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December 17, 2019

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4309 Overland Avenue
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CASE NO. ZA-2017-3165-CU-ZV-ZAA
CONDITIONAL USE, ZONE VARIANCE,
ZONING ADMINISTRATORS
ADJUSTMENT

5212-5218 West Melrose Avenue
Wilshire Community Planning Area

Zone: C2-1

C.D.: 4

D.M.: 141B189

CEQA: ENV-2017-3166-EAF

Legal Description: Lots 3-4, Tract 3738

Pursuant to California Environmental Quality Act (CEQA), I hereby DETERMINE:

based on the whole of the administrative record as supported by the justification prepared and found in the administrative case file, the project is exempt from California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines, Section 15301 Class 1, and there is no substantial evidence demonstrating that any exceptions contained in Section 15300.2 of the State CEQA Guidelines regarding location, cumulative impacts, significant effects or unusual circumstances, scenic highways, or hazardous waste sites, or historical resources applies; and

Pursuant to Los Angeles Municipal Code (LAMC) Section 12.24 W.24(a), I hereby DENY:

a Conditional Use to permit a hotel located within 500 feet of an R Zone in the C2-1 Zone; and,

Pursuant to Charter Section 562 and LAMC Section 12.27 B, I hereby APPROVE:

A Variance to permit the continual maintenance an use of an existing vehicular driveway width of 7 feet 11 inches in lieu of the otherwise required 10 feet; and,

Pursuant to LAMC Section 12.28, I hereby DENY:

a Zoning Administrator's Adjustment to permit mechanical parking lifts located within the required 16-foot rear yard setback,

upon the following additional terms and conditions:

1. All other use, height and area regulations of the Municipal Code and all other applicable government/regulatory agencies shall be strictly complied with in the development and use of the property, except as such regulations are herein specifically varied or required.
2. The use and development of the property shall be in substantial conformance with the plot plan submitted with the application and marked Exhibit "A", except as may be revised as a result of this action.
3. The authorized use shall be conducted at all times with due regard for the character of the surrounding district, and the right is reserved to the Zoning Administrator to impose additional corrective Conditions, if, in the Administrator's opinion, such Conditions are proven necessary for the protection of persons in the neighborhood or occupants of adjacent property.
4. All graffiti on the site shall be removed or painted over to match the color of the surface to which it is applied within 24 hours of its occurrence.
5. A copy of the first page of this grant and all Conditions and/or any subsequent appeal of this grant and its resultant Conditions and/or letters of clarification shall be printed on the building plans submitted to the Development Services Center and the Department of Building and Safety for purposes of having a building permit issued.
6. Within 30 days of the effective date of this action, a covenant acknowledging and agreeing to comply with all the terms and conditions established herein shall be recorded in the County Recorder's Office. The agreement (standard master covenant and agreement form CP-6770) shall run with the land and shall be binding on any subsequent owners, heirs or assigns. The agreement with the conditions attached must be submitted to the Development Services Center for approval before being recorded. After recordation, a certified copy bearing the Recorder's number and date shall be provided to the Zoning Administrator for attachment to the subject case file
7. Approved herein is the maintenance of an existing 7 feet 11 inches driveway for the use of the existing residential bungalows.
8. The applicant shall maintain the area adjacent to the property, including the abutting sidewalk and alley, free of trash and debris.

9. **Indemnification and Reimbursement of Litigation Costs.**

Applicant shall do all of the following:

- (i) Defend, indemnify and hold harmless the City from any and all actions against the City relating to or arising out of, in whole or in part, the City's processing and approval of this entitlement, including but not limited to, an action to attack, challenge, set aside, void, or otherwise modify or annul the approval of the entitlement, the environmental review of the entitlement, or the approval of subsequent permit decisions, or to claim personal property damage, including from inverse condemnation or any other constitutional claim.
- (ii) Reimburse the City for any and all costs incurred in defense of an action related to or arising out of, in whole or in part, the City's processing and approval of the entitlement, including but not limited to payment of all court costs and attorney's fees, costs of any judgments or awards against the City (including an award of attorney's fees), damages, and/or settlement costs.
- (iii) Submit an initial deposit for the City's litigation costs to the City within 10 days' notice of the City tendering defense to the Applicant and requesting a deposit. The initial deposit shall be in an amount set by the City Attorney's Office, in its sole discretion, based on the nature and scope of action, but in no event shall the initial deposit be less than \$50,000. The City's failure to notice or collect the deposit does not relieve the Applicant from responsibility to reimburse the City pursuant to the requirement in paragraph (ii).
- (iv) Submit supplemental deposits upon notice by the City. Supplemental deposits may be required in an increased amount from the initial deposit if found necessary by the City to protect the City's interests. The City's failure to notice or collect the deposit does not relieve the Applicant from responsibility to reimburse the City pursuant to the requirement in paragraph (ii).
- (v) If the City determines it necessary to protect the City's interest, execute an indemnity and reimbursement agreement with the City under terms consistent with the requirements of this condition.

The City shall notify the applicant within a reasonable period of time of its receipt of any action and the City shall cooperate in the defense. If the City fails to notify the applicant of any claim, action, or proceeding in a reasonable time, or if the City fails to reasonably cooperate in the defense, the applicant shall not thereafter be responsible to defend, indemnify or hold harmless the City.

