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August 26, 2024

Los Angeles City Planning Attn: Theadora Trindle, City Planner 200 North Spring Street, Room 750 Los Angeles, CA 90012 housingelement@lacity.org

#### Re: Proposed Citywide Housing Incentive Program (CHIP)

Dear Theadora Trindle,

The Los Angeles Conservancy is concerned that the draft Citywide Housing Inceptive Ordinance (CHIP) unjustly targets Los Angeles' historic low-rise multifamily neighborhoods for redevelopment. These neighborhoods have produced the majority of housing in LA and are being asked to produce more. If implemented as currently envisioned, CHIP will directly lead to increased tenant displacement as well as the unnecessary loss of existing multifamily housing.

Overall, we believe this approach will have detrimental effects to LA's historic built context, vulnerable renter population, and concentrate new development in the few neighborhoods that are already offering their fair share of housing. We find ourselves in agreement with some of the other comments made by YIMBY groups, tenants' rights advocates, and neighborhood groups that the burden for producing housing will fall on existing multi-family neighborhoods, many of which are historic. We agree that a blanket exemption of single-family zones perpetuate long-standing exclusionary practices, and believe modest and thoughtfully planned upzoning in these areas can help, while still preserving historic residential areas.

We are suggesting three major frameworks for revisions to help relieve pressure on historic resources, existing multifamily housing, and legacy businesses:



- Targeted Application of the Corridor Transition Program to Single Family Zones
- Exemption of R2 and RD zones from Opportunity Corridor Program
- Additional Incentives for Historic Resources in Opportunity Corridors

# Targeted Application of the Corridor Transition Program to Non-Historic Single Family Zones

As proposed, the Conservancy is opposed to the CHIP Ordinance, but we hope revisions can be made to create a more just system that also preserves Los Angeles' unique sense of place. Various groups have called for single-family zones to be included in the Mixed Income Incentive Program (MIIP), due to the potential threat to Rent Stabilized (RSO) units. We have carefully reviewed the proposals and a consistent and pervasive pattern is clear – most of the areas proposed for upzoning in CHIP are also LA's most historic.

Both the Opportunity Corridor (OC) and Corridor Transition (CT) programs generally align with areas that have good transit service, but in Los Angeles, many of these neighborhoods are also the most historic. These "streetcar suburbs" were once served by a vast transit network, which was eventually replaced by rail and bus networks. These neighborhoods tend to be more progressively zoned with a mix of commercial, single family, and multifamily zones, with multifamily usually located closer to the transit corridor. This is a pattern that can be seen in most pre-war neighborhoods, from the Carthays to Eagle Rock. These neighborhoods contain some of LA's most historic neighborhoods, but they are also desirable due to their human-scaled urbanism and walkability.

By contrast, LA's postwar suburbs have a much simpler zoning pattern. This is due in part to earlier exclusionary housing practices that took place in the 1930s, '40s and '50s. Most of the area is dedicated to single-family housing. Corridors generally contain auto-focused shopping or dining, but can also be zoned for single-family or low-rise multifamily housing. These neighborhoods developed around the car, and are located in the Westside and San Fernando Valley, though there are often pockets of older streetcar suburbs mixed in. There may be some opportunity for infill development in these neighborhoods, but their total exclusion will put added pressure on the other historic neighborhoods to produce housing for the city and region.

The City's most historic neighborhoods, including the Angelino Heights and Carthay Square HPOZs, demonstrate how affordable multifamily units can coexist with single-family homes to create dynamic neighborhoods. Eligible historic districts identified through Survey LA such as the Rowland Heights Residential Historic District in Silver Lake or the McCadden-DeLongpre-Leland Residential Historic District in Hollywood are other good examples. These historic districts collectively contain hundreds of RSO units, which should be preserved.



Due to these concerns, we ask that the CT zones be reintroduced in a limited approach within non-historic single-family zones. The CT zones responsibly step down from the corridor to single-family neighborhoods which are further from the corridors. In instances where there is single family facing an eligible opportunity corridor, the CT-3 zones should be applied. We believe this change will more equitably disperse development and relieve undue pressure on historic neighborhoods and existing multifamily housing. We appreciate that CT areas have some protection for historic resources and that "Sites Designated Historic Resource(s), or Non-Contributing Element(s) as defined in LAMC Section 13B.8.1.C shall not be eligible for CT-3 incentives." We ask that this restriction be maintained in revised versions of CHIP.

Our request is that CHIP map all eligible historic districts identified through SurveyLA, and these limited areas be extended protection. While this provides some protection for historic single-family neighborhoods, it also opens up and reintroduces non-historic single-family areas to the CT program, providing a generous offset and opportunity to expand housing production in the city. Overall, by extending protection and excluding historic single-family areas, this still represents a low percentage overall given that all-known historic resources (both those currently designated and deemed eligible) in the city of Los Angeles make up approximately 7% of the city's total parcels.

## Exemption of R2 and RD zones from Opportunity Corridor Program

In order to protect LA's Naturally Occurring Affordable Housing (NOAH), we strongly recommend that R2 and RD zones be exempt from the Opportunity Corridor Program, but eligible for Corridor Transition only. This would align the R1, R2 and RD zones, and treat all suburban areas more uniformly. In older areas of the city, it is very common to find duplexes, bungalow courts, or multiplexes located along corridors – they are at risk in this version of the CHIP ordinance. The Conservancy believes that the demolition and redevelopment of these sites will likely displace tenants, remove RSO units from the market, and in many cases, demolish eligible historic resources. The CT program allows for gentle infill on these sites – in many cases new units can be created in the back of the lots or on areas previously devoted to parking. To encourage preservation of eligible historic resources, we request that special consideration and incentives be granted, which could include a waiver from open space requirements and a height variance.

