

CRA/LA, A DESIGNATED LOCAL AUTHORITY  
(Successor Agency to the Community Redevelopment Agency of the City of Los Angeles, CA)

M E M O R A N D U M

2

**DATE:** OCTOBER 6, 2016

**TO:** GOVERNING BOARD

**FROM:** STEVE VALENZUELA, CHIEF EXECUTIVE OFFICER

**STAFF:** BARRON MCCOY, CHIEF OPERATING OFFICER  
CRAIG BULLOCK, SPECIAL PROJECTS OFFICER

**SUBJECT:** **LAND USE APPROVAL 11106 - 11118 W. HARTSOOK STREET – Non-Monetary Action.** Approval of a density bonus of up to 25% for the construction of a residential development in the North Hollywood Redevelopment Project Area and authorization to execute an owner participation agreement.

**RECOMMENDATIONS**

That the Governing Board take the following action:

1. Adopt a resolution certifying that the Governing Board has reviewed and considered the environmental effects of the proposed project as shown in the City of Los Angeles' Mitigated Negative Declaration ENV-2015-4124-MND ("MND"), pursuant to California Environmental Quality Act ("CEQA") Guidelines set forth in California Code of Regulations Section 15096(f) (Attachment C);
2. Approve a density bonus of up to 25% to allow the construction, maintenance and operation of a residential development consisting of 61 residential units, including seven (7) very low income units, one (1) unit with Mobility Accessibility Features and one (1) unit with Hearing/Vision Accessibility Features; and,
3. Authorize the Chief Executive Officer, or designee, to execute an owner participation agreement (OPA) to effectuate the construction, maintenance and operation of a residential development, as required by the North Hollywood Redevelopment Plan.

**SUMMARY**

Hartsook Grand, LLC (Developer) is requesting that CRA/LA approve a density bonus of up to 25% to allow for the construction of a 61-unit residential development (Project) in the North Hollywood Redevelopment Project Area.

The Project consists of the construction of a 61,793 square foot residential development on three (3) parcels, totaling 22,489 square feet, consisting of 61 residential units, including seven (7) very low income units, one (1) unit with Mobility Accessibility Features, one (1) unit with Vision/Hearing Accessibility Features, 87 parking spaces, 67 bicycle parking spaces and 7,684 square feet of open space (Project).

The CRA/LA Governing Board has the discretion under Sections 602.1 of the North Hollywood Redevelopment Plan (Plan) to authorize new housing to be developed with more dwelling units

per gross acre than otherwise permitted by Section 602 of the Plan, provided that established criteria are satisfied.

The project is located within the High Medium Residential designation of the Plan which allows up to 60 units per gross acre. This allows for the construction of 36 residential units without any discretionary action. The Developer is requesting a density bonus of 25% to construct nine (9) residential units not otherwise permissible by the Plan. The remaining units, including the very low income restricted units, are achieved through the Developer's participation in the density program (SB1818).

In consideration of the discretionary action, the Successor Agency requested and the Developer agreed to incorporate enhanced accessibility features within the project. Specifically, the Developer has agreed to include mobility and sensory units. The number of units having mobility and vision/hearing features was determined based on the density bonus being granted. The recommended density bonus yields nine (9) additional units; one (1) unit or 5% will have mobility features and one (1) unit or 2% will include vision/hearing features.

The City of Los Angeles, acting through the Department of City Planning, issued a Director's Determination Letter (DIR-2015-4123-DB) on June 10, 2016 to adopt the Mitigated Negative Declaration (ENV-2015-4124-MND) and approve various discretionary actions to allow the construction of the Project. The deadline for appeals ended on June 27, 2016. No appeals to the Zoning Administrator's decision were submitted.

## **DISCUSSION & BACKGROUND**

### **Location**

The Project Site (Attachment A, Site Map) is approximately 22,489 square feet (0.52 acre) in size, consisting of three (3) parcels fronting Hartsook Street. To the north, south and east of the Project Site is a mix of single-family homes constructed in the 1930s and 1940s and multi-family residential buildings constructed in the 1960s through 1980s. To the west of the Project site is an alleyway with commercial buildings fronting Lankershim Boulevard. The Project Site consists of five (5) single-family homes built in the 1930 and 1940s. No structure of historic significance was identified on the site.

### **Developer Entity**

B Raean Construction, Inc., representing the Developer, was founded in 1984, develops and constructs their projects. The Developer has specialized in three areas: multi-family, single-family dwellings and retail complexes. The Developer's portfolio consists of 22 multi-family projects, 29 single-family homes and 34 retail complexes.

### **Description, Project Context and Project History**

The Developer proposes to construct one, five-story residential development consisting of 61 residential units, including seven (7) very low income units, one (1) unit with mobility features, one (1) unit with vision/hearing features, 87 vehicular parking spaces, 68 bicycle parking spaces and 7,684 square feet of open space.

The Project consists of five (5) studios, twenty-three (23) one-bedroom, twenty-seven (27) two-bedroom and six (6) three-bedroom units. The Los Angeles Housing, Community and Investment Department (HCID) will select the seven (7) units to be made affordable for a period

of not less than 55 years. The residential amenities will include a landscaped ground floor courtyard, a side yard dog run, and an approximately 1,700 square foot landscaped rooftop patio with common area seating for entertaining and dining. In addition, each unit will have its own private outdoor space. The Project Site is located less than ½ mile from NoHo Arts District and the Metro North Hollywood Red and Orange Line Stations servicing the San Fernando Valley and Greater Los Angeles Area.

#### Basis for Approval

Section 602.1 of the Plan authorizes residential developments, with more housing units per gross acre than otherwise permitted by Section 602, subject to the Developer entering into an OPA. The Plan is intended to achieve greater flexibility in housing design and well planned neighborhoods, offering variety in housing and environment to all socio-economic groups and to provide the most appropriate use of land through special methods of development. The Plan refers to these units as Density Bonus Units, which are separate and distinct from density bonus units attained by a developer participating in the State density bonus program (SB1818). Authorization for additional units may be granted provided that:

- a. *No parcel shall be developed at a residential density which exceeds by more than 25% the density limitations for that parcel as set forth in Section 602.*

The proposed development will not exceed the allowable density limitations of 25% prescribed by Section 602 of the Plan.

- b. *The Agency shall not authorize and approve more than 1,500 bonus units.*

Since the adoption of the Amended Plan in 1997, the CRA/LA has approved 127 Density Bonus units.

- c. *The Agency shall review the proposed development to ensure that the units have adequate floor area and living spaces in order to avoid excessively dense development.*

Staff has reviewed the proposed Project and determined that it is not excessively dense. The Project meets or exceeds City requirements for unit size, open space and parking. The Project's density is within the R4 city zoning.

- d. *The Agency shall impose such other conditions as are necessary to ensure that the development will contribute to the desirable residential environment including adequate open space and long term neighborhood stability.*

Following its review, staff has determined that the proposed development will contribute to achieving a desirable residential environment in the project area. The Project features a range of unit types (studios to three-bedroom units), of which seven (7) will be restricted to households with very low incomes. The Project therefore meets the needs of various household sizes and income levels to satisfy the Plan's goals and objectives. In addition, the Project reflects a high level of architectural design that will enhance the aesthetics of the neighborhood.

In addition, the Developer has agreed to execute and record a Housing Accessibility Covenant, pursuant to which the Developer has agreed to construct and maintain one (1) unit with mobility accessibility features and one (1) unit with vision/hearing accessibility features.

- e. *Density Bonus Units shall not be authorized or approved in residential areas with "Low" designation.*

The Project Site is located in the area designated for High Medium development.

- f. *Primary consideration shall be given to providing bonus units in areas served by transit facilities.*

The Project Site is less than ½ mile away from the Metro Orange and Red Line stations, serving the San Fernando Valley and Greater Los Angeles Area. In addition, Metro buses 224 and 656 (Lankershim Boulevard) and 152 (Vineland Avenue) 156 and 183 (Magnolia Boulevard) are all within walking distance of the Project Site.

CRA/LA staffs review of the Project plans and Mitigated Negative Declaration indicates that the Project meets the required findings of the Plan.

### **SOURCE OF FUNDS**

No funding is required for this action.

### **ROPS AND ADMINISTRATIVE BUDGET IMPACT**

The approval of density bonus units constitutes a "Land Use Function" as defined under Section 34173(i) of Assembly Bill 1484. On June 20, 2013, the Governing Board approved a resolution authorizing the transfer of all land use plans and functions of the successor agency to the City of Los Angeles pursuant to Section 34173(i) of the Health and Safety Code. To date, the City of Los Angeles has not taken all the necessary steps to formally assume the CRA/LA's land use authority which would effectuate such a transfer. The Department of City Planning has been advised of the actions in this memorandum and concurs with the recommendations. This action is a land use approval and will not impose a financial obligation on the CRA/LA for purposes of the ROPS.

CRA/LA staff will consider discretionary land use approvals such as those recommended in this memo, provided that certain conditions have been met, in addition to those required by the underlying redevelopment plan, including that the City of Los Angeles, as Lead Agency, has taken all necessary actions relating to environmental review and clearances.

### **ENVIRONMENTAL REVIEW**

The City of Los Angeles, acting through the Department of City Planning, issued a Director's Determination Letter (DIR-2015-4123-DB) on June 10, 2016 to adopt the Mitigated Negative Declaration (ENV-2015-4124-MND) and allow for various discretionary actions to allow the construction of the Project. The deadline for appeals ended on June 27, 2016. No appeals were filed.

