



DEPARTMENT OF CITY PLANNING
REVISED RECOMMENDATION REPORT

City Planning Commission

Date: May 23, 2018
February 28, 2019
Time: 8:30 a.m.
Place: City Council Chamber, 2nd Floor
14410 Sylvan Street
Van Nuys, CA 91401
Public Hearing: May 3, 2018
Appeal Status: N/A
Expiration Date: N/A
Multiple Approval: (none)

Case No.: CPC-2008-3470-SP-GPA-
ZC-SUD-BL-M3
CEQA No.: ENV-2008-3471-EIR,
State Clearinghouse No.
1990011055
Incidental Cases: N/A
Related Cases: N/A
Council No.: 3-Blumenfield
Plan Area: Canoga Park-Winnetka-
Woodland Hills-West Hills
Specific Plan: Warner Center 2035
Specific Plan
Certified NC: Woodland Hills-Warner
Center Neighborhood
Council
GPLU: Regional Commercial
Zone: Various
Applicant: City of Los Angeles
Representative: Jonathan A, Hershey, AICP
Senior City Planner

PROJECT LOCATION: Warner Center 2035 Specific Plan, Woodland Hills.

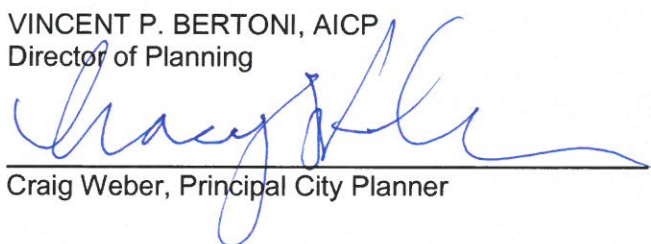
PROPOSED PROJECT: Amend the Warner Center 2035 Specific Plan to update and clarify the way mobility fees, pursuant to Section 7 of the Plan, are assessed and calculated, with amendments to Sections 4, 5, and 7, and Appendices D and E of the Plan.

REQUESTED ACTION: Approve and Recommend that the proposed Ordinance be adopted, amending the Warner Center 2035 Specific Plan.

RECOMMENDED ACTIONS:

- 1) Pursuant to CEQA Guidelines Sections 15162 and 15164, in consideration of the whole of the administrative record, that the project was assessed in the previously certified Environmental Impact Report No. ENV-2008-3471-EIR, certified on April 24, 2013, and no subsequent EIR, negative declaration, or addendum is required for approval of the project;
- 2) Approve and Recommend that the proposed Ordinance be adopted, amending the Warner Center 2035 Specific Plan.

VINCENT P. BERTONI, AICP
Director of Planning


Craig Weber, Principal City Planner

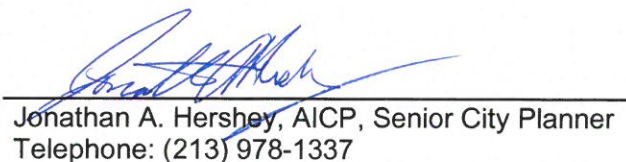

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PROJECT ANALYSIS

Project Summary

In 2013, the Warner Center 2035 Specific Plan was adopted by City Council, refining the regulations for the development and use of property within Warner Center, a regional commercial center located within the Canoga Park-Winnetka-Woodland Hills-West Hills Community Plan area. The plan included a Mobility Fee to providing funding for necessary improvements to the public rights-of-way and local public transportation. Since adoption of the Specific Plan, the need to clarify the methodology utilized to calculate and assess Mobility Fees on qualified Projects has arisen, to better address how mobility improvements are funded.

On November 2, 2016, City Council adopted a motion presented by Councilmember Blumenfield (Council File No. 13-0197-S4), “to review the ordinance language [of the Warner Center 2035 Plan] for technical corrections regarding the Mobility Fee, and clarify its calculation methodology.” The proposed ordinance amends the Warner Center 2035 Specific Plan to modify the fee calculation methodology, provide additional clarification, and update the base Mobility Fee amounts.

Background

As a part of the implementation of the Warner Center 2035 Specific Plan, qualified projects are required to pay a Mobility Fee to offset a portion of the costs associated with necessary mobility improvements throughout the plan area. The related Environmental Impact Report (EIR) identified specific improvements that are linked to mobility impacts associated with the development that is anticipated by the Plan. Collected Mobility Fees would be utilized to help fund these improvements.

