

# **CITY PLANNING COMMISSION**

200 N. Spring Street, Room 272, Los Angeles, California, 90012-4801, (213) 978-1300 http://cityplanning.lacity.org/

Determination Mailing Date: FEB 0 3 2015

CASE NO.: CPC-2010-3315-CA

CEQA: ENV-2014-361-CE, ENV-2014-4821-CE

Applicant: City of Los Angeles

Location: Citywide Council Districts: All Plan Areas: All

At its meeting of January 8, 2015, the City Planning Commission took the following action:

1. Approved the proposed ordinance that amends Los Angeles Municipal Code (LAMC) Sections 12.03, 12.04, 12.22, 17.02, and 17.05 and adds a new Section 12.04.10 to establish the Master Planned Development (MPD) Zone as a new zone classification to facilitate the entitlement of master planned campus-like or otherwise unified and integrated development projects in the City of Los Angeles.

2. Approved the proposed ordinance that amends LAMC Section 12.22 to update citywide density bonus provisions in accordance with new State law, pursuant to Assembly Bill 2222.

3. Adopted the proposed Guidelines for Economic Studies.

4. Adopted the staff report as its report on the subject.

5. Adopted the attached Findings.

- Approved Categorical Exemption (ENV-2014-361-CE) as the CEQA clearance for the MPD ordinance.
- 7. Approved Categorical Exemption (ENV-2014-4821-CE) as the CEQA clearance on the density bonus update ordinance.

#### Recommendations to City Council:

- 1. Recommend that the City Council adopt the proposed ordinance that amends Los Angeles Municipal Code (LAMC) Sections 12.03, 12.04, 12.22, 17.02, and 17.05 and adds a new Section 12.04.10 to establish the Master Planned Development (MPD) Zone as a new zone classification to facilitate the entitlement of master planned campus-like or otherwise unified and integrated development projects in the City of Los Angeles.
- Recommend that the City Council adopt the proposed ordinance that amends LAMC Section 12.22 to update citywide density bonus provisions in accordance with new State law, pursuant to Assembly Bill 2222.
- 3. Recommend that the City Council adopt Categorical Exemption (ENV-2014-361-CE) as the CEQA clearance for the MPD ordinance.
- **4.** Recommend that the City Council adopt Categorical Exemption (ENV-2014-4821-CE) as the CEQA clearance on the density bonus update ordinance.

# This action was taken by the following vote:

Moved:

Choe

Seconded:

Perlman

Ayes:

Ahn, Ambroz, Katz, Dake-Wilson

Noes:

Cabildo, Segura

Absent:

Mack

Vote:

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James K. Williams, Commission Executive Assistant II
City Planning Commission

If you seek judicial review of any decision of the City pursuant to California Code of Civil Procedure Section 1094.5, the petition for writ of mandate pursuant to that section must be filed no later than the 90th day following the date on which the City's decision became final pursuant to California Code of Civil Procedure Section 1094.6. There may be other time limits which also affect your ability to seek judicial review.

Attachments: Ordinance, Findings, Guidelines

City Planner: Phyllis Nathanson

#### **ATTACHMENT 1**

#### LAND USE FINDINGS

The Department of City Planning recommends that the City Planning Commission find:

1. In accordance with Charter Section 556, the proposed ordinance (Appendix A) is in substantial conformance with the purposes, intent, and provisions of the General Plan. Specifically, the proposed ordinance implements Economic Development Objective 7.4 of the Framework Element, "Improve the provision of governmental services, expedite the administrative processing of development applications, and minimize public and private development application costs" and Goal 7G, "A range of housing opportunities in the City." It also implements Housing Objective 4.4 of the Framework Element, "Reduce regulatory and procedural barriers to increase housing production and capacity in appropriate locations."

The proposed ordinance simplifies and streamlines the entitlement process for master planned campus-like or otherwise unified and integrated projects by facilitating flexibility of design, clarity of entitlement, and a more coherent and predictable regulatory process. The proposed ordinance eliminates unnecessary procedural barriers and supports investment in innovative mixed-use projects, incentivized to also incorporate affordable housing.

2. In accordance with Charter Section 558 (b) (2), the proposed ordinance (Appendix A) is in substantial conformance with public necessity, convenience, general welfare and good zoning practice. Consistent with City policies to streamline the entitlement of master planned developments, the ordinance promotes better planning practice by encouraging investment and economic development and refocusing review of a project on its overall design and merits instead of an array of exceptions. As a result, the entitlement process becomes less arduous and onerous for the applicant and more comprehendible to the public, promoting more innovative, context-sensitive projects that contribute to building a better community.

#### **ENVIRONMENTAL FINDING**

In accordance with the California Environmental Quality Act (CEQA), this ordinance meets the criteria of a General Exemption pursuant to Article III, Sections 15301, 15305, and 15308, Classes 1, 5, and 8 of the CEQA Guidelines. The proposed ordinance (Appendix A) is determined to have no direct or indirect physical impact on the environment. The project is an enabling ordinance that creates a new zone classification; no construction or change in land use, density, or intensity is proposed as a part of the project. Applicants proposing real estate development projects pursuant to the enabling ordinance will be required to

conduct a separate environmental review for their project proposal. The new zone classification will permit proposed projects to be evaluated holistically on their merits rather than as a series of requested exceptions and determinations, thus allowing for more comprehensive identification and mitigation of their impacts on a community, the City, and the environment.

