

**LOS ANGELES CITY PLANNING DEPARTMENT
RECOMMENDATION REPORT**

CITY PLANNING COMMISSION

DATE:	July 22, 2004	CASE NO:	CPC 2004-3334-CA
TIME:	After 8:30 a.m.*	CEQA:	ENV 2004-2691-CE
PLACE:	Marvin Braude Constituent Center 6262 Van Nuys Boulevard First Floor Meeting Room Van Nuys, CA 91401	LOCATION:	Citywide
		COUNCIL DISTRICTS:	All
		PLAN AREAS:	All

PUBLIC HEARING REQUIRED

REQUEST: Code Amendment

SUMMARY: A proposed ordinance (Appendix A) amending various sections of the Los Angeles Municipal Code to permit for-sale detached townhome development in commercial and multifamily residential zones.

RECOMMENDATION:

1. **Adopt** the staff report as its report on the subject.
2. **Adopt** the attached findings.
3. **Approve** the proposed ordinance (Appendix A) and recommend adoption by City Council.

Jane Blumenfeld,
Principal City Planner 213/978-1372

Table of Contents	Page
I Summary	2
II Findings	2
III Staff Report	
Background	4
Discussion	5
Conclusion	10
Environmental Impact	11
Appendix A (Proposed ordinance)	Attached

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, 200 North Main Street, Room 532, 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 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 agendized 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 this 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 no later than three working days (72 hours) prior to the meeting by calling the Commission Secretariat at 213/978-1300.

SUMMARY

The proposed ordinance (Appendix A) amends various sections of the Los Angeles Municipal Code to permit detached for-sale townhome development in commercial and multifamily residential zones. A townhome, as defined herein, means a small individual lot containing one, two or three units, which have no common walls or foundations with a structure on another lot. Each townhome lot along with the structure or structures on it would, therefore, be individually owned in fee simple. Although townhomes would be created through the Subdivision Map Act, no homeowner association would be required, as normally found in a condominium development, because the townhome owners would not share any land, parking, or open space with one another. Each lot owner would own 100% of the lot and building, much the way a property owner owns a home in a single-family neighborhood. As such, townhomes would provide a new type of home ownership opportunity in multifamily-zoned neighborhoods in Los Angeles and would be subject to the same density requirements established by both the zoning and the General Plan.

FINDINGS

1. In accordance with Charter Section 556, the proposed ordinance (Appendix A) is in substantial conformance with the purposes, intent, and provisions of the General Plan. This ordinance will encourage the development of housing, which is in keeping with the need for housing for all income levels, as stated in the General Plan; and
2. in accordance with Charter Section 558 (b)(2), the proposed ordinance (Appendix A) will have no adverse effect upon the General Plan, specific plans, or any other plans being created by the Department of City Planning because the proposed ordinance is consistent with the General Plan and carries out the General Plan goals, policies and objectives discussed above, and
3. in accordance with Charter Section 558 (b)(2), the proposed ordinance (Appendix A) will be in conformity with the public necessity, convenience, general welfare and good zoning practice. This ordinance will provide additional opportunities for the development of home ownership and will facilitate the production of housing throughout the city within the requirements of established zoning; and
4. the proposed ordinance (Appendix A) is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 2, Subsection (m) of the city's CEQA Guidelines (ordinances which do not of themselves have an impact on the physical environment as they are enabling legislation only). Each project will be subject to CEQA at the time it is filed.

APPROVED BY:

CON HOWE
Director of Planning

REVIEWED BY:

ROBERT JANOVICI
Chief Zoning Administrator

PREPARED BY:

JANE BLUMENFELD
Principal City Planner

STAFF REPORT

BACKGROUND

The continuing housing crisis in Los Angeles is well documented in the city's General Plan Housing Element and in various reports and studies. The Housing Element recognizes the current housing shortage and forecasts a worsening housing crisis in the upcoming years. The Southern California Association of Governments (SCAG) estimates that the population of Los Angeles will be 4.3 million in 2010, a 16% increase over the 2000 Census population of approximately 3.7 million. Given this expected population growth and the current housing shortage, especially with regard to affordable housing, the Mayor, the Council, and city departments have recognized that affirmative steps must be taken to spur housing production.

