

February 03, 2021

Patrick Prescott Community Development Director City of Burbank 275 East Olive Avenue Burbank, CA 91502

Re: State Density Bonus Law Concession Request for The Pickwick Project

Dear Mr. Prescott:

The applicant, Pickwick Investment, LLC, is requesting approval of The Pickwick project (Project) pursuant to Senate Bill (SB) 35. This concession request letter accompanies the formal SB 35 application package.

The Project consists of 96 three-story townhomes ranging from 1,200 to 1,850 square feet in size, of which 10 units will be reserved for purchase to low-income households (up to 80 percent of the Area Median Income (AMI)), resulting in a total of 10.2 percent of the total units being considered "affordable." These units will remain affordable at these levels for a period of at least 45 years.

Pursuant to Section 10-1-635 of the Burbank Municipal Code, the project is eligible to receive a concession since it reserves at least 10 percent of the units to Low-Income Earners. The applicant is requesting one concession to be granted to implement the Project Pursuant to Section 10-1-640, *Development Standards Modified as Incentive or Concession*.

A.1 A reduction of site Development Standards or a modification of zoning code requirements or architectural design requirements which exceed the minimum building standards provided in Part 2.5 (commencing with Section 18901[)] of Division 13 of the California Health and Safety Code and which result in identifiable, financially sufficient, and actual cost reductions, including, but not limited to:

b. Reduced minimum lot setbacks.

Section 10-1-2441.C.2.a of the Burbank Zoning Code states that all structures within the Commercial Recreation (CR) zone shall be set back at least 25 feet from the front lot line. The project is requesting front yard setback reduction from 25 feet to 13 feet along Main Street due to a required dedication to the City of Burbank for street improvements along Main Street. The requested concession is identified as a Tier 3 as a 48 percent reduction to the minimum front setback is not identified in Tiers 1 or 2.

## Required Findings for a Concession

Pursuant to Section 65915(d)(1)(A) - (C) of the Government Code (i.e., the State's Density Bonus Law), the City shall grant the concession unless the City makes a written finding, based upon substantial evidence, of any of the following:

1. The concession or incentive does not result in identifiable and actual cost reductions . . . to provide for affordable housing costs, as defined in Section 50052.5 of the Health and Safety Code, or for rents for the targeted units to be set as specified in [the State's Density Bonus Law].

The requested setback concession *does result* in identifiable and actual cost reductions. A strict application of the City's setback requirement would result in the elimination of dwelling unit(s) from the overall project. The elimination of any units from the project's total yield of 96 dwelling units would result in a relative increase in the development costs of the remaining units proposed for the project. Any increase in the development costs per unit would affect the applicant's ability to absorb increased costs associated with the affordable housing units.

2. The concession or incentive would have a 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 low-income and moderate-income households.

The requested setback concession *would not have* any such adverse impacts. The reduction of the setback from 25 feet to 13 feet along Main Street would result in a minor decrease of 3.5 feet (i.e., a 14 percent reduction) in the setback along Main Street, which would result in no impact "upon public health and safety or the physical environment." In fact, the applicant is requesting this setback reduction in order to accommodate a required dedication to the City of Burbank for street improvements along Main Street to accommodate the longer right turn pocket. As such, this requested setback concession is in furtherance of "public health and safety." In addition, the requested setback would not have effect upon any real property listed in the California Register of Historical Resources because no structures located on the property are listed in the Register.

3. The concession or incentive would be contrary to state or federal law.

<sup>&</sup>lt;sup>1</sup> These findings are different from the findings identified in the City's Density Bonus Implementing Regulations, which were revised in March 2008, because the findings required pursuant to the State's Density Bonus Law have since changed. According to the City's Density Bonus Implementing Regulations, "If State Law changes, Burbank's Municipal Code has a provision to automatically be amended if inconsistencies exist. These Implementing Regulations will also change as a result of State Law changes when necessary." (See page 6 of 6 of the Regulations.)

The requested setback concession *would not be contrary* to any state or federal laws. The requested concession will be in furtherance of state and federal legislative efforts to increase the housing supply in California, in particular Senate Bill 35 (Government Code Section 65913.4) which states that "[i]t is the policy of the state that [SB 35] be interpretated and implemented in a manner to afford the fullest possible weight to the interest of, and the approval and provision of, increased housing supply," and Senate Bill 330 (Government Code Section 66300 et seq.) which includes the Housing Crisis Act of 2019.

If you have any questions regarding this letter, please contact me at 949.221.6216. Thank you.

Sincerely,

John Moreland, AICP

Director, Planning

KTGY Architecture + Planning