

FINDINGS

Density Bonus / Affordable Housing Incentives Compliance Findings

1. Pursuant to Section 9.2.1 of the LAMC and Section 65915(e) of the California Government Code, the Commission shall approve a density bonus and requested incentive(s) unless the Commission finds that:
 - a. The incentives do not result in identifiable and actual cost reductions, consistent with California Government Code, Chapter 4.3. (Density Bonuses and Other Incentives), Sec. 65915(k), to provide for affordable housing costs as defined in California Health and Safety Code Sec. 50052.5, or for rents for the targeted units to be set as specified in California Government Code, Chapter 4.3. (Density Bonuses and Other Incentives), Sec. 65915(c).

The record does not contain substantial evidence that would allow the City Planning Commission to make a finding that the requested incentives do not result in identifiable and actual cost reductions 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 Very Low, 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 25 percent gross income based on area median income thresholds dependent on affordability levels.

Based on the set-aside of 11 percent of the total density for Very Low Income households, the applicant is entitled to two incentives under both Government Code Section 65915 and the LAMC. Accordingly, the two (2) requests for averaging of FAR, open space, parking, and vehicular access, and increased front yard fence height qualify as the proposed development incentives. The two requested incentives provide cost reductions that provide for affordable housing costs because the incentives by their nature increase the scale of the project, which facilitates the creation of more affordable housing units, and ensure financial feasibility given the safety concerns of existing and future tenants of the project site.

Averaging of FAR, density, parking, open space, and permitted vehicular access

Although the site's zoning allows for unlimited density and zero minimum parking, the project requires averaging across the entire site for FAR, open space, and vehicular access. While the proposed project involves the redevelopment of only existing surface parking lots, the entire project site consists of five (5) lots encompassing a total gross land area of approximately 1,364,565 square feet, or 31.33 acres. The requested on-menu incentive to allow the averaging of density, FAR, parking, open space, and permitted vehicular access across the site is expressly permitted pursuant to LAMC Chapter 1A Section 9.2.1-D.8 and, as such, permit exceptions to zoning requirements that result in building design or construction efficiencies that provide for affordable housing costs.

The requested averaged FAR, open space, and permitted vehicular access are necessary to allow the project to be developed with a density that makes the project financially feasible and allows for both the market rate and affordable units. Without this incentive, the allowable FAR, and density as a result, would be drastically limited as the proposed mixed-use buildings would have to be financed separately from the existing ROW DTLA office uses and parking structure. Therefore, this on-menu incentive will allow for the

construction of affordable units in addition to larger-sized dwelling units. Granting of the incentive would result in a building design and construction efficiencies that provide for affordable housing costs. Furthermore, the incentive would enable the developer to expand the building envelope so that additional affordable units can be constructed and the overall space dedicated to residential uses is increased. The increased building envelope also ensures that all dwelling units are of a habitable size while providing a variety of unit types. This incentive supports the applicant's decision to set aside 114 dwelling units for Very Low Income households for 55 years.

Front yard fence height

The subject property's [MB2-SH1-5][IX3-FA][CPIO] zoning permits a maximum front yard fence height of 3.5-feet, pursuant to LAMC Section 3B.4.1. The requested off-menu incentive would allow for the maintenance of an existing 8-foot front yard fence, representing an approximately 129 percent increase, to facilitate the development of the project as a high-density, mixed-use community including 114 units reserved for Very Low Income household occupancy.

The requested off-menu incentive for increased front yard fence height is necessary to facilitate the development of the proposed housing project, including its affordable units, because of the specific context of the project site. The project site is located in a dynamic urban environment with significant industrial and vehicular activity, including large trucks, and minimal pedestrian traffic, currently. While the surrounding area is undergoing redevelopment with other similar mixed-use projects that would likely improve these conditions, the current condition of the surrounding area renders the increased front yard fence height essential to provide adequate security, privacy, and separation for ground-floor residential uses and open spaces. The unique site conditions, including adjacency to major industrial thoroughfares and the existing commercial tenants on the site, necessitate a more robust physical barrier to ensure the safety and comfort of the project residents. Allowing the existing 8-foot-tall fence to remain directly supports the project's affordable housing goals by enabling the efficient use of ground-floor areas for residential amenity spaces, courtyards, and active uses that would otherwise be compromised by security concerns.

- b. **The incentive will have a specific adverse impact upon public health and safety or on any real property that is listed in the California Register of Historical Resources and for which there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact without rendering the development unaffordable to low income households and moderate income households. Inconsistency with the zoning ordinance or General Plan Land Use Designation shall not constitute a specific adverse impact upon the public health or safety.**

There is no substantial evidence in the record that any of the two proposed incentives will have a specific adverse impact upon public health and safety or the physical environment, or any real property that is listed in the California Register of Historical Resources. A "specific adverse impact" is defined as "a significant, quantifiable, direct and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete" (LAMC Section 9.2.1)

While the project does involve historic structures, the project would be built on entirely separate lots and would not have any impact on the existing historic resources, as detailed in the project's Historical Resources Report. The project is not located on a substandard

street in a Hillside area and is not located in a Flood Zone, Very High Fire Hazard Severity Zone, or any other special hazard area. Therefore, there is no substantial evidence that the proposed project, and thus the requested incentives, would have a specific adverse impact on the physical environment, on public health and safety or the physical environment, or on any Historical Resource. Based on the above, there is no basis to deny the requested incentives.

c. The incentives are contrary to state or federal law.

There is no substantial evidence in the record indicating that the requested Incentives are contrary to any State or federal laws.