There are a number of factors that make it increasingly difficult to meet the local housing need. Land values have skyrocketed, materials and labor costs have increased and the stock of affordable units is both aging and disappearing. The confluence of these circumstances has created the housing crisis, characterized by serious overcrowding, extremely low home ownership rates, and rental rates that force many families to spend more than half of their incomes on housing.

The demolition of existing units exacerbates the already low supply of affordable housing, since the older rental units removed for new construction are usually more affordable than newly constructed housing. Little buildable vacant land exists in Los Angeles today, and therefore most new construction requires the demolition of existing structures. The city continues to lose nearly one unit for every four new units built.

In 1999 the City Council created the Housing Crisis Task Force, which brought together housing experts to look comprehensively at the housing problem and recommend measures to increase production, with an emphasis on affordable housing and homeownership opportunities. The Task Force issued a report with numerous recommendations, which were ultimately reviewed and considered by the City Council. Among the Task Force's recommendations for immediate action was to "Create more affordable homeownership opportunities through innovative land use."

In November 2000, the City Planning Commission discussed and evaluated more than 60 proposals to facilitate the production of affordable and market rate housing. Approximately 25 of the proposals were recommended for further study, including a proposal to create smaller lot sizes in certain circumstances, which is the subject of this report.

Since that time, several of the Task Force recommendations have been adopted, including a new density bonus ordinance, an expanded adaptive re-use ordinance and a new mixed use zone. Additionally, the Mayor has created the city's first Housing Trust Fund to provide financial assistance to affordable housing projects. Although these strategies are proving successful, they do not obviate the need for additional measure to increase production.

The proposed ordinance (Appendix A) is another tool to help the city meet its housing production obligations and to specifically provide new opportunities for homeownership in multifamily zones.

DISCUSSION

What is a Townhome and what could it look like?

Small lot townhome development on lots zoned for multifamily residential use offers additional homeownership opportunities in neighborhoods that may benefit from the social and economic characteristics of residents strongly invested in the community. At the same time, the reduced land costs associated with this type of development make it more affordable and attractive to homebuyers (particularly first-time homebuyers) who wish to own their own home on a separate lot, rather than owning a percentage of shared spaces in an attached or detached condominium project.

At present, the city's zoning permits only two development options in multifamily residential zones: apartments and condominiums. Although single-family homes are technically permitted, the minimum lot size requirement (typically 5,000 square feet) essentially forecloses this option as an economically feasible alternative in multifamily zones.

A townhome can be a single home, a duplex, or a triplex on a lot in a multifamily zone that is owned in fee simple along with the land on which the structure sits. A block of townhomes, therefore, could be a series of buildings nearly touching one another, but having no common walls or foundations with the adjoining townhome. A block could look like a series of row houses or brownstones, a common development type in many parts of the world. It could also be designed more traditionally, as small two or three-story homes with separations between buildings. In no case, however, can the number of units in the townhome development exceed the density permitted by the multifamily zone on which the lot sits. Thus, if an R3-zoned lot permits a maximum of 12 units, the proposed ordinance would also restrict the development to a maximum of 12 "townhomes."