A qualified project is assessed a base Mobility Fee by first calculating the floor area ratio (FAR) of the proposed project. Then, using the seven-column table in Appendix D of the Specific Plan, one would look down the column corresponding to this calculated FAR to find the per-square-foot dollar values for all of the proposed uses in the project. These dollar values are then multiplied by the square-footages for each of the proposed uses, and their sum is the base Mobility Fee.

When a qualified project is assessed a base Mobility Fee, in-lieu credits may be applied to reduce the Mobility Fee amount. In-lieu credit is given when a project proposes to demolish existing development; the value of this demolition is determined in the same manner as the base Mobility Fee, but is based on the FAR and use(s) of building(s) to be demolished. Additional in-lieu credits are based on the value of dedications, improvements to the public right-of-way, or local transportation system directly undertaken by the project applicant.

A project’s net, final Mobility Fee is the difference between the base fee amount and the total of in-lieu fee credited. The methodology for calculating the final fee is based on the “Warner Center Mobility Fee Clarification Study”, dated October 15, 2013.

Following the Plan's 2013 adoption and subsequent implementation, it has been observed that the amount of in-lieu credits applied toward base Mobility Fees have been higher than anticipated, resulting in less collected Mobility Fees.

In order to examine this issue more closely, a new study was commissioned, resulting in a "Warner Center Mobility Fee Clarification Study", dated February 26, 2018. The study, prepared by Iteris, was developed in consultation with the Departments of Transportation and City Planning. This study outlines revisions to the adopted methodology and fee amounts, resulting in the necessary Mobility Fees to accomplish the mitigating improvements identified in the Plan's EIR. The significant outcome of this study is a recommendation that the adopted seven-column table of Appendix D be replaced with an updated one-column table.

The intention of the seven-column table in Appendix D is to encourage denser development (corresponding to higher FAR), with more mixed use and balanced growth (residential/commercial), which is consistent with Transit Oriented Development, transit and alternative mode (bike, walk) usage, and specifically single-occupant vehicle trip reduction strategies that are in the core foundation of the Warner Center 2035 Plan.

In order to accomplish this, the table has a sliding scale of development FARs, which is further differentiated by different land uses categories and per-square-foot dollar amounts for each category. The three columns to the left and right of the middle column in this table were created specifically for the purpose of providing financial incentives to encourage the redevelopment of low-FAR sites with higher-FAR projects. The greater the difference between the proposed FAR and the existing FAR, the lower the project's base Mobility Fee and the higher the in-lieu credits applied against it, all resulting in lower fee obligations. Project's which proposed a lower FAR than what presently exists would see little to no reduction in their Mobility Fee obligation.

A technical analysis for deriving the Mobility Fee for each land use category in this table resulted in a single-column table originally proposed for the Warner Center 2035 Specific Plan. The middle column of the seven-column table corresponds to this original proposal. The seven-column table resulted from subsequent discussions on how to further prioritize the redevelopment of lower FAR sites with higher FAR projects, in addition to the incentives for development of more desirable land use categories.

The proposed Appendix D, with its one-column table, returns the emphasis of its incentives to land uses, and no longer places an emphasis on a project's FAR. The new table incentivizes redevelopment of sites containing less desirable land use categories such as commercial, retail, recreational, and service uses, with more desirable residential land uses.

In the proposed new methodology, the base Mobility Fee would be calculated by the sum total of the square-footages of proposed land use categories multiplied by the associated per-square-foot dollar values. In-lieu credit for existing development would be calculated in the same way for existing uses.

Numerous projects have taken advantage of the generous Mobility Fee incentives currently offered by the Warner Center 2035 Plan. Approximately 7,781 housing units and approximately 2.74 million square feet of net new commercial floor area have been developed or are under review with City Planning since the Warner Center 2035 Plan was adopted. This represents more than double the number of existing residential units in 2008. The FAR incentive system embodied in the seven-column table has effectively demonstrated the desirability of development in the Plan area. However, this emphasis on FAR redevelopment should no longer be necessary to achieve the vision of the Plan. The proposed one-column table, incentivizing the development of desirable land use categories, will result in the generation of sufficient Mobility Fees to implement the mobility mitigation measures required by the Plan.

