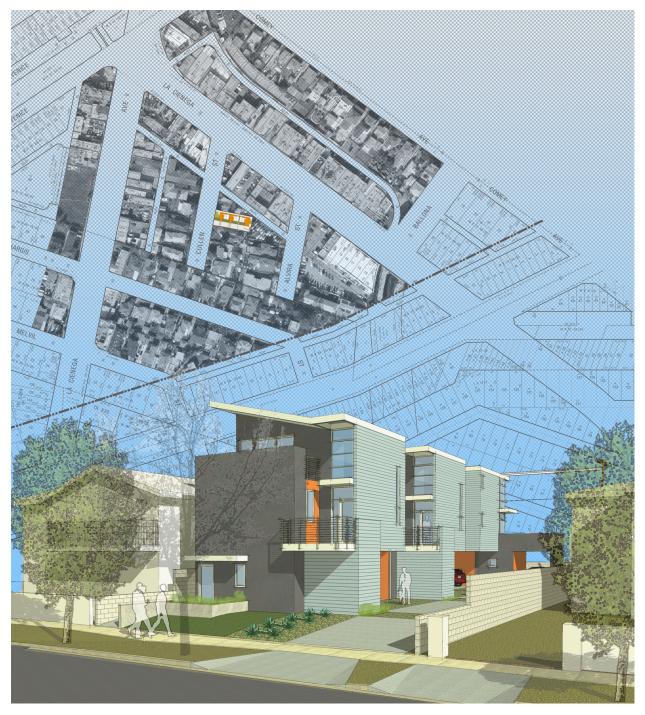
## **Small Lot Subdivision Guide**

Los Angeles, CA



Prepared by Small lot Subdivision Architects:



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## **Small Lot Subdivision Guide**

Los Angeles, CA





2009 Small Lot Subdivision Guide

Volume 1

**First Addition** 

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**REGARDING THIS GUIDE.** The included information, development options and guidelines in this packet are diagrammatic explorations meant only to facilitate a discussion about the small lot ordinance in the city of Los Angeles. The information provided in this guide has been secured from sources Modative believes to be reliable at the time this guide was written. However, we make no representations or warranties as to the accuracy of the information presented in this guide. While Modative has followed the standard of care in researching the applicable zoning codes in developing this guide it must be understood that zoning and building codes change on a regular basis. The reader of this guide must verify any and all information presented in this guide, and bears all risk for any inaccuracies.

Given the diagrammatic nature of this guide, Modative can not guarantee that all zoning codes have been met, discussed or addressed in this guide. It is highly recommended that further investigation regarding all applicable codes, pricing, requirements, budgets, goals, lots and schedules be discussed with the appropriate licensed professional prior to purchasing, developing, and designing a properly intended to adhere to the applicable codes in the city of Los Angeles. Now that we got the "legal stuff" out of the way... We hope you enjoy the small lot subdivision guide! Please call us if you have any questions.



## In The Guide:

- Top 10 Things you should know about Small Lot Subdivision in Los Angeles
- The best lots to utilize the Small Lot Subdivision Ordinance
- Zoning and Small Lot Subdivision
- Lot Configuration
- Size and Shape of Lots
- Lot Size and Parking
- Lot Size and Vehicular/ Pedestrian Circulation
- Soft Costs and Small Lot Subdivision
- A Three-unit Small Lot Subdivision Case Study
- Small Lot Subdivisions by Modative





## Introduction:

This guide provides a basic understanding of the Small Lot Subdivision Ordinance, and offers suggestions on how to take advantage of this interesting alternative to conventional multi-family residential development.

#### The Small Lot Ordinance

The City of Los Angeles enacted the Small Lot Ordinance (No. 17354) in December of 2004. The ordinance allows the construction of smaller, fee-simple housing in multi-family zones.

#### Not your typical Condo or Townhouse

The residents of a Small-Lot home actually own the land the unit sits on. Since the ordinance does not allow for common foundations or shared, or common, walls between units, there is no Homeowners Association needed or any of the typical fees associated with condominium ownership.

#### **Smaller Lots**

The City of Los Angeles is pushing developers and property owners to utilize the Small Lot Ordinance as a smart-growth alternative to the suburban single-family home or typical condominium development. You can now create smaller residential lots than previously allowed. It is now much easier to provide a creative alternative to the typical, and often unappealing, condominium unit or overpriced and oversized single-family residential property.

#### Get something back

For those willing to take advantage of this new ordinance, the code offers breaks from the usual stringent code requirements. The ordinance grants reduced setback requirements as well as other breaks on often strenuous site requirements that can severely limit the number of units you are able to develop on the typical multi-family residential lot.



# Small Lot Subdivision Guide

Los Angeles, CA

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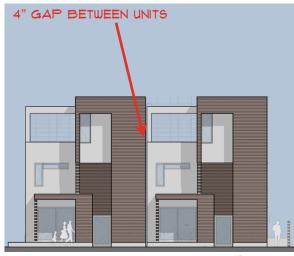
Top 10 Things you should know about Small Lot Subdivision in Los Angeles





## Top 10 Things you should know about Small Lot Subdivision in Los Angeles

- Small lot homes are not condominiums. They are fee simple, meaning you own the land the home sits on.
- 2. Residences on individual lots must have separate foundations and walls.
- Driveways, walkways and utility access are accomplished through easements.
- 4. Each subdivided lot may contain up to three residential units.
- Small lot subdivision projects are required to file a parcel map (four or less units) or a tract map (five or more units) to subdivide the land.
- Homeowners association is not required.
  Only a maintenance association is required.
- Each dwelling is required to have two parking spaces. No guest parking is required for projects under 10 units.
- All zoning codes (including density) are the same as a standard project. Some breaks are given on setbacks and open space requirements.
- Because small lot projects are fee simple, they have lower liability and insurance rates than condominiums.
- The design and entitlements of small lot subdivision projects can be complex. Hiring consultants with experience is recommended.