Currently, we are concerned about several historic multifamily neighborhoods that could be potential candidates for upzoning and we seek further clarification. Earlier versions of the online concept explorer indicated the historic Park La Brea garden apartments (the largest concentration of RSO housing in Los Angeles) along Beverly Boulevard and Fairfax Avenue as eligible for the Opportunity Corridor incentive. Currently, these multifamily residences are located in the RD1.5 zone. We don't believe it appropriate that housing complexes of this scale



should be demolished and redeveloped given the current pressures on existing NOAH. We request that the eligibility of Park La Brea can be considered and clarified in future outreach efforts or staff reports, as it is LA's largest housing development and should be preserved to ensure it continues serving this critical need.

### Additional Incentives for Historic Resources in Opportunity Corridors

Though the Conservancy believes increased density can be accommodated on commercial corridors, we hope greater flexibility can be granted to eligible historic resources in the proposed Opportunity Corridors. Many of LA's commercial corridors are comprised of low scale one-to-two-story storefront buildings, sometimes with housing or office above. Very frequently mixed in these corridors are other types of housing, including grand single-family homes, bungalow courts and garden apartments. Finally, corridors also contain some of LA's most architectural significant landmarks, from places of worship to roadside attractions to architect-designed restaurants – they make up some of the most beloved and well-known places in the City. Due to the increased scale allowed in CHIP, all of these are directly threatened. We request implementing two primary mechanisms to protect them while still allowing for housing.

One, for the storefronts or other commercial properties that have zero-to-minimal setbacks from the street edge, we suggest a partial preservation approach that could allow eligible historic resources to be retained while allowing for greater density and housing to be added and setback above and/or to the rear. One possible way to incentivize this is to exempt any preserved portion of the building from counting towards FAR, and relaxing or eliminating height maximums. We also suggest new construction above the existing envelope be setback at least 15' from the original building edge. The result will lead to more elegant, better modulated building forms with well-designed ground floors. The FAR exemption should also be crafted in a way that prevents façadism, and projects that seek the FAR bonus and height variances should comply with the *Secretary of the Interior's Standards*.

Second, for other historic resources along corridors, we recognize that this strategy is not relevant as you cannot add multiple stories of housing above a bungalow court or a church. In these instances, it would make more sense to adopt a Transfer of Floor Area Rights (TFAR) program. Owners of low-scale housing developments like bungalow courts in commercial zones could greatly benefit from these programs. Many of these sites are owned my mom-and-pop landlords who may not have the capacity to redevelop their properties. They should be allowed to transfer their FAR to a site along the same corridor, which could accelerate housing construction overall and allow it to be located in the most desirable, easily developable sites. Legacy businesses could stand to benefit as well if they own their properties. They have played a strong role in fostering and creating neighborhood character and would finally be able to access the equity they have helped create without having to close or move locations.



Many of Los Angeles' most beloved legacy businesses and restaurants are currently being upzoned through CHIP. The Apple Pan on W. Pico Blvd., The Dresden Room on N. Vermont Ave., and Hop Woo BBQ on N. Broadway (which was an LA Conservancy Legacy Business Grant Recipient) are three examples of many, all proposed to be upzoned to seven stories. New replacement development cannot provide low rents that will allow these type of important legacy businesses to remain or return. Just as there need to be better protections to prevent the displacement of tenants, there needs to be some flexibility in the program to allow for the retention of the legacy businesses and other small businesses that make the City of Los Angeles so vibrant.

# **Detailed CHIP Amendment Requests**

The Conservancy recommends the following amendments in accordance with the previously recommended framework:

- Targeted Application of the Corridor Transition Program to Non-Historic Single Family Zones
  - R1 zones should be applicable for the Corridor Transition program
    - R1 zones in eligible historic districts identified through SurveyLA should be exempt from the Corridor Transition program
    - R1 zones on a high-opportunity corridor should be assigned CT3 eligibility and the 750' distance should begin at the property line closest to the corridor
- Exemption of R2 and RD zones from Opportunity Corridor Program
  - All R2 and RD zones should be exempt from opportunity corridor
  - Existing HPOZs and historic districts should continue to be limited to the CT2 zone or lower, as proposed
    - Expansion of this provision in eligible historic districts
    - Supplemental variances for designated and eligible historic resources in the CT program to encourage infill without demolition
- Additional Incentives for Historic Resources in Opportunity Corridors
  - Transfer of Floor Area Ratio (TFAR) program for eligible and designated historic resources
    - Preserved portions of a structure should be exempt from FAR calculations if new mass is set back at least 15' from the original façade and the project meets the *Secretary of the Interior's Standards*
  - If the project meets the *Secretary of the Interior's Standards*, further incentives/concessions should be considered including:
    - Greater height
    - Reduced open space requirements



#### About the Los Angeles Conservancy:

The Los Angeles Conservancy is the largest local historic preservation organization in the United States, with nearly 5,000 member households 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.

Sincerely,

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Andrew Salimian Director of Advocacy

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