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SILVER LAKE NEIGHBORHOOD COUNCIL

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URBAN DESIGN AND PRESERVATION ADVISORY COMMITTEE MEETING MINUTES - APPROVED

Wednesday, November 11, 2015 6:30 pm

Citibank Community Room
2450 Glendale Boulevard
Los Angeles, CA 90039

1. Call to Order

Roll Call

Rene Nahum - Committee Member
Barbara Ringuette – Board & Committee Member
Anne-Marie Johnson- Board & Committee Member
Rusty Millar- Committee Member
John Wingler- Board & Committee Member
Cliff Towne - Committee Member
Joe Farrell – Co-Chair & Board Member
Jerome Courshon - Board & Committee Member
Carol Cetrone - Board Member
Liza Temple - Committee Member
Terry Jackson- Committee Member
Scott Plante - Absent

Various members of the community and several Occidental College Urban Studies students.

2. PUBLIC COMMENT

Georgene Goodin-Smith – Regarding the Ellis Act Reform and working with senator
Kevin DeLeon - City Council.
Rusty Millar- Regarding 726 Lucile Avenue, building and safety complaints.
Small Lot Subdivision complaints must go thru Public Works.

3. PRESENTATIONS

Terry Jackson, CPA gave a presentation on the economics of Small Lot Subdivisions.
How profitable are SLO's? Houses are selling over \$500- \$550 a square foot. These properties cost \$275- \$300 a square foot to build. That is a 25-35% profit - an astronomical profit. 5-7 units and a developer will walk away with over a million dollars. The City and the County want the higher property taxes. Because these developments are spread thru the city, they do not have to make the infrastructure improvements, because they are modest in size. There are lots of "small guys" (developers) that want to get into this 18 months-24 months. As a CPA, I do not see anything that profitable, that quick. If we look at it in terms of an apartment building, the economics do not pencil out- typically people buying apartment

buildings will not buy anything over 8X gross rents (2500 gross rents). The numbers only start to make sense for 7.5 to 8 x gross rents. 20 plus units and those with a long time frame) Zoning is what controls this and zoning equals money.

Anne-Marie Johnson- We need to have an honest conversation regarding our feeling on small lots. We are strictly advisory, and they only come here for the variance.

Rusty Millar- Going back to the Core Project on Sunset & Myra- the original proposal was the smaller sized units in the \$350K range, larger around \$430-440K. By the time it went to market, the cheapest was \$699. What the developer tells you and what they go on the market for are two different things.

Another example – Maltman Avenue - a developer bought a property, tore a house down, wanted to put 3 units up at \$700 plus – they are now up for sale at 1.25million. The one on Marathon and Silver Lake Blvd – they asked what it is going to cost, but it's never what they tell us.

Liza Temple- I come from the construction world and price per square foot is hard to determine- some include landscaping, permits, entitlements, etc. and that is all very expensive and laborious. They are sunk /soft costs- you can't get those back - there is also financing. You are paying for a lot more than just the costs of building. A lot is site specific. So much of the cost could depend on the slope and the soil. They could put half a million in prepping the soil. Regarding apartments, the apartment and small lot are apples and oranges- a very different buyer as well. Those economics are very different. Regarding market affordability versus density- so much cost goes into the footprint- so I want to see more density so the prices can come down to 500K vs. 1.2 to 1.3 mil. What we can control is the more dense lot, so they will be less expensive so that more people could afford to live here.

Christine – Thank you, Terry

Questions

Jerome – In terms of financing – are these projects being financed by Venture Capitalists or banks?

Liza - I think both

Jerome – What is the Annual interest rate?

Liza – Commercial is 6% to 7 %.

Terry - Plus points, if it's one million, they will charge 6% to 7 % in points. Secondly, they want to know where to get the funds.

Jerome – Is it the same with Venture Capitalist?

Liza – Ventures come in with a cap rate that they need to meet – that's volatile – not charging interest rate – just get rate of return.

Stakeholder – Sure they put in 6 units, when it comes around they are selling each for \$900,000.

Liza – There not going to sell it for less

Terry – Los Angeles' Urban Districts is the most dense district with 7K per urban district more than New York City.