  
\_\_\_\_\_  
Steve Valenzuela  
Chief Executive Officer



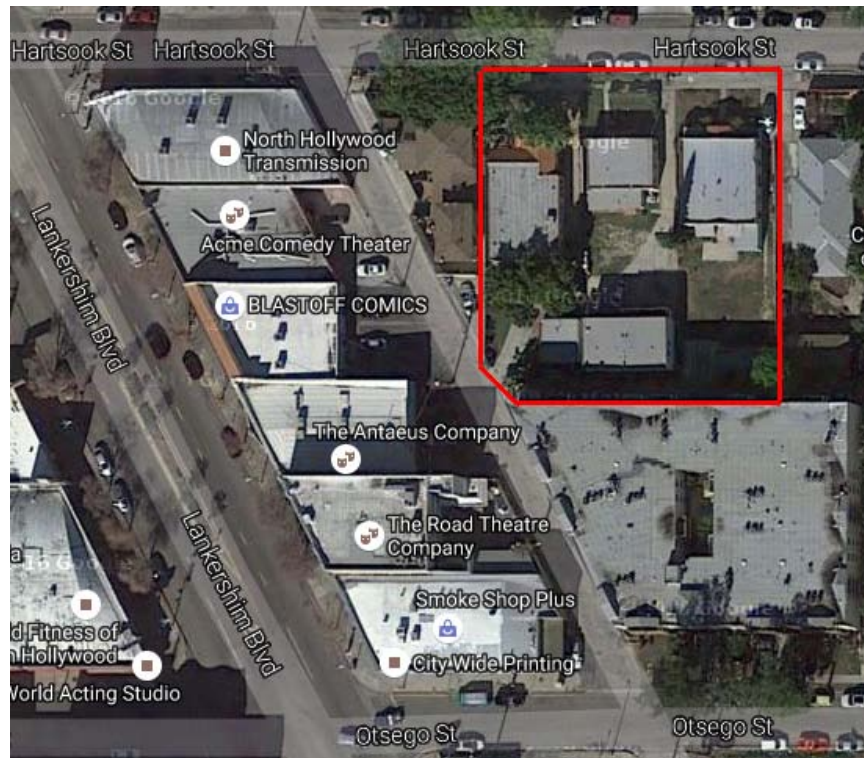
There is no conflict of interest known to me which exists with regard to any CRA/LA officer or employee concerning this action.

ATTACHMENTS

- Attachment A – Site Map
- Attachment B – Project Renderings
- Attachment C – Environmental Resolution
- Attachment D – Land Use OPA
- Attachment E – Accessible Housing Covenant

CRA/LA, A DESIGNATED LOCAL AUTHORITY  
(Successor Agency to the Community Redevelopment Agency of the City of Los Angeles, CA)

**Attachment A**



CRA/LA, A DESIGNATED LOCAL AUTHORITY  
(Successor Agency to the Community Redevelopment Agency of the City of Los Angeles, CA)

**Attachment B**



CRA/LA, A DESIGNATED LOCAL AUTHORITY  
(Successor Agency to the Community Redevelopment Agency of the City of Los Angeles, CA)

**Attachment C**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CRA/LA, A DESIGNATED LOCAL AUTHORITY (SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES, CALIFORNIA), CERTIFYING THAT IT HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED IN THE CITY OF LOS ANGELES' MITIGATED NEGATIVE DECLARATION FOR THE 11106-11118 W. HARTSOOK STREET PROJECT IN THE NORTH HOLLYWOOD REDEVELOPMENT PROJECT AREA AND ADOPTING A MITIGATION MONITORING PROGRAM**

**WHEREAS**, Hartsook Grand, LLC (Developer), the project applicant, proposes to develop a five-story residential development consisting of 61 residential dwelling units, including seven (7) very-low income units, one (1) unit with mobility features and one (1) unit with hearing/vision features and 87 vehicular parking and 68 bicycle parking spaces ("Project"); and

**WHEREAS**, the City of Los Angeles ("City") was the Lead Agency under the California Environmental Quality Act ("CEQA") for the Project and prepared a Mitigated Negative Declaration, ENV-2015-4124-MND; ("MND") that was issued on May 4, 2016, for the Project; and

**WHEREAS**, on June 10, 2016, the MND for the Project was adopted and the Project was approved by the City of Los Angeles; and

**NOW, THEREFORE, BE IT RESOLVED** by the CRA/LA a Designated Local Authority (Successor Agency to the Community Redevelopment Agency of the City of Los Angeles, California), as follows:

1. The CRA/LA Governing Board's discretionary approval is required to receive density bonus units as defined in Section 602.1 of the North Hollywood Redevelopment Plan.
2. The CRA/LA is a Responsible Agency pursuant to CEQA (Public Resources Code Section 21069, State CEQA Guidelines Section 15381). As a Responsible Agency, the CRA/LA Governing Board considered the environmental effects of the Project as shown in the City of Los Angeles' MND. (State CEQA Guidelines Section 15096).
3. Based on such review and consideration, the CRA/LA Governing Board hereby determines:
  - a. No substantial changes have been proposed in the Project since adoption of the MND; therefore, no revisions to the MND are required.

- b. There is no evidence of any substantial changes that have occurred since adoption of the MND with respect to the circumstances under which the Project is being undertaken; therefore, no revisions to the MND are required; and
  - c. No new information of substantial importance to the Project, which was not known or could not have reasonably been known at the time the MND was adopted, has become available.
- 4. The CRA/LA Governing Board adopts the Mitigation Monitoring Program prepared and adopted by the City ("MMP").
- 5. The CRA/LA has mitigated the impacts of those parts of the Project that it is approving by adopting the MMP.

ADOPTED: \_\_\_\_\_



CRA/LA, A DESIGNATED LOCAL AUTHORITY  
(Successor Agency to the Community Redevelopment Agency of the City of Los Angeles, CA)

**Attachment D**

**Land Use OPA**

[Behind this Page]

## LAND USE OWNER PARTICIPATION AGREEMENT

**Development Project:** Hartsook Grand Apartments  
**Location:** 11106 - 11118 W. Hartsook Street  
**Redevelopment Project Area:** North Hollywood  
**Assessor Parcel Number:** 2353-007-011, 2353-007-012, 2353-007-013  
**Legal Description:** See Attachment "A"

This Land Use Owner Participation Agreement ("OPA") dated as of October \_\_, 2016 is entered into by and between Hartsook Grand, LLC ("Applicant" or "Participant") and CRA/LA, A Designated Local Authority ("CRA/LA" or "Agency") with reference to the property at 11106-11118 W. Hartsook Street in the North Hollywood Redevelopment Project Area.

### RECITALS

- A. Applicant proposes to redevelop the Property through the construction of a 5-story residential development of approximately 61,793 square feet and 56' in height, consisting of 61 residential units, including seven (7) very-low income units, one (1) unit with Mobility Features, one (1) unit with Hearing/Vision Features, 87 vehicle parking spaces and 68 bicycle parking ("Project"). The Project is located within the North Hollywood Redevelopment Project Area ("Project Area") and the North Hollywood-Valley Village Community Plan area ("Community Plan").
- B. The City of Los Angeles, acting through the Department of City Planning, issued a Director's Determination Letter (DIR-2015-4123-DB) on June 10, 2016 to adopt the Mitigated Negative Declaration (ENV-2015-4124-MND) and allow for various discretionary actions to allow the construction of the Project. The deadline for appeals ended on June 27, 2016. No appeals to the Zoning Administrator's decision were submitted.
- C. The site is located in a High Medium Residential designation of the North Hollywood Redevelopment Project Area that allows for developments of up to 60 units per gross acre.
- D. Section 602.1 of the Plan authorizes, subject to an OPA, residential developments, with more housing units per gross acre than otherwise permitted in Section 602, but not greater than 25%, to achieve greater flexibility in housing design and well planned neighborhoods offering variety in housing and environment to all socio-economic groups and to provide the most appropriate use of land through special methods of development. The Plan refers to these units as Density Bonus Units, which are separate and distinct from density bonus units attained by a developer participating in the State density bonus program (SB1818). Authorization may be granted provided that:

- a. No parcel shall be developed at a residential density which exceeds the by more than 25% the density limitations for that parcel as set forth in Section 602.
  - b. The Agency shall not authorize and approve more than 1,500 bonus units.
  - c. The Agency shall review the proposed development to ensure that the units have adequate floor area and living spaces in order to avoid excessively dense development.
  - d. The Agency shall impose such other conditions as are necessary to ensure that the development will contribute to the desirable residential environment including adequate open space and long term neighborhood stability.
  - e. Density Bonus Units shall not be authorized or approved in residential areas with "Low" designation.
  - f. Primary consideration shall be given to providing bonus units in areas served by transit facilities.
  - g. In no case shall this provision preclude residentially designated property from being developed to the density permitted in Section 602.
- E. A CRA/LA staff review of the Project, Mitigated Negative Declaration and plans submitted was completed. It is staff's belief that the Plan's requirements have been satisfied.
- F. The CRA/LA Governing Board has made the following findings and determinations:
- 1. The proposed Project conforms to the North Hollywood-Valley Village Community Plan as determined by the City of Los Angeles. The City of Los Angeles, acting through the Department of City Planning, issued a Director's Determination Letter (DIR-2015-4123-DB) on June 10, 2016 to adopt the Mitigated Negative Declaration (ENV-2015-4124-MND) to allow for various discretionary actions to allow the construction of the Project. The deadline for appeals ended on June 27, 2016. No appeals to the Zoning Administrator's decision were submitted.
  - 2. The requirements of Section 602.1 of the Plan have been satisfied in the following matter:
    - a. *No parcel shall be developed at a residential density which exceeds by more than 25% the density limitations for that parcel as set forth in Section 602.*

The development will not exceed a density level of 25% of the allowable density prescribed by Section 602 of the Plan.

- b. *The Agency shall not authorize and approve more than 1,500 bonus units.*

The Agency has not authorized and approved more than 1,500 bonus units within the North Hollywood Redevelopment Project Area. As of October 1, 2016, the CRA/LA has approved 127 Density Bonus units since the adoption of the Amended Plan in 1997.

- c. *The Agency shall review the proposed development to ensure that the units have adequate floor area and living spaces in order to avoid excessively dense development.*

Staff has reviewed the Project and determined that it is not excessively dense. The Project meets or exceeds City code on unit size, open space and parking. The Project's density is within the limits of the R4 zone.