There are many variations of possible site designs for such development. The following are a few examples:



Proposed Townhome Development in Van Nuys



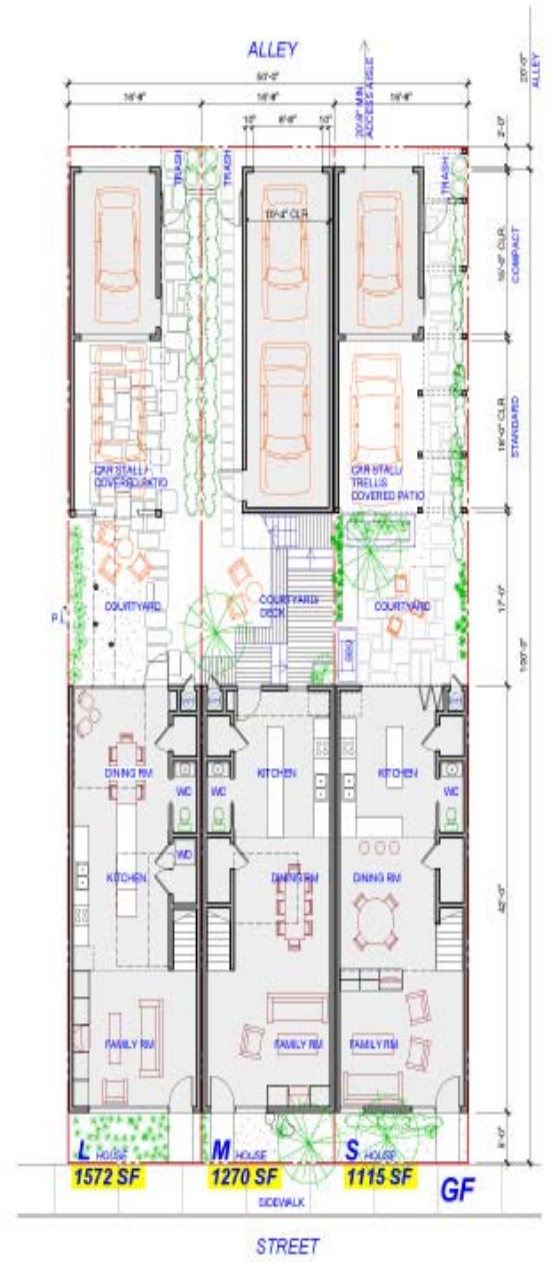
Townhome development in Burbank, California



Townhome development in Long Beach

What are the planning and zoning issues?

The Planning Department formed a task force of architects and for-profit and not-for-profit housing developers to examine prototype townhome designs, address the issues that such a concept would generate, and develop minimum lot standards for detached townhome developments. The task force members created a variety of site plans and examined their impact on parking, open space, fire access, street access, density, and zoning code requirements. It was the consensus of the task force to establish minimal standards and allow for the greatest amount of creativity and flexibility, since all projects will be reviewed by staff and the community in several public hearings. Thus a minimum lot width of 16 feet is proposed, so as not to foreclose the ability to design, for example, a very small scale townhome project on a single lot that is typically 50 feet wide (i.e. two houses and 5' side yards along the width of the lot). The following drawing illustrates such a concept:



KoningEizenbergArchitecture
 04.29.04
 www.kearch.com

Staff then met with the Departments of Building and Safety, Engineering, and Fire to address issues of particular concern to each, which are identified below. The proposed ordinance reflects their input.

Building and Safety:

- Assure adequate wall ratings and/or openings between buildings that are less than 3 feet from a property line.
- Assure adequate street frontage or a similar type of alternative vehicular access to each unit
- Require townhouses to meet the parking requirement of the underlying multiple zone

Fire:

- Assure adequate turnaround
- Fire Department to approve fire hydrant access
- Provide acceptable access to any gates blocking a shared driveway
- Provide 28 foot roadway or driveway if adjacent buildings are more than 28 feet in height.

Engineering:

- For lots not fronting on a street, identify the newly created access for homes/lots as a “driveway” rather than a “street” or “private street,” because the term “street” creates unnecessary liability for the city, while providing no added benefit.
- Require the Bureau of Engineering to review townhouse developments at an early stage of design, to assure that proper sewer, curb, and gutter improvements are incorporated.

Planning:

- Three zoning code requirements prevent the development of townhouses on fee simple lots: the definition of lot, (which requires 20 feet of *street* frontage), the minimum lot size requirement and the yard requirements. These must be amended in order to permit small lot/townhouse developments in which the individual lots can be sold in fee simple.