Georgene – South of Sunset – it is 16K per square mile

Madeline – I live across the street from the Court development – they had someone on the payroll to deal with community members. I lived in Canada for the last 5yrs. Developers' job is to make money. It is the government's job to regulate these people. If you expect things to be different, you need to ask the City.

Jerome – There are developers that care about the community not only for money. Many don't care, but some do.

Anne-Marie – We are a government body – what is important is that we send our feedback about the developers to the City. We represent the constituency. We have to decide what philosophy of the group.

Sanborn Avenue Developer – We are looking for community feedback. We can't do anything about what the City has created in its ordinance. We are here to present a small public vision. We want to hear your concerns. This is our 3rd time presenting. We are interested in what the community has to say. We don't have to be hear – don't chase us away.

4. MOTIONS & RESOLUTIONS – Discussion and Possible Action.....7:15p.m.

A. 1119 Sanborn Avenue Quach

Case Number: AA-2015-3153-PMLA

NC Region 5

Small Lot Proposal: 4 units adjacent to Circus of Books

4 Unit small lot sub-division at 7696 square feet, we can't build a small lot under five projects no financier is touching them – it's not a mega slot with 70 things. We are not apartment developers. The overall view

of an apartment building built in 1960 – that building has no regard for the neighborhood. We are a 4 unit building. We didn't tear down the 70 foot conifer tree. The height allowed is 35 feet. We are going for 30 feet. It's a slight hill, so we are staggering things down. We are trying to be as creative as possible to break it up. The alley is derelict behind the circus of books building – has lots of activity on it. We are widening it by 3 feet to have a 3rd space for parking set back from alley. The front yard is halfway between commercial and residential side. We are not asking for any variances – sticking with the guidelines established for these kinds of projects. The color – see how it will blend into the community, start at a large court yard. Manzanita Street Community Garden – we are trying to do the same. We are planning gardens. There is still a dynamic of response from the public. You can walk up to the court yard and see all 4 units. The second floor is a living room balcony – making it similar to a lantern. We can see into the living rooms from Sanborn - finishes – 8.0 - .60 - most of these projects are looking like road houses. We are trying to break it down artfully - 8070 – landscaping – will blend into the building. We are trying to make it about the materiality of the landscape. The landscape and the building will blend in. OSA architects, their trademark is blending architecture with the landscape. The 1st unit 32 feet set back from the adjacent building – (the wall to wall 1960 building). The 2nd unit is set 23 feet away, etc. The building looks through the garden - side drainage could be set in the remaining open space in the back of the building - total residual size of apartments is 1640 per unit per square unit - small roof decks on the alley side (sheet 820 drawing 4); HDAC condensers on the alley side. The building is in a sense a green building - power is single solar. A4.0 see how the building staggers down - This is an illustrative map of how the lot was cut up on the last page. We are only going for 4 units within the ordinances.

Questions

Rene – I'm impressed with the design – could you get an arborist to save the tree?

Quach (developer) – We have one.

Georgene – I don't see the density.

Quach - 760K – 1640 per unit – half of the alley can be added since it's a corner lot.

Georgene - You have 7700 – wondering were those 300 feet coming from?

- Do you have any CCNR?

- I don't see how the city calculates this

Liza – It's the Department of Real Estate.

Stakeholder – I read in the LA Times about the Short Term Rental Covenant – can you do this to these units?

Georgene – You are going to have a covenant re: pick up trash – you can add this to your trash covenant. They call them “granny suits”.

Stakeholder – They can do it in CCR.

Stakeholder – The city of Santa Monica has done this.

Terry – Very nicely designed project – you are working with landscaping that makes sense – as the rules and laws of the City stand today we are going to see more of these.

Cliff – The nature of the site helps some of the problems – the roof decks look out on the alley. The angle helps the design.

Rusty – If you look at the roof decks – they face the back side of the Circus of Books – there are living units facing the alley. There are noise concerns that can be raised from the neighbors who face the alley.

Quach – Your point is valid – instead of having 6 in wall, we have an 18 in wall to close in the patio of the deck - few adjustments we can do.

Jerome – The height of the adjacent building (5 to 6 stories) is higher than Circus of Books. Roof top decks, I hate them, because of the added noise they could bring from parties. I would love to see them gone. Are doing something to set them in so people can't look into the neighbors – resolve the privacy issue. It's a valid issue with City Planning.

