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**Sent Electronically**

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**RE: Draft EIR Comments for the Downtown Community Plan Update/New Zoning Code for Downtown Community Plan**

Dear Ms. Arceneaux:

On behalf of the Los Angeles Conservancy, I am writing to comment on the Draft Environmental Impact Report (EIR) for the Downtown Community Plan Update/New Zoning Code for the Downtown Community Plan (DTLA 2040). As proposed, DTLA 2040 combines two existing Community Plans, Central City and Central City North, into one single Community Plan. DTLA 2040 is the culmination of six years of outreach and will guide development in downtown Los Angeles for the next twenty years. Because of its lengthy time horizon, it's vital for the City to provide a well thought out and comprehensive Community Plan that successfully protects some of Los Angeles's most important historic resources.

The Conservancy believes the Community Plan Update is moving in the right direction, with an expanded transfer of development rights (TDR) program, updated adaptive reuse program, and new form-based zoning code. The Conservancy isn't without some concerns, including height restrictions in designated historic districts, protection for the Arts District, expansion of the Village land use designation in Chinatown, and creation of new policies and programs to protect and promote longtime community serving small businesses and institutions.

**I. Inclusion of SurveyLA findings and analysis of potential conflicts in DTLA 2040**

It is imperative that DTLA 2040 include and fully incorporate SurveyLA findings throughout the plan area to identify resources and determine any potential conflicts with what is being proposed. The Downtown Community Plan Area includes four historic districts listed in the National Register of Historic Places, 190 individually eligible resources identified through



SurveyLA, and 138 Historic-Cultural Monuments (HCM), indicating an extremely high concentration of historic resources in the city.

Surveys are intended to help identify eligible individual historic resources and areas of concentrations of contributing resources that qualify as potential historic districts. The data from SurveyLA exists and should be fully incorporated into the Proposed DTLA 2040 Plan and made available in a user-friendly format so that it is useful for long-term planning purposes and balancing preservation and development priorities.

The Proposed Plan should articulate a clear understanding of the survey results to better plan for preservation and development in the future. This information is critical as a starting point in identifying potentially significant resources. Informative maps of historic districts, planning districts, and CPIOs should be fully incorporated into the Plan document to better inform interested parties. At present, limited information and scope is provided within the Fall 2020 Community Plan Draft, with only a single reference to SurveyLA findings listed within the “Future Implementation Actions Table.”

**Recommendation:** SurveyLA findings should be included, expanded and fully articulated in a revised DTLA 2040 Community Plan document, including detailed analysis that discusses potential conflicts. We would like to see this prior to the plan’s introduction and review at the City Planning Commission.

## II. Modify and Expand Adaptive Reuse 2.0 Provisions

Through DTLA 2040, the City proposes to update its adaptive reuse program in Downtown. As a policy established in 1999 (Adaptive Reuse Ordinance, ARO), adaptive reuse has successfully resulting in the creation of new housing (more than 12,000 new housing units) and reinvestment in existing community assets. Without question, it has also been central to the revitalization of Downtown Los Angeles. Now, following more than twenty years of progress it is time to revise the policy to ensure it remains effective as an incentive to encourage the reuse of existing buildings. This is not only good for preservation but sustainability as we need to retain and reinvest in existing resources rather than throw them away.

A number of buildings remain that present new challenges and require innovative solutions. Costs for rehabilitation and retrofit are much greater and difficult now than when the ARO was first established, in part due to the complexity of various codes that must be adhered to and an escalation in overall construction. Adaptive Reuse 2.0 aims to solve many of the issues that now face historic buildings that are not capable of being converted only into housing. Greater flexibility and adaptability within city codes is needed.

Adaptive reuse 2.0 (Article 9) does not distinguish between historic and non-historic resources, despite there being clear differences and challenges. It concentrates on larger-scale, unified development projects, whereby adaptive reuse is one incentive, but this falls short in offering additional incentives for single building projects. One example would be to allow historic buildings to add additional floor area (intermediate floors and mezzanines), where viable and regardless of use. Further, any amenity requirements should be tied to new floor area only, not existing for the historic buildings.



