

LOS ANGELES CITY PLANNING DEPARTMENT RECOMMENDATION REPORT

CITY PLANNING COMMISSION

DATE: **April 13, 2006**
TIME: **after 8:30 a.m.***
PLACE: **Los Angeles City Hall**
200 N. Spring Street, 10th Floor
Los Angeles, CA 90012

Public Hearing completed on February 8, 2006
Zone Change Appealable by Applicant to City
Council if Disapproved in whole or in part.
Expiration Date: April 24, 2006

REQUEST: Pursuant to Section 12.32.F of the Municipal Code, a **Zone Change** from C1-1VL (Limited Commercial Zone) to RAS3-1VL (Residential/Accessory Services Zone).

PROJECT: Demolition of an existing 54-unit apartment building and the construction of 54-residential condominium units, and 9,625 square feet of ground floor retail in a four story (maximum 50-feet in height) building. The project will provide 108 parking spaces for the residential units and 13 residential guest parking spaces, in addition there will be 55 commercial parking spaces.

NOTE: Approval of a zone change in full or in part does not convey granting of an exemption from the Hancock Park Neighborhood Interim Control Ordinance (ICO), Ordinance 176,228 (ZI 2314). Any demolition on this site regardless of the project will require an exemption from the ICO by the City Council.

APPLICANT: Arnel Investments, LLC

RECOMMENDATION:

1. **Deny** the requested Zone Change from C1-1VL to (T)(Q)RAS3-1VL.
2. **Adopt** Mitigated Negative Declaration No. ENV 2004-958-MND.
3. **Adopt** the attached Findings.

S. GAIL GOLDBERG
Director of Planning

David Gay, Principal City Planner

Jim Tokunaga, Hearing Officer (213) 978-1172

Attachments

Conditions
Findings
Staff Report
Exhibits
ENV 2004-0958-MND

ADVICE TO PUBLIC: *The exact time this report will be considered during the meeting is uncertain since there may be several other items on the agenda. Written communications may be mailed to the *Commission Secretariat, Room 532, City Hall, 200 North Spring Street, Los Angeles, CA 90012* (Phone No. 213-978-1300). While all written communications are given to the Commission for consideration, the initial packets are sent to the Commissioners the week prior to the Commission's meeting date. If you challenge these agenda items in court, you may be limited to raising only those issues you or someone else raised at the

public hearing agendaed herein, or in written correspondence on these matters delivered to this agency at or prior to the public hearing. As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability, and upon request, will provide reasonable accommodation to ensure equal access to its programs, services and activities. Sign language interpreters, assistive listening devices, or other auxiliary aids and/or other services may be provided upon request. To ensure availability of services, please make your request not later than three working days (72 hours) prior to the meeting by calling the Commission Secretariat at (213) 978-1300.

PROJECT SUMMARY

The subject site is a rectangular shaped parcel fronting on Melrose Avenue for a distance of 417 feet between Wilcox Avenue on the west and Cahuenga Boulevard 180-feet to the east. The parcel has a uniform depth of 110-feet with a lot area of 47,916 square feet. The buildable area of the lot is 41,233 square feet. There is a slight slope on the parcel with a grade difference of approximately 10-feet between the eastern end of the parcel at the street and the western end. Currently existing on the site are 54 apartment units built in 1941 (Dell Apartments) in a series of 9 buildings, each two stories in a garden setting. Carports along the rear portion provide parking for the tenants. The site is located within the proposed Hancock Park Historic Preservation Overlay Zone (HPOZ). However the existing apartment structures have been designated as non-contributing historic structures. In anticipation of an HPOZ action, an Interim Control Ordinance (ICO) has been placed prohibiting any demolition within the ICO area unless an exemption from the City Council is granted.