Relationship to the General Plan

The proposed ordinance complies with the General Plan and with the land uses and densities established by the 35 Community Plans. As such it is intended to be an implementing tool of the General Plan, applicable only in multiple residential and commercial zones. For example, where a plan designates a parcel for medium density residential use and is zoned R3, the maximum number of units permitted by the Plan and the zone will be the same number of units permitted under the proposed ordinance. The only differences will be in the form of ownership of those units (fee simple, as opposed to common ownership) and in the physical configuration of the units on the lot (homes instead of apartments or condominiums).

Proposed process for creating townhouses

At the present time, the city’s zoning code is structured to accommodate either the development of single-family homes (or detached condominiums) or the development of stacked (vertical or horizontal) units. Therefore, on a 15,000 square foot RD1.5-zoned lot, for example, one could build 10 apartment or condominium units. The 10 unit building would likely be three stories,

have 15 parking spaces (perhaps more for a condominium project), units of approximately 1,000 square feet each, and have setbacks on each of the four sides of the building. If the same lot were developed with townhomes, pursuant to the proposed ordinance, 10 units could also be built, but in 10 separate two-story structures very close to one another. Each house/unit would have two parking spaces each at the grade level, for a total of 20 spaces, and each unit would be 1,000 square feet. Since each unit would be on its own legal lot, the current requirements for setbacks on all four sides and the current minimum lot size requirement would not be feasible.

The development of a townhome project would require the approval of a subdivision, pursuant to the State's Subdivision Map Act, because each unit would also be a legal lot, which can only be created through the subdivision process. Approval of such projects would still require meeting the density of the underlying zone and the General Plan, as well as any requirements established by a specific plan. Additionally, public hearings, environmental review, and site plan and design reviews that are required components of any subdivision process would still be required.

Why is this new type of housing alternative beneficial?

Homeownership is good public policy. It provides stability to communities and wealth creation for families. It is the embodiment of the American Dream. Unfortunately, the City of Los Angeles has one of the lowest homeownership levels in the country. Whereas nationwide, 57% of the housing is owner-occupied, in Los Angeles, only 39% of the housing is owner-occupied.

The high cost of land in Los Angeles makes it nearly impossible for most people to achieve this goal. The problem is exacerbated by the city's zoning requirement that single-family homes be built on 5,000 square feet of land. Permitting single-family homes on smaller lots in multifamily residential zones would make homeownership attainable for many more families in our city.

Condominium development has, in the past, offered an entry into homeownership for many Los Angeles families. However, in recent years many developers have declined to build condominiums because of the exorbitant cost of construction defect liability insurance associated with condominium homeowner associations. Since townhomes are constructed on separate lots with no common walls or foundations, such associations are not necessary, thereby reducing legal liabilities.

Townhome development would fit well into the fabric of many neighborhoods that are already planned for multifamily housing, but are adjacent to single-family homes. The city is characterized by many underperforming commercial strips and multifamily lots that, from an urban design point of view, could better serve neighborhoods as housing sites. The architecture and design of townhomes are likely to be much smaller in scale than stacked condominiums, apartments or commercial buildings and are likely to look and function more like single-family neighborhoods. As such, these developments should be welcome neighbors in many communities.

CONCLUSION:

The City Council through its Housing Crisis Task Force has reported that there is a serious housing shortage for most income levels in Los Angeles. In an attempt to spur housing growth, this proposed ordinance (Appendix A) facilitates the development of a new type of homeownership within land use densities established by the Community Plans. It reduces the

amount of land necessary to purchase a home, thereby reducing the cost. It eliminates the need for homeowner associations to manage common walls, foundations, and amenities, thereby reducing costs, including insurance for construction defect liability policies. The proposed ordinance (Appendix A) provides another option to developers of multifamily housing and to neighborhoods within and in proximity to multifamily zones. It could also provide the ability for families to own their own home and a rental unit at the same time, thereby reducing mortgage payments or providing a way to house aging parents or children.