Many of the Downtown buildings that remain empty are those that present unique challenges (small floor plates, ADA accessibility issues, etc.) and unable to be combined with other buildings or a larger project. Until we are able to help in this area many of these types of historic buildings will remain empty and under-utilized. Therefore additional incentives are especially needed for these types of examples to ensure financial feasibility for rehabilitation. If we can help these projects “pencil out” they have an opportunity to create additional housing which lines up with this clear priority articulated with DTLA 2040.

Adaptive Reuse 2.0 no longer limits adaptive reuse projects to dwelling unit conversions. “Under the Downtown Plan, the Proposed Downtown Adaptive Reuse Program will be expanded through the New Zoning Code to allow for the conversion of eligible buildings to any permitted or conditionally permitted by the designated Use District of property.” The new expanded uses are expected to resolve many of the hurdles faced by developers who were unable to convert historic buildings into housing because of building and life-safety codes.

In a number of City Planning presentations, planners stated that the new Adaptive Reuse program would allow for any building that is 25 years or older to be eligible for these incentives. However, nowhere in the Draft Community Plan and supporting documents could this be found. We understand this was originally articulated and restricted to buildings constructed prior to July 1, 1974 in the ARO. This date is no longer applicable to DTLA 2040 and believe it should be removed. Instead it should just say 25 years with no reference to a specific cut-off date.

**Recommendation:** Please distinguish between historic and non-historic adaptive reuse types of projects, and offer additional incentives which are needed to offset costs and unique challenges associated with historic buildings. Change the criteria to clearly state any building 25 years or older is eligible for the Adaptive Reuse Program. By specifying 25 years, Adaptive Reuse 2.0 will allow new building stock to become eligible for incentives year after year, rather than tying it to 1974.

### **III. Ensure Adequate Height, Setback, and Frontage within Historic Core designated historic districts**

Context-sensitive growth occurs when there is a priority placed on maintaining the existing qualities and assets while also outlining where future compatible new development can occur. We believe DTLA 2040 attempts to do this, especially within the Historic Core area. This is fundamental to the work of the Conservancy as we always strive to achieve a balance and “win-win” outcomes whenever possible.

There are two designated National Register Historic Districts located within Los Angeles’s Historic Core, including the Spring Street Financial District and the Broadway Theater District. Like other historic neighborhoods throughout the city, the Broadway and Spring Street National Register Historic Districts are increasingly under pressure by new development. Often this development is out-of-scale with its historic environment and chips away at the district’s integrity overtime.

Further, this type of development places pressure on existing historic assets, and will only escalate throughout the “life” of the DTLA 2040 plan if there are no tools in place to help. Given there are now limited sites to redevelop within the Historic Core, in the near future we anticipate seeing proposals coming forward to demolish and redevelop individual and entire groupings of historic buildings here, as well as in Chinatown and Little Tokyo. Outside of the California Environmental



Quality Act (CEQA) process, while noting its inherent limitations, we would not be able to prevent this from occurring.

It is important to preserve DTLA's historic neighborhoods and maintain a balance between existing and new development in certain areas of the DTLA 2040 plan area, therefore we support height limitations in these areas. We also recommend this should be expanded, by identifying transition or buffer zone areas with measures to ensure there is some inter-connectivity between various areas within the DTLA 2040 plan.

If the underlying zoning, FAR, setbacks and frontage requirements allow for greater height and massing than what exists now, either for individual parcels or those that might be assembled and combined in the future, there will be pressure to demolish existing historic resources and rebuild at a larger scale. Maximum height building limitations offer a much-needed tool and mechanism to balance growth pressures. It is one tool to ensure the City is meeting its stated priority of preservation, by maintaining the existing and valued character that is provided through these historic districts.