- d. *The Agency shall impose such other conditions as are necessary to ensure that the development will contribute to the desirable residential environment including adequate open space and long term neighborhood stability.*

Staff has reviewed the Project and determined that the development will contribute to achieving a desirable residential environment. The Project features a range of units ranging from studio to three-bedroom units, of which seven (7) will be restricted to individual and families of very low income. The Project meets the needs of various family sizes and income levels to satisfy the Plan's goals and objectives.

In addition, the Project will include accessibility units for individuals/families with special needs. These units will be memorialized through an Accessible Housing Covenant.

- e. *Density Units shall not be authorized or approved in residential areas with "Low" designation.*

The Project Site is located in the area designated for High Medium Residential developments.

- f. *Primary consideration shall be given to providing bonus units in areas served by transit facilities.*

The Project Site is approximately ½ mile away from the Metro Orange and Red Line stations, serving the San Fernando Valley and Greater Los Angeles Area. In addition, Metro buses 224 and 656 (Lankershim

Boulevard) and 152 (Vineland Avenue) 156 and 183 (Magnolia Boulevard) are all within walking distance of the Project Site.

NOW, THEREFORE, in consideration for and as a condition of CRA/LA's exercise of its discretionary approval to allow the Project to be constructed with Density Bonus units, as defined in Section 602.1 of the Plan, Participant hereby agrees to comply with the following terms and conditions:

1. Compliance with Criteria – Participant shall develop, maintain and operate the Project in compliance with all applicable ordinances and regulations of the City of Los Angeles as they now exist or as they are amended from time to time.
2. Participant Indemnity – Participant shall indemnify, defend (with counsel approved by the CRA/LA) and hold harmless CRA/LA and its appointed and elected officers, Governing Board and Oversight Board, employees, agents, consultants and contractors (collectively, "Indemnitees") from and against any and all liabilities, losses, costs, expenses (including reasonable and actual attorney fees and litigation costs), claims, demands, actions, suits, causes of actions, writs, judicial or administrative proceedings, penalties, fines, orders, judgments and damages (collectively, "Claims") which arise in connection with, relate to, are caused by or alleged to be caused by: (i) approval of this OPA; (ii) performance of this OPA by Participant or any of its contractors or sub-contractors; and/or (iii) rehabilitation, operation, maintenance of management of the Project improvements, whether or not any insurance policies are determined to be applicable to such Claims. Additionally, Participant shall immediately pay upon Indemnitee's demand any amounts owing under this Indemnity. Participant's duty to indemnify includes the duty to defend Indemnitees or, at their choosing, to pay their reasonable and actual defense costs in any court or administrative action or other proceedings brought by any third party arising from the development of the Project on the Property. The Indemnitees may make all reasonable decisions with respect to their representation in any legal proceeding, including but not limited to, selection of their counsel. Notwithstanding the above, Participant's obligations under this Indemnity shall not apply to Claims solely from the gross negligence or willful misconduct of the Indemnitees.
3. Permitted Transfers – Participant may assign this Agreement and its rights and ongoing obligations hereunder, provided that the assignee expressly assumes the ongoing obligations of Participant hereunder, and further provided that Participant may change the operator or operators of the Project's components without notice to or consent of CRA/LA. Upon any such assignment by Participant and assumption by the assignee, or upon Participant's transfer of its interest in the Property, Participant shall be fully relieved from any further liability hereunder. Nothing contained herein shall restrict or limit Participant's rights to transfer its interest in the Property to any other party.



IN WITNESS WHEREOF, the Parties have executed this OPA as of the date written above.

**CRA/LA, A DESIGNATED LOCAL  
AUTHORITY**

**HARTSOOK GRAND, LLC**

\_\_\_\_\_  
Steve Valenzuela  
Chief Executive Officer

Name: BEHZAD Pourabrahim

Title: member

A handwritten signature in black ink, appearing to read 'Behzad Pourabrahim', written over a horizontal line.

APPROVED AS TO FORM:

GOLDFARB & LIPMAN, LLP

By: \_\_\_\_\_  
Thomas Webber  
CRA/LA Legal Counsel

ATTACHMENT A

Legal Description

Real property in the City of Los Angeles, County of Los Angeles, State of California, described as follows:

PARCEL 1:

LOT 5 AND 6 OF H.J. WHITLEY TRACT 2, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 2, PAGE(S) 31 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

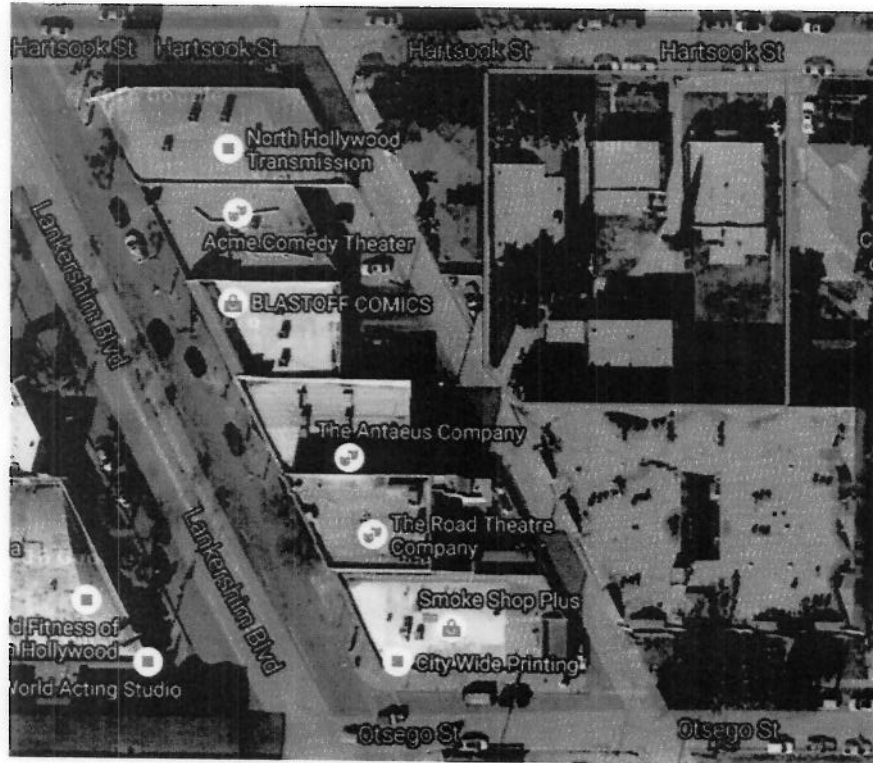
THAT PORTION OF BLOCK 2 IN HOLLYWOOD, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 28 PAGE 59 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE WEST LINE OF WILCOX AVENUE, SAID POINT BEING 233.30 FEET NORTH OF THE NORTH LINE OF SUNSET BOULEVARD, AS SHOWN ON SAID MA; THENCE NORTH ALONG THE WEST LINE OF WILCOX AVENUE, 50 FEET; THENCE WEST PARALLEL WITH THE NORTH LINE OF SUNSET BOULEVARD, 143 FEET; THENCE SOUTH PARALLEL WITH THE WEST LINE OF WILCOX AVENUE, 50 FEET; THENCE EAST PARALLEL WITH THE NORTH LINE OF SUNSET BOULEVARD, 143 FEET TO THE POINT OF BEGINNING.

APN: 5547-017-003

ATTACHMENT B

Property Map



**DEPARTMENT OF  
CITY PLANNING**

**CITY PLANNING COMMISSION**

DAVID H. J. AMBROZ  
PRESIDENT

RENEE DAKE WILSON  
VICE PRESIDENT

ROBERT L. AHN  
CAROLINE CHOE  
RICHARD KATZ  
JOHN W. MACK  
SAMANTHA MILLMAN  
VERONICA PADILLA  
DANA M. PERLMAN

JAMES K. WILLIAMS  
COMMISSION EXECUTIVE ASSISTANT II  
(213) 978-1300

**CITY OF LOS ANGELES  
CALIFORNIA**



ERIC GARCETTI  
MAYOR

**EXECUTIVE OFFICES**  
200 N. SPRING STREET, ROOM 525  
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FAX: (213) 978-1275

INFORMATION  
<http://planning.lacity.org>

**DIRECTOR'S DETERMINATION  
DENSITY BONUS & AFFORDABLE HOUSING INCENTIVES**

June 10, 2016

**Applicant/Owner**

Hartsook Grand LLC  
Ben Ebrahim  
420 E. 11<sup>th</sup> St. #304  
Los Angeles, CA 90015

**Representative**

nür - DEVELOPMENT |  
CONSULTING  
Daniel Ahadian  
449 N. Hoover St. #4  
Los Angeles, CA 90004

**Case No.** DIR-2015-4123-DB

**CEQA:** ENV-2015-4124-MND

**Location:** 11106-11118 W. Hartsook St.

**Council District:** 2 – Paul Krekorian

**Neighborhood Council:** Mid-Town North Hollywood

**Community Plan Area:** North Hollywood – Valley Village

**Land Use Designation:** High Medium Residential

**Zone:** R4-1VL

**Legal Description:** Lots 13-15; Block 2; Hartsook Tract

**Last Day to File an Appeal:** June 27, 2016

**DETERMINATION – Density Bonus/Affordable Housing Incentives Program**

Pursuant to the Los Angeles Municipal Code (LAMC) Section 12.22 A.25, I have reviewed the proposed project and as the designee of the Director of Planning, I hereby:

**Approve with Conditions** the following two (2) incentives requested by the applicant for a project totaling 61 dwelling units, reserving seven (7) units for Very Low Income household occupancy for a period of 55 years:

1. **Floor Area Ratio.** A 22.7 percent increase in the allowable Floor Area Ratio allowing a total floor area ratio of 3.68:1 in lieu of the normally required 3:1.
2. **Height.** A 24.4 percent increase in the height requirement, allowing 56 feet in height in lieu of the normally required 45 feet.