2. Pursuant to Section 9.2.1 of the LAMC and Section 65915(e) of the California Government Code, the Commission shall approve a density bonus and requested waiver(s) unless the Commission finds that:

a. The development standard associated with a request for a waiver will not have the effect of physically precluding the construction of a development meeting the eligibility criteria described in Paragraph 1. (Eligibility) of Subsection C. (Program Rules), at the densities or with the base incentives and additional incentives permitted under Subsection C. (Program Rules).

Without these waivers the project would be physically precluded because it could not reach the building envelope required for the 1,000 units and 114 affordable units proposed.

Building C width increase

The project site is zoned with the MB2 form district and FA density district which limits density based on floor area. For the proposed 8-story building, the maximum building width would be 280 feet under this zoning which would physically preclude the proposed project. Without an increase in building width, the project would not be able to provide adequately sized dwelling units and corridors and would therefore not be able to accommodate the proposed density. The proposed dwelling units would be narrow and/or sized in a way that would not be desirable or comfortable for residents. Therefore, the applicant requests a waiver to increase the allowable building width to 337 feet and 10 inches, which would physically and financially enable the project to provide its affordable units (43 units in Building C and 114 units for the entire project).

Build-to-depth increase

The project site is zoned with the SH1 frontage district which requires a build-to-depth of 5 feet and a minimum build-to-width of 90 percent. In order to accommodate the proposed density of the project, the applicant requests to increase the build-to-depth to 8 feet in lieu of the 5 feet required. Without the increased build-to-depth, the project would not be able to provide adequately sized dwelling units and corridors and would therefore not be able to accommodate the proposed 1,000 dwelling units. The proposed dwelling units would be narrow and/or sized in a way that would not be desirable or comfortable for residents. Therefore, the applicant requests a waiver to increase the allowable build-to-depth to 8 feet, which would physically and financially enable the project to provide its 114 affordable dwelling units.

Street transparency reduction

The project site fronts Alameda Street and is zoned with the SH1 frontage district which requires 70 percent primary street ground transparency. The applicant instead requests a waiver to provide a primary street ground transparency of 49 percent to enable the project's proposed density. While 70 percent transparency is achievable for commercial uses, residential uses on the ground level cannot achieve that amount of transparency for privacy and security reasons. For residential uses, a balance must be struck between openness to the street and the privacy and security of residents. Excessive transparency in these areas can compromise resident comfort and safety, especially in a dense urban environment. Moreover, achieving high levels of transparency can conflict with energy performance goals. Large expanses of glazing increase solar heat gain and can lead to higher energy consumption for cooling, making it challenging to meet Title 24 and other sustainability targets. The proposed reduction allows for a more balanced facade that supports energy efficiency while still providing significant visual connection to the street. Allowing a moderate reduction in transparency provides flexibility to attract and retain a diverse mix of tenants, supporting the long-term economic vitality of the project.

Ground-story height reduction

The applicant requests a waiver to reduce the ground-story height from 16 feet to 13 feet, 6 inches to allow for the project's ground floor to accommodate both commercial and residential uses. The overall ROW DTLA site already has multiple historic buildings with existing commercial and industrial uses, and the northern portion of the site also holds an outdoor market on weekends. As a result, there is no shortage of commercial space in the vicinity; however, the area currently lacks adequate residential uses. In order to provide the proposed density, the project must include some residential units along Alameda Street, in addition to the retail and amenity spaces proposed on the ground floor of the three proposed buildings. A ground floor height of 16 feet would cause the habitable rooms within the residential uses to be smaller and less desirable for future residents. A ground floor height of 16 feet would also create inefficient units with high heating and cooling costs. Reducing the ground-story height to 13.5 feet would allow the ground floor to accommodate both residential and commercial uses without creating a height that is problematic for either use.

Through access increase

The applicant requests a waiver to provide through access at a spacing of 391 feet, 6 inches in lieu of the 350-foot maximum required by LAMC Section 4B.5. This waiver request is necessary to efficiently and physically develop the proposed project, as the project site encompasses a large, irregularly shaped urban block with multiple buildings, existing infrastructure, and a complex network of internal circulation routes. Strict adherence to the 350-foot maximum through access spacing would require the introduction of additional pedestrian passageways that would disrupt the optimal layout of residential buildings, compromise site security, and reduce the amount of usable open space and amenity areas available to residents, including those in affordable units. Denial of the requested waiver for increased through access would physically preclude the proposed development due to unique site conditions and the need to balance pedestrian connectivity with the provision of high-quality, secure, and functional residential environments. The project's design already incorporates multiple pedestrian access points and internal walkways that ensure convenient movement throughout the site and to adjacent public streets. However, requiring an additional passageway within the 350-foot interval would result in inefficient building footprints, loss of residential units, and diminished amenity spaces, thereby undermining the project's ability to deliver the maximum number of affordable housing units and the proposed project as a whole.

Pedestrian access relief

The project site is zoned with Package 1 per LAMC Section 4C.1.1.C.2 which requires that all pedestrian access along public streets be provided directly from the public street. Because the project is located on a site with an existing perimeter fence, and because the project is part of a larger development, the maintenance of the perimeter fence is important to continue the project's existing security measures and site identity. The project does include a number of residential dwelling units and commercial entrances facing Alameda Street, and pedestrians will be able to walk from Alameda Street to the residential and commercial entrances along Alameda Street without a vehicle; however, pedestrians would need to walk around the existing perimeter fence to access the entrances facing the public street. The perimeter fence is not expected to significantly add to the distance pedestrians will need to walk to access their desired entry point as the perimeter fence has openings for both pedestrian and vehicular access every 210 to 378 feet. Without the perimeter fence, the project would be physically precluded because there are existing commercial and industrial uses on-site which require the fence and there would not be adequate security for future residential and commercial tenants.

