlay units would follow the same procedures and requirements as units required under the Inclusionary Housing Ordinance, including covenant requirements for affordability but not in-lieu fees.

RM-32 Standards: The alternative allows a developer making use of the overlay zone to use the RM-32 development standards even when the project is built at 24 units/acre. In order to ensure that developers can accommodate 24 units/acre, the alternative uses the more lenient RM-32 standards, not the RM-16 standards. In using the RM-32 zoning standards, designers could create buildings that rise to 36 feet in height in the rear of the site when lots are 60 feet or more in width. Using the RM-16 zoning standards, instead, would require a maximum top plate (the horizontal framing member that caps an exterior wall and supports rafters or roof framing) height of 23 feet and ridgeline height of 32 feet.

Staff believes that the alternative overlay could significantly change the neighborhood character. Even though the area is predominantly multi-family in use, 70% of the parcels in the study area are single family in character. By permitting structures built at 24 units/acre and designed under the RM-32 development standards, the scale and physical character of this area has the potential to change.

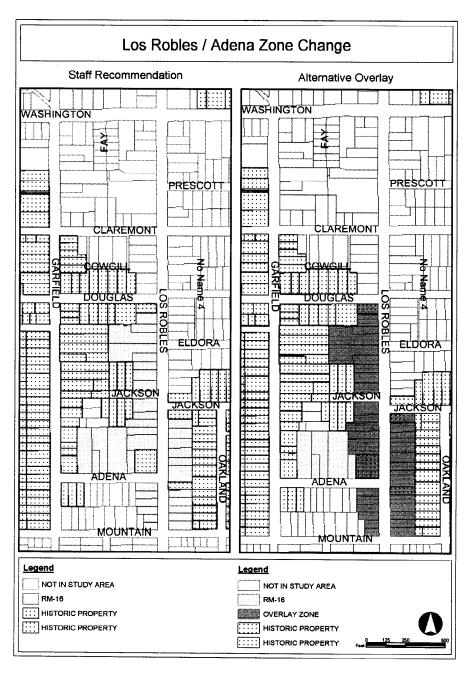


Figure 2: Depicts the zoning recommended by staff and an alternative workforce housing overlay.

<u>Impact on Housing:</u> Table 1 shows the theoretical maximum number of additional units that could be built under each of the scenarios.

## **TABLE 1: LOS ROBLES / ADENA STUDY AREA**

Net-New Units in South Section

	Theoretical Maximum Number of Net-New Units
Staff Recommendation	27
Alternative Zone Change	14
Existing Zoning	144
	(includes complete build out of landmarked sites)

Table 1 does not take into account the historical significance of some sites such as 985 N. Los Robles Ave. The calculation assumes that properties that exceed the maximum number of units allowed by Code will not demolish and rebuild. Furthermore, given the development standards not all developments may be built to their maximum density. The numbers do not account for the effect lot consolidation would have on increasing the provision of affordable housing.

State Mandated Density Bonus Laws: By using workforce housing instead of very-low to moderate income housing, the alternative would not fall under the provisions of State mandated density bonus laws. Simply put, these laws allow property owners to exceed development standards and receive a density bonus up to 35% if a certain percentage of the housing units are dedicated to households with very-low, low, or moderate incomes. The City generally has no discretion regarding the approval of density bonus units and only limited discretion in the granting of concessions and incentives. The alternative would not trigger the State mandated density bonus laws and thus concessions to standards, by allowing a bonus for workforce housing (workforce housing is defined as 121 to 180% of the Los Angeles County Median Income). By using workforce housing instead of moderate income housing — or lower — the alternative would encourage the provision of reasonably priced housing within the existing development standards.

Nevertheless, if the alternative was adopted applicants would have the ability to propose projects using State mandated density bonus laws in combination with the underlying RM-16 zoning. Doing so would grant the applicant up to a 35% density bonus (or 21 units/acre) and some concessions and waivers. However, the opportunities to implement provisions under the State mandated density bonus laws are limited because projects must be 5 units or more in size (75% of the lots in the overlay are not large enough to reach this density) and the alternative density bonus overlay would give the applicant a larger density bonus and allow for the occupant to be of a higher income category.

<u>Historic Preservation:</u> The alternative relies on existing provisions to address the issue of historic preservation. The existing code allows for variances from development standards for historic resources. Furthermore, for City of Gardens projects that preserve an historically significant structure, the Director of Planning and Development may waive or grant up to a 50% reduction to the main garden and waive some or all of the required architectural elements and modulation requirements. Because the Code already establishes variances for historic preservation, staff believes that there are already sufficient incentives in place to preserve historic structures.

Creating a Landmark District overlay would provide protection beyond the above incentives. However, the Zoning Code requires that a neighborhood association or the property owners initiate the Landmark District process, not staff, the Planning Commission, or the Council.

Additionally, the Code requires that a majority of the property owners support the application; otherwise the application is withdrawn.			