**Adopt** Mitigated Negative Declaration ENV-2015-4124-MND, and the corresponding Mitigation Monitoring Program (MMP) as the project's environmental clearance pursuant to the California Environmental Quality Act (CEQA) and Section 21082.1(c)(3) of the California Public Resources Code.

**Adopt** the attached Findings.

The project approval is based upon the attached Findings, and subject to the attached

The project approval is based upon the attached Findings, and subject to the attached Conditions of Approval:

#### CONDITIONS OF APPROVAL

1. **Site Development.** Except as modified herein, the project shall be in substantial conformance with the plans and materials submitted by the Applicant, stamped "Exhibit A," and attached to the subject case file. No change to the plans shall be made without prior review by the Department of City Planning, Valley Project Planning Division, and written approval by the Director of Planning. Each change shall be identified and justified in writing. Minor deviations may be allowed in order to comply with the provisions of the Los Angeles Municipal Code or the project conditions.
2. **Residential Density.** The project shall be limited to a maximum density of 61 residential dwelling units, including Density Bonus Units.
3. **Restricted Affordable Units.** A minimum of seven (7) units, that is 11 percent of the base dwelling units, shall be reserved as Restricted Affordable Units, as defined by the State Density Bonus Law 65915 (C)(2).
4. **Changes to Restricted Units.** Deviations that increase the number of Restricted Affordable Units or that change the composition of units or change parking numbers shall be consistent with LAMC Section 12.22 A.25.
5. **Housing Requirements.** Prior to issuance of a building permit, the owner shall execute a covenant to the satisfaction of the Los Angeles Housing and Community Investment Department (HCIDLA) to make seven (7) units available to Very Low Income Households, for sale or rental as determined to be affordable to such households by HCIDLA for a period of 55 years. Enforcement of the terms of said covenant shall be the responsibility of HCIDLA. The applicant will present a copy of the recorded covenant to the Department of City Planning for inclusion in this file. The project shall comply with any monitoring requirements established by the HCIDLA. Refer to the Density Bonus Legislation Background section of this determination.
6. **Floor Area Ratio (FAR).** The project qualifies for an increase in FAR to 3.68:1, in lieu of the 3:1 FAR limit, by utilizing an on-menu incentive for affordable units. The project shall be developed in substantial conformance with Exhibit A, and not exceed an FAR of 3.68:1, or 61,793 square feet.
7. **Height.** The project qualifies for a 24.4 percent increase in height, or 11 feet, in lieu of the 45-foot height limit per LAMC Section 12.21.1 A, by utilizing an on-menu incentive for affordable units. The project shall be limited to a maximum height of 56 feet, excluding roof structures and equipment, as defined by Section 12.21.1 of the LAMC.
8. **Automobile Parking.** Automobile parking shall be provided consistent with LAMC Section 12.22 A.25(d), Parking Option 1, which permits one (1) on-site parking space for each residential unit with one (1) or fewer bedrooms; two (2) on-site parking spaces for each residential unit with two (2) to three (3) bedrooms; and two-and-one-half (2.5) parking spaces for each residential unit with four (4) or more bedrooms. The Bicycle Parking Ordinance, LAMC Section 12.21 A.4, allows affordable residential projects to reduce required vehicle parking by 10 percent when the project is also using the parking reduction per Section 12.22 A.25(d). Based on the number and type of dwelling units proposed, and the 10 percent reduction per the Bicycle Parking Ordinance, 85 parking spaces shall be provided. As shown on Exhibit A, 87 spaces will be provided.



9. **Adjustment of Parking.** In the event that the number of Restricted Affordable Units should increase, or the composition of such units should change (i.e. the number of bedrooms, or the number of units made available to Senior Citizens and/or Disabled Persons), or the applicant selects another Parking Option (including Bicycle Parking Ordinance) and no other Condition of Approval or incentive is affected, then no modification of this determination shall be necessary, and the number of parking spaces shall be re-calculated by the Department of Building and Safety based upon the ratios set forth above.
10. **Bicycle Parking.** Bicycle parking shall be provided consistent with LAMC 12.21 A.16. Long-term bicycle parking shall be provided at a rate of one (1) per dwelling unit. Short-term bicycle parking shall be provided at a rate of one (1) per ten dwelling units, with a minimum of two (2) short-term bicycle parking spaces. Based upon the number of dwelling units for residential buildings per LAMC 12.21 A.16, sixty-one (61) long-term and six (6) short-term bicycle parking spaces shall be provided on-site.

#### **Environmental Mitigation Conditions**

##### **11. Aesthetics (Landscape Plan).**

- a. All landscaped areas shall be maintained in accordance with a landscape plan, including an automatic irrigation plan, prepared by a licensed landscape architect in accordance with LAMC Sections 12.40 and 12.41. The final landscape plan shall be reviewed and approved by the City of Los Angeles Department of City Planning during the building permit process.

##### **12. Aesthetics (Light)**

- a. Outdoor lighting shall be designed and installed with shielding, such that the light source cannot be seen from adjacent residential properties, the public right-of-way, nor from above.

##### **13. Aesthetics (Glare)**

- a. The exterior of the proposed structure shall be constructed of materials such as, but not limited to, high-performance and/or non-reflective tinted glass (no mirror-like tints or films) and pre-cast concrete or fabricated wall surfaces to minimize glare and reflected heat.

##### **14. Habitat Modification (Nesting Native Birds, Non-Hillside or Urban Areas).**

- a. Proposed project activities (including disturbances to native and non-native vegetation, structures and substrates) should take place outside of the breeding bird season which generally runs from March 1- August 31 (as early as February 1 for raptors) to avoid take (including disturbances which would cause abandonment of active nests containing eggs and/or young). Take means to hunt, pursue, catch, capture, or kill, or attempt to hunt, pursue, catch, capture or kill (Fish and Game Code Section 86).
- b. If project activities cannot feasibly avoid the breeding bird season, beginning thirty days prior to the disturbance of suitable nesting habitat, the applicant shall:
- i. Arrange for weekly bird surveys to detect any protected native birds in the habitat to be removed and any other such habitat within properties adjacent to the project site, as access to adjacent areas allows. The surveys shall be conducted by a qualified biologist with experience in conducting breeding bird surveys. The surveys shall

- continue on a weekly basis with the last survey being conducted no more than 3 days prior to the initiation of clearance/construction work.
- ii. If a protected native bird is found, the applicant shall delay all clearance/construction disturbance activities within 300 feet of suitable nesting habitat for the observed protected bird species until August 31.
  - iii. Alternatively, the Qualified Biologist could continue the surveys in order to locate any nests. If an active nest is located, clearing and construction within 300 feet of the nest or as determined by a qualified biological monitor, shall be postponed until the nest is vacated and juveniles have fledged and when there is no evidence of a second attempt at nesting. The buffer zone from the nest shall be established in the field with flagging and stakes. Construction personnel shall be instructed on the sensitivity of the area.
  - iv. The applicant shall record the results of the recommended protective measures described above to document compliance with applicable State and Federal laws pertaining to the protection of native birds. Such record shall be submitted and received into the case file for the associated discretionary action permitting the project.

**15. Tree Removal (Non-Protected Trees).**

- a. Prior to the issuance of any permit, a plot plan shall be prepared indicating the location, size, type, and general condition of all existing trees on the site and within the adjacent public right(s)-of-way.
- b. All significant (8-inch or greater trunk diameter, or cumulative trunk diameter if multi-trunked, as measured 54 inches above the ground) non-protected trees on the site proposed for removal shall be replaced at a 1:1 ratio with a minimum 24-inch box tree. Net, new trees, located within the parkway of the adjacent public right(s)-of-way, may be counted toward replacement tree requirements.
- c. Removal or planting of any tree in the public right-of-way requires approval of the Board of Public Works. Contact Urban Forestry Division at: 213-847-3077. All trees in the public right-of-way shall be provided per the current standards of the Urban Forestry Division, Bureau of Street Services, Department of Public Works.

**16. Green House Gas Emissions.**

- a. Low- and non-VOC containing paints, sealants, adhesives, solvents, asphalt primer, and architectural coatings (where used), or pre-fabricated architectural panels shall be used in the construction of the Project to reduce VOC emissions to the maximum extent practicable.
- b. To encourage carpooling and the use of electric vehicles by Project residents and visitors, at least twenty (20)% of the total code-required parking spaces provided for all types of parking facilities, but in no case less than one location, shall be capable of supporting future electric vehicle supply equipment (EVSE). Plans shall indicate the proposed type and location(s) of EVSE and also include raceway method(s), wiring schematics and electrical calculations to verify that the electrical system has sufficient capacity to simultaneously charge all electric vehicles at all designated EV charging locations at their full rated amperage. Plan design shall be based upon Level 2 or greater EVSE at its maximum operating ampacity. Only raceways and related components are required to be installed at the time of construction. When the application of the 20% results in a fractional space, round up to the next whole number. A label stating "EV CAPABLE" shall be posted in a conspicuous place at the service panel or subpanel and next to the raceway termination point.
- c. The Project shall meet the Tier 1 requirements of the Los Angeles Green Building Code.
- d. The Project shall meet the Tier 2 requirements of the Los Angeles Green Building Code.

**17. Human Health Hazard (Vector Control).**

- a. The property shall be maintained in a neat, attractive, and safe condition at all times.
- b. On-site activities shall be conducted so as not to create noise, dust, odor, or other nuisances to surrounding properties.
- c. Trash and garbage bins shall be maintained with a lid in working condition; such lid shall be kept closed at all times.
- d. Trash and garbage collection bins shall be maintained in good condition and repair such that there are no holes or points of entry through which a rodent could enter.
- e. Trash and garbage collection containers shall be emptied a minimum of once per week.
- f. Trash and garbage bin collection areas shall be maintained free from trash, litter, garbage, and debris.