Floors 2 through 5 transparency reduction

The applicant requests a waiver to reduce the primary street transparency to 24 percent in lieu of the 30 percent required. The project proposes to develop floors 2 through 5 with residential dwelling units. While having transparency is desirable aesthetically and to provide for light and air, a balance must be struck between openness to the street and the privacy and security of residents. Excessive transparency in these areas can compromise resident comfort and safety, especially in a dense urban environment where the surrounding area is still largely developed with industrial uses. Moreover, achieving high levels of transparency can conflict with energy performance goals. Large expanses of glazing increase solar heat gain and can lead to higher energy consumption for cooling, making it challenging to meet Title 24 and other sustainability targets. The proposed reduction allows for a more balanced facade that supports energy efficiency while still providing significant visual connection to the street. Allowing a moderate reduction in transparency provides flexibility to attract and retain a diverse mix of tenants, supporting the long-term economic vitality of the project. Therefore, the requested waiver supports the applicant's decision to provide 1,000 dwelling units, including 114 affordable units.

Maximum build-to-width reduction

The applicant requests a waiver to reduce the maximum build-to-width to a 65 percent minimum in lieu of the 90 percent minimum required pursuant to LAMC Section 3B.4.1. LAMC Section 3C.1.1 requires that the ground floor and any additional stories comply with the build-to-width, and because the site is in the Shop Front 1 (SH1) district, a build-to-width of 90 percent is required. All three of the proposed buildings would comply with the required build-to-width on the ground floor; however, the buildings are designed in a manner where the upper floors have incrementally smaller floor plates to reduce the visual bulk and increase the width of the view corridors around the building, and thus the upper floors would not comply with the prescribed build-to-width requirement. If the project is required to comply with the build-to-width requirement, it would significantly hamper the architectural design and force the project to re-design the building in a standard box shape, which would remove the character and the aesthetics of the current design and make the development unappealing, especially given its proximity to various historic buildings and existing low-rise buildings. Therefore, the project requests that a waiver be granted to allow the architectural elements of the proposed buildings, as well as the project's proposed density, to remain.

- b. The waiver would have a specific adverse impact, upon public health and safety and for which there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact. Inconsistency with the zoning ordinance or General Plan Land Use Designation shall not constitute a specific adverse impact upon the public health or safety.**

There is no substantial evidence in the record that any of the proposed waivers will have a specific adverse impact upon public health and safety or the physical environment. A "specific adverse impact" is defined as "a significant, quantifiable, direct and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete" (LAMC Section 9.2.1). The project is not located on a substandard street in a Hillside area and is not located in a Flood Zone, Very High Fire Hazard Severity Zone, or any other special hazard area. Therefore, there is no substantial evidence that the proposed project, and thus the requested incentives, would have a specific adverse impact on the physical environment, on public health and safety or the physical environment. Based on the above, there is no basis to deny the requested waivers.

- c. The waiver would have an adverse impact on any real property that is listed in the California Register of Historical Resources.**

There is no substantial evidence in the record that any of the proposed waivers will have a specific adverse impact upon any real property that is listed in the California Register of Historical Resources. A "specific adverse impact" is defined as "a significant, quantifiable, direct and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete" (LAMC Section 9.2.1). While the project does involve historic structures, the project would be built on entirely separate lots and would not have any impact on the existing historic resources, as detailed in the project's Historical Resources Report. Therefore, there is no substantial evidence that the proposed project, and thus the requested waivers, would have a specific adverse impact on any Historical Resource. Based on the above, there is no basis to deny the requested waivers.

- d. The waiver would be contrary to state or federal law.**

There is no substantial evidence in the record indicating that the requested waivers are contrary to any State or federal laws.

Project Review Findings

- 3. The project is in substantial conformance with the purposes, intent and provisions of the General Plan, applicable community plan, and any applicable specific plan.**

The Los Angeles General Plan sets forth goals, objectives, and policies that guide both Citywide and community specific land use policies. The General Plan is comprised of a range of State-mandated elements, including, but not limited to, Land Use, Housing, Transportation/Mobility, Noise, and Safety. Each of these Elements establishes policies that provide for the regulatory environment in managing the City and for addressing environmental concerns and problems. The majority of the policies derived from these Elements are in the form of Code Requirements of the Los Angeles Municipal Code. The City's Land Use Element is divided into 34 community plans that establish parameters for land use decisions within those sub-areas of the City. While the General Plan sets out a long-range vision and guide to

future development, the 34 Community Plans provide the specific, neighborhood-level detail, relevant policies, and implementation strategies necessary to achieve the General Plan objectives. The project site is located in the Downtown Community Plan area and is not subject to any applicable specific plans. The project is located within the Downtown Community Plan Implementation Overlay District (CPIO) but is not considered a project within its parameters.

Downtown Community Plan

The subject property is located within the Downtown Community Plan which designates the subject property for Hybrid Industrial land uses which corresponds to the project site's IX-3 use district. The IX-3 use district permits commercial and residential uses subject to the Inclusionary Housing Program. The project is subject to Inclusionary Set A pursuant to LAMC Section 5C.3.1.C.3 and meets this requirement by setting aside 11 percent of its total dwelling for Very Low Income household occupancy. The proposed project advances the following policies for Hybrid Industrial land uses within the Community Plan:

LU Goal 31 Diverse land uses welcome sustainable new and adaptive reuse structures that accommodate a range of hybrid industrial and productive activities.