The proposed project is the demolition of the existing apartments and construction of a mixed-use development, consisting of 54 residential condominium units (totaling 84,390 square feet) and one level of ground floor commercial use (totaling 9,625 square feet) for a total floor area of 94,015 square feet. The proposed project is contained within a single structure, four stories with a maximum height of 49.5 feet. Parking includes 108 spaces for the residents, 13 spaces for their guests, and 55 spaces for the commercial patrons for a project total of 176 parking spaces. Residential and guest parking is within a subterranean garage, while commercial parking is on the ground floor adjacent to the commercial space designed as part of the building facade along Melrose Avenue. Two driveways are proposed, one along Wilcox Avenue for use by the residential tenants and guests only, and the other driveway along Melrose Avenue, directly across from Cole Avenue, which accesses the commercial parking area. There is no shared parking between the residential and commercial use.

FINDINGS

- 1. General Plan Land Use Designation.** The subject property is located within the area covered by the Wilshire Community Plan, which was adopted by the City Council on September 19, 2001 (Case No. CPC-1997-0051-CPU). The Wilshire Community Plan designates the subject property as "Limited Commercial" with corresponding zones of CR, C1, C1.5, P, RAS3, and RAS4. The City's Community Plans have been amended to include the RAS3 and RAS4 zones if the Plans contain residential density categories which correspond to the R3, R4 and/or R5 zones. Those Community Plans which only permit Medium Residential Density (R3 corresponding zone) are restricted to the RAS3 zone. Those Community Plans that include the High Medium and/or High Residential Density categories with the R4 and/or R5 corresponding zones are permitted to use the RAS3 and RAS4 zones. The requested RAS3-1VL is consistent and a permitted zone in the Limited Commercial designation.

The Wilshire Community Plan Land Use Plan, Footnote No's. 5, 7, 11, and 12 also regulates development on the site. Footnote No. 5 restricts the Limited Commercial designation to Height District 1. Footnote No. 7 which applies to all commercial designations includes the associated parking with the commercial as a permitted land use. Footnote No. 11 further restricts this portion of Melrose Avenue to Height District 1VL. Furthermore, Section 12.21.1 of the Los Angeles Municipal Code states that "no building or structure in Height District 1VL shall exceed three stories, nor shall it exceed 45 feet in height. Notwithstanding that limitation, portions of Height District 1VL that are also in the RAS3 or RAS4 zones shall not exceed 50 feet in height". An exception is also written into the Section states that "A building in Height District Nos. 1VL or 1XL, designed and used entirely for residential purposes, or in the RAS3 or RAS4 Zones shall be limited as to the number of feet in height, but not as to the number of stories." Footnote No. 12 requires compliance with the corresponding zone of the Plan land use designation as applied to individual properties unless further amended by a Specific Plan, discretionary project approval, footnote or plan amendment changes. The proposed RAS3-1VL zone is not consistent with Footnote No. 11 in that Footnote No. 11 was placed in the Community Plan in order to limit the height of structures, both residential and commercial, to a 45 foot height limit. The proposed project has a height of up to 49 feet, 6 inches. This additional height for structures in the RAS3 zone was not anticipated in the Plan at the time that it was implemented, and Footnote 11 was specifically put into the plan at this location and in another Limited Commercial area three blocks east of the site to limit structures on these sites to the 45 foot height. The 50 foot height permitted by the RAS3-1VL zone and the proposed height of the attendant project are **not consistent** with the Wilshire Community Plan.

- 2. General Plan Text.** Chapter III of the Wilshire Community Plan under Land Use Policies and Programs, includes the following relevant language for residential and commercial uses:

Residential Policy 1.4-2: Ensure that new housing opportunities minimize displacement of residents. The proposed project is **not consistent** with this language in that it would result in the demolition of 54 rental residential units, which are currently regulated by the City's rent stabilization ordinance, and the displacement of their current residents with 54 owner occupied condominiums. The project does not contain any affordable replacement housing units for tenants that would be displaced by the demolition of the existing apartment building. Though mitigation measures included in the project's Mitigated Negative Declaration would result in relocation payments to the current residents, they would be forced to find comparable housing elsewhere. This language is not common in other community plans. It was placed in the Wilshire Community Plan because of the Plan's location close to the major employment centers of Hollywood, Wilshire Center and Downtown Los Angeles make it a desirable location for the conversion or demolition of older rental developments into new owner occupied housing. The demolition of 54 rental units and their replacement with 54 owner occupied units on a property which could accommodate 59 units results

in a reduction in rental units while not creating greater affordable housing opportunities in the Wilshire area.