**18. Increased Noise Levels (Demolition, Grading, and Construction Activities).**

- a. Construction and demolition shall be restricted to the hours of 7:00 am to 6:00 pm Monday through Friday, and 8:00 am to 6:00 pm on Saturday.
- b. Demolition and construction activities shall be scheduled so as to avoid operating several pieces of equipment simultaneously, which causes high noise levels.
- c. The project contractor shall use power construction equipment with state-of-the-art noise shielding and muffling devices.

**19. Increased Noise Levels (Parking Structure Ramps).**

- a. Concrete, not metal, shall be used for construction of parking ramps.
- b. The interior ramps shall be textured to prevent tire squeal at turning areas.
- c. Parking lots located adjacent to residential buildings shall have a solid decorative wall adjacent to the residential.

**20. Public Services (Fire).** The following recommendations of the Fire Department relative to fire safety shall be incorporated into the building plans, which includes the submittal of a plot plan for approval by the Fire Department either prior to the recordation of a final map or the approval of a building permit. The plot plan shall include the following minimum design features: fire lanes, where required, shall be a minimum of 20 feet in width; all structures must be within 300 feet of an approved fire hydrant, and entrances to any dwelling unit or guest room shall not be more than 150 feet in distance in horizontal travel from the edge of the roadway of an improved street or approved fire lane.

**21. Public Services (Police – Construction/Demolition Sites).** Temporary construction fencing shall be placed along the periphery of the active construction areas to screen as much of the construction activity from view at the local street level and to keep unpermitted persons from entering the construction area.

**22. Public Services (Police).** The plans shall incorporate the design guidelines relative to security, semi-public and private spaces, which may include but not be limited to access control to building, secured parking facilities, walls/fences with key systems, well-illuminated public and semi-public space designed with a minimum of dead space to eliminate areas of concealment, location of toilet facilities or building entrances in high-foot traffic areas, and provision of security guard patrol throughout the project site if needed. Please refer to "Design Out Crime Guidelines: Crime Prevention Through Environmental Design", published by the Los Angeles Police Department. Contact the Community Relations Division, located at 100 W. 1st Street, #250, Los Angeles, CA 90012; (213) 486-6000. These measures shall be approved by the Police Department prior to the issuance of building permits.

**23. Public Services (Construction Activity Near Schools).**

- a. The developer shall install appropriate traffic signs around the site to ensure pedestrian and vehicle safety.
- b. There shall be no staging or parking of construction vehicles, including vehicles to transport workers on any of the streets adjacent to the school.
- c. Due to the noise impacts on the schools, no construction vehicles or haul trucks shall be staged or idled on these streets during school hours.
- d. The developer and contractors shall maintain ongoing contact with the administrator of Lankershim Elementary School. The administrative offices shall be contacted when demolition, grading and construction activity begins on the project site so that students and their parents will know when such activities are to occur. The developer shall obtain school walk and bus routes to the schools from either the administrators or from the LAUSD's Transportation Branch (323)342-1400 and guarantee that safe and convenient pedestrian and bus routes to the school be maintained.

**24. Safety Hazards.**

- a. The developer shall install appropriate traffic signs around the site to ensure pedestrian, bicycle, and vehicle safety.
- b. The applicant shall submit a parking and driveway plan that incorporates design features that reduce accidents, to the Bureau of Engineering and the Department of Transportation for approval.

**Administrative Conditions**

25. **Final Plans.** Prior to the issuance of any building permits for the project by the Department of Building & Safety, the applicant shall submit all final construction plans that are awaiting issuance of a building permit by the Department of Building & Safety for final review and approval by the Department of City Planning. All plans that are awaiting issuance of a building permit by the Department of Building & Safety shall be stamped by Department of City Planning staff "Final Plans". A copy of the Final Plans, supplied by the applicant, shall be retained in the subject case file.
26. **Notations on Plans.** Plans submitted to the Department of Building & Safety for the purpose of processing a building permit application shall include all of the Conditions of Approval herein attached as a cover sheet, and shall include any modifications or notations required herein.
27. **Approval, Verification and Submittals.** Copies of any approvals, guarantees or verification of consultations, review of approval, plans, etc., as may be required by the subject conditions, shall be provided to the Department of City Planning prior to clearance of any building permits, for placement in the subject file.
28. **Code Compliance.** Use, area, height, and yard regulations of the zone classification of the subject property shall be complied with, except where granted conditions differ herein. The Applicant shall comply with all applicable dedication and improvement requirements to the satisfaction of the Bureau of Engineering, as required by the Municipal Code.
29. **Department of Building & Safety.** The granting of this determination by the Director of Planning does not in any way indicate full compliance with applicable provisions of the Los Angeles Municipal Code Chapter IX (Building Code). Any corrections and/or modifications to plans made subsequent to this determination by a Department of Building & Safety Plan Check Engineer that affect any part of the exterior design or appearance of the project as approved by the Director, and which are deemed necessary by the Department of Building &



Safety for Building Code compliance, shall require a referral of the revised plans back to the Department of City Planning for additional review and sign-off prior to the issuance of any permit in connection with those plans.

**30. 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 \$25,000. 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.

## PROJECT BACKGROUND

The project proposes the new construction, use, and maintenance of a five-story, 56-foot high apartment building containing 61 residential dwelling units, comprised of approximately 61,793 square feet of floor area on a 22,489 square-foot site. The proposed building will provide a total of 87 automobile parking spaces and 67 bicycle parking spaces (61 long-term and six (6) short-term), contained within one and one-half (1.5) levels of subterranean parking.

The subject lot is located on Hartsook Street, a designated Local Street, between Vineland Avenue (to the east) and Lankershim Boulevard (to the west). The subject property has approximately 150 feet of frontage along Hartsook Street, to a depth of 150 feet. The southwest corner of the site abuts a 20-foot alley that runs parallel to Lankershim Boulevard. The project site is currently improved with seven (7) residential dwelling units, including a single-family house and three (3) duplexes, contained within four (4) structures. The property is zoned R4-1VL and has a General Plan Land Use Designation of High Medium Residential within the North Hollywood – Valley Village Community Plan.

Immediate surrounding properties are within the R4-1VL and C4-1-CA zones, and are characterized by generally level topography and improved streets. The subject property is predominately surrounded by single- and multi-family residential land uses along Hartsook Street and commercial uses along Lankershim Boulevard. The property adjoining the subject property to the east is a single-story triplex. The immediate adjacent property to the west is a single-story duplex. The properties adjoining the northerly side of Hartsook Street opposite the subject property are developed with two (2) apartment buildings: the property at 11117-11123 W. Hartsook Street is three (3) stories high and contains 23 dwelling units and the property at 11115 W. Hartsook Street is four (4) stories high and contains 24 dwelling units. The property behind the project site to the south and fronting Otsego Street is developed with a four-story 39-unit apartment building.

In accordance with California State Law (including Senate Bill 1818, and Assembly Bills 2280 and 2222), the applicant is proposing to utilize Section 12.22 A.25 (Density Bonus) of the Los Angeles Municipal Code (LAMC), which permits a density bonus of up to 35 percent. This allows up to 76 total dwelling units in lieu of the otherwise maximum density limit of 56 dwelling units on the property. In this case, the applicant is requesting an 8.9 percent density bonus to permit the construction of an additional 5 units, for a total of 61 dwelling units on the site. A density bonus is automatically granted in exchange for the applicant setting aside a percentage of dwelling units. In this case, and as further discussed below under *Housing Replacement*, the required set aside is seven (7) units, for habitation by Very Low Income households for a period of 55 years. Consistent with the Density Bonus Ordinance, the Applicant is also automatically granted a reduction in required parking based on two (2) Parking Options, which may be further reduced by 10 percent based on the Bicycle Parking Ordinance. The Applicant selected Parking Option 1 and a 10 percent reduction in required parking based on the Bicycle Parking Ordinance. As such, the proposed project shall provide a minimum of 85 automobile parking spaces, and 67 bicycle parking spaces (61 long-term and 6 short-term). As shown on "Exhibit A" a total of 87 parking spaces are provided. Vehicular ingress and egress to the parking will be accessed through a driveway located at the northeast corner of the site, along Hartsook Street.

### Housing Replacement

With Assembly Bill 2222 (AB 2222), applicants of Density Bonus projects filed as of January 1, 2015 must demonstrate compliance with the housing replacement provisions which require replacement of rental dwelling units that either exist at the time of application of a Density Bonus project, or have been vacated or demolished in the five-year period preceding the application of the project. This applies to all pre-existing units that have been subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of lower or very low income; subject to any other form of rent or price control; or occupied by Low or Very Low Income Households. Pursuant to the Determination made by the Housing and Community Investment Department (HCIDLA) dated February 2, 2016, the proposed project will be required to provide four (4) units affordable to Very Low Income Households, and three (3) units affordable to Low Income Households. The seven (7) units required by the HCIDLA determination are satisfied by the seven (7) units set aside for habitation by Very Low Income Households proposed through this Density Bonus request. This is reflected in the Conditions of Approval. Refer to the Density Bonus Legislation Background section of this determination for additional information.

### LAMC Criteria

As permitted by LAMC Section 12.22 A.25, the applicant is requesting two (2) incentives that will facilitate the provision of affordable housing at the site: (1) A 22.6 percent increase in the allowable FAR, permitting a total FAR of 3.68:1 in lieu of the otherwise maximum permitted FAR of 3:1, and (2) A 24.4 percent increase in height, permitting a maximum building height of 56 feet in lieu of the otherwise maximum permitted height of 45 feet. Pursuant to LAMC Section 12.22 A.25 (e)(2), in order to be eligible for any on-menu incentives, a Housing Development Project (other than an Adaptive Reuse Project) shall comply with the following criteria, which it does:

- a. *The façade of any portion of a building that abuts a street shall be articulated with a change of material or a break in plane, so that the façade is not a flat surface.*

The proposed building has one (1) street-facing façade along Hartsook Street, which features a variety of different materials and changes in the plane to ensure that the façade will not be a flat surface. Materials used for the proposed building façade will primarily include a stone veneer, a smooth sand finish cement plaster, rough cement plaster embellishment, glass, and wood. The placement of the primarily and secondary materials on the street-facing façade has been designed in a vertical fashion to provide additional articulation. The project also incorporates horizontal architectural elements and accents, such as various-sized windows and balconies, to break up the façade.

