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100 S. MAIN STREET, 10th FLOOR
LOS ANGELES, CA 90012

LAURA RUBIO-CORNEJO
GENERAL MANAGER

September 17, 2024

The Honorable City Council
City of Los Angeles
City Hall, Room 395
Attention: City Clerk

Subject: **Proposed Request for Proposals for the Redevelopment of Municipal Parking
Lot No. 614 in the Miracle Mile to Affordable Housing**

At its regular meeting of September 12, 2024, the Board of Transportation Commissioners considered the evidence presented at the public hearing and approved the above-referenced report. A copy of the Board's action is attached and hereby transmitted to the City Council for consideration and approval.

If you need further information, please contact Michelle Cayton, Supervising Transportation Planner Parking Permits Division, at (213) 972-4935.

Sincerely,

Jasmin San Luis
Acting Commission Executive Assistant


JSL

Attachment

**BOARD REPORT
CITY OF LOS ANGELES
DEPARTMENT OF TRANSPORTATION**

Date: September 12, 2024

To: Board of Transportation Commissioners

From: Laura Rubio-Cornejo, General Manager
Department of Transportation 

Subject: **PROPOSED REQUEST FOR PROPOSALS FOR THE REDEVELOPMENT OF MUNICIPAL PARKING LOT NO. 614 IN THE MIRACLE MILE TO AFFORDABLE HOUSING**

SUMMARY

As directed in Council File (CF) 12-1549-S19, the Office of the City Administrative Officer (CAO) assessed the Los Angeles Department of Transportation (LADOT) off-street parking Lot No. 614, located in the Miracle Mile, to be included in a Los Angeles Housing Department (LAHD) Request for Proposals (RFP) for redevelopment into affordable housing. Per the Los Angeles Administrative Code, the Board of Transportation Commissioners has the authority and responsibility to provide approval to LAHD to issue an RFP to develop affordable housing on the lot as well as determine any requirements for repurposing the lot. This report provides the CAO analysis as well as LADOT's parking study for the Board's consideration.

RECOMMENDATION

The Board APPROVE the recommendations in the CAO report to include LADOT Municipal Lot No. 614 in an LAHD RFP for the development of permanent affordable housing.

BACKGROUND

Lot No. 614 is an LADOT non-operated surface parking lot with pay stations located at 728 S. Cochran Avenue in the Miracle Mile (see Attachment "A") near the intersection of La Brea Avenue and Wilshire Boulevard. The lot contains 41 highly utilized parking spaces, including two Americans with Disabilities Act (ADA) spaces. It is open from 7:00 am to 9:00 pm daily with parking rates set at: \$1 per hour or \$4 for a 10-hour maximum.

On August 25, 2021, the Los Angeles City Council directed the City Administrator Office (CAO) and other departments to initiate a review of Lot No. 614 "to determine the suitability of the property for development as 100% affordable housing and/or permanent supportive housing, in conformance with the procedure set forth for the City's Asset Evaluation Framework and considering the necessity of replacement parking..." (see Attachment "B"). The motion was initiated prior to the City Council redistricting, and the parking facility is now in CD 5, where the motion has the support of CD 5 Councilmember Yaroslavsky.

In May, 2023, the City Council nullified the parking replacement requirements for LADOT parking facilities containing 25 spaces or more that are transferred to LAHD to be developed for affordable or

supportive housing, as detailed in the October 29, 2019 Memorandum of Understanding governing the parking replacement policy for LADOT Special Parking Revenue Fund Off- Street Parking Facilities. As directed in CF 23-0360, neither LADOT nor LAHD shall require the replacement of any parking spaces when an LADOT facility is utilized as interim, supportive, or affordable housing, and the CAO is instructed to consider the mobility, livability, and commercial needs of the nearby community as requested by the Councilmember whose District includes the parking facility.

In June 2024, the CAO submitted a report to LADOT and the Board outlining its findings.(see Attachment "C"). While this site assessment identified a number of challenges in developing the lot for affordable housing, it recommends issuing an RFP to see if LAHD receives any viable proposals. If the LAHD does not receive viable developer proposals through the RFP process, any proposal to transfer the lot from LADOT to LAHD would be nullified.