The City shall have the sole right to choose its counsel, including the City Attorney's office or outside counsel. At its sole discretion, the City may participate at its own expense in the defense of any action, but such participation shall not

relieve the applicant of any obligation imposed by this condition. In the event the Applicant fails to comply with this condition, in whole or in part, the City may withdraw its defense of the action, void its approval of the entitlement, or take any other action. The City retains the right to make all decisions with respect to its representations in any legal proceeding, including its inherent right to abandon or settle litigation.

For purposes of this condition, the following definitions apply:

“City” shall be defined to include the City, its agents, officers, boards, commissions, committees, employees, and volunteers.

“Action” shall be defined to include suits, proceedings (including those held under alternative dispute resolution procedures), claims, or lawsuits. Actions includes actions, as defined herein, alleging failure to comply with any federal, state or local law.

Nothing in the definitions included in this paragraph are intended to limit the rights of the City or the obligations of the Applicant otherwise created by this condition.

OBSERVANCE OF CONDITIONS - TIME LIMIT - LAPSE OF PRIVILEGES

All terms and conditions of the approval shall be fulfilled before the use may be established. The instant authorization is further conditional upon the privileges being utilized within three years after the effective date of approval and, if such privileges are not utilized or substantial physical construction work is not begun within said time and carried on diligently to completion, the authorization shall terminate and become void.

TRANSFERABILITY

This authorization runs with the land. In the event the property is to be sold, leased, rented or occupied by any person or corporation other than yourself, it is incumbent upon you to advise them regarding the conditions of this grant.

VIOLATIONS OF THESE CONDITIONS, A MISDEMEANOR

Section 12.29 of the Los Angeles Municipal Code provides:

“A variance, conditional use, adjustment, public benefit or other quasi-judicial approval, or any conditional approval granted by the Director, pursuant to the authority of this chapter shall become effective upon utilization of any portion of the privilege, and the owner and applicant shall immediately comply with its Conditions. The violation of any valid Condition imposed by the Director, Zoning Administrator, Area Planning Commission, City Planning Commission or City Council in connection with the granting of any action taken pursuant to the authority of this chapter, shall constitute a violation of this chapter and shall be subject to the same penalties as any other violation of this Code.”

Every violation of this determination is punishable as a misdemeanor and shall be punishable by a fine of not more than \$2,500 or by imprisonment in the county jail for a period of not more than six months, or by both such fine and imprisonment.

APPEAL PERIOD - EFFECTIVE DATE

The applicant's attention is called to the fact that this grant is not a permit or license and that any permits and licenses required by law must be obtained from the proper public agency. Furthermore, if any Condition of this grant is violated or if the same be not complied with, then the applicant or his successor in interest may be prosecuted for violating these Conditions the same as for any violation of the requirements contained in the Municipal Code. The Zoning Administrator's determination in this matter will become effective after **January 2, 2020** unless an appeal therefrom is filed with the City Planning Department. It is strongly advised that appeals be filed early during the appeal period and in person so that imperfections/incompleteness may be corrected before the appeal period expires. Any appeal must be filed on the prescribed forms, accompanied by the required fee, a copy of the Zoning Administrator's action, and received and receipted at a public office of the Department of City Planning on or before the above date or the appeal will not be accepted. **Forms are available on-line at <http://planning.lacity.org>**. Public offices are located at:

Downtown
Figueroa Plaza
201 North Figueroa Street,
4th Floor
Los Angeles, CA 90012
(213) 482-7077

San Fernando Valley
Marvin Braude
Constituent Service Center
6262 Van Nuys Boulevard,
Room 251
Van Nuys, CA 91401
(818) 374-5050

West Los Angeles
Development Services Center
1828 Sawtelle Boulevard,
2nd Floor
Los Angeles, CA 90025
(310) 231-2598

If you seek judicial review of any decision of the City pursuant to California Code of Civil Procedure Section 1094.5, the petition for writ of mandate pursuant to that section must be filed no later than the 90th day following the date on which the City's decision became final pursuant to California Code of Civil Procedure Section 1094.6. There may be other time limits which also affect your ability to seek judicial review.

NOTICE

The applicant is further advised that all subsequent contact with this office regarding this determination must be with the Development Services Center. This would include clarification, verification of condition compliance and plans or building permit applications, etc., and shall be accomplished **BY APPOINTMENT ONLY**, in order to assure that you receive service with a minimum amount of waiting. You should advise any consultant representing you of this requirement as well.

FINDINGS OF FACT

After thorough consideration of the statements contained in the application, the plans submitted therewith and the testimony presented at the public hearing of May 14, 2019, all of which are by reference made a part hereof, as well as knowledge of the property

and surrounding district, I find that the requirements for authorizing a Conditional Use under the provisions of Sections 12.24 W.24, and a Zoning Administrator's Adjustment under the provisions of Section 12.28 have NOT been established, and I find that the requirements for authorizing a Zone Variance under Charter Section 562 and the provisions of Section 12.27 of the LAMC have been established by the following facts:

BACKGROUND

The subject properties consist of two relatively flat, rectangular, interior parcels with approximately 12,421 square feet of lot area. The site has a frontage of approximately 91 feet on the southerly side of Melrose Avenue and a depth of approximately 135 feet. The property is zoned C2-1 and designated for Neighborhood Office Commercial land uses. The site is located in the Wilshire Community Plan and Transit Priority Area in the City of Los Angeles ZI-2452.