The architectural style of the building includes a number of plane changes along the façade. The glass windows and balconies, in combination with the changes in materials, provide for façade articulation. In addition, an open landscaped area has been designed on the fifth floor facing the street. The location of this 1,795 square foot open space area provides massing relief. The combination of these elements creates a modulated plane that enhances the scale and interest of the building's frontage.

- b. *All buildings must be oriented to the street by providing entrances, windows architectural features and/or balconies on the front and along any street facing elevation.*

The project site has approximately 150 feet of frontage along Hartsook Street. The proposed building has been designed with architectural features oriented toward the street, including a pedestrian entryway and lobby. In addition, windows and balconies have been designed along the street-facing façade. The architectural features utilized along the building's frontage, such as vertical changes in building materials, the



placement of windows, balconies, and landscaped open space area on the fifth floor, as well as the pedestrian entryway, all serve to fortify the project's orientation to the front.

- c. *The Housing Development Project shall not involve a contributing structure in a designated Historic Preservation Overlay Zone (HPOZ) and shall not involve a structure that is a City of Los Angeles designated Historic-Cultural Monument (HCM).*

The proposed project is not located within a designated Historic Preservation Overlay Zone, nor does it involve a property that is designated as a City Historic-Cultural Monument.

- d. *The Housing Development Project shall not be located on a substandard street in a Hillside Area or in a Very High Fire Hazard Severity Zone as established in Section 57.25.01 of the LAMC.*

The project is not located in a Hillside Area, nor is it located in a Very High Fire Hazard Severity Zone.

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

1. **Pursuant to Section 12.22 A.25(c) of the LAMC, the Director shall approve a density bonus and requested incentive(s) unless the director finds that:**

- a. *The incentives are not required 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 Director to make a finding that the requested incentives are not necessary to provide for affordable housing costs per State Law. 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 gross income based on area median income thresholds dependent on affordability levels.

The list of on-menu incentives in LAMC Section 12.22 A.25 was pre-evaluated at the time the Density Bonus Ordinance was adopted to include types of relief that minimize restrictions on the size of the project. As such, the Director will always arrive at the conclusion that the density bonus on-menu incentives are required to provide for affordable housing costs because the incentives by their nature increase the scale of the project, thereby accommodating the provision of affordable housing.

The requested incentives for increased FAR and building height, are expressed in the Menu of Incentives per LAMC 12.22 A.25(f) and, as such, permit exceptions to zoning requirements that result in building design or construction efficiencies that provide for affordable housing costs. The requested incentives allow the developer to expand the building envelope so the requested additional five (5) bonus units can be constructed, and the overall space dedicated to residential uses is increased. These incentives support the applicant's decision to set aside seven (7) Very Low Income dwelling units for 55 years.

*FAR Increase:* The subject site is zoned R4-1VL, which allows a maximum 3:1 FAR. The FAR Increase incentive permits a percentage increase in the allowable FAR equal

to the percentage of Density Bonus for which the Housing Development Project is eligible, not to exceed 35 percent. While the proposed project qualifies for a maximum 4.05:1 FAR, the proposed project is actually providing a maximum floor area of 61,793 square feet, or a 3.68:1 FAR. The proposed 3.68:1 FAR creates 11,393 additional square feet.

FAR by-right	Buildable Lot Area (sf)	Total Floor Area (sf)
3:1	16,800*	16,800 x 3 = 50,400

\*16,800 sf is gross lot area less required yards.

FAR proposed	Buildable Lot Area (sf)	Total Floor Area (sf)	Additional Floor Area (sf)
3.68:1	16,800	61,793	61,793 - 50,400 = 11,393

*Height:* The maximum allowable building height based on the R4 zone and Height District No. 1VL is 45 feet. Per LAMC Section 12.21.1 A, buildings in Height District No. 1VL designed and used entirely for residential uses shall be limited as to the number of feet in height, but not as to the number of stories. The requested incentive allows for a 24.4 percent increase in height, or 11 feet, to a maximum height of 56 feet. Section 12.22 A.25(f)(5) of the LAMC provides an incentive to increase the allowable building height if the site is in a zone where the height is limited, is not within 15 feet of any property zoned R2, and is not within 50 feet of, or does not share a lot line with or across an alley from, an R1 or more restrictively zoned property. The project site is not within the buffer distance requirements set forth for R2 zones, or for R1 or more restrictively zoned properties.

- b. *The Incentive will have specific adverse impact upon public health and safety or the physical environment, 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 Very Low, Low and Moderate Income households. Inconsistency with the zoning ordinance or the general plan land use designation shall not constitute a specific, adverse impact upon the public health or safety.*

There is no evidence that the proposed incentive 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)). The proposed Project and potential impacts were analyzed in accordance with the City's California Environmental Quality Act (CEQA) Guidelines and the City's L.A. CEQA Thresholds Guide. These two documents establish guidelines and thresholds of significant impact, and provide the data for determining whether or not the impacts of a proposed Project reach or exceed those thresholds. Analysis of the proposed Project involved the preparation of a Mitigated Negative Declaration (MND) (ENV-2015-4124-MND) by the City Planning Department, which determined that the proposed Project may have an impact on the following environmental factors: aesthetics, biological resources; greenhouse gas emissions; hazards and hazardous materials; noise; public services; and

transportation/traffic. However, Mitigation measures will reduce impacts to less than significant, and are imposed as Conditions of Approval herein (Conditions 11 through 24). The Mitigation Monitoring Program (MMP) is a document that is separate from the MND and is prepared and adopted as part of the project's approval. Section 21081.6 of the Public Resources Code requires a Lead Agency to adopt a "reporting or monitoring program for the changes made to the project or conditions of project approval, adopted in order to mitigate or avoid significant effects on the environment." In addition to the mitigation measures required of the project and any proposed project design features, the applicant shall adhere to any applicable Regulatory Compliance Measures (RCM) required by existing law.

Therefore, there is no substantial evidence that the proposed Project will have a specific adverse impact on the physical environment, on public health and safety, and on property listed in the California Register of Historic Resources.

The Mitigated Negative Declaration (MND) prepared by the City Planning Department was circulated for public review on April 14, 2016, 2016. The review period ended on May 4, 2016. During the review period, the Department of City Planning received two letters. The submitted comments are summarized below:

- A comment letter from a community member indicated that the project is within a liquefaction area, that a soils and geology report is necessary, and that an Environmental Impact Report may be warranted. The letter also mentioned that water supplies have not been identified, and that watershed quality and degradation issues have not been addressed. The commenter also indicated that there is no adopted Circulation Element and that the project is not consistent with the Framework Element of the General Plan. The letter also expressed that infrastructure needs have not been addressed.
- A comment letter from the South Coast Air Quality Management District recommended that the MND include a summary of the construction and operational emission estimates as compared with the applicable SCAQMD significance thresholds. The letter also recommended analysis of potential construction impacts to any nearby sensitive receptors.

The concerns identified during the environmental public comment period were addressed in the Mitigated Negative Declaration (ENV-2015-4689-MND), including the Air Quality Report which included a California Emissions Estimator Model (CalEEMod) analysis prepared for the proposed project, the Mitigation Monitoring Program (MMP), applicable Regulatory Compliance Measures identified in the Mitigated Negative Declaration and attached to the Mitigation Monitoring Program, and in this Determination Letter.

## **DENSITY BONUS LEGISLATION BACKGROUND**

The California State Legislature has declared that "[t]he availability of housing is of vital statewide importance," and has determined that state and local governments have a responsibility to "make adequate provision for the housing needs of all economic segments of the community." Section §65580, subds. (a), (d). Section 65915 further provides that an applicant must agree to, and the municipality must ensure, the "continued affordability of all Low and Very Low Income units that qualified the applicant" for the density bonus.

With Senate Bill 1818 (2004), state law created a requirement that local jurisdictions approve a density bonus and up to three "concessions or incentives" for projects that include defined levels of affordable housing in their projects. In response to this requirement, the City created an ordinance that includes a menu of incentives (referred to as "on-menu" incentives) comprised of



eight zoning adjustments that meet the definition of concessions or incentives in state law (California Government Code Section 65915). The eight on-menu incentives allow for: 1) reducing setbacks; 2) reducing lot coverage; 3) reducing lot width; 4) increasing FAR; 5) increasing height; 6) reducing required open space; 7) allowing for an alternative density calculation that includes streets/alley dedications; and 8) allowing for "averaging" of FAR, density, parking or open space. In order to grant approval of an on-menu incentive, the City utilizes the same findings contained in state law for the approval of incentives or concessions.

California State Assembly Bill AB 2222 went into effect January 1, 2015. With AB 2222, Applicants of Density Bonus projects filed as of that date must demonstrate compliance with the housing replacement provisions which require replacement of rental dwelling units that either exist at the time of application of a Density Bonus project, or have been vacated or demolished in the five-year period preceding the application of the project. This applies to all pre-existing units that have been subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of lower or very low income; subject to any other form of rent or price control (including Rent Stabilization Ordinance); or is occupied by Low or Very Low Income Households (i.e., income levels less than 80 percent of the area median income [AMI]). The replacement units must be equivalent in size, type, or both and be made available at affordable rent/cost to, and occupied by, households of the same or lower income category as those meeting the occupancy criteria. Prior to the issuance of any Director's Determination for Density Bonus and Affordable Housing Incentives, the Housing and Community Investment Department (HCIDLA) is responsible for providing the Department of City Planning, along with the applicant, a determination letter addressing replacement unit requirements for individual projects. The City also requires that a Land Use Covenant recognizing the conditions be filed with the County of Los Angeles prior to granting a building permit on the project.