Per the Los Angeles Administrative Code, Chapter 20, "Department of Transportation," Article 5, "The Board of Transportation Commissioners," the Board has the authority and responsibility to manage all matters related to off-street parking facilities under the control of LADOT. This includes giving approval to LAHD to issue an RFP to develop affordable housing on the lot, or to determine any conditions under which the RFP can be issued.

DISCUSSION

The CAO report considers a planning analysis provided by the Department of City Planning (DCP), dedication requirements according to the Bureau of Engineering (BOE), and an Environmental Site Assessment produced for the Bureau of Sanitation (LASAN) to determine the development requirements for the site. The CAO also reviewed a parking questionnaire completed by the Department of Transportation (LADOT) to determine potential impacts to businesses and residents served by Lot 614. The details of that questionnaire are outlined below for consideration by the Board.

LADOT Parking Analysis

Lot 614 - The facility is located in a high density neighborhood with a mix of single-family homes, multi-family residences, and a mix of commercial buildings. There are multiple on-street parking restrictions surrounding the facility, including a preferential parking district that limits non-permit holders to two hours of parking from 8:00 am to 6:00 pm, street sweeping twice a month on Mondays and Tuesdays, and two-hour metered parking. LADOT also provides overnight parking permits for residents. To determine the potential impacts of removing Lot No. 614 from service, LADOT evaluated the parking lot occupancy, revenue generation, alternative parking, and replacement parking options.

Occupancy

Parking is at a premium in this location due to the population density of the neighborhood and the surrounding businesses and attractions, and the lot's customers are evenly split between people who work in the area and stay for four or more hours and people who park by the hour. LADOT's prior year's occupancy survey yielded the average weekday occupancy at 89% and average weekend occupancy at 62%. LADOT conducted occupancy spot checks in June and July 2024 and confirmed that Lot No. 614 peak weekday parking occupancy in the afternoon was 85% and 95%, respectively.

Revenue Generation

Lot No. 614 generates more than \$35,000 per year in pay station revenue, based on data from May 2023 to May 2024. Pre-pandemic, the lot generated over \$64,000 per year. It is anticipated that Lot No. 614 would have the potential to generate higher revenue once construction on the Metro Purple Line station is completed and local businesses recover from construction impacts and pandemic related economic hardships.

Existing Alternative Parking

There are seven privately owned, commercial public parking lots (four garages and three surface lots) open to the public within a quarter mile of Lot No. 614 (see Attachment "A"). The hourly rate at these lots ranges between \$4 and \$11, except for one facility that sets a dynamic rate that starts at \$2 when there is low demand. Some, but not all, of these commercial facilities allow for daily parking with rates that range from \$15 to \$22.50.

There is also on-street metered parking along Wilshire Boulevard, La Brea Avenue, and several side streets along this corridor. Rates for these meters are set at \$1 per hour for a maximum of two hours between 9:00 am and 4:00 pm Monday through Saturday and free on Sunday. Wilshire Boulevard and La Brea Avenue are tow-away anti-gridlock zones with prohibited parking between 7:00 am to 9:00 am and 4:00 pm to 7:00 pm on weekdays.

Replacement Parking

Based on the mobility, livability, and commercial needs requested for consideration by CD5, the CAO report does not include replacement parking as a condition of the proposed LAHD RFP. Should the Board require partial parking replacement as a condition of the RFP, LADOT would recommend 25 spaces or more for replacement parking given the operational and maintenance expenses associated with a small parking structure. The cost to construct replacement parking would be incurred by the developer and likely accounted for in proposals responding to the RFP.

Findings

If the RFP generates a viable proposal and Lot 614 is repurposed to develop affordable housing, motorists using the lot will be displaced to alternative parking options. There are seven highly utilized market rate commercial, public parking facilities within a quarter mile of Lot No. 614 that may be able to accept some additional parking demand. Lot 614 is currently the lowest rate among these lots, so this displacement would impact those who rely on the affordability of LADOT parking facilities to meet their needs. On-street parking in the area is available but is restricted due to time limits, preferential parking districts, street cleaning, and anti-gridlock zones.