Without a maximum height building limitation, the Historic Core is left exposed and vulnerable. It is important to note that while National Register status is in place and some historic buildings are designated as individual Historic-Cultural Monuments (HCM), landmarking and historic district designation alone cannot ensure a preservation-based outcome or compatible development, as it is extremely limited in scope.

Appendix N, the "Broadway Theater and Entertainment District Design Guide," referred to as the Broadway CDO is a supplemental "best practices" guide for future development in the historic district. Within the CDO's Section 3: New Construction there are two key provisions:

- Standard 6a Building Scale and Massing dictates that all new buildings "south of Fourth Street, the portion of the building above 150-feet (as permitted by tower standards) shall be setback a minimum of 30 feet from Broadway and any perpendicular street."
- Standard 6b dictates that "when constructing a tower, the portion of the building above 150 feet shall include a lot coverage of no less than 30-percent and not more than 40-percent of lot coverage which can include minimum 30-foot setback when a 30-foot setback is require"

Such standards are important for the historic district's ability to retain its integrity and convey its significance. While DTLA 2040 includes the Broadway District CDO, the guide is not mandatory and exists as a "best practice" document. The Conservancy urges the City to adopt these guidelines as a mandatory set of rules to enhance and maintain the historic district's ability to convey its significance.

A significant issue with the Broadway District CDO is that it is written in a different technical language than the new zoning code and should be updated to reflect re:code LA to avoid any confusion. The Broadway Historic District, from 4<sup>th</sup> Street south is given the form codes DM4 and HB4 which means a building with a twelve-story street frontage is required to have a setback of thirty-feet for any volume above the twelfth story. This is roughly equivalent to the 150 feet guideline standard in the Broadway CDO.



Despite the majority of the Broadway District having a DM4 designation, the block between 3<sup>rd</sup> street and 2<sup>nd</sup> street have given a form code of HB4 allowing for unlimited maximum height with no setback due to its proximity to Metro. Instead, this block should be zoned similarly to the rest of the historic district. The same pattern of HB4 zoning is also seen on the opposite end of the district, however, there is no Metro stop nearby and this should also be downzoned to be in line with the rest of the district.

**Recommendation:** Maintain consistent maximum height building limitations within the Historic Core as they offer a much-needed tool and mechanism to balance growth pressures. We recommend this should be expanded, by identifying transition or buffer zone areas with measures to ensure there is some inter-connectivity and gradation between various areas within the DTLA 2040 plan. While we appreciate the inclusion of Chinatown and the Arts District in Appendix C (Historic Cultural Neighborhoods Best Practices), we ask the City to add best practices for the Spring Street Financial District. In addition, language should also be included that acknowledges and encourages the preservation and rehabilitation of existing historic/eligible resources in these neighborhoods.

#### **IV. Balance Arts District development through introduction of Transfer of Development Rights (TDR) tool**

The Arts District of Los Angeles is the heart of the city's industrial heritage. Identified by SurveyLA as the Downtown Los Angeles Industrial Historic District, the collection of historic resources is eligible for listing at the local, state, and national levels. From its origins in the early 1900s through the late 20<sup>th</sup> century, the district has transformed from a heavy industrial center to artist enclave. Today, this low-scale neighborhood faces increased development pressure by much larger new development. This threat, like high-rise development in other parts of the city, continues to threaten the integrity of this eligible historic district at an ever-increasing pace.

Under the proposed Community Plan Update, Transfer of Development Rights (TDR) will be included to promote the preservation of historic resources. The Conservancy has been working closely with City Planning on this concept for the past few years, and we welcome its inclusion with the DTLA 2040 plan. As proposed, a Community Plan Implementation Overlay (CPIO) will designate areas available for TDRs. Eligible donor sites must be designated as a Los Angeles Historic-Cultural Monument (HCM), a site listed or determined to be eligible for the California Register of Historical Resources or the National Register of Historic Places, a contributor to a historic district identified by SurveyLA, or an individual resource identified by SurveyLA.

