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June 13, 2023

Hamlet Zohrabians 3467 Ocean View Boulevard, Suite B Glendale, CA 91208

RE: 1242 and 1246 SOUTH MARYLAND AVENUE
DENSITY BONUS HOUSING PLAN CASE NO. PDBP-000330-2022

# Dear Applicant:

Pursuant to the provisions of the Glendale Municipal Code, Title 30, Chapter 30.36 and California Government Code Sections 65915, et seq. ("Density Bonus Law"), the Community Development Department has processed your application for a Density Bonus Housing Plan to construct a new 3-story, 12-unit, 17,685 square-foot residential building, featuring two affordable units restricted to very low-income households with a one-level subterranean parking garage including 26 parking spaces. The site includes two adjoining currently vacant lots, located at **1242 and 1246 South Maryland Avenue**, in the "R-2250 P" - (Medium Density Residential Parking Overlay) Zone and described as Lots 18 and 19 of Tract No. 314 (APNs: 5640-015-043 and -044), in the City of Glendale, County of Los Angeles.

#### **ENVIRONMENTAL DETERMINATION**

The project is exempt from further CEQA review under a Class 32 "In-fill Development Project" exemption pursuant to State CEQA Guidelines Section 15332, because after review and consideration of all required technical reports and/or studies, staff determined the project meets all the conditions for an infill 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 a habitat for endangered, rare or threatened species;
- d) 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 required utilities and public services.

### **DENSITY BONUS REQUEST**

The applicant is seeking approval of a Density Bonus Housing Plan with a request for a density bonus, as well as three concessions, pursuant to California Government Code Sections 65915, et seq. ("Density Bonus Law"), that allows developers that seek and agree to provide at least 15 percent of the units in a housing development to very low-income households, a mandatory 50 percent density bonus, as well as three concessions. The Density Bonus Housing Plan meets the requirements of the Density Bonus Law and Glendale Municipal Code (GMC) Section 30.36.050 because the project is providing 15 percent of the total base density units of the housing development as affordable units, which will be restricted to very low-income households, as defined in Section 50105 of the Health and Safety Code.

The project includes two adjoining vacant lots, located at the east side of Maryland Avenue. The proposed building is a three-story, 12-unit Density Bonus rental housing project with two affordable units being reserved for very low-income households. The project site is located in the "R-2250 P" - (Medium Density Residential Parking Overlay) zone. In accordance with GMC 30.11.020, the maximum density allowed on a lot where the width is greater than 90 feet is one dwelling unit for every 1,800 square-feet of lot area. The subject site is 15,000 square feet in size, with a lot width of 100 feet. By right, the maximum density allowed on this lot is 8.33 units, which is rounded up to 9 units in accordance with Density Bonus Law. The applicant is requesting a 33 percent density bonus (3 additional units for a total of 12 units), less than the maximum density bonus of 50 percent allowed under current Density Bonus Law (which would entitle the applicant to build a total of 14 units). The 33 percent density bonus will allow the applicant to build a total of 12 units (33% of 9 base density units equals 1.35) which is rounded up to 2 under Density Bonus Law; 9 base density units plus 3 bonus units. for a total of 12 units). The applicant will be required to restrict two of the rental units for very low-income households (15 percent of the base density of 9 equals 1.35, which is required to be rounded up to 2 under Density Bonus Law). With a 15 percent affordability level, the applicant is entitled to three (3) concessions pursuant to the Density Bonus Law and GMC Chapter 30.36. The project is requesting three (3) concessions to: (i) increase the maximum floor area ratio; (ii) increase the maximum height; and (iii) reduce the total required common outdoor space.

In accordance with GMC 30.36.090 the project qualifies for reduced parking inclusive of guest and handicapped spaces, and tandem parking. The project is providing a total of 26 parking spaces within a one-level subterranean parking garage, in compliance with the parking concession standards. The proposed project includes 12 three-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 least 15 percent of the 9 base density units (two units) will be restricted to rental to 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 are constructed. In addition, the DB Agreement will run with the land and bind all future owner and successors in interest for a period of 55 years.