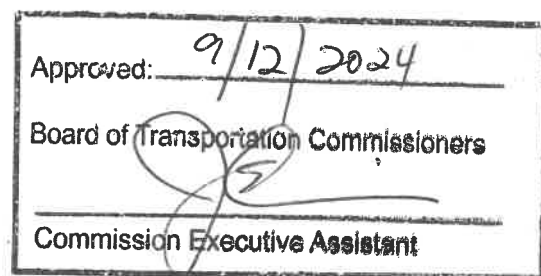
Pursuing a viable proposal for affordable housing will also impact the Special Parking Revenue Fund (SPRF) with an annual loss of over \$35,000 per year. LADOT revenue generating facilities help pay for the maintenance of dozens of free parking facilities across the City, and LADOT Bureau of Parking Management related expenses including, but not limited to salaries, parking equipment, and contractual obligations. In addition to the annual revenue, SPRF will lose the revenue that would be generated from the sale of the property that would be deposited into the SPRF.

FISCAL IMPACT STATEMENT

There is no impact on the General Fund. Should the RFP generate a viable proposal and Lot 614 is repurposed to develop affordable housing, the City would lose approximately \$35,000 in annual revenue that would normally be deposited in the SPRF.

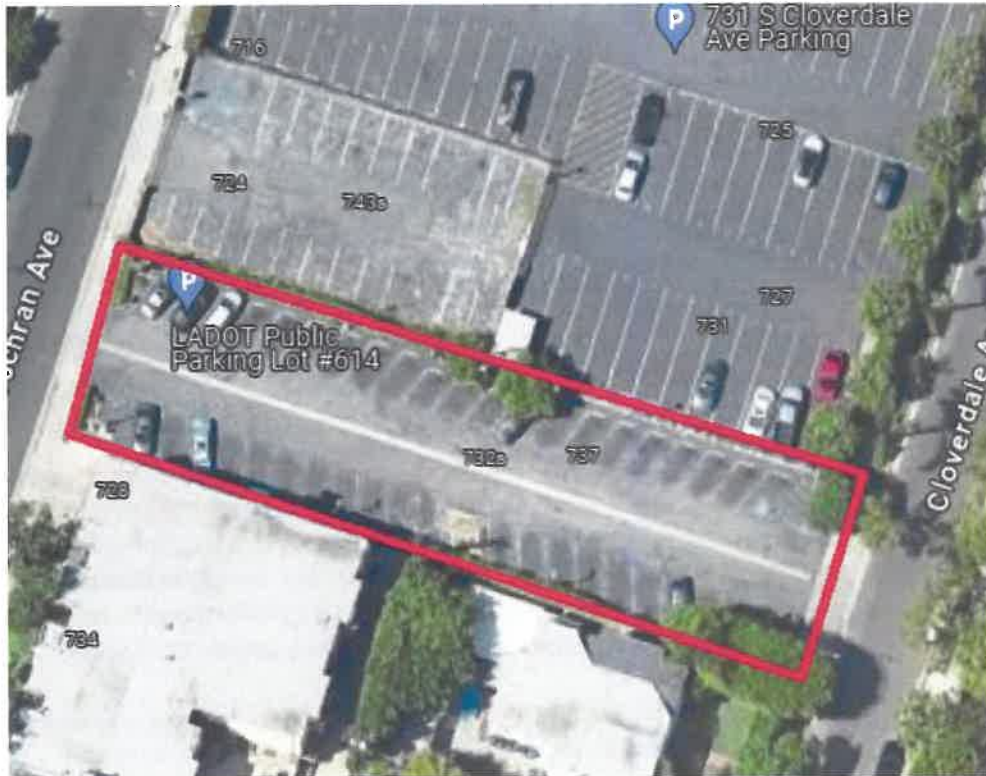
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Attachments



Attachment "A"

LADOT Lot No. 614



LADOT Lot No. 614 and surrounding commercial public parking facilities



LEGEND:  LADOT Lot No. 614  Commercial Public Parking Facilities

Attachment "B"

HOUSING

MOTION

The affordable housing shortage and corresponding homelessness crisis across Los Angeles necessitates the development of viable City-owned properties as 100% affordable housing and/or permanent supportive housing.

The City's Asset Evaluation Framework (C.F. 12-1549-S3) is intended to help advance the City's economic development and housing efforts by establishing a uniform procedure to evaluate and designate City-owned properties for economic development, housing opportunities, and other City purposes, as well as to identify higher and better uses for such properties in order to maximize the value of City assets and to address priority concerns such as housing affordability and homelessness.