The site is currently improved with a semi-detached, single-story seven-unit bungalow court. The project site also contains an existing 42-foot tall billboard. The 4,031 square-foot bungalow court was constructed in 1921 and is identified in SurveyLA and recommended for listing on the National Register of Historic Places (National Register), California Register of Historical Resources (California Register), and locally as a City of Los Angeles (City) Historic-Cultural Monument (HCM) for embodying distinctive characteristics of a type of construction, the bungalow court (California Historical Resource status codes 3S, 3CS, and 5S3). The Historic Resource Assessment (HRA) report prepared for the project confirms individual eligibility for listing in the National Register, California Register, and as an HCM. All seven existing bungalow units are subject to the Rent Stabilization Ordinance (RSO).

The applicant submitted an HRA report dated January 8, 2019, prepared by Chatel, Inc. to analyze the impact of the proposed project on the identified historic resource. The report concludes that the proposed project was found to conform to the Secretary's Standards for the Treatment of Historical Properties. Therefore, under CEQA, the project qualifies for a Class 31 Categorical Exemption for a project that is restoring an historic resource in a manner consistent with the Secretary of the Interior's Standards for the Treatment of Historic Properties. The Department of City Planning Office of Historic Resources concurred with the findings of the HRA report in a correspondence dated January 30, 2019.

Properties to the north of the site, across Melrose Avenue are zoned C4-1D and developed with a two-story building which houses the Hollywood/Wilshire Health Center owned by the County of Los Angeles. Properties to the south are zoned R3-1 and developed with multi-family residential structures, directly behind the subject site is another seven-unit bungalow court. The abutting property to the west is zoned C2-1 and developed with a two-story commercial building. The abutting properties to the east consist of three parcels zoned C2-1. One parcel is developed with a one-story commercial building, which includes two restaurants and a liquor store. The remaining two parcels are currently vacant and entitled for a Density Bonus project (Case No. DIR-2016-2598-DB), for the construction of a new five-story, 34-unit apartment building with 34 parking spaces.

The proposed project is for the conversion of six existing bungalow structures, for the construction, use, and maintenance of a four-story, 53-foot tall hotel with 18 guestrooms. The project proposes to demolish one bungalow located at the rear of the property. The two front bungalows and four middle bungalows will be rehabilitated and restored to match historic finishes. All windows are proposed to be restored to match the historic window. The stucco finish is also proposed to match the historic finish. Three existing non-protected trees on site are proposed to be removed. The project is required to provide 18 vehicular parking spaces. The applicant is proposing 16 parking spaces with two vehicular parking spaces replaced by 12 bicycle parking spaces (six long-term and six short-term) pursuant to the Bicycle Parking Ordinance No. 185,480.

The applicant is requesting a Conditional Use to permit a hotel located within 500 feet of a residential zone. A Zoning Administrator's Adjustment is also requested to permit four mechanical parking lifts for eight vehicular parking spaces located within the required 16-foot rear yard setback. Furthermore, a Zone Variance is requested to maintain the existing vehicular driveway width of 7 feet 11 inches in lieu of the otherwise required 10 feet pursuant to LAMC Section 12.21 A.5(f).

Melrose Avenue, adjoining the subject property to the north, is a designated Avenue II improved to a right-of-way width of 86 feet with asphalt roadway, concrete curb, gutter, and sidewalk. The street provides one curb cut for access onto the subject property.

There are no previous zoning related actions on the subject site.

Previous zoning related actions in the vicinity of the subject site include:

ZA-2017-2354-ZV – On April 2, 2018, the Zoning Administrator approved a Zone Variance request to allow an automotive spray booth within a fully enclosed automotive and body repair facility within 500 feet of a Residential Zone, located at 5226 West Melrose Avenue.

Case No. ZA-2015-4242-CUB-ZV – On April 15, 2016, the Zoning Administrator approved a request for a Conditional Use and four Zone Variances for a restaurant located at 5208 West Melrose Avenue. The conditional use approval permitted the sale of a full line of alcoholic beverages. The four variances permitted the following: 1) one parking space for each 155.30 square feet in lieu of 100 square feet; 2) required parking to be provided off-site by a lease in lieu of a recorded covenant in conjunction with a restaurant; 3) required parking spaces to be provided and maintained from 5:00 p.m. to one-half hour after the restaurant's closing, in lieu of requiring parking during all hours of operation; 4) off-site parking spaces to be located approximately 1,000 feet from the site in lieu of the 750-foot requirement.

Case No. ZA-2009-1008-CU – On March 30, 2010, the Zoning Administrator approved a Conditional Use to permit the conversion of a portion of an existing retail store to an approximately 2,435 square-foot pawnshop on an 11,792 square-foot parcel in the C2 Zone, located at 5174 Melrose Avenue.

Case No. ZA-2005-5826-CUB-ZV – On May 17, 2006, the Zoning Administrator approved a Zone Variance to allow 25 required parking spaces within 850 feet of the site by lease in lieu of a recorded covenant during the restaurants evening operating hours in conjunction with a restaurant, located at 5210 ½ West Melrose.

