

# CITY OF GLENDALE CALIFORNIA REPORT TO CITY COUNCIL AND HOUSING AUTHORITY

December 11, 2012

AGENDA ITEM
Report: Small Lot Subdivision Initiation  1. That the City Council direct staff to prepare options for implementing a small lot subdivision ordinance.
COUNCIL ACTION
Public Hearing; ] Ordinance [ ] Consent Calendar [ ] Action Item [ > ] Report Only [ ]  Approved for \( \overline{\text{7.012}} \) calendar
ADMINISTRATIVE ACTION
Submitted Hassan Haghani, AICP, Director of Community Development
Prepared Tim Foy, AICP, Deputy Director Planning & Neighborhood Svc.
Laura Stotler, AICP, Principal Planner
Alan Loomis, Principal Urban Designer
Approved Scott Ochoa, City Manager
Michael Garcia, City Attorney
RECOMMENDATION

1. That the City Council direct staff to initiate a small lot subdivision ordinance, initiate small lot design guidelines and initiate options for processing small lot subdivisions, including modifications to

The Community Development Department recommends:

Glendale development codes.

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#### SUMMARY

This item is presented at the direction of Council in response to a constituent request to allow small lot subdivisions in Glendale. Small lot subdivisions allow for ownership of single units on individual lots in multi-family zones where the lots are smaller than those permitted in single-family neighborhoods, yet the densities are comparable to existing multi-family zoning. Small lot subdivisions create an investment tool for existing multi-family neighborhoods, particularly those which have been downzoned in the past, because they promote infill, increase housing choices and provide opportunities for homeownership affordable to Glendale's workforce. Small lot subdivisions may also offer an opportunity to preserve units with historic character that were constructed under earlier zoning standards. Small lot developments allow for flexibility to deal with a variety of site constraints and urban design is a critical component to the success of any small lot development. Any proposal for a small lot ordinance needs to be accompanied by small lot design guidelines and include a study of broader code changes for implementation, including but not limited to the design review process, the subdivision process, building code, fire code, utility standards, etc... necessary to streamline implementation of a small lot ordinance.

#### FISCAL IMPACT

No fiscal impact is anticipated from initiating staff preparation of a small lot subdivision ordinance since staff would develop the program. However, positive fiscal impact is anticipated should a small lot subdivision ordinance be adopted that will encourage development of infill lots in certain multi-family zones.

## **ANALYSIS**

# What is a Small Lot Ordinance?

On January 31, 2008, the City of Los Angeles adopted a landmark ordinance known as the "Small Lot Subdivision (Townhome) Ordinance" which, together with Small Lot Design Guidelines, creates a new housing option. (See Exhibits 1 and 2) Los Angeles' Small Lot Subdivision Ordinance permits subdivision of multi-family and limited commercially zoned properties into small single family or townhome style lots by reducing minimum lot size and interior setback requirements, and by eliminating requirements for conventional street frontage and traditional access. The purpose of the Small Lot Ordinance is to enable ownership of fee simple single family homes, accommodating a variety of configurations, as long as each structure, from the foundation to the roof, is separate and independent on its own. Small lot subdivisions provide additional home ownership housing opportunities and increase housing choices within the community.

The most common examples of City of Los Angeles small lot subdivisions near Glendale appear to be multi-family townhome design, although one small lot example favors small single-family bungalows. A small lot example on Maltman Avenue shows the effectiveness for small lot subdivisions for historic preservation of bungalow development. The attached map and descriptions in Exhibit 3 show the variety and flexibility for small lot development in multi-family neighborhoods, similar to those that exist in Glendale. The small lot subdivision ordinance has proven to be an effective tool in Los Angeles and may be similarly effective in Glendale.

#### Benefits of a Small Lot Ordinance for Glendale

Glendale needs to revive local neighborhood investment in downzoned multi-family zoned

neighborhoods without increasing zoning density. Multi-family downzoning has resulted in multi-family neighborhoods with eclectic densities, setbacks and inconsistent development patterns throughout Glendale. Reduced allowable densities, high land costs, requirements for subterranean parking, and lending restrictions are factors that have limited new residential construction in Glendale's multi-family neighborhoods. This is particularly evident in South Glendale where the lack of investment has led to substandard conditions in some areas, leading to a lower quality of life and an increased need for code enforcement. A small lot ordinance may encourage development of infill lots within these areas, providing neighborhood investment, greater housing choice, and new opportunities for affordable home ownership.

Currently, Glendale offers incentives for lot consolidation in multi-family neighborhoods, thereby giving additional density for multi-family projects which combine lots. However, many individual lots remain throughout multi-family neighborhoods where lot consolidation is not possible for various reasons. While many multi-family zoned properties have to potential to add one or two units, construction finance constraints that favor individual (not common lot) ownership, high construction costs for excavation necessary to construct subterranean parking, and minimal return on investment have made it unattractive for property owners to construct new apartments and condominiums on individual lots.

Small lot subdivision is a tool for creating new investment in multi-family areas, focusing on infill development. While traditional single-family subdivisions are constructed at suburban densities, the basic nature of small lot development is urban and addresses some of the constraints that have hindered new investment in Glendale's multi-family zones. Allowing small lot development permits each unit to be on its own lot, rather than on a shared lot (also known as air-space or condominium subdivisions). Developer financing is easier when each unit it on its own lot because each unit is located on its own real property. Small lot development avoids the need for subterranean construction since each unit can provide its own garage on grade, minimizing physical development costs and environmental impacts to neighbors.