Assembly Bill 2222 also increases covenant restrictions from 30 to 55 years for projects approved after January 1, 2015. This determination letter reflects these 55 year covenant restrictions.

Under Government Code Section § 65915(a), § 65915(d)(2)(C) and § 65915(d)(3) the City of Los Angeles complies with the State Density Bonus law by adopting density bonus regulations and procedures as codified in Section 12.22 A.25 of the Los Angeles Municipal Code. Section 12.22 A.25 creates a procedure to waive or modify zoning code standards which may prevent, preclude or interfere with the effect of the density bonus by which the incentive or concession is granted, including legislative body review. The Ordinance must apply equally to all new residential development.

In exchange for setting aside a defined number of affordable dwelling units within a development, applicants may request up to three incentives in addition to the density bonus and parking relief which are permitted by right. The incentives are deviations from the City's development standards, thus providing greater relief from regulatory constraints. Utilization of the Density Bonus/Affordable Housing Incentives Program supersedes requirements of the Los Angeles Municipal Code and underlying ordinances relative to density, number of units, parking, and other requirements relative to incentives, if requested.

For the purpose of clarifying the Covenant Subordination Agreement between the City of Los Angeles and the United States Department of Housing and Urban Development (HUD) note that the covenant required in the Conditions of Approval herein shall prevail unless pre-empted by State or Federal law.

## **FINANCIAL ANALYSIS/PRO-FORMA**

Pursuant to the Affordable Housing Incentive Density Bonus provisions of the LAMC (Section 12.22 A.25), proposed projects that involve on-menu incentives are required to complete the

Department's Master Land Use Permit Application form, and no supplemental financial data is required. The City typically has the discretion to request additional information when it is needed to help make required findings. However, the City has determined that the level of detail provided in a pro forma is not necessary to make the findings for on-menu incentives. This is primarily because each of the City's eight on-menu incentives provides additional buildable area, which, if requested by a developer, can be assumed to provide additional project income and therefore provide for affordable housing costs. When the menu of incentives was adopted by ordinance, the impacts of each were assessed in proportion to the benefits gained with a set-aside of affordable housing units. Therefore, a pro-forma illustrating construction costs and operating income and expenses is not a submittal requirement when filing a request for on-menu incentives. The City's Density Bonus Ordinance requires "a pro forma or other documentation" with requests for off-menu incentives but has no such requirement for on-menu requests.

#### **TIME LIMIT – OBSERVANCE OF CONDITIONS**

All terms and conditions of the Director's Determination shall be fulfilled before the use may be established. Pursuant to LAMC Section 12.25 A.2, the instant authorization is further conditional upon the privileges being utilized within **three years** after the effective date of this determination and, if such privileges are not utilized, building permits are not issued, or substantial physical construction work is not begun within said time and carried on diligently so that building permits do not lapse, the authorization shall terminate and become void.

#### **TRANSFERABILITY**

This determination 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 that you advise them regarding the conditions of this grant. If any portion of this approval is utilized, then all other conditions and requirements set forth herein become immediately operative and must be strictly observed.

#### **VIOLATIONS OF THESE CONDITIONS, A MISDEMEANOR**

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 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, or the approval may be revoked.

Section 11.00 of the LAMC states in part (m): "It shall be unlawful for any person to violate any provision or fail to comply with any of the requirements of this Code. Any person violating any of the provisions or failing to comply with any of the mandatory requirements of this Code shall be guilty of a misdemeanor unless that violation or failure is declared in that section to be an infraction. An infraction shall be tried and be punishable as provided in Section 19.6 of the Penal Code and the provisions of this section. Any violation of this Code that is designated as a misdemeanor may be charged by the City Attorney as either a misdemeanor or an infraction.

Every violation of this determination is punishable as a misdemeanor unless provision is otherwise made, and shall be punishable by a fine of not more than \$1,000 or by imprisonment in the County Jail for a period of not more than six months, or by both a fine and imprisonment."

#### **APPEAL PERIOD - EFFECTIVE DATE**

**The Determination in this matter will become effective and final fifteen (15) days after the date of mailing of the Notice of Director's Determination unless an appeal there from 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 this Determination, 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 [www.cityplanning.lacity.org](http://www.cityplanning.lacity.org).

Planning Department public offices are located at:

*Downtown Office*  
*Figueroa Plaza*  
*201 North Figueroa Street, 4<sup>th</sup> Floor*  
*Los Angeles, CA 90012*  
*(213) 482-7077*

*Valley Office*  
*Marvin Braude Constituent Service Center*  
*6262 Van Nuys Boulevard, Suite 251*  
*Van Nuys, CA 91401*  
*(818) 374-5050*

**Only an applicant or any owner or tenant of a property abutting, across the street or alley from, or having a common corner with the subject property can appeal this Density Bonus Compliance Review Determination.** Per the Density Bonus Provision of State Law (Government Code Section §65915) the Density Bonus increase in units above the base density zone limits and the appurtenant parking reductions are not a discretionary action and therefore cannot be appealed. Only the requested incentives are appealable. Per Section 12.22 A.25 of the LAMC, appeals of Density Bonus Compliance Review cases are heard by the City Planning Commission.

Verification of condition compliance with building plans and/or building permit applications are done at the Development Services Center of the Department of City Planning at either Figueroa Plaza in Downtown Los Angeles or the Marvin Braude Constituent Service Center in the Valley. In order to assure that you receive service with a minimum amount of waiting, applicants are encouraged to schedule an appointment with the Development Services Center either by calling (213) 482-7077, (818) 374-5050, or through the Department of City Planning website at <http://cityplanning.lacity.org>. The applicant is further advised to notify any consultant representing you of this requirement as well.

The time in which a party may seek judicial review of this determination is governed by California Code of Civil Procedures Section 1094.6. Under that provision, a petitioner may seek judicial review of any decision of the City pursuant to California Code of Civil Procedure Section 1094.5, only if the petition for writ of mandate pursuant to that section is filed no later than the 90th day following the date on which the City's decision becomes final.

VINCENT P. BERTONI, AICP  
Director of Planning

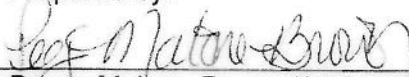
Approved by:

  
Kevin Jones, Senior Planner

Reviewed by:

  
Dan O'Donnell, City Planner

Prepared by:

  
Peggy Malone-Brown (818) 375-5036  
City Planning Associate  
[peggy.malone-brown@lacity.org](mailto:peggy.malone-brown@lacity.org)

CRA/LA, A DESIGNATED LOCAL AUTHORITY  
(Successor Agency to the Community Redevelopment Agency of the City of Los Angeles, CA)

**Attachment E**

**Accessible Housing Covenant**

[Behind this Page]



Document entitled to free  
Recording per Government Code  
Section 6103

Recorded at the request of and mail to:  
CRA/LA, A Designated Local Authority  
448 South Hill Street, Suite 1200  
Los Angeles, CA 90013

-----SPACE ABOVE THIS LINE FOR RECORDER'S USE-----

**ACCESSIBLE HOUSING COVENANT**

**Between**

**CRA/LA, A DESIGNATED LOCAL AUTHORITY**

**and**

**HARTSOOK GRAND, LLC**

**relating to**

**LAND USE OWNER PARTICIPATION AGREEMENT**

**For**

**11106 – 11118 W. HARTSOOK STREET  
NORTH HOLLYWOOD**

**Dated as of October \_\_, 2016**

## **ACCESSIBLE HOUSING COVENANT**

**THIS ACCESSIBLE HOUSING COVENANT** ("Covenant Agreement") is made, entered into and dated as of October \_\_, 2016 by and between **CRA/LA, A Designated Local Authority ("CRA/LA")**, successor to The Community Redevelopment Agency of the City of Los Angeles and Hartsook Grand, LLC ("Owner").

### **WITNESSETH:**

WHEREAS, Owner is the fee owner of that certain proposed development located at 11106 – 11118 W. Hartsook Street (the "Project") as more particularly described in Exhibit A attached hereto; and

WHEREAS, Owner proposes to develop 61 residential units at the Project; and

WHEREAS, CRA/LA and Owner have executed that certain Land Use Owner Participation Agreement dated as of October \_\_, 2016 ("OPA"); and

WHEREAS, pursuant to the OPA, CRA/LA granted Owner increased in density for the Project, allowing Owner to construct additional housing units; and

WHEREAS, in consideration for CRA/LA authorizing the increase density for the Project, Owner has agreed to provide accessible units in the Project in accordance with this Covenant Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, CRA/LA and the Owner hereby agree as follows:

### **Section 1. Definitions.**

"Accessibility Requirements" refers to the accessibility requirements that must be followed in the design, construction or alteration of the Project or an individual housing unit of the Project (including public/common use elements), based on all the applicable laws and regulations, including: (1) Title II of the Americans with Disabilities Act ("ADA"), 42 U.S.C. §12101, et seq. and the implementing standards ("2010 ADA Standards") at 28 C.F.R. Part 35 and the 2004 ADA Accessibility Guidelines ("ADAAG"), (2) Section 504 of the Rehabilitation Act of 1973 ("Section 504"), 29 U.S.C. §794, the implementing regulations at 24 C.F.R. Part 8, as well as the requirements of UFAS, (3) the Fair Housing Act of 1968, as amended, 42 U.S.C. §§3601-3620; and its implementing regulations as 24 C.F.R. Parts 100, 103, 108, 110, and 121; and (4) the California Building Codes.

"Accessible" means when used with respect to a Housing Unit or Housing Development, full compliance with the Accessibility Requirements.

"Accessible Housing Development" means a Housing Development that is Accessible, including Accessible public and common use areas.

