ZONING ADMINISTRATOR ADJUSTMENT

1. DESCRIBE WHAT SITE CHARACTERISTICS OR EXISTING IMPROVEMENTS MAKE STRICT ADHERENCE TO THE ZONING REGULATION IMPRACTICAL OR INFEASIBLE; AND EXPLAIN WHY THE PROJECT NONTHELESS CONFORMS WITH THE INTENT OF THOSE REGULATIONS.

While the Adaptive Reuse code (12.22 A 26 (i) (1)) asks for a minimum of 450 square feet and an average of 750 square feet, it is difficult to design an adaptive reuse project using these numbers given the floor plates in the existing buildings. These numbers are not achievable. These numbers create a hardship for the project.

By reducing the size of the units, the project is able to be financed thus allowing the buildings to be restored to useful status, the creation of first floor commercial in an area where it is needed, the addition of Veterans' housing, and the addition of entry-level, market rate housing. Also, the project will create both long-term (retail/commercial and residential property management) and short-term (construction) jobs.

Both ZA 129 and ZA-2003-2347-ZAI (copies attached) have been used effectively to reduce the square footage requirement. In the same general area and in the same zone (M2-2D), it was used at 752 South Los Angeles Street (ZA-2012-3484-ZAD-ZAA).

2. DESCRIBE HOW (IN LIGHT OF THE PROJECT AS A WHOLE, INLCUDING ANY MITIGATION MEASURES IMPOSED) THE PROJECT'S LOCATION, SIZE HEIGHT, OPERATIONS AND OTHER SIGNIFICANT FEATURES WILL BE COMPATIBLE WITH AND WILL NOT ADVERSELY AFFECT OR FURTHER DEGRADE ADJACENT PROPERTIES, THE SURROUNDING NEIGHBORHOOD, OR THE PUBLIC HEALTH, WELFARE AND SAFETY.

The buildings were built as hotels in the era before zoning. These structures served that purpose for many decades until the Salvation Army took over the site in the 1950's and operated the Harbor Light/Safe Harbor programs here. When Salvation Army left the site in 2009, the properties were vacated and have been vacant since.

These structures are compatible with the many other existing hotels that were constructed in the area during the same era before zoning. One count puts the number of units at about 6,500 units, now mostly devoted to permanent supportive or transitional housing.

Over the years, many seafood retail and wholesale firms took up much of the property adjacent to and across the street from the proposed project. These firms have co-existed with the subject property, in many cases, since the Japanese-Americans returned from World War II and founded many of the long-term seafood firms. The relationship between these hotels and the seafood industry appear to be benign.

By activating these closed properties, the public safety element will be enhanced with many new eyes on the street. There will be housing added to shuttered space. Also, the retail component will add a dimension sadly lacking in this area. Veterans' housing will add a further dimension and assist in mixing the income, age, and race of residents. All of these will have a positive neighborhood-building aspect.

3. EXPLAIN WHY THE PROJECT IS IN SUBSTANTIAL CONFORMANCE WITH THE PURPOSE, INTENT AND PROVISIONS OF THE GENERAL PLAN, THE APPLICABLE COMMUNITY PLAN AND APPLICABLE SPECIFIC PLAN.

Per the General Plan/Industrial Lands and the objectives (Objective 3.14),

3.14.6

Consider the potential re-designation of marginal industrial lands for alternative uses by amending the community plans based on the following criteria:

a. Where it can be demonstrated that the existing parcelization precludes effective use for industrial or supporting functions and where there is no available method to assemble parcels into a unified site that will support viable industrial development;

b. Where the size and/or the configuration of assembled parcels are insufficient to accommodate viable industrial development;

c. Where the size, use, and/or configuration of the industrial parcels adversely impact adjacent residential neighborhoods;

d. Where available infrastructure is inadequate and improvements are economically infeasible to support the needs of industrial uses;

e. Where the conversion of industrial lands to an alternative use will not create a fragmented pattern of development and reduce the integrity and viability of existing industrial areas;

f. Where the conversion of industrial lands to an alternative use will not result in an adverse impact on adjacent residential neighborhoods, commercial districts, or other land uses;

g. Where it can be demonstrated that the reduction of industrial lands will not adversely impact the City's ability to accommodate sufficient industrial uses to provide jobs for the City's residents or incur adverse fiscal impacts; and/or

h. Where existing industrial uses constitute a hazard to adjacent residential or natural areas.

Items a, b, d, e, and g all apply here.

- a. The ownership in the area is fractionalized. Part of the problem is that there are many odd lots in terms of size and shape. In addition, there are over 900 parcels in this tract, most being only 25' wide. Assembly is difficult for today's uses in an industrial zone.
- b. Again, these lots are small and many are odd shaped due to the street layout. Today's uses require a great deal more space and access to 18 wheel vehicles. The

rights-of-way are narrow and do not run at 90 degree angles, making it difficult for many of these vehicles to operate in this area.

- c. Not applicable.
- d. While City imposed a variation of the "M" zone on this area in the early 1920s, there was no attempt to accommodate the "M" uses. The narrow rights-of-way, the lack of loading zones, the inability of modern vehicles to navigate the streets and the difficulty of assembling the parcels have all contributed to making this area difficult for "M" uses on today's terms. City has mandated no upgrades/alternatives to the layout of the Wolfskill Orchard Tract to help to attract "M" uses to the area. Consequently, the "M" uses are largely either static or willing to leave.
- e. As already stated, there are roughly 6,500 units of housing in the area which largely predate zoning. Housing has existed in this area, alongside "M" uses, for many decades.
- f. The contrary could be true. By permitting the proposed housing and commercial/retail project, there could be a beneficial impact on the Central City East neighborhood, a community in great need of a new way forward.
- g. Per the Central City East Planning Study (August 2015), the job growth in this area lags behind other Downtown neighborhoods. The same is true for the housing. The numbers indicate that job growth is very modest, that the jobs are low-density and low-pay jobs. Even housing has been shown to lag other areas of Downtown. It appears that the proposed project will likely create, over time, more jobs than would otherwise be the case with the "M" zone remaining in place.

Per the Central City East Community Plan/Residential (Page 28)

The continued economic and social viability of Central City depends on the contributions of a stable population and vibrant, cohesive neighborhoods. Therefore, a primary objective of the Central City Plan is to facilitate the expansion of housing choices in order to attract new and economically and ethnically diverse households.

The proposed project aims to restore some of the social/fiscal/ fabric to the Central City East community. By adding housing and commercial to shuttered buildings, the project brings a dynamic force to an area looking for a way forward.

Sadly, City's lack of investment in the infrastructure of the Wolfskill Orchard Tract, the tract's awkward layout with small lots, and non-90 degree angle streets have made this an area that the manufacturing uses have not sought out. Assembly is difficult. Alleys are deficient for loading/unloading. Social problems are not corrected, allowing a transient homeless population to dominate the area.

Permitting this project to move forward at least activates the space, adds to City's goal of adding housing, adds retail and jobs, and points toward a way forward for Central City East where there is a declining interest in manufacturing locating.

There is no specific plan for this area.