



City of Culver City

Mike Balkman Council
Chambers
9770 Culver Blvd.
Culver City, CA 90232

Staff Report

File #: 23-267, **Version:** 1

Item #: PH-1.

CC - PUBLIC HEARING: Adoption of a Resolution Approving Density and Other Bonus Incentives to Allow Construction of a 104-unit Residential Mixed-use Development with Ground Floor Commercial Uses at 12727 Washington Boulevard (Project).

Meeting Date: October 24, 2022

Contact Person/Dept.: Jose Mendivil, Current Planning Division
Erika Ramirez, Current Planning Division

Phone Number: 310-253-5757, 310-253-5727

Fiscal Impact: Yes ☐ No ☒ **General Fund:** Yes ☐ No ☒

Attachments: Yes ☒ No ☐

Commission Action Required: Yes ☒ No ☐ **Date:** August 24, 2022

Commission Name: Planning Commission

Public Notification:(E-Mail) Meetings and Agendas - City Council (10/19/2022); (Posted) City Website (09/30/2022); (Mailed) Property owners and occupants within a 500-foot radius (09/30/2022); (Sign Posted) at Project Site along Culver and Washington Boulevards (10/03/2022).

Department Approval: Jesse Mays, Assistant City Manager (10/13/2022)

RECOMMENDATION

Staff recommends the City Council adopt a resolution approving Density and Other Bonus Incentives to allow construction of a 104-unit residential mixed-use development including 5 very-low-income and 11 workforce housing units and ground floor commercial uses at 12727 Washington Boulevard.

PROCEDURES

1. The Mayor seeks a motion to receive and file the affidavit of publication and posting of the public hearing notice.
2. The Mayor calls on staff for a brief staff report and City Council poses questions to staff as desired.

3. The Mayor seeks a motion to declare the public hearing open and the City Council receives public comment.
4. The Mayor seeks a motion to close the public hearing after all testimony has been presented.
5. The City Council discusses the matter and arrives at its decision.

BACKGROUND

The Project Site is approximately 57,342 SF or 1.32 acres and located near the convergence of Washington Boulevard and Washington Place ("Project Site"). The Project Site is partly in Culver City and partly in Los Angeles as follows:

- Culver City Portion - 33,858 SF or 0.78 acres with a vacant lot, surface parking, and a 2,900 SF commercial retail building, and
- Los Angeles Portion - a 23,484 SF or 0.54 acres with surface parking and an abutting alley.

The City of Culver City and City of Los Angeles are processing and coordinating required entitlements in parallel to ensure an integrated design, and application of good planning principles. Project background and analysis concentrates on Culver City requirements except as otherwise noted.

The Applicant requested a Site Plan Review ("SPR") to build ground floor commercial space with 104 dwelling units above, an Administrative Use Permit ("AUP") to allow residential tandem parking, and a Density and Other Bonus Incentive ("DOBI") to allow an increase in residential density in return for restricting a certain number of affordable units within the development for a period of 55 years. All commercial ground floor space is in Culver City. The 104 units are built in 5 levels above the commercial level. Most of the Project parking is in 2 subterranean levels with some surface parking.

On August 24, 2022, the Planning Commission approved Site Plan Review, P2021-0103-SPR and Administrative Use Permit, P2021-0103-AUP, and recommended City Council approval of Density and Other Bonus Incentives, P2021-0103-DOBI, subject to conditions of approval as stated in Planning Commission Resolution No. 2022-P017.

On September 8, 2022, Victoria Ann Yundt of Lozeau Drury filed an appeal, on behalf of Supporters Alliance for Environmental Responsibility ("SAFER" or "Appellant"), to the Planning Commission's Adoption of a California Environmental Quality Act ("CEQA") Sustainable Communities Project Exemption ("SCPE") for the Project described above.

On October 10, 2022, the City Council conducted an appeal hearing, denied the appeal, and affirmed the Planning Commission's CEQA SCPE adoption. No further action on the appeal is required.

The City Council is asked to consider the Planning Commission's recommended DOBI approval. The August 24, 2022 Planning Commission resolution, staff report, draft minutes, and preliminary development plans provide background discussion and information on the Project (Attachment Nos. 3 through 6).

DISCUSSION

Density and Other Bonus Incentives and Concessions

Culver City Municipal Code (“CCMC”) Chapter 17.580 - Density and Other Bonus Incentives - requires the City to follow State Density law for DOBI applications. Under State Density Bonus law, the City is required to grant up to a 50% dwelling density bonus increase if a developer agrees to reserve a percentage of affordable units for low-income households for up to 55 years. Low-income categories for affordable housing include very low income, low income, and moderate income. The State of California Housing and Community Development Department (“HCD”) annually establishes the income level criteria. Development standards such as height, setbacks, parking, and ground floor restrictions, cannot be applied if they prevent construction at the increased density. Concessions and waivers, which are a relief from these standards, must be granted by the City unless the City makes specified findings justifying the denial. The number of concessions and the density increase is based on the percentage of affordable units within the development. There is no limit on waivers, but they must relate to development of the affordable units. State allowed density increases and the concessions/waivers act as incentives to provide affordable housing. Many mechanisms once available to cities, including direct funding for construction of affordable housing, were limited by the dissolution of redevelopment agencies. Density Bonus Law is one method to incentivize market rate housing developers to provide affordable housing within an otherwise market rate development, even if such housing is a small percentage of the proposed project.

