

633 E. Broadway, Suite 103 Glendale, CA 91206-4311 Tel. (818) 548-2140 Fax (818) 240-0392 glendaleca.gov

March 9, 2020

Hamlet Zohrabians 3467 Ocean View Boulevard, # B Glendale, CA 91208 & MENK Enterprise LLC P.O. Box 9992 Glendale, CA 91226

RE: 3950 FOOTHILL BOULEVARD
DENSITY BONUS APPLICATION PDBP 1922891

Dear Applicants:

Pursuant to provisions of the Glendale Municipal Code, Title 30, Chapter 30.36, the Planning Division has processed your application for a Density Bonus (PDBP1922891) to demolish an existing approximately 2,880 square-foot commercial building (built in 1980) and associated parking lot in conjunction with the construction of a new four-story, 37,040 square-foot 34-unit Density Bonus rental housing project with five (5) affordable units being reserved for very low income households in the CH (Commercial Hillside) Zone, located at 3950 Foothill Boulevard, being Parcel A of Parcel Map GLN. No. 1349, as per Map recorded in Book 117, Pages 78 and 79 of Maps, in the County Recorder's Office, in the City of Glendale, County of Los Angeles, State of California.

<u>ENVIRONMENTAL DETERMINATION:</u> The project is exempt from CEQA review as a Class 32-"Infill Development Projects" exemption pursuant to state CEQA Guidelines Section 15332 because the project meets all the conditions for an in-fill development project as follows:

- a) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations;
- b) The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban areas;
- c) The project site has no value as habitat for endangered, rare or threatened species;
- Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality; and
- e) The site can be adequately served by all require utilities and public services.

REQUIRED/MANDATED FINDINGS

The applicant is seeking approval of a Density Bonus Housing Plan as well as incentives, pursuant to California Government Code Sections 65915, et seq. ("Density Bonus Law"), that allow developers that seek and agree to provide at least fifteen (15) percent of the units in a housing development to

very low income households a mandatory thirty-five (35) percent density bonus, as well as three incentives. California Government Code § 65915(d)(2)(C); Glendale Municipal Code ("GMC") § 30.36.070(A)(3). The Density Bonus Housing Plan meets the requirements of the Density Bonus Law and GMC Section 30.36.050 because at least fifteen (15) percent of the total base density units of the housing development will be restricted to very low income households, as defined in Section 50105 of the Health and Safety Code. The project involves demolishing an existing approximately 2,880 square-foot commercial building (built in 1980) and associated parking lot in conjunction with the construction of a four-story, 37,040 square-foot, 34-unit Density Bonus rental housing project with five (5) affordable units being reserved for very low income households. The project is located in the CH (Commercial Hillside) zone. Per GMC 30.12.020, multiple residential dwelling units are permitted in the "CH" zone in compliance with the R-1250 (High Density Residential) zone development standards that permits a maximum density of 43.5 units per acre. The Zoning Code allows one dwelling unit for every 1,000 square feet of lot area on lots with frontage greater than 90 feet wide. Based on the zoning designation and the lot area (30,870 square feet), a total of thirty-one (31) (30.87 which, according to Density Bonus Law, must be rounded to 31) units are permitted (one dwelling unit per 1,000 square feet of lot area). The applicant is proposing a total of 34 units for purposes of calculating the density bonus of up to thirty-five (35) percent. In this case, the applicant is requesting the maximum density bonus of nine (9) percent, which allows three (3) (2.79 which, according to Density Bonus Law, must be rounded up to 3) additional units above the base density of thirty-one (31), for a total of thirty-four (34) units. Thus, the applicant will be required to designate five (5) of the rental units for very low income households (fifteen (15) percent of thirty-one (31) base density units, resulting in 4.65, rounded up to five (5)). The applicant is providing 15 percent of the base density units as affordable to very low income households, which requires exactly five (5) affordable units. Three concessions are requested pursuant to the Density Bonus Law and GMC Chapter 30.36, with five (5) units reserved for very low income households. Parking is provided ongrade and within a multi-level parking structure for both the commercial residential tenants. Nineteen parking spaces are provided for the commercial tenants (offices, retail, personal service and restaurant counter service) and 77 parking spaces are provided for the residential tenants in an underground gated area. The project qualifies for reduced parking inclusive of guest and handicapped spaces under the Density Bonus Law. The unit mix includes six (6) one-bedroom and twenty-eight (28) two-bedroom units.