PUBLIC HEARING

A Notice of Public Hearing was sent to all property owners and occupants residing within 500 feet of the subject site on April 17, 2019, for which an application had been filed with the Department of City Planning. The purpose of the hearing was to obtain testimony from affected and/or interested persons regarding the project. All interested persons were invited to attend the public hearing where they could listen, ask questions or present testimony regarding the project. The hearing was held on Tuesday, May 14, 2019, at approximately 9:00 a.m. in Los Angeles City Hall at 200 North Spring Street, Room 1020, Los Angeles CA 90012.

The applicant provided the following comments:

- The applicant has requested an earlier hearing, however, the community asked to delay the hearing.
- The applicant is proposing a new hotel with a Conditional Use, an Adjustment and a Variance entitlements.
- The Variance is for the existing non-conforming driveway, the applicant believes it is not necessary as Section 12.23 would permit the continual use.
- The project site is surrounded by commercial developments, abuts to commercial uses and multiple family uses.
- The lot area permits 62 guestroom density, unlimited building height, and 1.5 Floor Area Ratio (FAR), but the applicant only proposes .69 FAR and 4 stories for the project.
- Six of the on-site structures have historic designation.
- Three out of all seven bungalows are occupied with tenants.
- The applicant bought the property in 2016. He plans to preserve the existing six front bungalows and build a boutique hotel in the rear of the property.
- There is limited hospitality service in the area.
- There is no on-site restaurant, bar or roof deck. The project aims to be a low intensity use.
- Five of the seven bungalows will be converted into guestrooms, one will be the reception/lobby space, and the remaining one will be demolished.
- The applicant proposes parking lifts located in the rear yard with bicycle parking.
- Some parking lifts are located under the proposed hotel building. There will not be any vehicle back up situation.
- The hotel will provide on-site valet parking services.
- Landscaping and surface paving will be installed throughout the property.
- The on-site billboard is intended to remain, but not for advertisement.
- The architectural design is contemporary Spanish style and will be complimentary to the existing bungalows to tie the new construction and the old structures together.
- The central courtyard will link the street to the internal open space.
- There will be four to five hotel staff at all times.

- The applicant is not proposing a Conditional Use for the alcoholic beverage service at this time.
- The applicant has submitted the project to the local Neighborhood Council, Business Improvement District group, and the Larchmont Village Community group.
- The tenant issue that was recently raised are being investigated by the applicant.
- The applicant requests the project be taken under advisement for further vetting with the interested party.
- The applicant will submit the relocation and the tenant record to the file.
- The on-going complaints were caused by the prior property owner and carried through to the new owner. The new owner just became aware of these complaints and he has been repairing the deficiencies. Some issues were resolved. The applicant will look into the tenancy extension.
- The applicant will also address the two way traffic issue in regards to the narrow driveway.
- The applicant will also meet with the Los Angeles Tenant Union to address their concerns.

Sayte Kosger, abutting furniture store business owner:

- He is not against the project, but he has concerns with traffic and parking impacts that will be created by the hotel guests.
- The condition of the existing bungalows is also not desirable.
- The existing driveway is narrow, how will construction trucks go through?
- His furniture business also manufactures on-site, and he does not want the hotel guests to complain about the noise from his workshop.

Susan Hunter, Los Angeles Tenants Union:

- She has several concerns about this project.
- She does not understand how the property owner can treat the tenant so badly and allow the dwelling units in such dilapidated state.
- The project is an extended-stay hotel and she requested that the Conditional Use be denied. The seventh bungalow is also a RSO (Rent Stabilized Ordinance) unit which cannot be demolished.
- Her organization requested a meeting with the applicant and never heard back from them.
- The Neighborhood Council does not support the project.
- There are hot tubs in every bungalow, and it will be a party hotel.
- She has submitted the entire Housing Code violation record.
- She has a concern with the housing.
- The applicant can move the historic bungalows to a City owned lot.

Fourth Council District:

- The Council Office is concerned with the loss of housing, the traffic and the circulation with the narrow driveway.
- The applicant should keep the bungalows as housing and perhaps operate a 13-guestroom hotel.
- The Council Office does not support the relocation of the bungalows as it maybe difficult.

The applicant rebuttal:

- The project will not be an extended-stay hotel, not a Transient Occupancy Residential Structure (TORS). It is hearsay.
- The project is designed for family to stay and people who visit the area or on business trips. The project is not intended to be a TORS.
- The party hotel comment is a pure speculation. There is no roof deck, bar or a restaurant on-site. The project is a limited boutique hotel.
- The applicant will acquire a hotel operator to run the business.
- The seventh bungalow in the rear was constructed in 1929 where original six was built in 1921.
- The seventh bungalow was not designed in concert with the front six units and it lacks the integrity of the historic feature. The Office of Historic Preservation concurs with this determination.
- Moving the bungalows does not remove the RSO status from the property.
- The project will balance the need for hotel and issues in the area.
- The applicant will resolve the bungalow habitability and tenancy issues.

At the closing of the hearing the Zoning Administrator stated that he will take the project under advisement for the applicant to meet with the Los Angeles Tenants Union, and hopefully both parties can reach an agreement. The Zoning Administrator stated that he does not consider the proposed project is suitable for the site, and perhaps a housing project in the rear of the property is more sensible. The Zoning Administrator also envision a circulation issue with the narrow driveway and not sure how the applicant will resolve this issue even with a valet service on the Melrose Avenue frontage.