Additionally, as regulated by GMC Chapter 30.35, the project is subject to the Inclusionary Zoning Ordinance (the "IZO"), which requires a rental housing development project of eight or more dwelling units to provide 15 percent of the units as affordable to low-income households.

The IZO would require the project to provide two affordable units to low-income households (15 percent of 9 base density units (1.35 rounded up to 2)). In accordance with GMC 30.35.060, developers of housing development projects may choose to pay a fee, or a combination of payment of a fee and the provision of units, in-lieu of providing all inclusionary units on site. In this instance, the project meets the IZO requirement because the developer will be providing two affordable units to very low-income households and meets the IZO requirements. No additional affordable units are required under the IZO and per GMC 4.11, the Affordable Housing Commercial Development Impact Fee (the "Commercial DIF") is not applicable to the Project as the Project does not entail a permitted commercial component.

The applicant is seeking approval of three (3) concessions pursuant to Government Code § 65915, et seq. and GMC Chapter 30.36 (Density Bonus Incentives) to provide two (2) very low-income rental units. The two requested concessions are as follows:

- i. <u>Floor Area Ratio (FAR)</u>: The applicant is requesting to exceed the maximum allowable FAR of 0.85 or 12,750 square feet (as required by GMC Section 30.11.030, Table 30.11 B,). As proposed, the project features an FAR of 1.18 (17,685 square feet), exceeding the maximum allowable FAR by 0.33.
- ii. <u>Height</u>: The applicant is requesting to exceed the maximum allowable height limit of 36 feet (as required by GMC Section 30.11.030, Table 30.11 B). As proposed, the project features a total height of 40 feet, exceeding the maximum allowable height limit by four (4) feet.
- iii. <u>Common Outdoor Space</u>: The applicant is requesting to reduce the required common outdoor space of 2,400 square feet (as required by GMC 30.11.050 (C)). As proposed, the project features a total of 1,843 square-foot common outdoor space, which is 557 square feet less than the code requirement.

In addition to these concessions, the project qualifies for the mandatory parking concession in accordance with GMC 30.36.090 and 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 15 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.
- One and one-half (1.5) on-site parking spaces per unit for two- to three-bedroom units.
- On-site parking for a housing development may be provided through tandem parking ("Parking Concession").

The project includes twelve (12) three (3)-bedroom units. Based on the number of units and bedrooms provided, the Parking Concession requires the project to provide a minimum of eighteen (18) parking spaces for the proposed residential development, inclusive of ADA accessible and guest parking requirements. The project is providing a total of 26 parking spaces within a one-level subterranean parking garage including two accessible ADA parking spaces. Accordingly, the project meets and exceeds the parking requirements under CA Govt. Code § 65915(p)(1).

#### CONCESSIONS/INCENTIVES FINDINGS

After considering the evidence presented with respect to this application, the Director of Community Development was unable to make the necessary findings to deny any of the requested concessions for approval of the Density Bonus and Inclusionary Housing Plan. The requested concessions are required in this case to allow the density bonus of up to 50 percent, 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. As a result, the Director of Community Development has GRANTED the requested concessions pursuant to California Government Code Sections 65915, et seq. ("Density Bonus Law") and Glendale Municipal Code (GMC) Section 30.36.050 because the project is providing 15 percent of the total base density units of the housing development as affordable units, which will be restricted to very low-income households, as defined in Section 50105 of the Health and Safety Code. 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 anyone (1) or more of the following:

1. The concessions (incentives) must be granted *unless* the Director finds, based on substantial evidence, that the concessions do not result in identifiable and actual cost reductions to provide for affordable housing costs or to provide affordable rents.

