ORDINANCE NO. 21-1137

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WEST HOLLYWOOD, APPROVING AMENDMENTS TO 19. ZONING ORDINANCE, TO **MODIFY** AFFORDABLE HOUSING REQUIREMENTS AND INCENTIVES. AND OFF-STREET **PARKING** REQUIREMENTS, TITLE 19, ZONING REGULATIONS, TO AMEND REGULATIONS FOR 100% AFFORDABLE HOUSING PROJECTS IN ACCORDANCE WITH STATE LAW, INCREASE DENSITY BONUS TO 50%, AMEND THRESHOLDS FOR INCENTIVES, AND PARKING REQUIREMENTS FOR PROJECTS THAT PROVIDE AFFORDABLE HOUSING ON SITE AND UTILIZE DENSITY BONUSES, IN ACCORDANCE WITH STATE LAW, AND TO AMEND THE THRESHOLD FOR CONCESSIONS FOR MODERATE INCOME UNITS TO MATCH THE NEW STATE REGULATIONS FOR LOW INCOME UNITS, CITYWIDE, IN THE CITY OF WEST HOLLYWOOD.

THE CITY COUNCIL FOR THE CITY OF WEST HOLLYWOOD HEREBY ORDAINS AS FOLLOWS:

SECTION 1. The purpose of this ordinance is to update the Zoning Ordinance to comply with changes to state law regarding projects providing affordable housing on-site, including density bonus, incentives, and parking requirements. Additionally, this ordinance will allow a shift in the threshold for concessions for moderate units, to align with the change to that threshold for low-income units as authorized by state law.

SECTION 2. The Planning Commission held two separate public hearings to discuss the Zone Text Amendments included in this Ordinance. A public hearing was duly noticed for the Planning Commission meeting of February 20, 2020, by publication in the Beverly Press newspaper, the West Hollywood Independent Newspaper, and the City website and by announcement on City Channel 6 starting February 6, 2020. The Planning Commission continued the item to the March 5, 2020 meeting, where the Planning Commission recommended approval of the Zone Text Amendments. A public hearing was duly noticed for the Planning Commission meeting of November 19, 2020, by publication in the Beverly Press newspaper, the West Hollywood Independent Newspaper, and the City website and by announcement on City Channel 6 starting November 5, 2020. The Planning Commission recommended approval of the Zone Text Amendments.

SECTION 3. A public hearing was duly noticed for the December 7, 2020 City Council meeting, by publication in the Beverly Press newspaper, the West Hollywood Independent Newspaper, and the City website and by announcement on City Channel 6 starting November 26, 2020. The item was tabled to a date certain of February 1, 2021. On February 1, 2021, the City Council continued this item to a date certain of February 16, 2021, a special meeting of the City Council.

SECTION 4. The zone text changes are Categorically Exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061 of the CEQA Guidelines. Section 15061 states that CEQA applies only to projects that have the potential for causing a significant effect on the environment. While allowing unlimited number of dwelling units in a 100% affordable housing project may increase the number of units overall, the total number of units is limited by a number of factors, including the minimum size of a dwelling unit, and limitations of the building envelope, which is governed by setbacks, building height and other development standards. West Hollywood is a fully developed, urban area where these additional standards ensure the scope of projects is still within the general parameters and vision for the city. The increase in affordable housing units will be offset by requirements for green building that will reduce impacts to the environment, including limiting water usage through low flow fixtures, reducing greenhouse gas emission through improved construction methods and materials, and improved energy efficiency through certified appliances and efficient building systems. Furthermore, affordable housing projects will be located in high priority transit zones that provide multiple bus routes in close proximity, which will reduce driving by tenants. This change is also required under state density bonus law.

SECTION 5. The City Council of the City of West Hollywood hereby finds that the Zone Text Amendment is consistent with the Goals and Policies of the General Plan. Specifically, the affordable housing provision is consistent with Goal H-1: Provide affordable rental housing, and H-4: Provide for adequate opportunities for new construction of housing. The proposed zone text amendment will accommodate more units with increased bonuses and the reductions in required parking. This will also help to address the state's, and the City's, affordable housing crisis by providing ways to further incentivize developers to construct affordable housing projects.

SECTION 6. Subsection 19.22.030(A), Requirement, West Hollywood Municipal Code, of Section 19.22.030 of Chapter 19.22 of Title 19 shall be amended as follows:

A. Requirement. Projects subject to this chapter shall permanently set aside the following number of units as affordable to and reserved for very low, low and moderate-income households as determined by eligibility requirements and a rental and sales price schedule established annually by Council resolution. Unless otherwise noted, inclusionary units provided shall be of comparable size and finish quality to the non-inclusionary units. Units types shall be determined as outlined in Subsection 19.22.030(F). Projects subject to a unit replacement requirement under state law are still

required to meet the local inclusionary requirement as detailed below by providing additional affordable units to satisfy this requirement.