COMMUNICATIONS RECEIVED

The Greater Wilshire Neighborhood Council Land Use Committee voted to oppose the project at their September 26, 2017 meeting.

Five emails were received by the Planning Department from the general public shortly after the application was filed in August of 2017. All five emails opposed the project due to the removal of seven Rent Stabilized units for the construction of the new hotel. On May 2, 2019, a sixth email opposed to the project was submitted by Susan Hunter, Case Worker of the Los Angeles Tenants Union. Ms. Hunter also submitted documents from the Los Angeles Housing and Community Investment Department related to various Notices to Comply issued to the owner of the subject property.

One email was received on April 24, 2019, expressing support for the project.

BASIS FOR CONDITIONAL USE PERMITS

A particular type of development is subject to the conditional use plan approval process because it has been determined that such use of property should not be permitted by right in a particular zone. All uses requiring a conditional use permit from the Zoning Administrator are located within Section 12.24-W,1 of the Los Angeles Municipal Code. In order for a hotel use to be authorized within 500 feet of any A or R Zone, certain designated findings have to be made.

FINDINGS

- 1. The Project will NOT enhance the built environment in the surrounding neighborhood or will perform a function or provide a service that is essential or beneficial to the community, city or region.**

The subject properties consist of two relatively flat, rectangular, interior parcels with approximately 12,421 square feet of lot area. The site has a frontage of approximately 91 feet on the southerly side of Melrose Avenue and a depth of approximately 135 feet. The property is zoned C2-1 and designated for Neighborhood Office Commercial land uses. The property was developed in 1921 with a six-unit, 4,031 square-foot bungalow court, which is identified in SurveyLA. A seventh bungalow was constructed in the rear of the property in 1929. The bungalow court is recommended for listing on the National Register of Historic Places (National Register), California Register of Historical Resources (California Register), and locally as a City of Los Angeles (City) Historic-Cultural Monument (HCM) for embodying distinctive characteristics of a type of construction, the bungalow court (California Historical Resource status codes 3S, 3CS, and 5S3). A Historic Resource Assessment (HRA) report prepared for the project confirms individual eligibility for listing in the National Register, California Register, and as an HCM. An HCM application was submitted in 2017 for the subject property however, it was incomplete and the application was terminated. There are no current applications on file for HCM designation for the subject property.

The applicant is proposing to demolish the seventh bungalow unit at the rear of the property for the construction of a four-story hotel with 13 guestrooms. The remaining six bungalows are proposed to be converted into 5 guestrooms and a hotel reception/lobby space. The project will have a total of 18 guestrooms. The applicant also proposes mechanical parking lifts in the required rear yard and under the 4-story building to park 14 vehicles. Two additional vehicular parking spaces will be provided at grade for handicapped and oversized vehicles for a total of 16 vehicular parking spaces. Since the property was already developed with bungalows, the existing driveway on the easterly side of the property has only a non-conforming width of 7-feet and 11-inches. The applicant is requesting the following entitlements: (1) a Conditional Use to permit a hotel located within 500 feet of an A or R Zone; (2) a Zone Variance to permit the maintenance of the existing vehicular driveway width of 7 feet 11 inches, and (3) a Zoning Administrator's Adjustment to permit four mechanical parking lifts for eight vehicular parking spaces located within the required 16-foot rear yard setback.

The records in the file submitted by the interested party indicated that the property owner, both the previous and the new owners, have not kept up the habitable condition of the bungalows. The Los Angeles Housing and Community Investment Department (HCIDLA) has issued numerous Orders to Comply to the property owner for Code violations for an extended period of time, and the enforcement actions have escalated to a General Manager's Hearing. Although there is an overwhelming property management concern, the Zoning Administrator also has serious doubt on the appropriateness of the proposed

project on the site. The main component of the proposed project, the 4-story hotel building is tightly nested in the rear of the property. The property has no available open area for the required parking space nor the area to construct a driveway for an underground parking garage. Parking is dealt by installing parking lifts and locating these lifts right against the rear property line in the required rear yard.

Worst, the project must utilize the existing narrow non-conforming driveway for the construction and the operation of the hotel. Although the applicant indicated that they can provide a valet service, the suggested solution does not overcome the real difficulty that the driveway is narrow and cannot allow two-way traffic. This problem will result in unforeseen internal circulation difficulties on the property and possible parking queuing or traffic hazards on Melrose Avenue. The applicant has contacted the Department of Transportation (DOT) on the circulation matter since the Zoning Administrator requested the applicant to develop a circulation plan. The DOT's response is that the Department would require a minimum of a 20-foot drive aisle at least for the first 20 feet from the Melrose Avenue property line, as well as a curb-cut with a minimum width of 20 feet. However, due to the on-site historic status of the structures where they must remain, DOT can only rescind the recommendation. The Zoning Administrator opines that the exemption only further proves the project property cannot provide the ideal circulation design where a 20-foot driveway with a 20-foot long reservoir space are necessary.