#### **ATTACHMENT 2**

#### LAND USE FINDINGS

The Department of City Planning recommends that the City Planning Commission find:

- 1. In accordance with Charter Section 556, the proposed ordinance (Appendix B) is in substantial conformance with the purposes, intent, and provisions of the General Plan. The ordinance updates existing Los Angeles Municipal Code provisions in conformance with changes in mandated State density bonus law in Government Code Section 65915, pursuant to Assembly Bill 2222 that became effective January 1, 2015. The ordinance updates existing regulations and requires the replacement of any affordable or rent-stabilized units demolished or converted as part of a density bonus project and lengthens the term of the affordable restrictions.
- 2. In accordance with Charter Section 558 (b) (2), the proposed ordinance (Appendix B) is in substantial conformance with public necessity, convenience, general welfare and good zoning practice. The ordinance updates existing regulations and requires the replacement of any affordable or rent-stabilized units demolished or converted as part of a density bonus project and lengthens the term of the affordable restrictions. The ordinance synchronizes the City's density provisions with recent changes in State density bonus law in Government Code Section 65915, with which the City is required to comply.

# **ENVIRONMENTAL FINDING**

In accordance with the California Environmental Quality Act (CEQA), this ordinance meets the criteria of a General Exemption, pursuant to Article 5, Section 15061(b)(3) of the CEQA Guidelines. The proposed ordinance (Appendix B) is determined to have no direct or indirect physical impact on the environment. The project is an update of existing Zoning Code provisions to reflect changes in State density bonus law as provided in Government Code Section 65915, pursuant to AB 2222, effective January 1, 2015. The project updates existing regulations and requires the replacement of any affordable or rent-stabilized units demolished or converted as part of a density bonus project and lengthens the term of the affordable restrictions. No construction or change in land use, density, or intensity is proposed as a part of the project. Applicants pursuing density bonus projects will be required to comply with CEQA review applicable to the project being proposed.

# CITY PLANNING COMMISSION GUIDELINES FOR ECONOMIC STUDIES FOR PROPOSED MASTER PLANNED DEVELOPMENT (MPD) ZONES

# **GENERAL**

#### WHEN AN ECONOMIC STUDY IS REQUIRED

An economic study shall be required when the following significant departures from standard provisions are proposed as part of an MPD Zone project:

- · Residential units on industrial-zoned land,
- A density bonus exceeding 35 percent,
- · Nonresidential floor area bonus, or
- A development agreement exempting an approved project from future changes in the Zoning Code for a limited period to allow time for construction.

#### **PURPOSE**

The purpose of the economic study is to assist in the evaluation and shaping of the proposed development. More specifically, the economic study will serve to answer the following questions:

#### 1. Residential units on industrial-zoned land

- a. Is the subject property viable and suitable for industrial use now or in the future?
- b. Will the introduction of housing to the site adversely impact industrial uses in the vicinity?
- c. What, if any, displacement would occur onsite and in the surrounding area?
- d. Are there other trade-offs to introducing housing to the site?

# 2. Density bonus exceeding 35 percent

- a. What is the enhanced value of the property that would result from the additional market-rate units and other related concessions proposed by the applicant?
- b. How many affordable housing units, and at what level of affordability, can the enhanced value subsidize?

#### 3. Nonresidential floor area bonus

- a. What is the enhanced value of the property that would result from the additional nonresidential floor area?
- b. What community benefits can the enhanced value subsidize?

# 4. Development agreement

- a. Given the nature of the project, what type of community benefits would be appropriate?
- b. What dollar value of community benefits is justifiable?

#### **CONSULTANTS & FEES**

The economic study shall be prepared by a consultant whose name appears on the Department of City Planning's list of consultants approved to prepare economic studies. The Department of City Planning reserves the right to select the consultant used. The Department of City Planning shall be the consultant's client, and the submitted economic study shall be the property of the City of Los Angeles and prepared to its satisfaction. Consultant's fees for preparing the study are to be paid directly to the consultant by the applicant.

#### **PROCESS**

The preparation and public review of the economic study shall follow the same review process and timing as the environmental review documents for the same project.

# CONTENT REQUIREMENTS

#### RESIDENTIAL UNITS ON INDUSTRIAL-ZONED LAND

The economic study for a project proposing residential units on industrial-zoned land shall include the following:

- Existing improvements on the site, including associated businesses and jobs.
- Existing and known future improvements in the relevant vicinity, including associated existing and known future businesses and jobs.
- Description of the proposed project, including proposed affordable housing and related jobs.
- Economic impact of the project, including land value enhancement and any adverse impacts resulting from the project.

#### DENSITY BONUSES EXCEEDING 35 PERCENT

The economic study for a project proposing a density bonus of greater than 35 percent shall include the following:

- Existing improvements on the property, including rental housing details disclosing the following types of units (currently or within the previous five years) subject to replacement, pursuant to California Government Code Section 65915:
  - Units with recorded covenants restricting rents to levels affordable to households of lower or very low income,
  - o Units subject to rent stabilization, and
  - Units occupied by lower or very low income households.

- Relevant existing development rights on the subject property.
- Description of the proposed project, including proposed affordable housing and any proposed concessions that are in addition to the request for increased density.
- The land value enhancement resulting from the density bonus and any incentives to assist in determining the affordable housing requirement.

#### NONRESIDENTIAL FLOOR AREA BONUS

The economic study for a project proposing nonresidential floor area exceeding the amount permitted by the prior height district or other land use regulation shall include the following:

- Existing improvements on the property, including floor area by uses.
- Relevant existing development rights on the subject property.
- Description of the proposed project.
- The land value enhancement resulting from the nonresidential floor area bonus.

# **DEVELOPMENT AGREEMENTS**

The economic study for a project proposing a development agreement shall include the following:

- Description of the proposed project and timing of phasing and build-out.
- Economic impact of the proposed project, including land value enhancement resulting from the project.
- Identification of appropriate community benefits.



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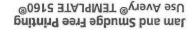
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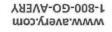
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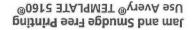
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