Small lot subdivisions provide the additional benefit of increasing affordable home ownership choices. Traditional single-family homes in Glendale are priced beyond the reach of typical families. Small lot development provides opportunities for homeownership at cost levels affordable to many working in Glendale's employment sectors including hospitals (nurses), schools/colleges (professors and administrators) and entertainment studios. Homeownership is a recognized housing goal in Glendale because of its stabilizing effect upon neighborhoods. A small lot development ordinance would aid in Glendale homeownership goals.

Small Lot subdivisions may provide flexibility for encouraging preservation of historic properties, as seen in the Maltman small lot development in Los Angeles. There are a handful of older bungalow-type multi-family units constructed in the 1930s and 1940s in multi-family areas of Glendale which may be suitable candidates for small lot subdivision. Most, if not all, of these developments are non-conforming in terms of today's densities and parking standards. A small lot subdivision of these properties may create an opportunity for restoration and long-term preservation of these units, enhancing the existing neighborhood.

#### Glendale's Multi-family Zones

Currently, Glendale codes are a barrier to small lot development. Glendale zoning has no minimum lot size in multi-family zones. However, the subdivision ordinance uses average lot sizes within 500 feet in the same zone as a tool to establish appropriate lot sizes. The Glendale Municipal Code requires lots to front on streets and does not recognize easement access as

sufficient for subdivision purposes. The subdivision ordinance also has requirements for open space, which would need to be modified in the case of small lot subdivision. Should Council decide to initiate a small lot ordinance, amendments would be needed to both the subdivision ordinance and the zoning code to permit small lot developments to occur.

Glendale currently has four multi-family residential zones, R3050, R2250, R1650 and R1250 Zone. The number corresponds to the allowable density for each lot. Thus, the R1250 zone allows a maximum of one residential unit for each 1,250 square feet of lot area. Should the City enact a small lot ordinance, it would be simple to establish flexible options for meeting minimum lot size requirements. Thus, in the R1250 zone, the allowable density is already established by the lot size prior to subdivision; however, the minimum lot size for a small lot would need to be established. Since small lot developments are generally townhouse-style and not stacked-flats, the effective density would actually be less than that currently allowed by zoning. Should a small lot ordinance be adopted, a developer would have a choice of constructing apartments or condominiums at higher actual densities, or choose to subdivide into small lots at lower effective density.

For a small lot ordinance to be effective, the development density needs to be by-right and the approval process clear and predictable. At this time the process for design review and the process for subdivision do not lend themselves to a small lot process. In addition to creaing small lot design guidelines, a process would need to be developed whereby design review would occur prior to subdivision by the Planning Commission or City Council. It is recommended that Council direct staff to provide options for processing small lot subdivisions, including identifying municipal code changes necessary to enact a small lot ordinance.

## **Characteristics of Small Lot Development**

Small lot developments tend to resemble small single-family home and townhouse development or "low houses". Most people miss the fact that each unit is separate and distinct, although there may be non-structural joining materials or plates that provide for continuity between the structures. An example of such plates can be seen in the Glendale Fashion Center near Glendale Avenue and Wilson Avenue where there are plates in front of Ross, Famous Footware and Cost Plus that show where the various buildings are separated and delineate property lines.

Small lot developments are constructed at urban densities, so they are appropriate for transit oriented districts. Presently the City is conducting a study of transit-oriented development around the Glendale Metrolink Station, funded by a Metro grant. Small lot development may be a way to increase investment and new units in proximity to transit corridors and the Glendale Metrolink Station. Each small lot residence would have parking for two cars, similar to that for a single-family home, although parking flexibility is recommended to allow tandem parking. However, small lot development near transit may include incentives such as reduced parking requirements to encourage transit use and to increase affordability.

Small lot development also has no common open space. As with typical single-family lots, there would be no common open space because lots are individually owned. Common areas may exist, such as driveways and trash enclosures, but those are handled through easements and covenants, conditions and restrictions (CCRs). A hallmark of small lot development is flexibility to deal with individual site constraints and assets necessary for accommodating infill development. Creating a small lot ordinance would involve amending a variety of municipal code requirements. Exhibit 4 is a draft outlining the start of some of the amendments that would necessary to create and implement a small lot subdivision ordinance.

Members of the development community in Glendale have indicated an interest in small lot subdivisions for Glendale which is why Council directed staff to look into this issue. As identified above, a small lot ordinance has the potential to fill a development niche that is lacking in Glendale, namely infill development in downzoned multi-family neighborhoods. It is recommended that Council direct staff to return with a small lot ordinance, design guidelines and other entitlements necessary to implement a small lot ordinance. Should Council give such direction, other minor Subdivision Ordinance amendments to adjust condominium parking requirements to match the zoning code could occur at the same time.

# **ENVIRONMENTAL REVIEW**

This direction for planning studies is not subject to environmental review.

## **EXHIBITS**

- 1. City of Los Angeles Small Lot Ordinance
- 2. City of Los Angeles Small Lot Design Guidelines
- 3. Map and List of Sample Small Lot Developments
- Attachment of Draft Municipal Code Changes for Small Lot Development