Although there are a few supporters of the project because the existing on-site property condition is dilapidated and the structures have been an eyesore in the community, thus a new use is welcome to ameliorate the current property condition and will result in further commercial activities in the area. However, the Zoning Administrator finds this argument flawed because the property owner can improve the aesthetic quality, the physical condition of property and the existing structures without resorting to a change of the use or build a hotel on the property. The goal of the proposed project has placed the property investment return as paramount without balancing or even introducing a good planning concept or social awareness. The project is ultimately a product that has been shoehorned into a property where it does not belong. The project as proposed will not enhance the built environment in the surrounding neighborhood

In addition, the preservation of affordable rental housing is key to the City's Housing Element goals. The proposed project will remove seven dwelling units that are subject to the Rent Stabilized Ordinance when the City is severely lacking a sufficient number of affordable dwelling units to meet current demand. The vacancy rate for multi-family units (defined as properties with five (5) or more units) within the Wilshire Community Plan Area, as provided by the Los Angeles Department of City Planning Demographics Research Unit, is 3.95% based on the American Community Survey 2016 (5-year average estimate). The Southern California Association of Governments considers a vacancy rate between 5% and 6% as optimal to allow displaced tenants to find housing that adequately meets their household and income needs. With a vacancy rate under 5%, the tenants currently residing at the project site will face a competitive renter's

market as well as significantly higher rental rates. The issuance of this grant would further exacerbate the City's housing shortage and not provide a service that is essential or beneficial to the community, city or region.

2. **The Project's location, size, height, operations and other significant features will NOT be compatible with and WILL adversely affect or further degrade adjacent properties, the surrounding neighborhood, or the public health, welfare and safety.**

The proposed project is for the conversion of six existing bungalow structures, and the demolition of one bungalow for the construction, use, and maintenance of a four-story, 53-foot tall hotel, to create a total of 18 guestrooms and 16 vehicular parking spaces. The subject properties consist of two relatively flat, rectangular, interior parcels with approximately 12,421 square feet of lot area. The site has a frontage of approximately 91 feet on the southerly side of Melrose Avenue and a depth of approximately 135 feet. The property is zoned C2-1 and designated for Neighborhood Office Commercial land uses. The property was developed in 1921 with a six-unit, 4,031 square-foot bungalow court, a seventh bungalow was constructed in the rear of the property in 1929.

Properties to the north of the site, across Melrose Avenue are zoned C4-1D and developed with a two-story building which houses the Hollywood/Wilshire Health Center owned by the County of Los Angeles. Properties to the south are zoned R3-1 and developed with multi-family residential structures, directly behind the subject site is another seven-unit bungalow court. The abutting property to the west is zoned C2-1 and developed with a two-story custom furniture commercial building. The abutting properties to the east consist of three parcels zoned C2-1. One parcel is developed with a one-story commercial building, which includes two restaurants and a liquor store. The remaining two parcels are currently vacant and entitled for a Density Bonus project (Case No. DIR-2016-2598-DB), for the construction of a new five-story, 34-unit apartment building. Directly across Wilton Place is the 62 room Hollywood Historic Hotel located at the southeasterly corner of Melrose Avenue and Wilton Place.

During the April 17, 2019, public hearing, concerns were raised regarding vehicular access to the proposed hotel. Due to the historic significance of the existing bungalow court, the proposed project would have to maintain a sub-standard driveway width of 7 feet 11 inches. This driveway would be the only ingress and egress for the proposed project. The project site fronts Melrose Avenue, a designated Avenue II, improved to a right-of-way width of 86 feet. Construction vehicles during the building phase, and the delivery vehicles as well as hotel guests when the hotel is in operation, would be forced to park and queue on Melrose Avenue as only one-way traffic is possible on the subject driveway. The applicant did not provide evidence of a vehicle circulation plan that would avoid traffic impacts to the surrounding neighborhood. DOT also made a 20-foot wide driveway recommendation, but the recommendation will not be able to be implemented due to the historic status of the on-site structures. As aforementioned in Finding No. 1, various features of the proposed design and the existing site constraints would not result a hotel project compatible to the site.

Therefore, based on the facts provided herein, the project's size, operations and other significant features will not be compatible with and will adversely affect or further degrade adjacent properties, the surrounding neighborhood, or the public health, welfare and safety.

3. **The Project substantially DOES NOT conform with the purpose, intent and provisions of the General Plan, the applicable community plan, and any specific plan.**

The Land Use Element of the City's General Plan divides the city into 35 Community Plans. The Wilshire Community Plan designates the site for Neighborhood Office Commercial land uses with corresponding zones of C1, C1.5, C2, C4, P, CR, RAS3, and RAS4. The property is not within the area of any specific plans or relevant interim control ordinances. The hotel is a permitted use under the site's zoning and land use designation. However, a Conditional Use permit is required to operate the hotel within 500 feet of an A or R Zone.

Based on the evidence presented by local residents, the lack of a traffic plan prepared by the applicant, and a lack of adequate open space to provide the required parking spaces without encroaching into the required rear yard, it is found that the proposed use is not consistent with Wilshire Community Plan's goal, and policy for commercial land use in the following:

Goal 2 - Encourage strong and competitive commercial sectors which promote economic vitality and serve the needs of the Wilshire community through well-designed, safe and accessible areas, while preserving historic and cultural character.

Policy 2-1.3 - Enhance the viability of existing neighborhood stores and businesses which support the needs of local residents and are compatible with the neighborhood.

The subject request to operate a hotel does not enhance the existing residential units nor does it support the needs of local residents. The lack of a viable traffic circulation plan does not facilitate a well-designed and safe operation that promotes and preserves the character of the Wilshire Community.