- 1. Projects of 10 or Fewer Units. One unit.
- 2. Projects of 11 to 20 Units. 20 percent of the base unit count (alternating as set forth in Subsection 19.22.030(F) below). All affordable units shall be of comparable size and finish quality to the non-inclusionary units, or provided as units that are a minimum of one bedroom and minimum interior area of 650 square feet with finishes and appliances of "builder's quality" or better.
- 3. Projects of 21 to 40 Units. 20 percent of the base unit count (alternating as set forth in Subsection 19.22.030(F) below). All affordable units shall be of comparable size and finish quality to the non-inclusionary units, or 30 percent of the unit count of all non-inclusionary units provided with units that are a minimum of one bedroom and minimum interior area of 650 square feet with finishes and appliances of "builder's quality" or better.
- 4. Projects of 41 Units or More. 20 percent of the base unit count (alternating as set forth in Subsection 19.22.030(F) below). All affordable units shall be of comparable size and finish quality to the non-inclusionary units, or if it would result in additional inclusionary units and units that better serve the affordable housing needs of the city, project shall provide 20 percent of the gross residential floor area of all non-inclusionary units as affordable housing units. If the floor area calculation is used, units provided shall be comparable in size to non-inclusionary units, or provided as a minimum of one bedroom and a minimum interior area of 650 square feet with finishes and appliances of "builder's quality" or better.
- 5. For mixed-use projects in the mixed-use overlay zone, applicants are permitted to choose their residential base unit count, provided it complies with the applicable FAR limitations and any size limitations for habitable units in the Building Code (and all other applicable standards that could limit the size or number of units).
- SECTION 7. Subsection 19.22.050(C), Permanently Dedicated Affordable Housing Density Bonus in R3 and R4 Zones, of Section 19.22.050 of Chapter 19.22 of Title 19, West Hollywood Municipal Code, is amended to read as follows:

C.

- Permanently Dedicated Affordable Housing Density Bonus in R3 and R4 Zones. A
 density bonus equal to the percentage of units permanently dedicated to very low,
 low, and moderate-income persons may be permitted in the R3 and R4 zones if:
 - a. The minimum percentage of all project units, including bonus units, permanently dedicated to very low, low, and moderate-income persons is 50 percent; and
 - b. The structure is maintained and operated by a non-profit organization.
- 2. 100% Affordable Housing Projects: For projects where 100% of all residential units, including total units and density bonus units, except manager's unit or units, are 100% affordable, where up to 20 percent of the units in the development may be for moderate-income households and the remainder of units are for very low

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and low-income households, the following rents, bonuses, incentives, and parking requirements apply:

a. Density Bonus: There shall be no maximum number of units required.

b. Rents:

- 1. The rent for up to 20 percent of the units in the development shall be set at moderate-income rent, as defined in Section 50053 of the Health and Safety Code.
- 2. The rent for the remaining units in the development shall be low or very low-income units, set at an amount consistent with the maximum rent levels for a housing development that receives an allocation of state or federal low-income housing tax credits from the California Tax Credit Allocation Committee.
- c. Concessions: Up to four concessions (see Subsection 19.22.050(E) below) shall be permitted. Additionally, the project may also request a height increase of up to three additional stories, or 33 feet.
- d. Parking: Parking shall not be required.
- e. A deed restriction shall be placed on the property to restrict the units as affordable for a minimum of 55 years.

SECTION 8. Subsection 19.22.050(D), Density Bonus, of Section 19.22.050 of Chapter 19.22 of Title 19, West Hollywood Municipal Code, shall be amended to read as follows:

- D. Density Bonus. As provided by state law and unless restricted by Section 19.22.050.B or as authorized by 19.22.050C, projects may apply for housing density bonuses up to a maximum of 50 percent. Density bonuses shall be subject to the following:
- 1. Density Bonuses Permitted. The amount of density bonus granted shall be based on the following table:

Unit Type	Minimum % of Units	Density Bonus Granted	Additional Bonus for each 1% Increase in Units
Very Low Income	5%	20%	2.5% bonus through 11% of units
			3.75% from 11%- 15% of units
Low Income	10%	20%	1.5% bonus through 20% of units
			3.75% from 20%- 24% of units
Moderate Income	10%	5%	1% bonus through 40% of units

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Unit Type	Minimum % of Units	Density Bonus Granted	Additional Bonus for each 1% Increase in Units
			3.75% from 41%- 44%
Units for transitional foster youth, disabled veterans, or homeless persons, as those terms are defined in Government Code Section 65915, provided at the same affordability level as very low-income units for 55 years	10%	20% (of the same type of unit giving rise to the density bonus)	N/A

