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October 13, 2022

Los Angeles City Council
c/o Office of the City Clerk
City Hall, Room 395
Los Angeles, California 90012

Attention: PLUM Committee

Dear Honorable Members:

**APPEAL FOR A PROPOSED PROJECT AT 5041-5057 NORTH LANKERSHIM BOULEVARD
& 11121 WEST HESBY STREET; CASE NO. CPC-2020-6950-GPA-VZC-HD-ZAA-CU-CUB-
SPR-1A; CF 22-0813-S1**

At its meeting of April 14, 2022, the City Planning Commission (CPC) approved the demolition of two (2) existing one-story commercial buildings and surface parking lots (a total of eleven lots) and the construction, use, and maintenance of a seven-story, 88-foot-high mixed-use building with 125 hotel guest rooms and 8,900 square feet of restaurant and retail uses. In approving the project, the CPC took the following actions:

1. Adopted the Mitigated Negative Declaration (Case No. ENV-2020-6951-MND);
2. Recommended that the Mayor and City Council approve a General Plan Amendment to the North Hollywood – Valley Village Community Plan to re-designate the Site from Medium Residential to Community Commercial land use;
3. Recommended that the City Council approve a Vesting Zone Change and Height District Change from R4-1 and C4-1-CA to (T)(Q)C4-2D;
4. Denied a Zoning Administrator's Adjustment to allow a 19% increase in density for a total of 149 guest rooms (169.3 square feet of lot area per guest room) in lieu of 125 guest rooms (200 square feet of lot area per guest room);
5. Approved a Conditional Use Permit to allow a hotel use in a C4 Zone located within 500 feet of an R Zone;
6. Approved a Conditional Use Permit to allow the sale of a full line of alcoholic beverages for on-site consumption in conjunction with the operation of a hotel with two restaurants; and
7. Approved a Site Plan Review for a development project which creates or results in an increase of 50 or more guest rooms.

On June 16, 2022, the applicant, Brooks Fain, Napa Industries LLC, filed an appeal of the CPC's denial of the Zoning Administrator's Adjustment. Below is the Department of Planning's response to the appeal.

A. The ZAA is the appropriate mechanism to increase hotel density in a Transit Priority Area

The project's location within a Transit Priority Area is not relevant to the project's requested increase in the number of hotel guest rooms. A Transit Priority Area is defined in Public Resources Code Section 21064.3, and is only applicable to the proposed project as it relates to the level of environmental review, particularly that aesthetic and parking impacts shall not be considered a significant impact.

B. The CPC inappropriately relied on a 1997 ZA interpretation to deny the ZAA.

The ZA Memo referenced in the staff report to the CPC is not a Zoning Administrator Interpretation, but instead brings clarity to the application of LAMC Section 12.28-B (Slight Modifications - Authority of Zoning Administrator). In the ZA Memo it states, "that the calculation as to whether the lot area for the last unit is within the 10% rule is based solely on the lot area attributable to the last unit - it may not be based upon averaging the lot area allocation over the entire number of units proposed."

Here, the appellant is requesting that the Zoning Administrator's Adjustment allow a 20% reduction in the required lot area for all guest rooms, not the just the last guest room. The CPC's rationale to denying the ZAA is consistent to the ZA Memo.

C. The City has approved numerous density increases since 1997 using a ZAA as permitted by LAMC § 12.28.A.

The appellant has identified three (3) cases where projects obtained a ZAA to permit a percentage increase in density that applied to all units/guest rooms, not just the last unit/guest room. While these cases do deviate from the ZA Memo, the three (3) cases that have been identified do not establish a pattern or practice over the span of 25 years (since the 1997 ZA Memo) that is inconsistent with CPC's action.

D. The Applicant provided substantial evidence in the record to support additional hotel density.

The basis for CPC's denial of the ZAA for increased density is because the request exceeded the authority established in LAMC Section 12.28-A. Nevertheless, with regard to findings (a), and (b) in 12.28-C,4, CPC was not able to make affirmative findings to support an approval of the ZAA.

E. The existing Planning Commission approval will result in fewer larger guest rooms that are less affordable to the general public, while the proposed project will provide a greater number of regular guest rooms to meet the demand of the North Hollywood community.

The basis for CPC's denial of the ZAA for increased density is because the request exceeded the authority established in LAMC Section 12.28-A. The number of guest rooms or their affordability is not relevant to the authority established in LAMC Section 12.28-A.

F. The City Planning Commission erred or abused their discretion.

The three (3) cases that have been identified by the appellant do not establish a pattern or practice over the span of 25 years (since the 1997 ZA Memo) that is inconsistent with CPC's action.

Furthermore, the appellant's interpretation of the CPC's authority under LAMC Section 12.28-A would undermine the City's Density Bonus Ordinance. LAMC Section 12.28-A states that, "[t]he Zoning Administrator shall have the authority to grant adjustments in the Yard, area, Building line and height requirements of Chapter 1 of this Code." The area requirements in this case are found in LAMC Section 12.11-C,4 which provides the following:

- The minimum lot area per dwelling unit shall be 400 square feet.
- The minimum lot area per guest room shall be 200 square feet.

If LAMC Section 12.28-A authorized reducing the minimum lot area per guest room across the entire development (i.e. reducing the minimum lot area per guest room by 19%, to 162 square feet), it would also authorize such reduction with regard to the minimum lot area per dwelling unit. As a result, for an example, on an 8,000 square-foot lot, a ZAA could allow 24 dwelling units (400 square feet reduced by 19% equals 324 square feet; 8,000 square feet divided by 324 square feet equals 24.7), in lieu of the otherwise permitted 20 dwelling units, all without providing any affordable units.

While this project involves guest rooms and not dwelling units, the appellants interpretation would necessarily apply to dwelling units as well.

Therefore, the CPC did not err or abuse its discretion, but instead its action was consistent with the 1997 ZA Memo, with the well-established practice and application of LAMC Section 12.28-A, and in a manner that does not undermine the City's Density Bonus Ordinance.

Sincerely,

VINCENT P. BERTONI, AICP
Director of Planning



Oliver Netburn
City Planner