Furthermore, the proposed project does not conform with the General Plan's Housing Element. The Housing Element of the General Plan identifies the City's housing conditions and needs, establishes the goals, objectives, and policies that are the foundation of the City's housing and growth strategy, and provides the array of programs the City intends to implement to create sustainable, mixed-income neighborhoods across the City.

One of the four goals of the Housing Element is the following,

"A City where housing production and preservation result in an adequate supply of ownership and rental housing that is safe, healthy and affordable to people of all income levels, races, ages, and suitable for their various needs."

Within this goal, five objectives are listed, one of which is the “*preservation of rental and ownership housing.*” As stated, the preservation of affordable rental housing is key to the City’s Housing Element goals. Therefore, the removal of the seven subject RSO units is not consistent with the General Plan.

ZONING ADMINISTRATOR’S ADJUSTMENT FINDINGS

4. **While site characteristics or existing improvements make strict adherence to the zoning regulations impractical or infeasible, the project nonetheless DOES NOT conform with the intent of those regulations.**

The proposed project is for the conversion of six existing bungalow structures, and the demolition of one bungalow for the construction, use, and maintenance of a four-story, 53-foot tall hotel, to create a total of 18 guestrooms and 16 vehicular parking spaces. A Zoning Administrator’s Adjustment is requested to permit four mechanical parking lifts for eight vehicular parking spaces located within the required 16-foot rear yard setback.

The intent of setback regulations is to ensure adequate open space, separation between buildings, and to promote orderly, safe, attractive, and harmonious development. The project proposes to develop a new four-story hotel structure that lacks proper ingress and egress which does not promote orderly and safe development. The site is further constrained by limited spaces to provide open area for parking outside of the required yards, or to provide a new driveway for an underground parking garage, which provides indications that the site is not suitable for the proposed project and design. As aforementioned in Finding No.1, the project as proposed and designed is a product has been shoehorned into an inferior choice of site. Therefore, the strict adherence to the zoning regulations is not impractical or infeasible, nor does the project conform to the intent of those regulations.

5. **In light of the project as a whole including any mitigation measures imposed, the project's location, size, height, operations and other significant features will NOT be compatible with and WILL adversely affect or further degrade adjacent properties, the surrounding neighborhood, or the public health, welfare and safety.**

The proposed project is for the conversion of six existing bungalow structures, and the demolition of one bungalow for the construction, use, and maintenance of a four-story, 53-foot tall hotel, to create a total of 18 guestrooms and 16 vehicular parking spaces. A Zoning Administrator’s Adjustment is requested to permit four mechanical parking lifts for eight vehicular parking spaces located within the required 16-foot rear yard setback.

Properties to the south are zoned R3-1 and developed with multi-family residential structures, directly behind the subject site is another seven-unit bungalow court. A portion of the mechanical parking lifts proposed for the project abuts the residential use with zero setback. There was no landscaping buffer proposed nor would the property be able to allocate a few feet of buffer space to

shield the mechanical parking lifts from neighbors' views. The parking lifts will create constant noise and vehicular activities throughout the day in the required rear yard within a close proximity to the southerly residential use. Aesthetic and noise concerns were never raised and addressed by the applicant. As aforementioned in Finding No. 1, the site has limited open space to provide parking or a new driveway with an adequate width. The project in concept seems to be shoehorned into a remnant portion of a parcel with existing historic structures that are required to remain pursuant to State and Local regulation. Therefore, based on the facts provided herein, the project's size, operations and other significant features will not be compatible with and will adversely affect or further degrade adjacent properties, the surrounding neighborhood, or the public health, welfare and safety.

6. **The project is NOT in substantial conformance with the purpose, intent and provisions of the General Plan, the applicable community plan and any applicable specific plan.**

See Finding No. 3.

ZONE VARIANCE FINDINGS

In order for a variance to be granted, all five of the legally mandated findings delineated in City Charter Section 562 and Municipal Code Section 12.27 must be made in the affirmative. Following (highlighted) is a delineation of the findings and the application of the relevant facts of the case to same:

7. **The strict application of the provisions of the Zoning Ordinance would result in practical difficulties or unnecessary hardships inconsistent with the general purpose and intent of the zoning regulations.**

The subject properties consist of two relatively flat, rectangular, interior parcels with approximately 12,421 square feet of lot area. The site has a frontage of approximately 91 feet on the southerly side of Melrose Avenue and a depth of approximately 135 feet. The site is currently improved with a semi-detached, single-story seven-unit bungalow court. The 4,031 square-foot bungalow court was constructed in 1921 and is identified in SurveyLA. A seventh bungalow was constructed in the rear of the property in 1929. The bungalow court is recommended for listing on the National Register of Historic Places (National Register), California Register of Historical Resources (California Register), and locally as a City of Los Angeles (City) Historic-Cultural Monument (HCM) for embodying distinctive characteristics of a type of construction, the bungalow court (California Historical Resource status codes 3S, 3CS, and 5S3). The Historic Resource Assessment (HRA) report prepared for the project confirms individual eligibility for listing in the National Register, California Register, and as an HCM. The applicant is seeking a Zone Variance to permit the continued use and maintenance of a 7-foot 11-inch wide driveway in lieu of the otherwise required 10 feet.