Density is calculated based on the Project’s acreage of 0.78, and State Density law requiring the rounding up of fractions. The applicant is providing 5 very low-income units, 11 workforce units, and 88 market rate units in Culver City (in Los Angeles there are 3 extremely low-income units and 37 market rate units on 0.54 acres). The Project’s base density increases from 35 dwellings units per acre, or 28 units, to 65 dwelling units per acre because it is providing 11 workforce units as a community benefit (Culver City Municipal Code (CCMC) 17.400.065.E.3 - Residential Density). The percentage of the base 28 units that are affordable (5 very low income) is 18% and the total number of incentives or concessions that the Project is entitled is identified in the chart below:

Incentives and Concessions Tiers			
<i>Number Entitled</i>	<i>Very Low Income</i>	<i>Low Income</i>	<i>Moderate Income</i>
1	5%	10%	10%
2	10%	20% → 17%	20%**
3	15%	30% → 24%	30%**
** applies to a common interest development, as defined in Section 4100 of the Civil Code			

The Project is entitled to 3 concessions because at least 15% of the base units are Very Low Income. The Applicant requests only 2 concessions:

1. Relief from the 56 FT height limit to allow a height of 67 FT and an additional 5 FT of parapet wall.
2. Relief from setbacks to:
 - Allow a 0-setback on portions of the street facing levels above the ground floor that normally require a 5-foot setback above the street facing ground level.
 - Allow a 0-setback for the rear portion of the Project abutting the Los Angeles portion of the Project that has a residential Zone and that would normally require a 10-foot setback for the first 15 feet of height followed by a 60-degree clear zone above the 15 feet.

The Project's height increase is required to accommodate 104 units in Culver City. The Project is designed with a mix of unit types including studios, 1-bedroom, 1-bedroom with a den, 2-bedroom, and 2-bedroom with a den. This varied unit type makes the Project more marketable by providing different housing types that meet the needs of various target populations from single person to multi-person households. Limiting height to 56 feet reduces the total area per dwelling within the 104 units which limits the potential number of overall housing units including affordable units.

Setbacks further limit area per unit. Finally, the Project is designed as one unified development and subjecting the rear to a 10-foot setback with a 60-degree clear zone would eliminate this design objective and require elimination of units.

The total maximum number of dwelling units allowed in Culver City was calculated based the total area of the Project Site of 1.32 acres, which includes the Los Angeles portion. This approach is consistent with split jurisdictional projects, such as the Ivy Station project within the City's Transit Oriented Development District. This allows the applicant to request an additional 27 units for a total of 104 units proposed in Culver City.

The Planning Commission recommends the City Council grant the requested concessions based on State Density Law and to permit the construction of very-low-income and Workforce housing units within the development.

PUBLIC OUTREACH

Pursuant to the City's Community Meeting Guidelines, the applicant held 3 community meetings as part of its outreach to neighbors and community members. Consistent with CCMC Chapter 17.630, community meeting notices were mailed to all property owners and occupants within 500-feet from the Project Site boundaries. The community meetings were held at 6:30 PM on Tuesday, December 4, 2018, Thursday, April 15, 2021, and Tuesday, May 24, 2022. At the meetings, the Applicant gave a brief overview of the Project and provided opportunity for discussion with meeting attendants.

Comments Received During Public Comment Period

A public notice was mailed to all property owners and occupants within a 500-foot radius extended to end of City block on September 30, 2022, advising the public that a hearing was scheduled for the October 24, 2022, City Council meeting. As of the writing of this report, comments have not been submitted to the City.

ENVIRONMENTAL DETERMINATION

On August 24, 2022, the Planning Commission adopted a SCPE pursuant to CEQA Statutes 21155 through 21155.4 because as a transit priority project, the proposed development implements Sustainable Communities Strategy objectives and meets all requirements of CEQA Section 21155.1, subdivisions (a) and (b) and the requirements of CCMC Section 21155.1 subdivision (c). On October 10, 2022, the City Council affirmed the Planning Commission adoption of the SCPE in response to an appeal of the Planning Commission CEQA decision. The Density and Other Bonus Incentives is within the scope of the adopted SCPE and the circumstances under which the SCPE was prepared have not significantly changed, and no new significant information is found that affects the SCPE. Therefore, no additional environmental analysis is required.

CONCLUSION/SUMMARY

The Project is compatible with the surrounding neighborhood, adequately served by public facilities and consistent with State Density law, the General Plan, Zoning Code, and all CCMC requirements based on the Planning Commission's and staff's review and analysis of the proposed preliminary development plans and conditions of approval. The findings for Density and Other Bonus Incentives, P2021-0103-DOBI, are made as outlined in the proposed City Council resolution (Attachment No. 1).

FISCAL ANALYSIS

There is no fiscal impact to the City resulting from the approval of the Density and Other Bonus Incentives.

ATTACHMENTS

1. 2022-10-24_ATT-1. Proposed City Council Resolution.
2. 2022-10-24_ATT-2. Vicinity Map.
3. 2022-10-24_ATT-3. Planning Commission Resolution No. 2022- P017 & Exhibits A & B dated August 24, 2022.
4. 2022-10-24_ATT-4. August 24, 2022 Planning Commission Staff Report (without attachments)
5. 2022-10-24_ATT-5. August 24, 2022 Draft Planning Commission Minutes.
6. 2022-10-24_ATT-6. Preliminary Development Plans dated April 22, 2022.

MOTIONS

That the City Council:

Adopt a resolution approving Density and Other Bonus Incentives to allow construction of a 104-unit residential mixed-use development including 5 very-low-income units and 11

workforce units and ground floor commercial uses at 12727 Washington Boulevard.