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 lowincome households, as defined in Section 50105 of the Health and Safety Code. The project is located in the R-2250 P (Medium Density Residential Parking Overlay) zone that permits a maximum density of one dwelling unit for each 1,800 square-feet of lot area for sites with a lot width of 90 feet or greater. A total of 9 units are permitted by right on the subject site of 15,000 square feet (0.35 acre). By providing the 15 percent very low affordable units, the project applicant is allowed a maximum 50% density bonus in addition to the code-allowed 9 units (maximum 14 units, or five additional units). The applicant; however, is only requesting a 33% density bonus, allowing a total of 12 units. Under this proposal, two of the total 12 units will be affordable to very low-income households as provided in the Density Bonus Housing Plan, which was reviewed and found acceptable by the Community Development Department, Housing Division. The Density Bonus Housing Plan meets the requirements of GMC Section 30.36.050. This project will include a Density Bonus Housing Agreement subject to approval by the Housing Authority and the City Attorney, which provides for long-term affordability.

The applicant is seeking approval of three concessions pursuant to Government Code Section 65915 and GMC 30.36 (Density Bonus Incentives) to allow an increase in floor area ratio to 1.8 (17,685 square-feet) where a maximum floor area ratio of 0.85 (12,750 square-feet) is permitted, an increase in height limit of 36 feet to 40 feet, and a reduction in the required outdoor common space of 2,400 square feet to 1,843 square feet.

This denial finding cannot be made, as there is no evidence that the concessions will not result in actual cost reductions to provide for affordable rents. To the contrary, there is substantial evidence that the concessions will result in identifiable and actual cost reductions to provide affordable rents. The requested concessions are required to allow for the additional density requested and a greater number of units to be constructed on the same amount of area. The concessions, together, will reduce costs to the applicant for providing affordable units by creating construction efficiencies and inherent reductions in costs by allowing the construction of a greater number of units. The additional units will result in actual and identifiable cost reductions because the additional units will take advantage of construction efficiencies when being built and will generate rental income to offset the cost of providing the units at an affordable rent.

2. The concessions (incentives) must be granted unless the Director finds, based on substantial evidence, that they will have a "specific adverse impact upon public health and safety," as defined in paragraph (2) of subdivision (d) of California Government Code Section 65589.5, 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 housing development unaffordable to low income and moderate income households. 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." (Government Code section 65589.5(d)(2).) 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.

The applicant is seeking approval of three concessions pursuant to Government Code Section 65915 and GMC Chapter 30.36 (Density Bonus Incentives) in exchange of providing two affordable units for very low-income households. This denial finding cannot be made, as there is no evidence that the concessions will have any adverse impacts. No specific adverse impact 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 concessions for increased FAR, increased height, and reduced common outdoor space. Currently, the project site contains two vacant lots; therefore, the project site does not convey any historical or cultural significance associated with any real property. Moreover, the proposed project is exempt from further CEQA review based on the fact that it meets the requirements to qualify for a Class 32 "In-fill Development Project" and thus, does not exceed thresholds for noise, traffic, air quality and water and will not result in significant cumulative impacts.

The project complies with all other Zoning Code development standards in the "R-2250 P" Zone, including setbacks, lot coverage, additional open space, landscaping, and stories, etc. The requested concessions to exceed the floor area and height limit and to reduce the required common outdoor space do not include waivers of any Building and Safety, Fire Department, Engineering or other requirements pertaining to health or safety. Furthermore, the provided landscaped areas and setbacks are in compliance with the

zoning code in order to provide light, air, and ventilation for surrounding buildings, which consist of single-family and multi-family residential buildings.