The Developer will be required to enter into a Density Bonus Housing Agreement ("DB Agreement") in which the Developer will covenant that at fifteen (15) percent of the thirty-one (31) base density units (five (5) units) will be restricted to rental by very low income households. The DB Agreement with the City will be a recorded restriction on the property on which the affordable units and density bonus units are constructed. In addition, the DB Agreement will run with the land and bind all future owner and successors in interest.

In sum, the project is located in the CH (Commercial Hillside) zone in compliance with the R-1250 development standards. Per Code, thirty-one (31) units are permitted by right on the 30,870 square-foot lot. Parking will be provided for commercial and residential tenants within a multi-level parking garage. The project qualifies for reduced parking inclusive of guest and handicapped spaces under the Density Bonus Law. The unit mix includes six (6) one-bedroom and twenty-eight (28) two-bedroom units. This mandatory density bonus allows the project to be built at a maximum of forty-two (42) units. However, in this case, the applicant is proposing a maximum density of thirty-four (34) units. The Density Bonus Housing Plan (attached) meets the requirements of Section 30.36.130. The Plan has been reviewed and found acceptable by the Community Development Department, Housing Division, as well as the City Attorney's Office. As stated above, this project will also be required to record a DB Agreement, which

ensures long-term affordability (55 years per state law) and is subject to approval by the Housing Division and the City Attorney.

Based on the foregoing, the mandatory density bonus is GRANTED.

The applicant is seeking approval of three concessions pursuant to Government Code § 65915 and GMC Chapter 30.36 (Density Bonus Incentives) to provide five (5) very low income rental units.

After considering the evidence presented with respect to this application, the Director of Community Development was unable to make the necessary two required findings to deny any of the requested concessions for approval of the Density Bonus Housing Plan. The requested concessions are required in this case to allow the density bonus of up to thirty-five percent (35%), while reducing costs to the developer. The additional density and the resulting savings that the developer realizes will be significant and will allow the affordable housing costs and rents to be reduced. The City's General Plan Housing Element encourages the production of affordable housing and provides for flexibility in creating such units. Moreover, the Director of Community Development was unable to make a finding that any of the concessions would have a specific adverse impact upon public health and safety or the physical environment 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 very low income households, because no evidence exists to support this finding.

Concessions (Also Known as Incentives Pursuant to GMC Section 30.36.070 A):

- 1. Increase the maximum height and stories to 51 feet and four (4) stories for the rear building (Building "C").
- 2. Increase the maximum allowed lot coverage to 75%.
- 3. Reduce the total required common outdoor space by 1,187 square feet.

In addition to the concessions, the applicant is requesting and will need the grant of the automatic parking concession under California Government Code Section 65915(p), which provides that upon the request of an owner/applicant, the City must allow the following vehicular parking ratios, inclusive of handicapped and guest parking, of a development providing at least eleven (11) percent of the base unit count to very low income households: one (1) on-site parking space per unit for zero to one bedroom units; and two (2) on-site parking spaces per unit for two to three bedroom units, inclusive of handicapped and guest parking ("Parking Concession"). The applicant is proposing to provide one (1) parking space per each 1-bedroom unit and two (2) parking spaces per each 2-bedroom unit. Based on the number of units and bedrooms provided, the Parking Concession allows the project to provide a minimum of 62 parking spaces total for the residential units only. However, the project will exceed the minimum required under the Parking Concession and will provide 77 residential parking spaces total, which results in a surplus of 15 residential parking spaces.

As a result, the Director of Community Development has **GRANTED** the following three (3) concessions pursuant to Government Code Section 65915(d), because at least 15% of the base number of units are reserved for very low income households, as outlined in the Density Bonus Housing Plan and subject to the attached conditions. Pursuant to GMC Section 30.36.080(A), the Director of Community Development shall grant the requested incentives or concessions,

unless he or she makes written findings, based upon substantial evidence, of any one (1) or more of the following:

The incentive or concession does not result in identifiable and actual cost reductions
to provide for affordable housing costs or to provide affordable rents.

