



**To:** Department of City Planning  
**From:** BIF NON OZ 12188 SAN FERNANDO RD, LLC  
**Date:** 2/7/23  
**Re:** Density Bonus Findings for Project 12188 San Fernando Rd  
**Case #:** PAR-2023-205-AHRF-ED1  
**Address:** 12188 - 12192 San Fernando Road, Sylmar, CA 91342

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### Density Bonus with Off-Menu Incentives

#### **DENSITY BONUS / AFFORDABLE HOUSING INCENTIVES PROGRAM FINDINGS**

The proposed project includes 121 residential units. Out of these, 96 units will be designated as “Low Income”, 24 will be as “Moderate Income” levels, and 1 unit as a Manger’s unit. The project is subject to streamlining per the Mayor’s Dec. 16 ***Executive Directive No. 1***

#### **Off-menu Incentives:**

- a. Two Off-Menu incentives to reduce the side yard setbacks to 5’ in lieu of 8’
- b. An Off-Menu incentive to reduce the open-space requirement by 54.3%
- c. An Off-menu incentive to waive the 75% ground floor commercial requirement by CPIO

**Government Code Section 65915 and LAMC Section 12.22 A.25(c) state that the Commission shall approve a density bonus and requested incentive(s) unless the Commission finds that:**

- 1. The incentives do not result in identifiable and actual cost reductions to provide for affordable housing costs as defined in California Health and Safety Code Section 50052.5 or Section 50053 for rents for the affordable units.**

The record does not contain substantial evidence that would allow the City Planning Commission to make a finding that the requested incentives do not result in identifiable and actual cost reduction to provide for affordable housing costs per State Law. The California Health & Safety Code Sections 50052.5 and 50053 define formulas for calculating affordable housing costs for very-low, low, and moderate-income households. Section 50052.5 addresses owner-occupied housing and Section 50053 addresses rental households. Affordable housing costs are a calculation of residential rent or ownership pricing not to exceed 25 percent of gross income based on area median income thresholds dependent on affordability levels.

**Setbacks:** The subject site is proposed to be improved with a modular structure. This is proposed to achieve efficiency in the building and to have quick construction to deliver a

higher number of units in a short duration. Reduction in the setback makes the building 6' wider which then helps in achieving 2 extra stacks, which is 10 affordable residential units

**Open Space:** The reduction in open space will allow the Project to maximize the buildable area of the lot to produce a building that would be financially feasible to support the affordable housing units at this site.

**Commercial space requirements:** The Sylmar CPIO requires a residential apartment development to have 75% of the GF space fronting San Fernando Rd to be used as commercial. The requested incentive replaces this part of the GF with residential units with 9 extra residential units.

Project San Fernando's requested incentives are necessary to provide affordable housing on this site. Without the Density Bonus, the base density allows only 47 units on site. Under this Density Bonus and incentive request, Project San Fernando will add 121 new housing units to the city's affordable housing shortage.

- 2. The incentives would have a specific, adverse impact, as defined in paragraph (2) of subdivision (d) of Section 65589.5, upon public health and safety 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 development unaffordable to low-income and moderate-income households.**

There is no substantial evidence in the record that the proposed incentive(s) will have a specific adverse impact. A "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" (LAMC Section 12.22 A.25(b)). As required by Section 12.22 A.25 (e)(2), the project meets the eligibility criterion that is required for density bonus projects. The project also does not involve a contributing structure in a designated Historic Preservation Overlay Zone or on the City of Los Angeles list of Historical-Cultural Monuments. Therefore, there is no substantial evidence that the proposed incentive(s) will have a specific adverse impact on public health and safety.

- 3. The incentives are contrary to state or federal law.**

There is no evidence in the record that the proposed incentives are contrary to state or federal law.