Under the new TDR program, donor sites would be allowed to sell unused floor area, up to the maximum Bonus FAR permitted in the Form District to a receiver site within the Downtown Plan Area. The new TDR program is concentrated in the Arts District, where it will incorporate Hybrid Industrial 2 properties as possible donor sites. Hybrid Industrial 2 a new zoning designation for the City will allow for mixed uses that include light industrial, creative office space, and residential to promote more pedestrian friendly neighborhoods.

**Recommendation:** The TDR program has been a successful tool for preservation in the past and the Conservancy commends the City for implementing the TDR program in the Arts District, one of the Central City's most vulnerable eligible historic districts. Provided the TDR program proves successful as a pilot, we would like to see the City expand its application to other parts of the DTLA 2040 plan area. So that areas such as Chinatown and Little Tokyo might benefit, we recommend the



City identify the mechanism and process by which this can occur in the future, without having to wait for another future community plan update. There should be flexibility embedded within the plan to adapt to changing market circumstances, including applying the TDR program to other areas.

## V. Expand Villages land use designation in Chinatown

Villages are areas characterized by walkable and fine-grained block patterns that serve as historic and cultural regional niche market destinations. The building form in these areas are very low to mid-scale, with uses that include restaurants, retail, services, and small offices with a range of housing types interspersed. Villages only make up 5% of the Community Plan Area.

Chinatown is a historic-cultural neighborhood, home to a long-standing multigenerational residential community, a variety of small and family-owned businesses, family associations, and institutions that serve the Chinese American, as well as other immigrant communities.

We appreciate that the Villages land use designation was expanded to include the block between College Street and Alpine Street to the north and south, and North Broadway and North Spring to the east and west.

To further protect this historic-cultural neighborhood and its legacy businesses and institutions, it should also include 1) the area south of Ord Street to Cesar E. Chavez Avenue between North Hill Street and North Alameda Street; 2) the west side of North Hill Street between Alpine Street and Cesar E. Chavez Avenue; 3) the area west of North Alameda Street to New High Street between Alpine Street and Cesar E. Chavez Avenue; 4) the north and south side of Alpine Street between Yale Street and North Hill Street; and 5) the block between College Street and Alpine Street to the north and south, and Cleveland Street and Yale Street to the west and east.

**Recommendation:** Expand the Villages land use designation in Chinatown to ensure it encompasses and captures the key areas that reflect Chinatown's rich history.

## VI. Acknowledge and create new policies and programs to protect and promote longtime community-serving small businesses and institutions.

Throughout the DTLA 2040 plan area are small, community-serving businesses, also referred to as legacy businesses. Many are at risk due to soaring rents, increased development pressures, lack of succession plans, and now the coronavirus COVID-19 pandemic. While we support and value growth and new development, it should not come at the expense of community-serving small businesses. The combination of these factors has left some longtime small businesses with reduced revenues and uncertainty about the future. This result raises questions of equity, leaving business owners without a means of income, and residents and neighborhoods without access to essential goods and services.

Longtime community-serving small businesses in the DTLA 2040 plan area are cultural assets and neighborhood anchors. It is important for the DTLA 2040 plan to acknowledge this issue as it is inherently linked to future growth and development within the plan area. If not, more of these businesses will be lost. Just as we are trying to maintain and create new affordable housing, without gentrification and displacement, we need to plan for, support and avoid displacing our community-serving small businesses. In many instances these businesses are also serving as primary employers for these neighborhoods and their residents.



DTLA 2040 should define what a community-serving small business (including street vendors) is as part of the plan. The Conservancy has defined these as legacy businesses and “a privately-owned corporation, cooperative, non-profit, social enterprise or other entity that has been around for 20-25 years or more and contributes to the history, culture, and identity of Los Angeles, and has no more than 25 employees/shareholders and is not franchised or affiliated with a national chain.” Further, DTLA 2040 should identify all available tools and programs that can help, including within the package of community benefits as articulated within DTLA 2040.