The Planning Department believes that the townhome ordinance will provide benefits to the city by increasing housing production, providing additional homeownership opportunities, and providing needed new housing options.

The creation of this new development type is an important and definitive commitment by the Department to promote housing production, particularly homeownership.

ENVIRONMENTAL IMPACT:

The attached proposed ordinance (Appendix A) is exempt from the requirement of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 2, Subsection (m) of the city of Los Angeles CEQA Guidelines (ordinances which have no negative impact on the physical environment) as this is enabling legislation only and each individual project will have its own environmental review.

APPENDIX A

PROPOSED ORDINANCE FOR DISCUSSION

An ordinance amending Sections 12.03, 12.09, and 12.22 of the Los Angeles Municipal Code to permit detached for-sale townhouse development in commercial and multifamily residential zones.

THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:

Section 1. Section 12.03 of the Los Angeles Municipal Code is hereby amended, revising the definition of “townhouse,” to read:

Townhouse, attached or detached – A dwelling unit, structure containing not more than three dwelling units, which is structurally separated from another dwelling unit or other dwelling units in a building structure containing two or more dwelling units and complying with the provisions of Section 91.2305 (k) 2 Chapter IX of this Code, and which may be sold jointly with the lot upon which the dwelling unit is situated. Provided, however, that in attached townhouses, common roofing, flashing and siding are permitted so as to enclose the airspace resulting from said structural separation and that in detached townhouses, common flashing is permitted to enclose the airspace resulting from said structural separation.

Section 2. Section 12.03 of the Los Angeles Municipal Code is hereby amended, revising the definition of “lot,” to read:

Lot -- A parcel of land occupied or to be occupied by a use, building or unit group of buildings and accessory buildings and uses, except for a detached townhouse development, together with such yards, open spaces, lot width and lot area as are required by this chapter, and fronting for a distance of at least 20 feet upon a street as defined herein, or upon a private street as defined in Article 8 of this chapter. The width of an access-strip portion of a lot shall not be less than 20 feet at any point. In a residential planned development a lot for a townhouse need have only such street frontage or access as is provided on the approved plans for the development. In a townhouse development, access may be provided to either a lot containing a detached townhouse or to its required parking spaces by way of street or alley frontage, driveway access or similar access to a street.

Section 3. A new subdivision 27 is hereby added to Subsection A of Section 12.22 of the Los Angeles Municipal Code to read:

27. Detached Townhouse Development in the RD, R3, R4, R5 and C zones. In the RD, R3, R4, R5, and C zones, lots may be developed with detached townhouses, provided that the density of such development complies with the minimum lot area per dwelling unit requirement established for each zone.

(a) All structures on a lot containing a detached townhouse may, taken together, occupy no more than 80% of the lot area, unless the townhouse development provides common open

space equivalent to 20% of the lot areas of each lot not meeting this provision.

- (b) No front, side, or rear yard shall be required between lots that contain townhouses. However, a five-foot setback shall be provided where a lot containing a townhouse abuts a lot which contains a residential use other than a townhouse.
- (a) The minimum lot width for a detached townhouse shall be 16 feet and the minimum lot area shall be 600 square feet. A parcel map or subdivision, pursuant to the State Subdivision Map Act, shall be required for the development of detached townhouses.

Section 4. Paragraph 3 of Subsection A of Section 12.09 of the Los Angeles Municipal Code is hereby amended to read:

2. Apartment houses, boarding or rooming houses, detached townhouses, or multiple dwellings on lots having a side lot line adjoining a lot in a commercial or industrial zone, provided that:

- (a) The use, including the accessory buildings and uses and required yards, does not extend more than 65 feet from the boundary of the less restrictive zone which it adjoins; and
- (b) The lot area per dwelling unit or guest room regulations of the RD1.5 zone shall apply to said uses.

Section 5. The City Clerk shall certify...