To advance the above efforts, there is a City-owned property located at 728 S. Cochran Avenue in Council District 4 which may be suitable for development as 100% affordable housing or permanent supportive housing. The property is currently a surface parking lot with 41-spaces operated by Los Angeles Department of Transportation (LADOT). In order to repurpose the property to its highest and best use in helping to address the City's housing and homelessness crisis, staff should be directed to evaluate the property and issue a Request for Proposal.

I THEREFORE MOVE that the City Administrative Officer, with the assistance of the General Services Department, the Bureau of Engineering, the Housing and Community Investment Department, LADOT, and any other relevant departments, be directed to initiate a review of the City-owned property located at 728 S. Cochran Avenue in Council District 4 to determine the suitability of the property for development as 100% affordable housing and/or permanent supportive housing, in conformance with the procedure set forth for the City's Asset Evaluation Framework and considering the necessity of replacement parking, and to report back to the City Council within 45 days.

I FURTHER MOVE that if the property is suitable for development as described herein, that the City Council authorize the City Administrative Officer, in conjunction with the Housing and Community Investment Department General Manager, or designee, to add the City-owned property located at 728 S. Cochran Avenue to the list of City-owned parcels that will be made available to qualified developers through a Request for Proposal.



JUN 15 2024

PRESENTED BY:



NITHYA RAMAN

Councilmember, 4th District

SECONDED BY:



Attachment "C"

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: June 5, 2024

CAO File No. 0220-05992-0002
Council File No. 12-1549-S19
Council District: 5

To: Board of Transportation Commissioners (BOTC), Los Angeles Department of Transportation (LADOT)

From:  Matthew W. Szabo, City Administrative Officer

Subject: 728 SOUTH COCHRAN AVENUE & 737 SOUTH CLOVERDALE AVENUE (APN 5089-03-901) (LADOT PARKING LOT NO. 614)

RECOMMENDATION

That the Los Angeles Department of Transportation (LADOT) Board of Transportation Commissioners (BOTC) approve the following recommendations:

1. Allow the Los Angeles Housing Department (LAHD) to issue a Request for Proposals (RFP) for the LADOT Parking Lot No. 614 at 728 South Cochran Avenue and 737 South Cloverdale Avenue (APN 5089-03-901), for the development of permanent affordable housing;
2. That the site not be transferred to the LAHD until a Disposition and Development Agreement (DDA) and a ground lease have been executed; and,
3. If the LAHD does not receive any feasible developer proposals for the site, that recommendations 1 and 2 be nullified.

SUMMARY

As directed by Motion (C.F. 12-1549-S19), the Office of the City Administrative Officer (CAO) initiated a review of the City-owned properties on 728 South Cochran Avenue and 737 South Cloverdale Avenue (APN No. 5089-003-901), LADOT Parking Lot No. 614 (site). The assessment of the site for permanent affordable housing exposed a number of challenges. Given the lack of available sites for housing in this area, Council District 5 proposes to test the developer response to this site. If the LAHD does not receive viable developer proposals through the RFP process, recommendations 1 and 2 would be nullified. This report provides a summary of the site's assessment findings.

BACKGROUND

The CAO reviewed a planning analysis provided by the Department of City Planning (DCP), a Preliminary Title report for the property, a Phase I Environmental Site Assessment study, and a LADOT Questionnaire. The CAO also discussed the site with the LAHD staff, who opined that the site's total size and the allowable by-right density may make it challenging for a proposed project to compete for public funding.

The planning analysis found that LADOT Parking Lot No. 614 is under one Assessor's Parcel Number (APN) corresponding to two rectangular-shaped legal lots (Lots Nos. 24 and 32), totaling approximately 13,377 square feet (SF). As Table 1 illustrates, each of the lots that make up LADOT Parking Lot No. 614 is subject to different land use and zoning restrictions.