"Accessible Housing Units" means collectively Housing Units that are on an Accessible Route, are Accessible, and are located in an Accessible Housing Development. The term Accessible Units refers collectively to Housing Units with Mobility Features and Housing Units with Hearing/Vision Features.

"Housing Development" means the whole of one or more residential structures and appurtenant structures in the Project, including common walkways and parking lots that were or are designed, constructed, altered, operated, administered or financed in whole or in part in connection with the OPA.

"Housing Unit" means a single unit of residence in the Housing Development that provide spaces for living, bathing, and sleeping; and which is rented at market-rate or below market-rate.

"Housing Unit with Hearing/Vision Features" means a Housing Unit that complies with 24 C.F.R. §8.22 and the applicable UFAS or 2010 ADA Standards.

"Housing Unit with Mobility Features" means a Housing Unit that complies with 24 C.F.R. §8.22 and the applicable UFAS or 2010 ADA Standards.

"UFAS" means the Uniform Federal Accessibility Standards for the design, construction or alteration of buildings and facilities to ensure that they are readily accessible to and usable by individuals with disabilities, 24 C.F.R §40, Appendix A.

**Section 2. Requirements of CRA/LA.** As of the Effective Date, the Owner represents, warrants, covenants and agrees as follows:

(a) Accessible Housing Units. The Housing Development shall be constructed in accordance with the 2010 ADA Standards to ensure accessibility for persons with disabilities. Accessibility retrofit of the Housing Development shall take place concurrently with other Project construction activities. The following types of Accessible Housing Units shall be prioritized for persons with disabilities who have a disability-related need for the accessibility features of the unit.

(i) At least one (1) of the total Housing Units in the Housing Development or shall be constructed and maintained by the Owner as Housing Units with Mobility Features.

(ii) At least one (1) of the total Housing Units in the Housing Development or shall be constructed and maintained by the Owner as Housing Units with Hearing/Vision Features.

(iii) The Accessible Housing Units shall, to the maximum extent feasible, be dispersed in terms of location within the Housing Development, and may include units restricted by household income and/or the maximum allowable rent.

(iv) Following reasonable notice to Owner, Owner shall allow CRA/LA to conduct annual onsite inspections of the Housing Development and the Housing Units in order to verify compliance with the Accessibility Standards.

(b) The Housing Development as a whole and all Housing Units shall meet the requirements of the Fair Housing Act of 1968, as amended.

**Section 3. Occupancy of Accessible Units.** Owner shall use suitable means to assure that information regarding the availability of Accessible Units reaches eligible individuals with disabilities, and will take reasonable, nondiscriminatory steps to maximize the utilization of such units by eligible individuals whose disability requires the accessibility features of the particular unit. For purposes of initial rental of each Accessible Housing Unit, and for purposes of re-rental each time any Accessible Housing Unit(s) becomes vacant, the Owner shall make reasonable efforts to advertise to individuals with disabilities and encourage their participation in applying for and occupying an Accessible Housing Unit by immediately advertising the availability of any Accessible Housing Unit(s) on the internet-based City of Los Angeles Housing Resource Center at: <http://housing.lacity.org>. To this end, Owner will take the following steps when an Accessible Unit becomes vacant:

- a. First, Owner will offer the unit to a current occupant of the Housing Development who has requested and needs the features of an Accessible Unit;
- b. Second, Owner will offer the unit to a current occupant of a Housing Development under common control who has requested and needs the features of an Accessible Unit; and
- c. Third, Owner will offer the unit to an eligible, qualified non-resident/applicant on the Housing Development waiting list who needs the features of an Accessible Unit.

In the event that more than one household has requested an Accessible Unit, Owners will offer the Accessible Unit to households who need the Accessible Unit in the order that the households appear on the Owner's waiting list. In the event there is not a household requiring an accessible unit on the Owner's waiting list, Owner may rent the accessible unit to a household not needing the accessible features.

**Section 7. Notices, Demands, Payments and Communication.** Formal notices, demands, payments and communications between the CRA/LA and the Owner shall be sufficiently given and dispatched by registered or certified mail, or delivered personally to the principal office of the CRA/LA as follows:

To CRA/LA:

CRA/LA, A Designated Local Authority  
448 South Hill Street, Suite 1200  
Los Angeles, CA 90013

To Owner:

Hartsook Grand, LLC  
Ben Ebrahim  
420 E. 11<sup>th</sup> Street, #304  
Los Angeles, CA 90015

**Section 8. Effective Date and Term of the Covenant Agreement.** This Covenant Agreement shall be effective on the date this Covenant Agreement is recorded in the Official Records of the County of Los Angeles (the "Effective Date"). The term of this Covenant Agreement shall commence on the Effective Date and terminate as of the fifty-fifth (55th) anniversary of the Effective Date.

**Section 9. Covenant To Run With the Land.** The Owner hereby subjects the Project to the covenants, reservations and restrictions set forth in this Covenant Agreement. CRA/LA and the Owner hereby declare their express intent that the covenants, reservations and restrictions set forth herein shall be deemed covenants running with the land and shall pass to and be binding upon the Owner's successors in title to the Project, provided, however, that on the termination of this Covenant Agreement said covenants, reservations and restrictions shall expire. Each and every contract, deed or other instrument hereafter executed covering or conveying the project or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments.

**Section 10. Default and Remedies.** In the event of any breach of this Covenant Agreement by Owner, CRA/LA will first notify the Owner in writing of its purported breach or failure, giving the Owner thirty (30) days from receipt of such notice to cure such breach or failure. If the Owner does not cure the default within such thirty-day period (or if the default is not reasonably susceptible of being cured within such thirty-day period and the Owner fails to commence the cure within such period and thereafter to prosecute the cure diligently to completion), then CRA/LA may pursue any and all remedies at law and equity, including specific performance.

**Section 11. Americans with Disabilities Act.** The Owner hereby certifies that it and any contractor and subcontractor will comply with the Accessibility Requirements. The Owner and any contractor and subcontractor will provide reasonable accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services, and activities in accordance with the applicable provisions the Section 504 of the Rehabilitation Act of 1973, 29 U.S.C §794, and implementing regulations at 24 C.F.R. Part 8 (Section 504); Title II of the Americans with Disabilities Act, 42 U.S.C. 12131-12134, and implementing regulations at 28 C.F.R. pt. 35 ("ADA"); and the Fair Housing Act of 1968, as amended, 42 U.S.C. §§3601-3620, and implementing regulations at 24 C.F.R. Parts 100, 103, 108, 110, and 121. The Owner and any contractor and subcontractor will not discriminate against persons with disabilities or against persons due to their relationship to or association with a person with a disability. Any contract and subcontract entered into by the Owner, relating to this Covenant Agreement and the Project, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

**Section 12. Governing Law.** This Covenant Agreement shall be governed by the laws of the State of California.

**Section 13. Counterparts.** This Covenant Agreement may be executed in counterparts, each of which, when the parties hereto have signed the Agreement, shall be one and the same instrument.

**Section 14. Recording and Filing.** CRA/LA shall cause this Covenant Agreement to be recorded and filed in the real property records of the County of Los Angeles and in such other places as CRA/LA may reasonably request.


**Section 15. Entire Agreement.** The provisions herein constitute the entire agreement between the parties hereto. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party or anyone acting on behalf of any party, which are not embodied herein. This Covenant Agreement shall be amended only by a written instrument executed by the parties hereto or their successors in title, and duly recorded in the real property records of the County of Los Angeles, California.

IN WITNESS WHEREOF, the parties have executed this Covenant Agreement by their duly authorized representatives, all as set forth as of the date written above.

CRA/LA, A DESIGNATED LOCAL AUTHORITY

Hartsook Grand, LLC

By: \_\_\_\_\_  
Estevan Valenzuela  
Chief Executive Officer

By:   
Name: BEHRAD Pourabrahim  
Title: member

APPROVED AS TO FORM:  
GOLDFARB & LIPMAN, LLP

By: \_\_\_\_\_  
Thomas Webber  
CRA/LA Legal Counsel



**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT****CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of LOS ANGELESOn SEPTEMBER 29, 2016 before me,

Date

Here Insert Name and Title of the Officer

personally appeared

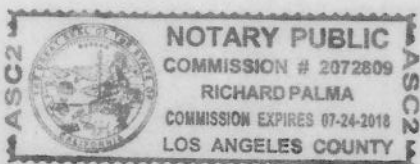
Name(s) of Signer(s)

BEHZADPOUREBRAHIM

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature

Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_

Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

- ☐ Corporate Officer — Title(s): \_\_\_\_\_  
☐ Partner — ☐ Limited ☐ General  
☐ Individual ☐ Attorney in Fact  
☐ Trustee ☐ Guardian or Conservator  
☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

- ☐ Corporate Officer — Title(s): \_\_\_\_\_  
☐ Partner — ☐ Limited ☐ General  
☐ Individual ☐ Attorney in Fact  
☐ Trustee ☐ Guardian or Conservator  
☐ Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_



ATTACHMENT A

Legal Description

Real property in the City of Los Angeles, County of Los Angeles, State of California, described as follows:

PARCEL 1:

LOT 5 AND 6 OF H.J. WHITLEY TRACT 2, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 2, PAGE(S) 31 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

THAT PORTION OF BLOCK 2 IN HOLLYWOOD, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 28 PAGE 59 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE WEST LINE OF WILCOX AVENUE, SAID POINT BEING 233.30 FEET NORTH OF THE NORTH LINE OF SUNSET BOULEVARD, AS SHOWN ON SAID MA; THENCE NORTH ALONG THE WEST LINE OF WILCOX AVENUE, 50 FEET; THENCE WEST PARALLEL WITH THE NORTH LINE OF SUNSET BOULEVARD, 143 FEET; THENCE SOUTH PARALLEL WITH THE WEST LINE OF WILCOX AVENUE, 50 FEET; THENCE EAST PARALLEL WITH THE NORTH LINE OF SUNSET BOULEVARD, 143 FEET TO THE POINT OF BEGINNING.

APN: 5547-017-003