LU 31.2: Ensure a thoughtful mix of land uses including amenities to serve the evolving creative employee base and live/work community.

LU Goal 33: The housing stock reinforces and complements the productive, entrepreneurial, and creative focus of hybrid industrial areas.

LU 33.3: Enhance livability by expanding access to commercial and institutional services and amenities.

The **Framework Element** for the General Plan (Framework Element) was adopted by the City of Los Angeles in December 1996 and re-adopted in August 2001. The Framework Element provides guidance regarding policy issues for the entire City of Los Angeles, including the project site. The Framework Element also sets forth a Citywide comprehensive long-range growth strategy and defines Citywide policies regarding such issues as land use, housing, urban form, neighborhood design, open space, economic development, transportation, infrastructure, and public services. The Framework Element includes the following goals, objectives, and policies relevant to the instant request:

Goal 3A: A physically balanced distribution of land uses that contributes towards and facilitates the City's long-term fiscal and economic viability, revitalization of economically depressed areas, conservation of existing residential neighborhoods, equitable distribution of public resources, conservation of natural resources, provision of adequate infrastructure and public services, reduction of traffic congestion and improvement of air quality, enhancement of recreation and open space opportunities, assurance of environmental justice and a healthful living environment, and achievement of the vision for a more livable city.

Objective 3.1: Accommodate a diversity of uses that support the needs of the City's existing and future residents, businesses, and visitors.

Policy 3.1.4: Accommodate new development in accordance with land use and density provisions of the General Plan Framework Long-Range Land Use Diagram.

Objective 3.2: Provide for the spatial distribution of development that promotes an improved quality of life by facilitating a reduction of vehicular trips, vehicle miles traveled, and air pollution.

Policy 3.2.1: Provide a pattern of development consisting of distinct districts, centers, boulevards, and neighborhoods that are differentiated by their functional role, scale, and character. This shall be accomplished by considering factors such as the existing concentrations of use, community-oriented activity centers that currently or potentially service adjacent neighborhoods, and existing or potential public transit corridors and stations.

Policy 3.2.2: Establish, through the Framework Long-Range Land Use Diagram, community plans, and other implementing tools, patterns and types of development that improve the integration of housing with commercial uses and the integration of public services and various densities of residential development within neighborhoods at appropriate locations.

Objective 3.4: Encourage new multi-family residential, retail commercial, and office development in the City's neighborhood districts, community, regional, and downtown centers as well as along primary transit corridors/boulevards, while at the same time conserving existing neighborhoods and related districts.

The **Housing Element** is the City's blueprint for meeting housing and growth challenges. It identifies the City's housing conditions and needs, establishes goals, objectives, and policies to guide future housing decisions, and provides an array of programs to meet Citywide Housing Priorities, including addressing the housing shortage, advancing racial equity and access to opportunity, preventing displacement, and promoting sustainability and resilience. The Housing Element includes the following objectives and policies relevant to the instant request:

Goal 1: A City where housing production results in an ample supply of housing to create more equitable and affordable options that meet existing and projected needs.

Objective 1.1: Forecast and plan for existing and projected housing needs over time with the intention of furthering Citywide Housing Priorities.

Policy 1.1.2: Plan for appropriate land use designations and density to accommodate an ample supply of housing units by type, cost, and size within the City to meet housing needs, according to Citywide Housing Priorities and the City's General Plan.

Objective 1.2: Facilitate the production of housing, especially projects that include Affordable Housing and/or meet Citywide Housing Priorities.

Policy 1.2.1: Expand rental and for-sale housing for people of all income levels. Prioritize housing developments that result in a net gain of Affordable Housing and serve those with the greatest needs.

Policy 1.2.2: Facilitate the construction of a range of different housing types that addresses the particular needs of the city's diverse households.

Objective 1.3: Promote a more equitable distribution of affordable housing opportunities throughout the city, with a focus on increasing Affordable Housing in Higher Opportunity Areas and in ways that further Citywide Housing Priorities.

Policy 1.3.1: Prioritize housing capacity, resources, policies and incentives to include Affordable Housing in residential development, particularly near transit, jobs, and in Higher Opportunity Areas.

Policy 1.3.2: Prioritize the development of new Affordable Housing in all communities, particularly those that currently have fewer Affordable units.

Goal 3: A City in which housing creates healthy, livable, sustainable, and resilient communities that improve the lives of all Angelenos.

Policy 3.1.7: Promote complete neighborhoods by planning for housing that includes open space, and other amenities.

Objective 3.2: Promote environmentally sustainable buildings and land use patterns that support a mix of uses, housing for various income levels and provide access to jobs, amenities, services and transportation options.

Policy 3.2.2: Promote new multi-family housing, particularly Affordable and mixed-income housing, in areas near transit, jobs and Higher Opportunity Areas, in order to facilitate a better jobs-housing balance, help shorten commutes, and reduce greenhouse gas emissions.

The proposed project meets the various policies and goals of the Downtown Community Plan, Framework Element, and Housing Element by developing a highly dense, mixed-use project, consisting of both residential and commercial uses, within the downtown area where there is currently a lack of both affordable housing units as well as desirable amenities that are easily accessible. In addition to the new residential and commercial uses being created as a result of the proposed project, the project site includes a vibrant and diverse collection of various commercial and entrepreneurial uses to promote the creative industry. The proposed project would take the place of existing surface parking lots and would be scaled appropriately, given the industrial and light industrial character of the surrounding area. The project is situated in Downtown Los Angeles where this is high connectivity and transit options to other parts of the City. The ROW DTLA campus is highly walkable and would provide abundant bicycle parking spaces and related amenities. The project would provide a net increase of 1,000 dwelling units, including 114 affordable units, to support the existing and future housing needs of the City.