There was no evidence, and the Director of Community Development was unable to find. that any of the three incentives would not result in identifiable and actual cost reductions to provide for affordable housing costs or to provide affordable rents. To the contrary, the evidence (submitted by the applicant/Developer with this application and incorporated herein by reference) shows that the incentives/concessions do result in identifiable and actual cost reductions and are required in order to provide for affordable housing costs or to provide affordable rents. All three of the requested concessions are required to allow for additional buildable area to provide more units that would reduce the costs to the Developer/owner of providing the affordable units. The savings that the owner and Developer realize will be significant and will allow the affordable housing costs to be reduced to a point where the development will be economically feasible. The increase in height/story and the allowed lot coverage, as well as the reduction of the required common outdoor space will allow for the proposed density, and larger sized apartment units that will attract families to the project, reduce unit turnover, and will distinguish the project from the large number of smaller market rate units within the City. The Density Bonus Housing Plan meets the requirements of Government Code Section 65915 because at least 15% of the total units of the housing development are for very low income households.

- Increase the maximum height and stories to 51 feet and four (4) stories for the rear building (Building "C").
- 2. Increase the maximum allowed lot coverage to 75%.
- 3. Reduce the total required common outdoor space by 1,187 square feet.

The applicant is requesting concessions to increase the maximum height and stories to four (4) stories and 51 feet for one building only (Building "C") where a maximum of three stories is allowed and 35 feet is the maximum height limit in the CH zone, increase the maximum allowed lot coverage to 75% where 50% is permitted and reduce the total common outdoor space by 1,187 square feet by proposing 5,163 square feet where 6,350 square feet is the minimum required. These concessions are necessary to make the project economically feasible to provide an affordable housing project and provide affordable rents. The project is designed to provide functional community space to serve its residents in an urban setting. In order to achieve this environment, the applicant needs to construct a 34-unit, four-story mixed use building with an overall height of 51 feet, proposing 75% lot coverage and reducing the required common outdoor space by 1,187 square feet. While the property is located in the CH, per Code, the residential development must comply with the R-1250 residential standards, including height/stories, setbacks, lot coverage, FAR, landscaping, etc. However, the CH zone has a maximum height limit of 35 feet, which is more restrictive than the R-1250 height standard (36-feet maximum plus 5 feet for additional roof pitch of 3:12). Therefore, the project is subject to a 35-foot height limit. The additional lot coverage and increase in building height/stories will enable the construction of additional buildable area to provide more units that would reduce the costs to the developer/ owner of providing the affordable units. Further, to facilitate the proposed design (designed as three separate buildings) and ensure architectural character that meets the City's Design Guidelines and

construct larger units with its own private outdoor space, the applicant is proposing to reduce the required common outdoor space by 1,187 square feet total.

The project provides generous setbacks throughout the building in order to provide adequate light, air and ventilation for the dwelling units, provide more useable private open space especially for the third floor units featuring private rooftop patios and vary the project's mass to create more architecturally coherent design that complements the neighborhood context. The requested concessions are needed because the standards discussed above would prevent the affordable units from being constructed due to greater costs.

2. The incentive or concession would have a "specific adverse impact upon public health and safety" or the physical environment 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- and moderate-income households. As used herein, "specific adverse impact upon public health or safety" means a significant, quantifiable, direct, and unavoidable impact, based on conditions as they existed on the date the application was deemed complete. Inconsistency with the zoning ordinance or the land use designation in the General Plan shall not constitute a specific, adverse impact upon public health or safety.

There was no evidence, and the Director of Community Development was unable to find. that any of the three incentives would have a specific adverse impact upon public health and safety or the physical environment 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- and moderate-income households. The applicant is seeking approval of three concessions pursuant to California Government Code Section 65915 and GMC Chapter 30.36 (Density Bonus Incentives) in order to provide five (5) units affordable to very low income households. No specific adverse impacts upon public health or safety or on the physical environment or on any real property that is listed in the California Register of Historical Resources would occur by granting the requested incentives or concession. While one of the building's (Building "C") will be taller than surrounding buildings, the project will meet building and safety codes and there are similarly sized residential buildings elsewhere in the City. The requested concessions do not include waivers of any Building and Safety, Fire Department, Engineering or other requirements pertaining to health or safety.

