

# **MEMORANDUM**

**DATE:** February 21, 2006

**TO:** Mary J. Alvord, City Manager

**FROM:** Susan M. Georgino, Community Development Director

via: Greg Herrmann, Assistant Community Development Director/City Planner

by: Joy R. Forbes, Deputy City Planner

SUBJECT: DENSITY BONUS AFFORDABLE HOUSING AGREEMENT

1241, 1245, 1301, and 1305 North Hollywood Way

### **PURPOSE:**

The purpose of this report is to consider a request by Dan Moore, Trustee for Cheyenne Mission Trust, property owner, to enter into a density bonus affordable housing agreement with the City of Burbank.

# **BACKGROUND AND ANALYSIS:**

In May 2005, a Development Review (DR) application was submitted to construct a 35 unit, three story, multi-family project at 1241, 1245, 1301, and 1305 North Hollywood Way. The application was deemed complete on June 15, 2005 and therefore the development was subject to the old multi-family development standards. The property is zoned R-4 and a maximum of 29 units may be built on this 22,000 square foot property. (Exhibit A) However, the applicant also requested a density bonus in accordance with the State of California density bonus law

Staff first processed the DR application (Project # 2005-67). The Community Development Director conditionally approved the project on October 3, 2005 contingent upon the developer complying with all multi-family regulations and contingent upon the Council entering into a density bonus agreement with the property owner. The density would exceed that permitted by code without approval of the density bonus agreement. The project approval was appealed by a neighbor, but that appeal was withdrawn in January 2006. Approval of the DR project is final and is not a subject of this report or agreement.

**Project Proposal:** The proposed project located on Hollywood Way is three stories with two levels of parking (one level subterranean, one level semi-subterranean). (Exhibit B) Parking is accessed from the alley at the rear of the property where some spaces have direct access from the alley and some are accessed via a driveway into the parking garage. The applicant has proposed to meet the common open space requirements with rooftop open space. The proposal complies with all multi-

family development standards except for the density and parking which are both subject to the density bonus law.

**Density Bonus Process:** The applicant has requested a density bonus in accordance with state law. Burbank Municipal Code states that a developer shall receive a density bonus in accordance with state law when they provide affordable housing, and such bonus shall be embodied in an agreement that is approved by the City Council. In this case, the developer has requested a 20 percent increase in the number of units in exchange for making 10 percent of the base units available for low income tenants (state law requires rounding up which is why a 20 percent increase over 29 units yields a bonus of six units). The applicant has also requested to reduce the parking required by six spaces. In accordance with state density bonus law, the developer need provide only one parking space for each one bedroom unit and additional guest spaces are not required. Therefore, the proposed project would only have to provide 56 parking spaces under state law and the developer could use tandem spaces to meet these requirements. The developer is proposing to provide 68 parking spaces, none of them in tandem.

**Density Bonus Agreement:** The agreement prepared requires that the owner maintain six units affordable at low income rents for households that qualify. The agreement describes how the owner shall qualify tenants and that the low income rental allowances are set by California codes, Los Angeles County low income limits, and utility allowances.

The agreement gives instructions for the owner to comply with annual certification requirements and describes options if a household temporarily or permanently exceeds the income limits for an affordable unit.

**Environmental Status:** The project as a whole has been determined to be Categorically Exempt pursuant to Section 15332 of the California Environmental Quality Act, pertaining to infill development.

# **CONCLUSION:**

The Development Review application was approved and conditioned to meet all code requirements with the exception of the density and parking. Both of these are subject to state law and Council approval for the density bonus agreement. The project complies with state regulations and therefore the City must grant a density bonus. The agreement ensures six units of the project will meet the affordability limitations for a minimum of 30 years.

### **RECOMMENDATION:**

Staff recommends that Council approve a resolution entering into a density bonus affordable housing agreement with the property owner.

# LIST OF EXHIBITS:

Exhibit A Zoning and Fair Political Practices Act Compliance Map
Exhibit B Site plan and front elevation of the proposed project