As such, the project is in substantial conformance with the purposes, intent and provisions of the General Plan and does not conflict with any applicable regulations or standards.

4. **The project consists of an arrangement of buildings and structures (including height, bulk and setbacks), off-street parking facilities, loading areas, lighting, landscaping, trash collection, and other such pertinent improvements, that is or will be compatible with existing and future development on adjacent properties and neighboring properties.**

The project site consists of five (5) lots encompassing a total gross land area of approximately 1,364,565 square feet, or 31.33 acres. The subject property is irregularly shaped and is generally bound by 7th Street to the north, Alameda Street to the east, and Central Avenue to the west. The project site features approximately 899 feet of frontage along 7th Street,

1,262 feet along Central Avenue, and 1,197 feet along Alameda Street. The project site has seven (7) existing buildings, which total approximately 1,291,413 square feet of floor area. All existing buildings would remain, as the proposed project would redevelop the three surface parking areas fronting Alameda Street.

The project involves the demolition of existing surface parking lots and the construction of three 8-story buildings containing a total of 1,000 residential dwelling units, of which 114 units would be restricted to Very Low Income households. The project would have a total of 844,278 square feet of floor area (including 6,547 square feet of commercial floor area) as follows: 1) South Building A would contain 410 dwelling units and 337,620 square feet of floor area (including 1,119 square feet of ground floor commercial space), and would rise to 102 feet in building height over two levels of subterranean garage parking; 2) South Building B would contain 214 dwelling units and 182,605 square feet of floor area, and would rise to 100 feet in building height over two levels of subterranean garage parking; and 3) North Building C would contain 376 dwelling units and 324,053 square feet of floor area (including 5,428 square feet of ground floor commercial space), and would rise to 101 feet of building height over two levels of subterranean garage parking. The project proposes to include a total of 1,092 vehicular parking spaces within the subterranean garages.

Height, Bulk, and Setbacks

The project's proposed commercial retail uses front Alameda Street, Warehouse Street, and Center Street. The buildings' facades fronting Alameda Street feature curved and slanted edges for a smooth transition to the buildings' facades fronting 7th street, Warehouse Street, and Center Street. The building massing is strategically stepped back from adjacent lower scale uses, providing a sensitive transition to neighboring properties, including historic buildings and the various existing buildings on-site.

The project is designed so that building facades are in harmony with uses on all sides of the project site. Pedestrian entrances along the ground floor are concentrated on Center Street and Alameda Street to promote sidewalk activity along the street. Vehicular access is concentrated on Warehouse Street. The exterior facades will incorporate modern architectural design and articulation to respect the neighboring commercial and multi-family residential properties. The exterior facades along Center Street/Alameda Street, will be lined with pedestrian access points, retail, restaurant, and café store fronts, open-air balconies, and building entrances. The project's height would be compatible with other existing and future developments within the vicinity of the project. While the MB2 form district allows unlimited height, the project proposes to construct three eight-story buildings that are oriented toward Alameda Street. The vicinity of the site is currently improved with developments similar in size and use to the project, as described above, with such properties being comprised primarily of one- to seven-story commercial and residential buildings.

The project's bulk, massing, setbacks, and entrances would be compatible with existing and future development on adjacent and neighboring properties. The proposed project would make strategic use of building massing and orientation to frame the main entrances along Alameda/Center Street, thereby promoting safe pedestrian access through the ground-level entrances, unobstructed view from the public right-of-way. The project's facades incorporate modern but muted architectural features to create a development featuring visual interest while respecting the neighboring uses. The new eight-story buildings contain a neutral color palette, painted steel guardrails, and floor to ceiling windows. Through its entrance, massing, and façade orientation, the project would break up building mass and contribute to a pedestrian scale environment. Accordingly, the project is compatible with other existing and future developments within the vicinity, as required by the Community Plan.

Off-Street Parking Facilities and Loading Areas

The project site is located within half mile of a Major Transit Stop and, pursuant to AB 2097, there is no minimum parking requirement. Nevertheless, the project would include a total of 1,092 vehicular parking spaces among the three buildings. Building A will include 449 parking spaces, Building B will include 204 parking spaces, and Building C will include 439 parking spaces. The 1,092 parking spaces would be located within two levels of the subterranean parking garage, located in each building. Vehicular ingress and egress to the project's parking is located along the internal Warehouse Street, which may be accessed from Alameda Street and 7th Street. The internal access points would help to avoid disrupting the streetscape along the perimeter of the project site. The project features turnaround areas for convenient pick-up/drop-off/deliveries, as well as a loading zone located near the "back of house" uses and the existing parking structure to facilitate the moving-in or moving-out process for residents. The project also provides Code-required bicycle parking spaces, as well as related amenities, which would be located on the ground level of the buildings, along Alameda Street. The bicycle parking amenities would encourage project employees, residents, and visitors to utilize alternative forms of transportation, thereby minimizing the impact of vehicles on the environment.

Lighting

Lighting is required to be provided per LAMC requirements. The project proposes security lighting to illuminate building, entrances, walkways and parking areas. As conditioned, the project is required to provide outdoor lighting with shielding, so that the light source cannot be seen from and will not adversely affect adjacent residential properties. Therefore, the lighting will be compatible with the existing and future developments in the neighborhood.