Through the Conservancy’s Legacy Business initiative we have outlined the following as additional measures that could be implemented to help support community-serving small businesses:

- Establish a Legacy Business Registry with the City of Los Angeles;
- Establish a Rent Relief and Stabilization subsidy program that allows for a reduced or below-market rent rate to stabilize and avoid closures through escalating rents. This will directly assist Legacy Business owners serving as tenants and incentivize building owners to maintain stable, long-term agreements. A square foot formula is recommended to determine the grant amount and reflect the variety of types and sizes of legacy businesses, and to correspond to commercial leasing terms.
- Establish a Vendor Procurement Priority to increase opportunities for eligible legacy businesses to benefit through the procurement process. As vendors that do business with the City, legacy businesses shall receive priority through the procurement process. Besides simply cost control, selection that supports legacy businesses will ensure City resources are being spent in a means that underpins a goal of retaining longtime businesses.
- For legacy businesses that also qualify as a historic resource, are currently designated as a Historic-Cultural Monument (HCM), or listed in a historic district, the City’s Mills Act program shall give priority in selection for a Mills Act contract. Mills Act participants may realize substantial property tax savings of between 40% and 60% each year for newly improved or purchased older properties. For recent and new owners of property, including those with legacy business tenants, this incentive program will be especially beneficial. To ensure the legacy business remains, the Mills Act contract should include specific provisions that maintain long-term (at least 10 years) tenancy and/or the property owner participates in the Rent Relief and Stabilization program.
- Provide strategic loans and/or grants needed to provide emergency relief to offset increased rents for legacy businesses. In some instances, funding is necessary to purchase real estate housing legacy business tenants and maintain community control of small businesses and commercial properties. This funding is provided directly to the legacy business and/or a qualified entity raising funding to strategically support legacy businesses in a specific neighborhood or area. In addition to providing capitol to assist with rent relief or acquisition of real estate, funding can help support legacy businesses by providing technical assistance, succession planning, and coaching to ensure these valued community assets thrive.

**Recommendation:** Acknowledge, define and identify tools and incentives that can help support and avoid the displacement of longtime community-serving small businesses (legacy businesses).



## VII. Conclusion

While much of downtown's success in recent years can be attributed to the rehabilitation and adaptive reuse of the neighborhood's historic building stock, the demand for higher density and new infill construction has increased as well. The continued revitalization of downtown Los Angeles over the last two decades has brought about a new wave development, spurring discussions over the compatibility of new buildings in historic districts and affordable housing.

The Plan offers a number of new provisions as part of the re:code LA zoning and more contextual-based guidance. It also includes important incentives for preservation such as, an updated adaptive reuse ordinance and a pilot Transfer of Floor Area Ratio (TFAR) incentive program for the Arts District.

DTLA 2040 also introduces a new "Village" designation for some low- to mid-scale areas within downtown, supporting their role as historic and cultural destinations. We believe this approach could be applied elsewhere within downtown to both help preserve existing affordable housing units and legacy businesses.

The Conservancy is pressing for ways to strengthen these proposed provisions and additional aspects of DTLA 2040 to support preservation. We welcome the opportunity to continue working with City Planning to strengthen DTLA 2040. Thank you for all your hard work in crafting this plan and for your consideration of our recommendations.

### **About the Los Angeles Conservancy:**

The Los Angeles Conservancy is the largest local historic preservation organization in the United States, with nearly 5,000 members throughout the Los Angeles area. Established in 1978, the Conservancy works to preserve and revitalize the significant architectural and cultural heritage of Los Angeles County through advocacy and education.

Please do not hesitate to contact me at (213) 430-4203 or [afine@laconservancy.org](mailto:afine@laconservancy.org) should you have any questions or concerns.

Sincerely,



Adrian Scott Fine  
Director of Advocacy

CC: Councilmember Gil Cedillo, Council District 1  
Councilmember Kevin de Leon, Council District 14  
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