Due to the site's dramatic elevation change at the rear (sloping down from Foothill Blvd.) the building exceeds height/story for the rear building only (Building "C). Since the project is located in the CH zone, the maximum height is 35 feet – a more restrictive standard compared to three stories/36 feet allowed in the R-1250 zone. Also, the project will increase the maximum allowed lot coverage to 75% and reduce the require common outdoor space by 1,187 square feet because per Code, the residential portion of the mixed-use development in the CH zone must comply with the R-1250 residential standards, including height/stories, setbacks, lot coverage, floor area ratio (FAR), etc. In order to comply with the CH (Commercial Hillside) and R-1250 (High Density Residential) zones combined with the site's characteristics, the project will require the concessions described herein. Further, the project is providing additional density with larger apartment units to accommodate larger families and reduce unit turnover.

3. The incentive or concession will be contrary to state or federal law. The granting of an incentive or concession shall not require or be interpreted, in and of itself, to require a general plan amendment, zoning change, study, or other discretionary approval. For purposes of this subdivision, "study" does not include reasonable documentation to establish eligibility for the concession or incentive or to demonstrate that the incentive or concession meets the definition.

There was no evidence, and the Director of Community Development was unable to find, that any of the three incentives would be contrary to state or federal law. The incentives will not be contrary to state or federal law and do not require any discretionary entitlement. There is no evidence of state or federal laws being violated.

The applicant is requesting to use the mandatory and automatic parking concession under Government Code Section 65915(p) and GMC 30.36.090. Pursuant to Section 65915(p), upon request of the Developer, the City cannot require a vehicle parking ratio greater than one (1) space per unit for studios and one-bedroom units, and two (2) spaces per unit for two- and three-bedroom units, inclusive of guest and handicap parking for a density bonus project. The Glendale Municipal Code normally requires two (2) spaces per unit for studios, one-bedroom, and two bedroom units, and 0.25 spaces per unit for guest parking, when a development has four or more units. The project will require 62 residential parking spaces total under the provisions of Section 65915(p). The project proposes 77 residential parking spaces and 19 parking spaces for the commercial tenants where 17 parking spaces are required (96 spaces total).

CONDITIONS OF APPROVAL

APPROVAL of this State Density Bonus Law shall be subject to the following conditions:

- That the development shall be in substantial accord with the plans submitted with the application except for any modifications as may be required to meet specific Code standards or other conditions stipulated herein as approved by the Director of Community Development.
- That all necessary permits shall be obtained from the Permit Services Center and all
 construction shall be in compliance with the Glendale Building Code and all other applicable
 regulations.
- 3. That the premises be maintained in a clean and orderly condition, free of weeds, trash, and graffiti.
- 4. That any expansion or modification of the structure or use shall require a new Density Bonus application. The phrase "modification of the structure or use" includes, but is not limited to, proposing a different percentage of the units as affordable or altering the affordability of the units (i.e., proposing the affordable units be restricted to low or moderate income households when the approval is originally for very low income households). Expansion shall constitute adding of new floor area, reduction of parking and open spaces, or any physical changes as determined by the Director of Community Development.
- 5. The applicant shall work with the Community Development Department and the City Attorney's Office to make any permissible or required additions, deletions and/or amendments to the Density Bonus Housing Plan and to execute and record a Density Bonus Housing Agreement pursuant to GMC Section 30.36.140, to the satisfaction of the Community Development Director or his designee and subject to approval as to form and content by the City Attorney. Such Density Bonus Housing Agreement shall restrict the

rental or sale of the required percentage of dwelling units in the housing development to persons or families of very-low/low/moderate income households, as specifically identified in this approval. The applicant shall be required to execute and record such Density Bonus Housing Agreement prior to issuance of any and all required building permits.