On-going implementation of the Plan has also revealed the need to provide additional clarification and modifications surrounding the Mobility Fee in other sections of the Plan, in addition to those modifications necessary to align with the proposed Mobility Fee calculation methodology.

Additions and amendments are proposed to some of the definitions contained in the Specific Plan. A new defined term, "Gross Leasable Floor Area", has been added to address the basis of calculation for mobility fees in regional shopping centers. Modifications to the definitions of "Mobility Fee" and "Mobility Mitigation Measures" were made to clarify and provide internal references within the Specific Plan.

The methodology for determining Mobility Fees for multi-phased projects is clarified and better aligned with the proposed modified Mobility Fee calculation methodology.

The timing of when Mobility Fees are collected have been clarified. Further, the applicability of the proposed Mobility Fee calculation methodology and base fee amounts have been clarified so as not to penalize projects already in the development review and permitting process.

In the section entitled "Mobility Fee Calculation", modifications have been made to reflect the proposed Mobility Fee methodology, eliminate redundant references, and clarify responsible agencies.

In the section entitled "In-Lieu Credit for Mitigation Measures", modifications have been made to give the Department of Transportation wider discretion on assigning in-lieu credit amounts for project's that directly undertake one or more mobility improvement mitigation measures.

The timing of updating the value of existing use credits was clarified through the addition of a new section to the Specific Plan.

Appendix D Table 2 was updated to account for a policy incentive involving Density Bonus projects, and footnotes were added to help clarify the application of certain in-lieu credits and agency responsibilities.

Finally, the table contained in Appendix E was wholly updated to reflect more current cost estimates associated with the public improvement mitigation measures identified in the Plan's EIR.

Issues

In response to comments received at the public hearing conducted on May 3, 2018, and those received subsequent to that hearing, the draft ordinance has been modified to address some of the issues identified by community members and stakeholders. Not all of the issues raised were incorporated or resulted in changes to the proposed ordinance. The various issues raised (denoted by a bullet point) are addressed and responded to below.

- Regarding the amendment to Section 5.3.2: the addition of the proposed language would require that a change of use, otherwise eligible for administrative clearance, apply for Project Permit Compliance, for project sites adjacent to streets requiring additional dedication. This concept is antithetical to the intent of the Warner Center 2035 Plan, which encourages the reuse of existing structures or space within the structures through inclusion in the Administrative Clearance process. Requiring dedications of a change in use will be prohibitive and unduly burdensome, and as stated, in conflict with the fundamental intent of the Specific Plan.

These changes are no longer reflected in the proposed ordinance.

- Regarding proposed amendments Sections 7.3 and 7.3.1: these sections should be amended to reflect that the Mobility Fee rate (dollars/square-foot) vest at the time of entitlement; the fee should continue to be calculated at the time of B-permit issuance, however, in order to allow for certainty, the per square-foot rate should be fixed upon the issuance of the Project Permit Compliance determination.

The proposed ordinance clarifies that those project applications that have been deemed complete by the Department of City Planning, prior to the effective date of this proposed ordinance, will continue to be eligible for the annually adjusted Mobility Fee rate in effect at the time their application was deemed complete.

- Regarding proposed amendments to Section 7.3.2.2: as drafted, this language could result in a Project owing in excess of the Project's assessed mobility fee. By not crediting mitigations on a dollar for dollar basis Projects may in certain instances be subject to improvements and/or fees in excess of their calculated Mobility Fee obligation. This could be considered double dipping and runs against the intent of the Specific Plan. A Project is supposed to have a Mobility Fee assessment and either be assigned physical improvements to implement equal to that assessment value, pay the fee equal to the assessment value or a combination of the two. In no case should a project be required to pay or

complete improvements that are in excess of the mobility fee assessed on the Project.

