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REPORT NO. R 1 6 - 0 0 4 1
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REPORT RE:

**DRAFT ORDINANCE AMENDING LOS ANGELES MUNICIPAL CODE SECTIONS
12.03, 12.04.A AND 12.04.C OF ARTICLE 2 OF CHAPTER 1 OF THE
LOS ANGELES MUNICIPAL CODE, AND ADDING SECTION 12.04.06 TO ARTICLE
2 OF CHAPTER 1 OF THE LOS ANGELES MUNICIPAL CODE TO ESTABLISH AN
“HI” HYBRID INDUSTRIAL LIVE/WORK ZONE**

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Council File No. 15-1013

Honorable Members:

This Office has prepared and now transmits for your consideration the enclosed draft ordinance approved as to form and legality amending Sections 12.03, 12.04.A and 12.04.C of the Los Angeles Municipal Code (LAMC), and adding Section 12.04.06 to Article 2 of Chapter 1 to the LAMC to establish an “HI” Hybrid Industrial Live/Work Zone in order to enable and regulate live/work uses in areas of the City with a General Plan land use designation of “Hybrid Industrial.”

Background and Summary of Ordinance Provisions

On August 13, 2015, the City Planning Commission (CPC) considered a draft ordinance initiated by the Planning Department, establishing an “HI” Hybrid Industrial Live/Work Zone (HI Zone) to provide for a new mix of land uses, including light industrial, live/work, hotel and other commercial uses, in areas of the City with a General Plan land use designation of “Hybrid Industrial.” The CPC voted to adopt the

staff report and findings supporting approval of the draft ordinance, and to recommend approval of the ordinance by City Council.

On September 8, 2015, the Planning and Land Use Management Committee (PLUM) continued the matter, instructing the Planning department to report to PLUM with a revised draft ordinance. On September 22, 2015, PLUM recommended approval of the revised draft ordinance. On October 6, 2015, the City Council adopted PLUM's recommendations, including a request to the City Attorney's Office to prepare and transmit the final ordinance establishing an HI zone. The Council also adopted an amending motion (Krekorian-Huizar), which amended PLUM's report to include an instruction to the Planning department to report to Council when it considers the final ordinance on options to add additional findings to address economic and health concerns.

This draft ordinance amends the LAMC to create a new type of zone, the HI Zone, which provides for developments that include a mix of live/work units with light industrial, hotel and other commercial uses. Under the draft ordinance, the HI Zone and the land uses it provides can only be utilized in areas of the City with a General Plan land use designation of Hybrid Industrial. Currently there are only two community plan areas in the City that include that designation: the Central City North and Northeast Community Plan areas. The HI Zone includes an incentive structure to encourage the development of affordable housing, as well as additional public benefits, like paseos and pedestrian plazas.

Charter Findings Required

Charter Section 558(b)(3) requires the Council to make the findings required in Subsection (b)(2) of the same section, namely whether adoption of the proposed ordinance will be in conformity with public necessity, convenience, general welfare and good zoning practice. Charter Section 558(b)(3)(A) allows the Council to adopt an ordinance conforming to the City Planning Commission's recommendation of approval of the ordinance, if the City Planning Commission recommends such approval. Similarly, Charter Section 556 requires the Council to make findings showing that the action is in substantial conformance with the purposes, intent and provisions of the General Plan. Council can either adopt the City Planning Commission's findings and recommendations or make its own.

On August 13, 2015, the CPC adopted the staff report and attached findings, approved the proposed ordinance and recommended its adoption by City Council. Specifically, the CPC made the following findings:

- In accordance with Charter Section 556, the proposed ordinance is in substantial conformance with the purposes, intent and provisions of the General Plan in that it establishes tailored development regulations for new live/work spaces, in terms of allowable uses and urban design standards to support the productive nature of industrial areas Citywide.
- The proposed code amendment ordinance is consistent with, and helps further accomplish, the goals, policies and objectives of the General Plan Framework, including: General Plan Framework Goal 3J (industrial growth that provides job opportunities for the City's residents and maintains the City's fiscal viability); Objective 3.14 (to provide land and supporting services for the retention of existing and attraction of new industries); Policy 3.14.2 (to provide flexible zoning to facilitate the clustering of industries and supporting uses, thereby establishing viable "themed" sectors); Objective 7.2 (to establish a balance of land uses that provides for commercial and industrial development which meets the needs of local residents, sustains economic growth and assures maximum feasible environmental quality).
- The proposed code amendment supports job opportunities by establishing land use regulations that allow the City to prioritize and retain land for light industrial, live/work and supporting uses in hybrid industrial areas of the City. Furthermore, the limited applicability of the proposed HI Zone to areas with a Hybrid Industrial land use designation supports the clustering of these industries in areas that have been recognized as viable locations for light industrial and supporting uses. Finally, the form standards established by the proposed code amendment ensure that such areas would have the capacity to house employment uses needed to meet the City's long term goals.
- In accordance with Charter Section 558(b)(2), the adoption of the proposed Hybrid Industrial Zone would be in conformity with public necessity, convenience, general welfare and good zoning practice because its measures are needed to regulate live/work uses in order to preserve the employment function of industrial land, encourage adaptive reuse of character structures and protect the balance of residential and job-producing land uses Citywide.
- Currently, there are only two Community Plan Areas that contain the Hybrid Industrial land use designation (Central City North and Northeast Los Angeles Community Plan areas). However, there are no specific parcels in those Plan areas or elsewhere in the City that are being rezoned as part of this project. Any use of the HI Zone in these Plan Areas shall require a future rezoning and/or a general plan amendment, if applicable.

As stated above, Charter Sections 556 and 558(b)(3) require City Council to make certain findings before adopting the proposed ordinance. The Council can adopt the City Planning Commission's findings or make its own.

Council Rule 38 Referral

A copy of the draft ordinance was sent, pursuant to Council Rule 38, to the Department of City Planning with a request that all comments, if any, be presented directly to the City Council or its Committees when this matter is considered.

If you have any questions regarding this matter, please contact Deputy City Attorney Adrienne Khorasanee at (213) 978-8246. She or another member of this Office will be present when you consider this matter to answer any questions you may have.

Very truly yours,

MICHAEL N. FEUER, City Attorney

By



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DM:ASK:mgm
Transmittal