Landscaping

The project's landscaping would include street trees to minimize the visual impact along the streetscape and provide visual relief to pedestrians and neighboring properties. A total of 383 on-site trees will be provided, including 136 terrace trees and 247 trees at-grade. Notably, the project is surrounded by mature existing street trees and intends to maintain all existing street trees. Only two on-site non-protected trees would be removed. The proposed project would include a total of approximately 63,416 sf of landscaped area. The project will include green spaces along Alameda Street, and various open areas along the project perimeter. The project would also include a variety of plant and tree species on Level 2 and rooftop decks of the buildings. The proposed trees and other landscaping along the exterior and within the interior of the site would help to create a visually attractive development. Further, the proposed trees would create shaded spaces and offer various ecological benefits to the project. The landscape design has been developed in a manner which includes a variety of drought-tolerant and native species appropriate for the Southern California climate. Details are provided in Exhibit A demonstrating the project's landscape plan which will ensure that appropriate plant species and compliant soil depths are incorporated. The project has further been conditioned to utilize automatic irrigation systems to maintain landscaped areas and ensure that all open areas not used for buildings, driveways, parking areas, recreational facilities or walks are adequately landscaped.

Trash Collection

In order to ensure that trash collection causes minimal disruption within the vicinity of the project site, trash and recycling storage facilities would be enclosed within the site, away from ingress and egress, with the main trash and recycling facilities located on the ground floor and first parking level. Additionally, the project would include various secure trash enclosures in

the interior of the property on the residential floors. Accordingly, the project would minimize any potential disruption to the surrounding community by trash-related activities, including fumes or noise from storage and collection. All trash facilities will be secured and not within view from the public right-of-way.

Sustainability

As shown in the attached plans (Exhibit A), the project will provide the required number of Electric Vehicle (EV) parking per the Building Code (40 percent would be EV ready and 10 percent equipped with EV chargers). Of the project's proposed 1,092 parking spaces provided within the two levels of subterranean garages, the project will be providing 110 EVCS ready parking spaces with EV chargers and 438 EV ready parking spaces with receptacles. The project will also be providing 534 bicycle parking spaces along with locker facilities and five (5) showers. The project will be providing 10 percent more solar than is required by the California Energy Code of the total roof area as solar ready zones in addition to a battery. In addition, the project will be providing native and drought-tolerant landscaping, shade trees throughout, light-colored paving to mitigate urban heat island effect, low-flow plumbing fixtures, and stormwater collection and infiltration systems in compliance with the City's Low Impact Development (LID) Standards, as indicated on the project's landscape plans.

5. Any residential project provides recreational and service amenities to improve habitability for its residents and minimize impacts on neighboring properties.

The proposed project would create 1,000 dwelling units including 516 studios, 402 one-bedroom units, and 82 two-bedroom units. Building A's pedestrian access from the subterranean garage to the ground floor is provided by stairwells located at the western, southern, and southeastern portions of the building. Building B's pedestrian access from the subterranean garage to the ground floor is provided by stairwells located at the western and eastern portions of the building. Building C's pedestrian access from the subterranean garage to the ground floor is provided by stairwells located at the southern and northwestern portions of the building. Each stairwell is near elevators that provide ADA access. The refuse collection area would be located on the ground floor with its own entry, away from pedestrians and would not be visible from any of the abutting public streets. In addition to the 1,092 parking spaces provided within the two levels of subterranean garages, the project will be providing 110 EVCS ready parking spaces with EV chargers and 438 EV ready parking spaces with receptacles. The project will also be providing 534 bicycle parking spaces along with locker facilities and five (5) showers.

The project proposes to provide both amenity spaces and landscaped open space areas across the entire project site. South Building A would contain 11,943 square feet of lot amenity space and 33,762 square feet of residential amenity space. South Building B would contain 6,586 square feet of lot amenity space and 18,260 square feet of residential amenity space. North Building C would contain 12,877 square feet of lot amenity space and 32,405 square feet of residential amenity space. The project would require removal of two (2) on-site trees and would provide a total of 383 new on-site trees, including 136 terrace trees and 247 ground-planted trees. There are currently 27 mature street trees planted along Alameda, all of which will remain protected in place. In total, the project would provide approximately 63,416 square feet of landscaped area. The project will also be providing 10 percent more solar than is required by the California Energy Code of the total roof area as solar ready zones in addition to a battery.

Zone Variance Findings

6. That the strict application of the provisions of the zoning ordinance would result in practical difficulties or unnecessary hardships inconsistent with the general purposes and intent of the zoning regulations.

The property is an expansive 31-acre site with an overall frontage along Alameda Street of approximately 1,100 feet. The project site is presently developed with the ROW DTLA development, which consists of retail, restaurant, commercial and industrial uses and a weekly Sunday outdoor dining event called Smorgasburg LA. The proposed project intends to develop three, eight-story-tall, mixed-use buildings within the existing surface parking lots fronting Alameda Street. As the new mixed-use buildings and ground-floor commercial spaces would front Alameda Street, it is important for the economic viability of future businesses to have visibility along Alameda Street and ensure that their patrons or visitors would be able to easily locate their commercial spaces.

To allow for wayfinding, the project proposes a projecting sign on each of the three buildings. The proposed projecting signs would be on-site signs that serve to identify the three buildings and the future businesses within those buildings. The signs would not be off-site signs and would not serve as advertisements or billboards. Due to the scale of the proposed buildings, which would each be approximately 100 feet in height, projecting signs with 300 square-foot sign faces are required for scale compatibility and visibility. However, the project is subject to Development Standard 5 and the corresponding Sign Package 2 with its zoning which limits projecting signs to a sign area of 48 square feet. At 48 square feet, the projecting signs would not be visible and would not be compatible with the proposed buildings along Alameda Street in terms of scale.