The mobility improvements identified in the adopted Environmental Impact Report lists impacts anticipated to occur in response to proposed development over the life of the Plan. In the case of the Warner Center 2035 Plan, acknowledging its importance to the City of Los Angeles, the need to achieve and realize the development policies in the City, and in keeping with past practices of citywide specific plans, it was recognized that future development alone would not bear the entire burden of the full cost of all physical mitigation measures. The total cost of improvement measures was divided into six major categories (Appendix D, Table 2). The total Mobility Fees collected would cover only a certain percentage of the improvement categories: a portion would be provided directly by an applicant, a portion provided through collected Mobility Fees, and the remainder would be paid through other outside funding sources (Metro Call for Projects, etc.). Approximately 18% of the total value of the measures is additionally set aside for the administration of the Plan. The various percentages were assumed based on past experience and the reasonableness of availability of funds from other sources.

As a part of the calculation for a project's Mobility Fee, Section 7.3.2.2 of the Plan provides that in-lieu credit may be given "for those mobility measures implemented by a Project for up to 82% of the total Mobility Fee obligation of the Project ..." No changes to this previously approved percentage is proposed. Further, this section has been modified to authorize the Department of Transportation the discretion to determine the in-lieu credit for mitigation measures, eliminating prior credit limitations, up to 82%.

- Regarding amendments to the Mobility Fees set forth in Appendix D: these amendments dis-incentivize dense development, which is a hallmark of the Warner Center 2035 Plan. The intent of the sliding scale mobility fee was to encourage the intensity of development. Warner Center is zoned for density, allowing for and encouraging the development of dense housing, mixed-use, commercial, and office projects. As presently drafted, the mobility fee supports this type of development, which is essential to alleviating a city-wide housing crisis as well as the realization of the vision of the Specific Plan, to create an urban mixed-use transit oriented community. The proposed Amendments will increase the cost to build housing and discourage density. We recommend that the current sliding scale be maintained for new development, thereby continuing to encourage density in line with the intent of the Specific Plan and that credit for existing uses be based on the middle column of the existing table.

Refer to discussion of the seven-column table versus one-column table in the prior section of this recommendation report.

- Hotels have similar traffic patterns to a residential use and are generally local serving and as such should be classified as a residential use.

No change in response to this suggestion has been incorporated into the proposed ordinance.

- Regarding proposed changes to the Land Uses cited in Appendix D: small changes of use, ground floor mixed-use uses, non-profit hospitals and medical centers, places of worship, and non-profit recycling buyback centers are all uses that the Specific Plan intended to encourage. As such, no mobility fee was assessed for these uses. To implement a mobility fee runs contrary to the intent of the Specific Plan and good policy, places of worship do not generate a significant traffic burden, small changes of use are encouraged as are ground floor non-residential uses, which activate the street frontage and create a local serving community. Further, exempting non-profit hospitals and medical centers is a policy decision that goes back to the 1993 WC Specific Plan and continues to be an important means to incentivizing the expansion of this and the other important community serving uses. The uses discussed above should remain exempt from the Mobility Fee.

These changes are no longer reflected in the proposed ordinance.

- Regarding proposed amendments to Appendix D, Table 2 - The anticipated Orange Line Station proposed for Variel and Oxnard and addressed in this section is no longer a viable project As such, this item should be removed from the Mobility Fee calculation.

It recommended that the more appropriate opportunity to make this change will be during a Plan Restudy as required in Section 10.5 of the Warner Center 2035 Specific Plan. Improvements associated with the Orange Line Station were incorporated as part of the Plan's Environmental Impact Report, and modification of this assumption may require further evaluation that would be more appropriate as part of the Restudy. The Restudy anticipates that further environmental analysis would be conducted at that time to examine changes to the Plan and Plan assumptions.

- The Plan should be amended to reflect that any Project, with an application that has been accepted by the Department of City Planning prior to the effective date of the Ordinance should be exempt from these changes.

The proposed ordinance clarifies that the Mobility Fee rate is based on the rate in effect at the time a project's application with the Department of City Planning is deemed complete.

Conclusion

The proposed ordinance fulfils the intent of the Motion adopted by City Council and provides clarification to the process of calculating the Mobility Fees required by the Warner Center 2035 Specific Plan. The proposed ordinance results in Mobility Fees that generates the necessary funding to accomplish necessary mobility improvements throughout the Specific Plan area, and incorporates clarifications to improve process expectations, and reduce misinterpretations. Public comments that were received have been considered and resulted several changes to the proposal.