Table 1: Land Use and Zoning for LADOT Parking Lot No. 614

Address/APN	Lot No.	Size (SF)	Land Use	Zoning	Height Limit	Floor Area Ratio (FAR)	Additional restrictions
728 South Cochran Avenue APN: 5089-003-901	24	6,689	High Medium Residential	[Q]R4-1	45 feet	3:1	<ul style="list-style-type: none"> Q conditions (Ordinance No. 165331)
737 South Cloverdale Avenue APN: 5089-003-901	32	6,688	Regional Commercial	[Q]C2 - 1-CDO	Unlimited	1.5:1	<ul style="list-style-type: none"> Miracle Mile Community Design Overlay (CDO) Q conditions (Ordinance No. 174455)

The western lot, Lot No. 24, facing South Cochran Avenue, is zoned [Q]R4-1 and is designated for High-Medium Residential land uses by the Wilshire Community Plan. The maximum floor area ratio (FAR) is 3:1. The lot is also subject to [Q] conditions (Ordinance No. 165331), limiting the allowable by-right density to 11 units on Lot No. 24.

The eastern lot, Lot No. 32, facing South Cloverdale Avenue, is zoned [Q]C2-1-CDO and is designated for Regional Commercial land uses by the Wilshire Community Plan. It is within the Miracle Mile Community Design Overlay (CDO). It must conform to the required design guidelines

and requires the submission of a Design Overlay Plan for review and approval by DCP. A CDO review will be required for any major construction on the lot. Any project proposing to build four or more residential units would be subject to discretionary review pursuant to the CDO. Therefore, by-right development options are unavailable for projects larger than three residential units. The maximum FAR is 1.5:1. The lot is subject to [Q] conditions (Ordinance No. 174455), which limits the allowable by-right density to 16 units.

If a proposed project wanted to exceed the total allowable by-right density of 27 units, it would require an entitlement. To increase density, a proposed project may benefit from changes made to Density Bonus via AB 2334. AB 2334 allows for increased density when a proposed project is 100 percent affordable and is located near a Very Low Vehicle Miles Traveled (VMT) Area. Additionally, the Transit Oriented Communities (TOC) Incentive Program may be pursued for this site. Although Density Bonus and TOC may increase the density for the site, the proposed project must also satisfy the existing zoning restrictions for FAR, height limitations, and any overlay conditions of the site (e.g., [Q] Conditions). These limitations may further restrict the number of units that fit the building envelope.

Highway Dedication

The Bureau of Engineering (BOE) has also confirmed that a highway dedication is required under LAMC 12.37 because Cochran Avenue is zoned R4 and is designated as a Collector Street. As a Collector Street, Cochran Avenue requires a 33-foot half right-of-way. However, the existing right-of-way is 25 feet. Therefore, an eight (8)-foot highway dedication would be required to complete the half right-of-way width of 33 feet. If the dedication is observed, the site may be reduced from 13,377 SF to approximately 12,897 SF. If a waiver for the highway dedication is requested, a future proposed project would be ineligible for the Executive Directive (ED) 1 program, which expedites affordable housing projects.

Phase I Report

A final Phase I Environmental Site Assessment (ESA) was prepared by RINCON Consultants, Inc. for the Los Angeles Bureau of Sanitation (LASAN). The report finds that the subject property is in a methane zone, and recommends a subsurface investigation (Phase II ESA) to explore potential mitigation efforts for the proposed project.

LADOT Questionnaire

To determine the potential parking impact on the businesses and community that LADOT Parking Lot No. 614 serves, the CAO requested that LADOT complete the LADOT Questionnaire. The Questionnaire evaluates the parking lot occupancy, total revenue, and potential fiscal impact. LADOT Parking Lot No. 614 includes 39 all-day parking spaces and two (2) accessible parking spaces, for a total of 41 spaces, and has a high occupancy rate throughout the week. The occupancy rate is 89 percent on weekdays and 62 percent on weekends. No overnight parking is allowed on the site. The daily maximum rate is \$4.00 per day, and there is a \$33 monthly fee for parking permits. The lot's average annual revenue is \$64,984, based on Fiscal Year 2021-2022 data.

CAO File No.
0220-05992-0002

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FISCAL IMPACT STATEMENT

The recommendations in this report would not have an immediate impact to the General Fund. However, if feasible proposals are received and the LAHD executes a DDA and ground lease for the site, the fiscal impact to the General Fund would be approximately \$64,984 annually.

FINANCIAL POLICIES STATEMENT

The recommendations in this report comply with the City's Financial Policies.

MWS:YC:AP:ms:15240040