Further, LAMC Section 4C.11.6-C.9.D, allows for three projecting signs if a site has 600 feet of street frontage, and an additional 1 sign per every additional 200 feet of frontage. The site, with approximately 1,100 feet of frontage along Alameda Street, would be allowed 5 projecting signs at 48 square feet each. However, 5 projecting signs that are each only 48 square feet in size would create a visually cluttered look along the building's façade and would not serve to help identify the buildings along Alameda Street. Due to the length of the site along Alameda Street, a single 300 square-foot projecting sign on the façade of each of the buildings would be more visually appealing and easily identifiable.

In terms of the combined sign area permitted at the site, Sign Package 2 permits a combined sign area for all projecting signs of 25 square feet plus 1.5 square feet per foot of building frontage. Because the project's three proposed buildings are designed to allow for ample areas to serve as pedestrian walkways, outdoor decorative landscape areas, and plazas, the project's combined building frontage is 638 feet, which would only allow for up to 982 square feet of projecting sign area. The three proposed projecting signs would have sign faces of 300 square feet each; however, each projecting sign would have two sign faces, and therefore, the three signs would have a combined sign face area of 1,800 square feet, exceeding the allowable maximum combined sign area at the site. Because the project is designed with three separate buildings along Alameda Street, if the project reduces the number of projecting signs to two signs, one building would not have an identifying sign, which would be an unnecessary hardship, and it would be visually unbalanced.

Zoning regulations are meant to reduce incompatibility between different kinds of uses. In the instant case, the zoning regulation anticipated a smaller scale development where smaller projecting signs would be more befitting. The small signage allowance, which again was anticipate for smaller developments, brings practical difficulties to a large campus-style development with three, approximately 100-foot-tall buildings with a total frontage of 1,100 square feet.

Therefore, the strict application of the provisions of the zoning ordinance would result in practical difficulties or unnecessary hardships inconsistent with the general purposes and intent of the zoning regulations.

- 7. That there are special circumstances applicable to the subject property such as size, shape, topography, location or surroundings that do not apply generally to other property in the same zone and vicinity.**

As discussed above in Finding No. 6, the strict application of the zoning code in terms of projecting sign requirements creates a special circumstance that causes practical difficulties for the overall size and shape of the project site. The site spans approximately 31 acres in land area and has an overall frontage along Alameda Street of approximately 1,100 feet. Currently, there are no other sites in the vicinity with similar size and development capacity as the project vicinity has long been industrial in nature. To design the project to be compatible in scale with the site and to accommodate the proposed residential density, including affordable units, three buildings with approximately 100 feet of building height are proposed. The applicant requests the subject variance to allow projecting signs to be scaled to the large size of the buildings and site and to be placed in visually appealing and prominent manner for wayfinding purposes.

The project site's size is unique in the surrounding area. The subject site is the only site in the vicinity that is 31 acres large with 1,100 feet of frontage along Alameda Street. Therefore, for the reasons stated above, the project's location, size, height, operations, and other significant features will be compatible with and will not adversely affect or further degrade adjacent properties, the surrounding neighborhood, or the public health, welfare, and safety.

- 8. That the variance is necessary for the preservation and enjoyment of a substantial property right or use generally possessed by other property in the same zone and vicinity but which, because of the special circumstances and practical difficulties or unnecessary hardships, is denied to the property in question.**

Due to the site's unique size, shape, and length of frontage on Alameda Street, the project proposes to construct the subject 1,000 unit, mixed-use development within three buildings along the approximately 1,100 feet frontage along Alameda Street. As the project site is significantly larger than the surrounding properties, and it is one of the few properties in the Downtown Community Plan area that is over 30 acres in area, strict application of the Code requirements relating to projecting signs would not allow the project site to have the ability to enjoy the right to place identification signs for the on-site buildings and businesses along the new proposed buildings in a manner that is adequately scaled to the building size and visible from Alameda Street.

As LAMC Section 4C.11.6-C.9.D only allows for projecting signs that are up to 48 square feet on the site, strict application of the projecting sign size limit would result in a cluster of small signs which would not only clutter the façade of the proposed buildings, but also be difficult to visually identify for potential visitors, residents, and patrons of the project site.

Further, LAMC Section 4C.11.6-C.9.D allows combined sign area of project signs to be calculated based off of the building frontage only. While the site has a long frontage of 1,100 feet, the buildings are intentionally designed with a combined frontage of only approximately 638 feet to provide for pedestrian walkways, open areas, plazas, and landscaping. The strict application of the Code would reduce the amount of signage permitted at the site and, in addition, would discourage urban design and form that breaks up the massing of the buildings while increasing the landscaped open areas at the site.

As proposed, the project requires a variance to place a 300-square-foot projecting sign on each of three proposed buildings. There are special circumstances arising out of the project's unique campus-style development encompassing nearly an entire block. As such, the requested variance is necessary for the preservation and enjoyment of a substantial property right or use generally possessed by other property in the same zone and vicinity but which, because of the special circumstances and practical difficulties or unnecessary hardships, is denied to the property in question.

9. That the granting of the variance will not be materially detrimental to the public welfare, or injurious to the property or improvements in the same zone or vicinity in which the property is located.