3. The **Transportation Element** of the General Plan may be affected by the recommended action herein. However, any necessary dedication and/or improvement of Melrose Avenue to Secondary Highway Standards, and Wilcox Avenue to Local Street Standards would assure compliance with this Element of the General Plan and with the City's street improvement standards pursuant to Municipal Code Section 17.05.
4. The **Sewerage Facilities Element** of the General Plan will be affected by the recommended action. However, requirements for construction of sewer facilities to serve the subject project and complete the City sewer system for the health and safety of City inhabitants will assure compliance with the goals of this General Plan Element.
5. **Street Lights.** Any City required installation or upgrading of street lights is necessary to complete the City street improvement system so as to increase night safety along the streets which adjoin the subject property.
6. **Zone Change Findings.**
 - a. *Pursuant to Section 12.32.C.7 of the Municipal Code, and based on these findings, the recommended action is deemed consistent with public necessity, convenience, general welfare and good zoning practice.*

The proposed zone change is **not consistent** with the purposes and intent of the RAS (Residential/Accessory Services) Zone. Section 12.10.5 of the Municipal Code states that "the purpose of this zone is to provide a mechanism to increase housing opportunities, enhance neighborhoods and revitalize older commercial corridors. The RAS3 zone is intended to provide a tool to accommodate projected population growth in mixed use and residential projects that is compatible with existing residential neighborhoods." The proposed project does not increase housing opportunities in the Wilshire District. It merely replaces 54 existing rental units with 54 owner occupied units. The proposed project does not help to accommodate population growth because it will result in no more units than currently exist on the site. The proposed zone change would result in a project with a greater floor area ratio on the site to accommodate a larger building than currently exists on the site and with a height that exceeds that permitted by Footnote 11 of the Community Plan. This would not be a building compatible with the existing residential neighborhood.

In addition, the subject site is located within the boundaries of the proposed Hancock Park Historic Preservation Overlay Zone (HPOZ). As such, it would be required to obtain a certificate of compatibility as to how its design would fit into the Historic District. The height and mass of the proposed structure are larger than the existing structures on the site in an area of the proposed HPOZ where residences are smaller in size than structures to the west of the Wilshire Country Club, which is one block west of the site.

Thus, the project is deemed **not consistent** with the public necessity, convenience, general welfare and good zoning practice.

7. **Environmental.** The project that would be permitted by the proposed zone change has received a Mitigated Negative Declaration, ENV-2004-0958-MND, which states that the project will not have a significant effect on the environment.
8. **Fish and Game.** The subject project, which is located in Los Angeles County, will not have an

impact on fish or wildlife resources or habitat upon which fish and wildlife depend, as defined by California Fish and Game Code Section 711.2. The project qualified for the De Minimus Exemption from Fish and Game Fees (AB3158).

STAFF REPORT**Subject Property**

Existing Land Use: 54 unit apartment complex
Plan Land Use: Limited Commercial
Existing Zone: C1-1VL
Site Net Area: 47,916 net square feet

Surrounding Land Use and Zoning

North along Melrose Avenue in both directions the parcels are zoned C4-1XL and developed with an assortment of commercial uses including retail shops, restaurants, auto repair facilities, and small offices. The majority of the structures are one story. Further north properties are zoned R3-1 and developed with multi-family units. Along the east side of Cole Avenue and both sides of Cahuenga Boulevard the parcels are zoned CM-1VL and developed with offices, multi-family, a city maintenance facility, studios, and a DMV office.

East of the subject site along the south side of Melrose Avenue the parcels are zoned C2-1VL and C2-1 with commercial uses including an auto repair shop and a one story mini-mall on the southeast corner of Melrose and Cahuenga Boulevard. South along Cahuenga Boulevard and Lillian Way, properties are zoned R1-1 and developed a daycare facility on the west side of Cahuenga Boulevard with single family homes dominating the remainder of the streets.