- 6. That all affordable units be reasonably dispersed throughout the project site (e.g., throughout the different floors) and shall be comparable with the other dwelling units in the project in terms of appearance, finished quality and materials. Subject to requested changes necessary to comply with health and safety standards approved by the Director of Community Development or his designee, the unit type, size and location of the affordable units shall be to the satisfaction of the City's Housing Division.
- 7. That the affordability term shall not start until the date of recordation of the Housing Notice of Completion. The applicant shall notify the Housing Division at least six months prior to the anticipated date of the Certificate of Occupancy so that affordable units may be marketed in a timely manner.
- 8. That the project shall comply with applicable density bonus provisions of Title 30.
- 9. That the premises shall be made available to any authorized City personnel (Fire, Police, Neighborhood Services, etc.) for inspection to ascertain that all conditions of approval of this variance area complied with.
- 10. That approval of the Design Review Board shall be obtained prior to applying for or obtaining building permits.
- 11. That the applicant shall comply with all Section/Department requirements as specified in their memos to the satisfaction of the City or Department Director. These memos include but are not limited to GWP (January 22, 2019), Public Works Engineering (January 31, 2019), Public Works Traffic Engineering (January 30, 2019) and Fire Prevention Engineering (January 31, 2019).
- 12. That if any buildings, sidewalks, curb, or gutter, fencing or landscaping areas, etc., adjacent to the site are damaged during the course of construction on public or private property, the damage shall be repaired to the satisfaction of the Director of Public Works for public property.
- 13. That any proposed exterior lighting shall be directed on the driveways, walkways and parking areas within the development and away from adjacent properties and the public right-of-way to the satisfaction of the Director of Community Development.
- 14. That landscape areas shall be maintained in good condition with live plans and free of weeds and trash.

APPEAL PERIOD, TIME LIMITS, LAPSE OF PRIVILEGES, TIME EXTENSIONS

The applicant's attention is called to the fact that this grant is not a permit or license and that any permits and licenses required by law must be obtained from the proper City and public agency.

Under the provisions of the Glendale Municipal Code, Title 30, Chapter 30.62, any person affected by the above decision has the right to appeal said decision to the Planning Commission

if it is believed that the decision is in error or that procedural errors have occurred, or if there is substantial new evidence which could not have been reasonably presented.

It is strongly advised that appeals be filed early during the appeal period and in person so that imperfections/incompleteness may be corrected before the appeal period expires. Any appeal must be filed on the prescribed forms within **fifteen (15) days** following the actual date of the decision. Information regarding appeals and appeal forms will be provided by the Building and Safety Division upon request and must be filed with the prescribed fee **prior to expiration of the 15-day period, on or before March 24, 2020**, in the Building & Safety Division, 633 East Broadway, Room 101.

APPEAL FORMS available on-line

http://www.ci.glendale.ca.us/planning/SubmittingAProject.asp

To save you time and a trip - please note that some of our FORMS are available on line and may be downloaded. AGENDAS and other NOTICES are also posted on our website.

TRANSFERABILITY

This authorization runs with the land or the use for which it was intended for and approved. In the event the property is to be sold, leased, rented or occupied by any person or corporation other than yourself, it is incumbent that you advise them regarding the conditions and/or limitations of this grant.

VIOLATIONS OF THESE CONDITIONS

Violations of conditions required by this determination may constitute a misdemeanor or infraction under Section 1.20.010 of the Glendale Municipal Code (GMC) and/or a violation of other local, State or Federal laws or regulations. Unless a specific penalty is provided, any person convicted of a misdemeanor shall be punished by a fine not to exceed one thousand dollars (\$1,000.00), or imprisonment for a term not to exceed six (6) months, or by both fine and imprisonment. Infractions are punishable by a fine not exceeding the sum of five hundred dollars (\$500.00) for each violation. Violations of conditions required by this determination may be grounds for a revocation.

REVOCATION

Section 30.64.020 – Revocation – The Community Development Department shall have continuing jurisdiction over density bonus cases (individual cases heard and decided upon by the Hearing Officer). To consider the revocation, the Hearing Officer shall hold a public hearing after giving notice by the same procedure as for consideration of a variance at least ten (10) days' notice by mail to the applicant or permittee.

NOTICE – subsequent contacts with this office

The Applicant is further advised that all subsequent contacts with this office regarding this determination must be with the Case Planner first and then, the Hearing Officer, if any, who acted on this case. This would include clarification, verification of condition compliance and plans or building permit applications, etc., and shall be accomplished **By Appointment Only**, in order to assure that you receive service with a minimum amount of waiting. You should advise any consultant representing you of this requirement as well.

Should you have any questions regarding this issue, please do not hesitate to contact the case planner, Milca Toledo, Senior Planner, during normal business hours at 818-937-8181 (email address: mitoledo@glendaleca.gov).

Sincerely,

Philip Lanzafame

Director of Community Development Department

PL:MT:mt

Attachments: Density Bonus Housing Plan Residential Infill Exemption

City Attorney's Office (Yvette Neukian) cc:

Community Development - Housing Division (Peter Zovak/Mike Fortney)