- 2. A density bonus for a land donation for a childcare center or construction of a childcare center shall be provided as set forth in Government Code Section 65915.
 - 3. Density Bonus Calculations.
- a. For the purposes of calculating the permitted housing bonus in residential zones, "density" shall refer to the maximum allowable residential density per square foot of site area permitted in the zone in which the project is located. The density bonus may result in more market rate units than would otherwise be permitted by the zone. When the affordable housing density bonus is utilized on a project in a residential zoning district, no other bonus for additional density provided for in the West Hollywood Municipal Code (e.g., green building, senior housing, etc.) shall be applied to that project. The base number of units used to calculate the bonus does not include units added by a density bonus awarded pursuant to this section.
- b. For the purposes of calculating the permitted housing bonus in commercial zones, "density" shall refer to the maximum floor area ratio ("FAR") permitted in the zone in which the project is located, inclusive of applicable mixed-use bonuses. Because these projects are in the commercial zone, the FAR is not translated into a unit count for purposes of calculating the density bonus. In the commercial zones, the affordable housing density bonus authorized under this section shall only be used to increase the residential floor area of the project (unless otherwise authorized by Government Code 65915.7 as set forth in Section 19.20.020.B.3), but may be used in addition to any other applicable bonus available under the West Hollywood Municipal Code. In such event, the base FAR may be combined with any available mixed-use bonus to determine the density from which the affordable bonus will be calculated. Any other applicable bonus (e.g., senior housing, etc.) shall be added after the affordable housing density bonus calculation.
- c. Any density calculation, including base density and bonus density, that results in a fractional number shall be separately rounded up to the next whole number.
 - 4. All affordable units shall be constructed on-site.

SECTION 9. Subsection 19.22.050(E), Concessions, of Section 19.22.050 of Chapter 19.22 of Title 19, West Hollywood Municipal Code, shall be amended to read as follows:

E. Concessions. In compliance with state law, projects that request a density bonus to provide on-site affordable housing (and commercial projects that partner with affordable housing developers and provide at least 30 percent of the total units for low-income households or at least 15 percent of the total units for very low-income households authorized by Government Code 65915.7 as set forth in Section 19.20.020.B.3) are eligible for concessions as follows. The number of available concessions may be combined from different categories below for a maximum of three concessions per project, or four concessions for 100% affordable projects.

Number of Concessions. Percentage of Affordable Units	Number of Concessions Permitted
5% Very Low, 10% Low, or 10% Moderate	1
10% Very Low, 17% Low, or 17% Moderate	2
15% Very Low, 24% Low, or 24% Moderate	3
100% very low or low, with up to 20% moderate	4

- 2. Available Residential Concessions. The following concessions may be requested:
 - a. 10 percent reduction in the minimum rear yard setback; or
 - b. 10 percent reduction in the minimum front yard setback; or
 - c. 10 percent reduction in the minimum side yard setback on one side; or
 - d. 10 percent reduction in total common open space required; or
 - e. 10 percent reduction in private open space for up to 50 percent of the

units.

- f. An additional story, not to exceed 10 feet of the total project height, or other regulatory concessions that result in identifiable and actual cost reductions to provide for affordable housing costs, or for rents for the affordable units as specified in Government Code Section 65915.
- g. In addition to the four concessions permitted for 100% affordable housing projects, 100% affordable housing projects as outlined in Section 19.22.050C, are permitted to have an additional three stories, or up to 33 feet.
- 3. Concessions may be denied by the review authority if one of the following findings can be made, based on substantial evidence:
 - a. The concession or incentive does not result in identifiable and actual cost reductions to provide for affordable housing costs, or for rents for the targeted units to be set as specified in Section 65915 of the California Government Code;
 - b. The concession would have a specific adverse impact, as defined in Section 65915 of the California Government Code, 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- and moderate-income households; or

- c. The concession would be contrary to state or federal law.
- 4. Review Authority.
 - a. The review authority for requests for concessions under this subsection E shall be the Planning Commission.
 - b. The review authority for requests for concessions under subsections (E)(2)(a) through (e) will be reviewed based on the number of unit threshold detailed in Table 4.2 of Section 19.48.030.

SECTION 10. Subsection 19.22.050(F), Parking Incentives, of Section 19.22.050 of Chapter 19.22 of Title 19, West Hollywood Municipal Code, shall be amended to read as follows:

F. Parking Incentives. Density bonus housing development and projects that meet the requirements below shall be granted the following parking space requirements when requested by the developer, inclusive of handicapped and guest parking, which shall be granted to all units in the development. Guest parking shall not be required for projects utilizing the affordable housing density bonus provided in this section.