South of the subject site and immediate adjacent is a large parcel zoned R3-1 and the site of the Los Angeles Tennis Club. Also south along the east side of Wilcox Avenue is a condominium complex zoned R3-1 in two story structures. Further south of Clinton Street are single family homes zoned RE9-1.

West of the subject site along the south side of Melrose Avenue and the west side of Wilcox Avenue is a condominium complex zoned R3-1 in four story structures.

Street Classification

Melrose Avenue fronting the site on the north is an east/west roadway and a designated Secondary Highway which requires a 35-foot half width roadway on a 45-foot half width right-of-way.

Wilcox Avenue borders the site on the west is a north/south designated Local Street which requires a 20-foot half width roadway on a 30-foot half width right-of-way.

Relevant Cases

Vesting Tentative Tract Map 61235 for a concurrent one-lot subdivision to develop a mixed-use project, consisting 53 residential condominium units and 1 commercial condominium unit. The Vesting Map is currently under advisement by the Advisory Agency.

Other Agency Reports

None.

SUMMARY OF PUBLIC HEARING AND COMMUNICATIONS

Hearing

A joint public hearing with the Advisory Agency was held at Los Angeles City Hall on February 8, 2006.

1. Present: The applicant's representatives, an overflow capacity of more than 100 people from the general public were present, and a representative from the Council Office (4) was also present.
2. Initial Indication: 45 people spoke on the project, 40 were opposed, and 5 people spoke in support. The Council Office spoke in opposition to the entire project. An additional 22 speaker cards were collected from people who could not speak but wanted to go on record as opposed to the project. Two cards were collected from those in support, and three cards from people with general comments.

Summary of Public Hearing Testimony

Two representatives for the applicant spoke and gave a presentation of the project along with the history of the development and project planning process.

All of those speaking in opposition to the project object to the RAS3 zone change and the additional floor area the new zone would allow. Many expressed concern that the application is not consistent with the Wilshire Community Plan because the Plan specifically limits the FAR on this site and at least a General Plan amendment is necessary. Other reasons for opposing the project are its potential traffic impacts, view impacts on the adjacent tennis club, need for an environmental impact report, and several speakers mentioned negative impacts on the quality of life. The Los Angeles Tennis Club and the Windsor Square Association had representatives to speak in opposition. It was evident that many speakers in opposition were members of the adjacent tennis club.

Speakers in support of the project mentioned the potential benefits of adding for sale housing units into an area that has seen little new housing opportunities and bring revitalization to the neighborhood. One person spoke on the creation of jobs, and another speaker mentioned that other projects completed by the applicant have been will received in other areas.

The representative for the Council Office spoke in opposition to the project stating that proposed development is not in keeping with the community plan and that the area is not suitable for this zone change.

Communications Received

The applicant has submitted 23 signed form letters in support of the project. One letter has been received from an adjacent business owner on Melrose Avenue in support of the project.

One letter from an adjacent resident of the Hancock Park Terrace Condominiums has been received with general comments regarding the project and its design. Another letter has been received from the Hancock Park Terrace Condominium Association in general support but opposed to any easements offered to the Los Angeles Tennis Club.

A detailed letter with attachments has been submitted by the law firm of Gibson, Dunn, & Crutcher LLP on behalf of the Los Angeles Tennis Club in opposition to the project. The opposition is based on three primary points, 1) the increased height and density along with the reduction in setbacks will be detrimental to the tennis club and the neighborhood, 2) a General Plan amendment is necessary to grant the RAS3 Zone, and 3) an environmental impact report is needed to properly address the impacts of the proposed project.

Attachments include photographs of the adjacent area, renderings of the proposed project and its impact on the tennis club, the Wilshire Community Plan, and a historical survey of the tennis club.

The Windsor Square Association, the Hancock Park Homeowners Association, and the Wilshire Country Manor Owners Association have submitted letters in opposition. Four letters in opposition have been received and seven signed form letters in opposition have also been received.