Quach – We are considering building a planter around it.

Jerome – If it's a planter it will not be removable.

Quach – If it's empty. It's dirty with LA's special film.

Jackie – I have concerns projects like these will kick people out of the neighborhood. These are million dollar units. They are trying to make the neighborhood unaffordable – my friend Jason is being kicked out of his building.

Quach – We didn't say that Circus of Books was blight.

Sam – It's my family's building – that is a tree he is discussing. This build is a real threat to my business.

Quach – What percentage of your building is set back more than 5 feet?

Sam – My father was an architect – he built this in 1966. My tenants on the south side with view of Sunset Blvd see several 100 feet, with this building on the Sanborn side of the property – at 35 feet its over 10ft taller than our build. – your deck will be 7ft taller – peeps with clear views are going to have a solid wall to

look at – on the south side your building will be able to look into the peeps who live in my building. – I said this is an existential threat to my business – I pointed out to Eric(architect) but building is still the same – the tree – not only will the branches be cut – very old tree – front cover sheet does not indicate my building is 5 feet away. I am requesting to add more restriction. I can't allow a 4 story structure to be built next to me – two story building – subterranean garage – building

Quach – We are bringing an arborist out. We are away from the drip line of the tree about 74 feet – we want it to stay intact.

Madeline – The alley was not built to get much traffic. It gets between 5 and 14 trucks a day. There are 4 loading docks.

Quach – What are loading docks?

Anne-Marie – She should present without the back and forth.

Madeline – Heavy truck traffic from Manzanita to Sanborn – they cannot turn around on Manzanita. You cannot turn around on the alley. This is what happens, because of lack of parking on Manzanita. There is a parking and traffic problem in an alley 15 feet wide. All the kids from Thomas T Middle School walk down the alley. If you put 8 parking places or 4 parking places, you will have a serious problem - a 15 foot alley not meant to handle heavy activity.

Joe – Questions from the community?

Adeline – Concerned – How are you going to address privacy? The lack of light and the big windows in your building that will look into my apartment?

Quach – I think we have addressed it.

Quach's Colleague – We will revisit it – maybe a solution is to raise the window about eye level.

Adeline – It will block the sunshine into our apartment.

Jackie Sue – If there are windows above eye level than it will look into my apartment.

Quach's colleague – Than what about my rights? Now it's density – the highest next to NYC.

Quach – It's definitely a design challenge – let's sit down and discuss it.

Adeline – How can we contact you?

Joe – Can you contact her directly or contact us?

Quach – I will prefer she goes through the SLNC.

Joe - Other questions?

Carol – Half of the alley – what is happening?

Quach – The alley will be widening. The city does have a dedication to widen the alley – density calculation – you need 2000sq per unit – this lot is 7600.

Georgene – What section of the zoning code?

Stakeholder – It is in the zoning code.

Carol – It's not part of your parcel.

Quach – It's how the city has the density calculation – using the alley as the area of calculation.

Madeline – You can't make the alley wider.

Joe – It's only where there lot is that can be made wider.

Carol – Granting you some order.

Quach – We have 3 trash cans in the garage. So we will not have any trash on the alley – we want the value of the property maintained.

Carol – So it's a private pickup.

Quach – Yes, it's private pickup.

Joe makes a motion to support the small lot at 1119 Sanborn Avenue with inclusions.

Rusty – what about the inclusions?

VOTE

In favor of project - 0

Against the project – 18

Abstain – 2

Anne-Marie – There are lots of unanswered questions – I'm concerned that things will change. I advise that it's full hardy to vote when in the end it will not be as it stands now. Is this a premature vote? Do we want them to return?

Joe – Do you want to come back? Do you want to make the design changes and come back?

Quach – We could come back?