Number of Bedrooms	Required Parking Spaces per Unit***
0 to 1 bedroom	1
2 to 3 bedrooms	1.5
4 or more bedrooms	2.5
Projects with at least 20% low-income units, or at least 11% very low-income units***	0.5
100% affordable housing projects (see 19.22.050.C)****	No requirement

- * If the total number of spaces required results in a fractional number, it shall be rounded up to the next whole number. A development project may provide on-site parking through a tandem and/or uncovered parking configuration.
- ** If a residential or mixed residential/commercial development project includes the required (no-in-lieu payment) percentage of low, very low income, or includes a minimum 10 percent transitional foster youth, veteran, or homeless persons units, or provides for-rent housing for individuals who are 62 years of age or older, or is a special needs housing development and is located within one-half mile of a major transit stop where there is unobstructed access to a major transit stop from the development, then, upon the request of the developer, a parking ratio not to exceed 0.5 spaces per bedroom shall apply to the residential portion of the development.
- ***Must be located within one-half mile of a major transit stop, with unobstructed access to the major transit stop from the development.
- ****Must be located within one-half mile of a major transit stop, with unobstructed access to the major transit spot from the development OR for individuals 62 years of age or older and has either

paratransit service or unobstructed access within one-half mile, to fixed bus route service that operates at least eight times per day

SECTION 11. Part 1, Residential Land Uses, of Table 3-6 of Section 19.28.040, Number of Parking Space Required, of Parking Incentives, of Chapter 19.28 of Title 19, West Hollywood Municipal Code, shall be amended to read as follows, with notes remaining unchanged:

TABLE 3-6 PARKING REQUIREMENTS BY LAND USE 1. RESIDENTIAL LAND USES

[Explanatory Notes Follow at the End of the Table]

Residential Land Use ¹	Required Parking Spaces
Accessory dwelling units and junior accessory dwelling units	No parking spaces required.
Projects with Affordable Housing	See Section 19.22.050
Duplexes, multi-family dwellings, condominiums, townhouses	Studio units up to 500 sq. ft.: 1 space; One bedroom units and studios larger than 500 sq. ft.: 1.5 spaces for each unit; In a courtyard building, 1 loft and 1 ancillary room may be added to a unit without increasing the parking requirement.
	2 to 3 bedrooms: 2 spaces; 4 or more bedrooms: 3 spaces.
	Guest parking: 1 covered space for each 4 units for residential projects of 5 or more units.
Emergency shelters	1 parking space for every 6 beds, plus a ½ parking space for each bedroom designated for families with children.
Live/work units	R3C-C and R4B-C: Sufficient parking required at the discretion of the Director. Not to exceed 1 space for each unit.
Mixed-use projects	As required for each residential and non-residential use. (See also Table 3-7.)
Organizational houses, residential hotels, room rental	1 space for each sleeping room, or 1 space for each 100 sq. ft. of net habitable area if separate sleeping rooms not provided.
Residential care facilities	1 space for each 5 beds the facility is licensed to accommodate.
Second residential units	1 space in addition to that required for the primary single-family dwelling.

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Senior housing and congregate care projects	0.5 space for each unit, plus 1 guest parking space for each 10 units.
Single-family detached dwellings, mobile homes	2 spaces per unit. See also Section 19.28.090(E).
Single room occupancy housing	0.5 space per unit, plus 1 guest space for each 5 units.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of West Hollywood at a regular meeting held this 1st day of March, 2021 by the following vote:

AYES: Councilmember: D'Amico, Erickson, Shyne, Mayor Pro

Tempore Meister, and Mayor Horvath.

NOES: Councilmember: None. ABSENT: Councilmember: None. ABSTAIN: Councilmember: None.

Lindsey P. Horrath

DEFARBIADATASEY P. HORVATH, MAYOR

ATTEST:
Docusigned by:

MELISSA CROWDER

MELISSA CROWDER, ACTING CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)
CITY OF WEST HOLLYWOOD)

I, MELISSA CROWDER, Acting City Clerk of the City of West Hollywood, do hereby certify that the foregoing Ordinance No. 21-1137 was duly passed, approved, and adopted by the City Council of the City of West Hollywood at a regular meeting held on the 1st day of March, 2021, after having its first reading at the regular meeting of said City Council on the 16th day of February, 2021.

I further certify that this ordinance was posted in three public places as provided for in Resolution No. 5, adopted the 29th day of November, 1984.

WITNESS MY HAND AND OFFICIAL SEAL THIS 2nd DAY OF MARCH, 2021.

DocuSigned by:

MELISSA CROWDER

™ELTSSA®CROWDER, ACTING CITY CLERK