The existing structures are constructed almost a century ago and have been utilizing a non-conforming right to operate the residential facilities on the site. Whether the existing structures remain for a residential use or for commercial uses, it is deemed that these non-conforming structures must not be demolished, rendering no alternative to widen the width of the existing 7-foot 11-inch driveway. The identified historic resource presents practical difficulties as widening the driveway would require demolition of the bungalows abutting the driveway or the abutting buildings to the east on another property, which are under separate ownership. In this instance strict application of the Zoning Ordinance would result in practical difficulties and the hardship for the property owner to create a 10-foot wide driveway compliant to LAMC.

8. **There are special circumstances applicable to the subject Property such as size, shape, topography, location or surroundings that do not apply generally to other property in the same zone and vicinity.**

There is a special circumstance that the site is currently improved with a semi-detached, single-story seven-unit bungalow court. The 4,031 square-foot bungalow court was constructed in 1920s, and it is identified in SurveyLA and recommended for listing on the National Register of Historic Places (National Register), California Register of Historical Resources (California Register), and locally as a City of Los Angeles (City) Historic-Cultural Monument (HCM) for embodying distinctive characteristics of a type of construction, the bungalow court (California Historical Resource status codes 3S, 3CS, and 5S3). The applicant's variance request is subject to the special circumstance of maintaining an identified resource that has the potential for listing in National and State historic registers. In order to widen the existing sub-standard driveway, the applicant would have to demolish the identified resources damaging their eligibility for listing in national, state, and local historical registers.

9. **Such variance is necessary for the preservation and enjoyment of a substantial property right or use generally possessed by other property in the same zone and vicinity but which, because of such special circumstances and practical difficulties or unnecessary hardships, is denied the property in question.**

A Variance shall not be used to grant a special privilege or to permit a use substantially inconsistent with the limitations upon other properties in the same zone and vicinity. However, the existing structures located on the project site have a legal non-conforming use as well as a historic status rendering the preservation of the structure. This is a special circumstance not commonly found among properties in the surrounding area. The disapproval of the requested Variance would force the property owner to provide a LAMC required 10-foot wide driveway and further leading to the demolition, relocation, or major modification of at least three historic structures in conflict with the historic preservation regulation. The disapproval of the variance will further deny the property owner a vehicular access to the project site which is necessary for the preservation and enjoyment of a substantial property right or use generally possessed by other properties in the same zone and vicinity. Therefore, a

variance grant to the existing substandard 7-foot and 11-inch driveway is necessary in this instance as widening of the substandard driveway would require a substantial removal to the identified resource resulting in a hardship and practical difficulty.

10. **The granting of such variance will not be materially detrimental to the public welfare or injurious to the property or improvements in the same zone or vicinity in which the property is located.**

The granting of the Variance to maintain an existing 7-foot 11-inch driveway is not anticipated to be detrimental or injurious to properties in the same zone and vicinity. The existing 7-foot 11-inch driveway has been in existence for almost 100 years without any change of the baseline condition. The opposition of the project is primarily aimed at the hotel use, and the removal of RSO rental housing, which are the main complaint of the project. The waiving of the code required driveway width will allow for the continued operations of the historic resource, whereas, any reconfiguration of the building footprint requiring demolition could be materially damage the property's eligibility for listing in national, State, and Local Registers.

11. **The granting of the variance will not adversely affect elements of the General Plan.**

The Land Use Element of the City's General Plan divides the city into 35 Community Plans. The Wilshire Community Plan designates the site for Neighborhood Office Commercial land uses with corresponding zones of C1, C1.5, C2, C4, P, CR, RAS3, and RAS4. The property is not within the area of any specific plans or relevant interim control ordinances. Any proposed project on this site will have to maintain the existing driveway width or risk the property's eligibility for listing in the national, state, and local registers. The General Plan promotes the preservation of affordable rental housing.

The site is currently improved with a semi-detached, single-story seven-unit bungalow court. The 4,031 square-foot bungalow court was constructed in 1921 and is identified in SurveyLA. A seventh bungalow was constructed in the rear of the property in 1929. The bungalow court is recommended for listing on the National Register of Historic Places (National Register), California Register of Historical Resources (California Register), and locally as a City of Los Angeles (City) Historic-Cultural Monument (HCM) for embodying distinctive characteristics of a type of construction, the bungalow court (California Historical Resource status codes 3S, 3CS, and 5S3).

Based on the preservation of the existing dwelling units, it is found that the proposed Variance request is consistent with the Wilshire Community Plan's goal, and policy for residential land use in the following:

Goal 1 – Provide a safe, secure, and high quality residential environment for all economic, age, and ethnic segments of the Wilshire Community.

Policy 1-1.2 – Promote neighborhood preservation in all stable residential neighborhoods.

The subject request to maintain the existing driveway enables the preservation of the existing structures and rental housing on site. Therefore, the proposed Variance request is in harmony with the General Plan.

ADDITIONAL MANDATORY FINDINGS

12. The National Flood Insurance Program rate maps, which are a part of the Flood Hazard Management Specific Plan adopted by the City Council by Ordinance No. 172,081, have been reviewed and it has been determined that this project is located in Zone C, areas of minimal flood hazard.

Inquiries regarding the matter shall be directed to Ruben C. Vasquez III, Planning Staff for the Office of Zoning Administration, (213) 978-1741.



JACK CHIANG
Associate Zoning Administrator

JC:CTL:IW:RV

cc: Councilmember David E. Ryu
Fourth Council District
Adjacent Property Owners