Joe makes a motion to table 1119 Sanborn Avenue , Case Number: AA-2015-3153-PML, take

feedback and incorporated in this design

Rusty 2nd the motion

Yes – Carol, Jerome, Joe, Anne-Marie, Terry, Christine, Rust, Rene, Georgene, Liza, Cliff

Abstain – Barbara and John

Motion passes

Tabled to next month's Urban Design Meeting – January's Urban Design Meeting

B. 4206 FOUNTAIN AVENUE

Diaz

Case Number: ZA-2015-1933-CU

NC Region 5

Conditional Use Permit: Extension for Ikonic, an existing auto repair facility

Fernando Diaz – consulting rep for the owners and applicant presents. We had our hearing last week, Thursday. We send our info to LFNC.

Anne-Marie – This is the orphan area.

Diaz – Everything north of Sunset is Los Feliz – look it up and we are in Silver Lake. We spoke to Scott, and asked for 4 weeks to meet with SLNC.

Anne-Marie - How many residents are here? What was the outreach?

Developer – We distributed out flyers to adjacent properties

Anne-Marie – We lost 2 members.

Jerome – They have to recuse themselves. Could we get them?

Georgene – Recuses herself.

Joe – Barbara can vote now.

Fernando Diaz is the consulting rep for owners and the applicant. The building was built in 1993. The zoning on the property was a C1 zone. They up zone it to C2 - 2003 when the original zone variance had expired, the owners thought the body shop portion was torn down. In 2014, they were contacted by the city as the Zone Variance expired. We didn't have a cup. We had to submit a conditional use permit - 2 standards. We meet operational standards, but do not meet the development standards --re: bay doors, windows, wash racks, no fences (there is an iron fence in back, no signs except one against wall on Myra Street) - Building and Safety – if you are existing automobile use – but because the variances is expired because we had an order to comply.

Joes question?

Barbara – I am concerned – the building's next door neighbors, Mr. and Mrs. Solis, do not know of this meeting. They would like to park on the street. There are 6 cars parked across the street, and all 6 belong to the business owners. They need evidence that the notification was done.

Diaz – The notification were put under the door of the residences.

Ikonic worker - We send someone to go around and pass the fliers and there was a sign of the hearing.

Anne-Marie – The CUP, the main problem are windows.

Diaz – CUP states that they can't add windows that will look into the adjacent property, or he structural energy of building will be compromise. If you could do operational conditions no spray painting, no junkyard, and no loud speakers. The hours are from 7a.m. to 5p.m. (Monday through Friday), open on Saturday.

Anne-Marie – Add a friendly amendment to the CUP that parking be available to the residents and not to the business.

Diaz – We can add that.

Anne-Marie – That's what we would add – work at making the parking not a problem for the residents.

Jerome – CUP – do you have a copy? You have the ability to write in another language.

Diaz – Once you have a hearing, we could modify it and the city will consider it.

Anne-Marie – You are still under advisement.

Cliff- Rephrase that language to be a good neighbor.

Ikonic worker – We saved a life, and saved a little girl who was having a seizure and the school was not paying attention – we called 911.

Stakeholder - Are employees allowed to park on the street?

Anne-Marie –Let's add a paragraph about the parking.

Rusty makes a motion to support the Conditional Use Permit Extension for Ikonic, an existing auto repair facility, located at 4206 FOUNTAIN AVENUE, Case Number: ZA-2015-1933-CU, NC Region 5.

Anne-Marie 2nd

Barbara – With the condition that you will add some language regarding parking available for the residents.

Jerome – Add it to the CUP.

Joe – Amendment – give residents priority parking and add this to the CUP, and the applicant must send letter advocating for a friendly amendment.

Christine – I don't know why this business is getting singled out. There are so many body shops along that street.

Vote

Yes – Carol, Jerome, Joe, Terry, Anne-Marie, Christine, Rusty, Scott, Rene, Barbara, Cliff, Liza

Abstain – John and Jeff

Motion Passes

Barbara – This business has 5 stars on Yelp.

Joe – It will come from this committee – we will send a letter to staff, and cc us - Joe and Jerome.

Diaz – We are meeting on Thursday, December 3rd

Anne-Marie – We will send the minutes as draft minutes.

MINUTES

Corrections to October 2015 Minutes

- Saying it's from Terry not from Cliff

- Jerome – I can't support this project if it has roof top decks

Vote

Anne-Marie makes a motion to accept the correction to the October Minutes

Cliff 2nd the motion

Unanimous

Motion passes

Meeting adjourns at 8:45pm