Furthermore, the concessions allow for additional buildable area on the site, which will then accommodate additional dwelling units. The additional density resulting from the concessions will, in fact, promote the City's health and safety in that there will be greater housing opportunities for low-income family households. Moreover, the project will advance the goals and policies of the General Plan, Housing Element (2021-2029), including, but not limited to, Chapter 2, Goal 1 ("A City with a Wide Range of Housing Types to Meet the Needs of Current and Future Residents), Chapter 2, Goal 3 ("A City with Housing Services that Address Groups with Special Housing Needs) and Policies 3.1 and 3.2 ("Encourage both the private and public sectors to produce or assist in the production of housing for special needs groups such as: the handicapped, the elderly, large families, single parent households, and formerly homeless.") and ("Promote the development of extremely low, very low, low and moderate income housing by allowing developers density bonuses or other financial incentives for providing units for low and moderate income residents. The unit mix and location of affordable housing units in density bonus projects must be approved by the city and included in an affordable housing agreement.").

The concessions (incentives) must be granted unless the Director finds, based on substantial evidence, that the concessions will be contrary to state or federal law.

The requested concessions will not be contrary to state or federal law and do not require any other discretionary entitlement other than Design Review Board Review and Approval. The project is designed to comply with Building and Safety codes and the proposed 12-unit affordable housing residential project is consistent with the General Plan. The project meets the goals and policies in the Housing Element to provide affordable housing. There is no evidence of state or federal laws being violated.

In addition to the three requested concessions, the applicant is requesting to use the parking concessions under in accordance with GMC 30.36.090 and California Government Code Section 65915(p). The project qualifies for reduced parking inclusive of guest and handicapped spaces and provides a total of 26 parking spaces within a one-level subterranean parking garage.

#### **CONDITIONS OF APPROVAL**

**APPROVAL** of this Density Bonus and Inclusionary Housing Plan 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.
- 2. 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. That 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 Director of Community Development or his designee and subject to approval as to form and content by the City Attorney. Such Density Bonus Housing Agreement shall restrict the rentals of the required percentage of dwelling units in the housing development to persons or families of very low-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 shall 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 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 Density Bonus application are complied with.
- 9. That the developer shall comply with the City's Inclusionary Zoning Ordinance (IZO), as regulated by GMC Chapter 30.35.

#### APPEAL PERIOD

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 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 using the City's online permit portal:

www.glendaleca.gov/Permits. Create an account, click "Apply," "Skip Application Guidance," then type "appeal" in the search bar, and apply for "Appeal of Planning Decision." Information regarding appeals and fees may be obtained by calling the Community Development Department (CDD) staff at 818-548-2140, or contacting the case planner, Aileen Babakhani, at ababakhani@glendaleca.gov or 818-937-8331.

The completed appeal form must be filed with the prescribed fee prior to expiration of the 15-day period, on or before <u>JUNE 28, 2023</u>.

## 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 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.

#### TERMINATION AND EXTENSION

# **GMC CHAPTER 30.41 PROVIDES FOR**

**TERMINATION:** Every right or privilege authorized by a Density Bonus Housing Plan shall terminate two (2) years after the granting of such, unless the exercise of such right or privilege has commenced in good faith prior to such time, except as otherwise provided for.

**EXTENSION:** An extension of the Density Bonus Housing Plan may be requested one time and extended for up to a maximum of one (1) additional year upon receipt of a written request from the applicant and demonstration that a reasonable effort to act on such right and privilege has commenced within the two (2) years of the approval date. In granting such extension the applicable review authority shall make a written finding that neighborhood conditions have not substantially changed since the granting of the Density Bonus Housing Plan.

**CESSATION:** A Density Bonus Housing Plan may be terminated by the review authority upon any interruption or cessation of the use permitted by the Density Bonus Housing Plan for one year or more in the continuous exercise in good faith of such right and privilege.

# 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, Aileen Babakhani, 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.

You may contact the case planner, Aileen Babakhani, during normal business hours at (818) 937-8331 or via e-mail at <a href="mailto:ababakhani@glendaleca.gov">ababakhani@glendaleca.gov</a>.

Sincerely, Bradley Calvert Director of Community Development

Erik Krause

Deputy Director of Planning

BC:EK:AB:sm

#### **Exhibits**

- 1. Density Bonus Housing Plan
- 2. Class 32 Infill Exemption

Cc: - City Attorney's Office (Yvette Neukian)

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