FINDINGS

CEQA Findings

Pursuant to the California Environmental Quality Act (CEQA), the project was assessed in the Warner Center Specific Plan Update EIR Case No. ENV-2008-3471-EIR, State Clearinghouse No. 1990011055, certified by City Council on April 24, 2013, and no subsequent EIR, negative declaration, or addendum is required for approval of the project.

Charter Findings

Pursuant to Charter Section 556, the proposed ordinance is in substantial conformance with the purposes, intent and provisions of the General Plan. The Warner Center 2035 Specific Plan became effective on December 25, 2013, through Ordinance No. 182,766. The proposed ordinance is an update and clarification to the Warner Center 2035 Specific Plan as it pertains to the methodology for calculating and assessing Mobility Fees pursuant to Section 7 of that Plan. The ordinance proposes no change in permitted or prohibited land uses, and no substantial change in existing development limitations or requirements. The ordinance will facilitate the collection of appropriate fees necessary to fund identified and specific mobility improvements required within the Plan area. The ordinance is consistent with and helps to further accomplish goals, objectives, and policies contained in portions of the General Plan, including the Citywide Mobility Plan 2035. Specifically:

Policy 2.3 Pedestrian Infrastructure – Recognize walking as a component of every trip, and ensure high-quality pedestrian access in all site planning and public right-of-way modifications to provide a safe and comfortable walking environment.

Policy 2.5 Transit Network – Improve the performance and reliability of existing and future bus service.

Policy 2.6 Bicycle Networks – Provide safe, convenient, and comfortable local and regional bicycling facilities* for people of all types and abilities.

Policy 2.9 Multiple Networks – Consider the role of each enhanced network when designing a street that includes multiple modes.

Policy 2.14 Street Design – Designate a street's functional classification based upon its current dimensions, land use context, and role.

Policy 2.17 Street Widening – Carefully consider the overall implications (costs, character, safety, travel, infrastructure, environment) of widening a street before requiring the widening, even when the existing right of way does not include a curb and gutter or the resulting roadway would be less than the standard dimension.

The list of specified public improvements required to be funded through the Warner Center 2035 Specific Plan's Mobility Fees are stated in terms of dedications, roadway widening, enhanced turn lanes, signalization, and public transportation. While these do not explicitly call out improvements to pedestrian or bike facilities, the Plan area does contain several enhanced network concepts for such improvements. When a public improvement is undertaken, providing pedestrian and bike enhancements and amenities are a part of the final designs which must be taken into consideration. As a result, more efficient collection of Mobility Fees will result in meeting many public infrastructure policy goals cited in Mobility Plan 2035.

The Canoga Park-Winnetka-Woodland Hills-West Hills Community Plan contains the following Goals and Objectives:

GOAL 10 DEVELOP A PUBLIC TRANSIT SYSTEM THAT IMPROVES MOBILITY WITH CONVENIENT ALTERNATIVES TO AUTOMOBILE TRAVEL.

Objective 10-1 - To encourage improved local/shuttle bus service through the Community Plan Area and encourage park-and-ride facilities to interface with freeways, high occupancy vehicle (HOV) facilities, and rail facilities.

GOAL 12 A WELL MAINTAINED, SAFE, EFFICIENT FREEWAY AND STREET NETWORK.

Objective 12-1 - Reduction of vehicular trip delays in the Community Plan Area through coordination of the street traffic signal system with the Caltrans freeway traffic management system.

GOAL 13 TO THE EXTENT FEASIBLE AND CONSISTENT WITH THE MOBILITY PLAN 2035'S AND COMMUNITY PLANS' POLICIES PROMOTING MULTI-MODAL TRANSPORTATION AND SAFETY, A SYSTEM OF FREEWAYS AND STREETS THAT PROVIDES ADEQUATE CIRCULATION TO SUPPORT EXISTING, APPROVED, AND PLANNED LAND USES AND MAINTAINS A DESIRED LEVEL OF SERVICE AT INTERSECTIONS.

Objective 13-1 - To the extent feasible and consistent with the Mobility Plan 2035's and the Community Plans' policies promoting multi-modal transportation and safety, comply with Citywide performance standards for acceptable levels of service (LOS) and insure that necessary road access and street improvements are provided to accommodate traffic generated by new development.