The applicant requests a variance to permit one 300-square-foot projecting sign on each of the three proposed mixed-use buildings that would add a combined 1,000 dwelling units to the City. As the State and City are in a severe housing crisis, the addition of 1,000 residential units, including 114 affordable units, will help to reach the allocated State and City goals. As discussed in the Findings above, the variance is necessary to allow the buildings to have projecting signs that are scaled appropriately to the buildings due to the site's uniquely long frontage length along with the short building frontage lengths. The proposed projecting signs would not be placed above the proposed building's roof line and would be 300 square feet each, which would be compatible with the scale of the proposed buildings. As proposed, the on-site project signs would be easily identifiable and uncluttered and would result in less distraction to vehicular traffic along Alameda Street. The projecting signs would only serve to identify the on-site buildings and the businesses and would not be used for any sort of off-site commercial advertising. The proposed project along with its proposed signage would facilitate financial viability for both the residential and commercial uses. As such, the granting of the requested variance will not be materially detrimental to public welfare, or injurious to the property or improvements in the same zone or vicinity in which the property is located.

10. That the granting of the variance will not adversely affect any element of the General Plan.

The General Plan is the City's roadmap for future growth and development. The General Plan Elements establish goals, policies, purposes, and programs that provide for the regulatory environment in managing the City, and for addressing environmental concerns and problems. The majority of the policies derived from these elements are implemented in the form of Municipal Code requirements. The General Plan is comprised of the Framework Element, seven State-mandated elements, and four additional elements. The Framework Element establishes the broad overall policy and direction for the General Plan.

The Land Use Element of the City's General Plan divides the City into 34 Community Plans. The subject property is located within the Downtown Community Plan area. The associated General Plan Land Use Map designates the property for Hybrid Industrial land uses, with corresponding LB2, LB1, MB1, MB2, and MM1 form districts and the IX3 and IX4 use districts. The property is zoned [MB2-SH1-5] [IX3-FA] [CPIO] and is thus consistent with the General Plan's land use designation for the site.

The Downtown Community Plan is silent with regards to the allowable sizes for projecting signs. In such cases, the Zoning Administrator must interpret the intent of the Plans. Specifically, the project addresses the following goals and policies of the Community Plan:

LU GOAL 33: The housing stock reinforces and complements the productive, entrepreneurial, and creative focus of hybrid industrial areas.

- LU 33.1: Implement live/work housing options that can accommodate a range of job productive activities, and allow units to function as an incubator for new businesses.
- LU 33.2: Promote affordability through the development of a range of unit sizes and incentives for on-site covenanted affordable live/work units.
- LU 33.3: Enhance livability by expanding access to commercial and institutional services and amenities.
- LU 33.4: Cultivate a live/work residential community by requiring a minimum amount of production space in new development projects to support the maker economy and innovation.

Though the Community Plan does not explicitly contain any policies regarding the proposed variance request related to signs, the Community Plan has designated the property for hybrid industrial land uses, including commercial and multi-family residential uses. As proposed, the project would not only maintain the existing retail, restaurant, industrial and office uses of ROW DTLA, but also add additional commercial uses and 1,000 residential dwelling units, including 114 Very Low Income restricted affordable units. The project would add much-needed market rate and affordable dwelling units to the City's housing stock and would add new dense residential development in proximity to an existing vibrant commercial campus. The arrangement of land uses on the site along with the proposed project's design would enhance the livability by expanding access for residents to commercial and institutional services both on-site and off-site. The proposed project would help implement the policy goal of the Community Plan to cultivate an environment where residents can live and work within the same community.

The requested variance is necessary to accommodate the development and feasibility of the proposed project which meets the goals and policies of the Community Plan. The instant grant would allow for the project to have adequate identification projecting signs that would ensure the visibility of the proposed new commercial spaces and allow the building to be easily locatable. As the proposed project meets the goals and policies of the Community Plan, and the Community Plan does not explicitly mention policies regarding signage, the granting of the variance will not adversely affect any element of the General Plan.

Environmental Findings

11. Housing Element Streamlining Checklist. The proposed project was found to be within the scope of the 2021-2029 Housing Element Environmental Impact Report (EIR), SCH No. 2021010130, ENV-2020-672-EIR, certified on November 24, 2021 (Housing Element EIR), the Addendum No. ENV-2020-6762-EIR-ADD1 was adopted on June 14, 2022 and the Addendum No. ENV-2020-6762-EIR-ADD2 was adopted on December 10, 2024. The proposed project, which includes the development of 420,327 housing units (cumulatively, 456,643), is within the scope of the 2021-2029 Housing Element as it will build out the City's regional housing needs assessment (RHNA). A CEQA Streamlining Checklist for a Project Within the Scope of the Housing Element Program EIR, ENV Case No. ENV-2024-8218-HES (HE Streamlining Checklist), was prepared for the proposed project, pursuant to CEQA Guidelines Section 15168(c). Section 15168(c) provides for limited environmental review of subsequent projects under a Program EIR, where the project is found to be an activity within the scope of the program for which the EIR was prepared, and the impacts of the project are within the scope of the impacts analyzed in the EIR. Council found that the Housing Element EIR analyzed the impacts of the build-out of the RHNA, which involves the development of

housing citywide. The HE Streamlining Checklist was prepared by staff to determine whether the impacts of the proposed project are within the scope of the Housing Element EIR. The prepared HE Streamlining Checklist supports that the impacts of the proposed project are within the scope of the Housing Element EIR and that no significant environmental effects not examined in the Program EIR will occur from the proposed project. All required mitigation measures from the Housing Element EIR Mitigation Monitoring Program (MMP) will be imposed on the proposed project. An MMP for the proposed project has been prepared for adoption by the decisionmaker.

12. **Flood Insurance.** The National Flood Insurance Program rate maps, which are a part of the Flood Hazard Management Specific Plan adopted by the City Council by Ordinance No. 172,081, have been reviewed and it has been determined that this project is located in Zone X, areas of minimal flood hazard.