The Council Office representative has submitted 342 signed postcards in opposition to the proposed project and zone change (originally sent to the Council Office).

Hearing Officer Comments

It was evident at the public hearing that there is a significant amount of opposition to the proposed project (and zone change) and the concurrent tract map. It appears based on the public testimony and letters received that a majority of those opposed are not only long time residents of the area but members of the Los Angeles Tennis Club which immediately abuts the site on the south. The tennis club will be undoubtedly be most affected by the project if completed since the project site shares 450 feet of property line along its southern boundary with the tennis club. The Los Angeles Tennis Club has been at this location for approximately 85 years and based on the testimony a very much needed resource for the community. Tennis courts abut the property line and the proposed building will be visible to those using visiting the tennis club. The current zoning on the site C1-1VL permits a height of 45 feet with no setbacks required for commercial projects adjacent to an R3-1 Zone (current zoning on Tennis Club site). Although the RAS3 Zone permits a maximum height of 50 feet, the majority of the proposed building height along the south elevation will be less than 45 feet with a setback along the southern property line varying from 10 to 15 feet. Approximately 10 feet of the subject parcel at its southeastern boundary abuts R1 property that is currently being used as the Wagon Wheel Nursery School where the setback will be 15 feet.

The Mitigated Negative Declaration, ENV 2004-958-MND, evaluated a slightly more intense project that was originally proposed. The original project was for the same number of units (54 condominiums) but a greater floor area for commercial space of 16,000 square feet (current limit is 9,625 square feet) and a taller project of 57 feet (current project limits height to 50 feet). Additionally, the MND lists as a discretionary request a General Plan Amendment to General Commercial which is no longer being requested. Because the original MND was for a more intense project, there was no need to reissue another MND for a project that was less intense. A traffic study was prepared by traffic consultants for the applicant. The report has been evaluated by the Los Angeles Department of Transportation (LADOT) and in a letter dated October 7, 2004 (attached to MND), LADOT determined that the traffic study was adequate and recommendations were made (and incorporated as conditions of approval).

Notwithstanding the above, staff recommends denial of the proposed zone change. The RAS zone was designed to help developers in producing housing in underperforming commercial areas. Because housing developments are usually built to a higher Floor Area Ratio (FAR), usually at 2.0:1 or 2.5:1 FAR, depending on the lot size, the 1.5:1 commercial zone FAR of Height District 1 does not allow sufficient bulk for the construction of residential buildings. Thus, the RAS zone was conceived to place a residential zone with a 3:1 FAR in commercial areas that would otherwise be restricted to the lower FAR while still permitting limited ground floor commercial uses. It was hoped that this would spur additional residential development and help the City meet the housing growth needed for its expanding population without up-zoning its existing single family neighborhoods. However, this proposed RAS zone will not result in an expansion of housing opportunities in the Wilshire District. It merely would replace 54 existing rental units in smaller courtyard apartment buildings with a 54 unit condominium complex with ground floor retail and restaurant uses, which would be built to the higher FAR permitted by the RAS zone. The project would result in the loss of 54 rental units in an area which is located adjacent to the bus lines that run on Melrose Avenue and is close to major employment centers. The zone change would result in a large, out of scale building in an area where the City is proposing a Historic Preservation Overlay Zone. It would result in a structure built to a height that is not consistent with Footnote No. 11 of the Community Plan, which seeks to limit structures to

a 45 foot height limit. Staff believes that the use of the RAS zone to increase the bulk of a building while not resulting in the production of any affordable housing units is a misuse of the RAS zone, which was intended to increase housing opportunities and enhance and revise older commercial corridors, and not as a means to circumvent the voter-enacted Proposition U, which halved FAR's in commercial zones so as to avoid the construction of excessively bulky buildings in the City's commercial areas. Therefore, the proposed zone change cannot be supported on the basis of the public necessity, convenience, general welfare and good zoning practice.

Description of Exhibits

Exhibit "A": Site Plans, Floor Plans, Elevations

Exhibit "B": Vicinity Map

Exhibit "C": Radius Map

Exhibit "D": ENV 2004-958-MND