Through the more efficient collection of Mobility Fees, as facilitated by the proposed ordinance, the Goals and Objectives of the Community Plan are furthered throughout the Warner Center 2035 Specific Plan area. Collected Mobility Fees are not only reserved for proscribed travel lane and roadway improvements and intersection enhancements, but can also spent on the creation and enhancement of a proposed transit node, which would support or contribute to the multi-modal public transportation

system in the Plan area. Collected Fees that result in more direct improvements to roadway system would relieve traffic congestion through lane enhancements, roadway widening, and improved intersection signalization, all goals and objective so the Community Plan.

Pursuant to Charter Sections 556 and 558 and Sections 11.5.7 and 12.32 of the Los Angeles Municipal Code, the proposed land use ordinance will be in conformity with the purposes, intent and provisions of the General Plan, as well as the public necessity, convenience, general welfare and good zoning practice, as discussed above. The proposed ordinance, updating and clarifying the Warner Center 2035 Specific Plan as it pertains to the methodology for calculating and assessing Mobility Fees pursuant to Section 7 of that Plan, will facilitate the collection of appropriate fees necessary to fund identified and specific mobility improvements required within the Plan area. Collection of appropriate Mobility Fees in conjunction with qualified Projects will result in tangible mobility improvements within the Plan area, traffic congestion relief, associated improvements and enhancements to pedestrian areas, and improvements and enhancements to local public transportation. Achieving these improvements over the life of the Plan is consistent with the purposes, intent and provisions of the General Plan, and is in conformity with public necessity, convenience, general welfare and good zoning practice.

PUBLIC HEARING AND COMMUNICATIONS

A public hearing was conducted on Thursday, May 3, 2018, at the Marvin Braude San Fernando Valley Constituent Services Center. The hearing was conducted by Department of City Planning staff, acting in the capacity of a Hearing Officer. The hearing was attended by four members of the public and the Economic Development Director for Council District 3. Oral testimony was received at the hearing and was generally in opposition to the ordinance as proposed, with suggestions on corrections and improvements that could be made to the proposed ordinance. Public comment on the ordinance was held open until Friday, May 4, 2018. Only one written comment was received. The written comment was provided by one of the hearing attendees, and represented the written version of his oral testimony. Many of the comments and suggestions have been incorporated into the proposed ordinance.

The following is a summary of the testimony received during the public hearing:

Kevin Crosby, California Home Builders – The proposed ordinance disincentivizes the construction of new buildings at a higher FAR.

Eugene Tang, Gibson Transportation – The proposed ordinance disincentivizes the construction of new buildings at a higher FAR.

Brad Rosenheim, Warner Center Association – I was involved with the Citizen Advisory Committee for the creation of this Plan. The proposed ordinance disincentivizes the construction of new buildings at a higher FAR, and potentially penalizes smaller projects, included changes of use, meant for quicker administrative review.

- Policy decisions were incorporated into the adopted plan that the proposed ordinance will undo.
- The ordinance should clarify that the mobility fee rate should be that which is in effect at the time of determination letter issuance.
- The proposed fee credits will result in applicant's having to pay more than 100% of actual project mitigation cost; this system may expose the City legal challenge.
- The Plan was intended to make the process more transparent.
- Proposed changes to the fees should not be retroactively applied to projects currently approved and in the pipeline.
- Appendix D – the multi-column format was adopted to incentivize smaller projects.
- Appendix D – Is there a better way to incentivize higher FAR projects?
- Appendix D – Would it be more appropriate to base fees on the multi-column format, and base credits on the middle column?
- Appendix D – For mobility fee purposes, Hotels should be considered as residential uses as they have a similar traffic generation.
- Appendix D, Table 2 – The “New Orange Line Station Terminus” is no longer a proposed improvement; the table and fees should be recalculated to incorporate current MTA proposal for the site.

- Why is there no In-Lieu Credit given for Neighborhood Protection, Local Development Corporation, TDM, Administrative and Restudy Costs (Appendix D, Table 2, Footnote).

Tricia Robbins-Kasson, Economic Development Director, Council District 3 – The proposed changes are necessary to implement the vision of the Warner Center 2035 Plan. Projects that are in the process of review or consideration need the certainty that this ordinance will provide. The Transportation Management Organization is important to the Specific Plan, and the Council Office would like a review of the TMO language to ensure that it serves the goals of the Plan.

A copy of the written communication received has been attached for reference.