EACH UNIT MUST HAVE SEPARATE FOUNDATIONS AND WALLS

#### EXAMPLE OF TYPICAL INSURANCE COSTS

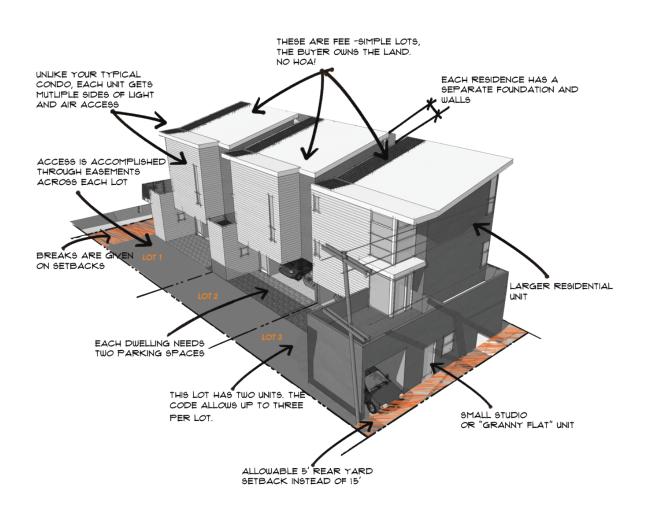
Typical 6-unit Condo	\$250,000
6-Unit, fee simple, Small Lot Subdivision	\$25,000

## EXAMPLE OF REQUIRED SETBACKS IN AN RDI.5 LOT

Yards	Typical Lot	Utilizing Small Lot Ordinance
Front	15 feet	0-15 feet depending on neighboring lots
Side	5 feet or 6 for three stories	5 feet
Rear	15 feet	5 feet



#### Top 10 Things you should know about Small Lot Subdivision in Los Angeles



# Small Lot Subdivision Guide

Los Angeles, CA

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The best lots to utilize the Small Lot Subdivision Ordinance



## The Best Lots to Utilize the Small Lot Subdivision Ordinance

Although lots in Los Angeles come in many shapes and sizes, our research has shown that a few common and important characteristics exist that can help determine the success of a "small-lot" project.

With a little creativity, almost all multi-family residential properties can be designed to properly utilize the small lot ordinance. However, in our experience, what really makes the difference in the success of a project is starting with property of a certain **size**, **shape**, and **configuration**. Oh, and let's not forget, you need to be in the appropriate **zone** as well.

## Zoning and Small Lot Subdivision:

#### R1, R2 Zones:

The zone plays a very important role in determining the possibility of utilizing small lot subdivision. For starters, all R1 zones are out of the equation. The small lot ordinance does not allow it. R2 zones are also pretty much impossible unless they are located within a certain radius of commercially zoned properties.

#### **RD Zones**

We have found that RD zones are your best bet for small lot subdivision, especially RD1.5 and RD2 zoned properties. The size and configuration of many available properties within these zones allow for creative 2 to 6- unit projects. Often these properties are too small to rationalize stacking multiple condominium units, which may force you to place parking underground in order to meet the requirements of a condo project. By properly utilizing the many breaks the

small lot ordinance allows, these restricted density, multiple family dwelling zones provide the greatest opportunity for a quality and memorable product that differentiates itself from other products available in the market today.

#### R3, R4, and R5 Zones

You are allowed to utilize the small lot ordinance within R3, R4, and R5 properties. However, we have found that the price of these high-density, multiple-residential dwelling properties often force you to stack as many units as possible in order to minimize the land-price-per-unit cost and maximize your profit potential. Often, a condominium is the only viable option in R3, R4 and R5 zones, unless the property is too small to park and maximize the allowable unit count within these zones.

#### C Zones

You are allowed to utilize the small lot ordinance within commercially zoned properties. However, as with the R3, R4 and R5 zones the higher price of commercially zoned properties often reduces the viability of a small lot project. However, if the lot size and price is right, a small lot subdivision can be an interesting alternative to a typical commercial or mixed-use project.

#### ALLOWABLE DENGITY IN A FEW MULTIPLE RESIDENTIAL ZONES

Zone	Min.Area Per Dwelling Unit
RD1.5	1,500 sq. ft.
RD2	2,000 sq. ft.
R3	800 sq. ft.





Zoning and Small Lot Subdivision: Example

Zone: R3, R4, and R5

#### THE CONDOMINIUM SOLUTION

ON A 55' X 140' LOT IN AN R3 ZONE, YOU CAN PARK AND FIT UP TO NINE 2-BEDROOM CONDOMINIUM UNITS.

SINCE YOU ARE ALLOWED TO STACK UNITS AND SHARE COMMON WALLS, YOU CAN EASILY MAXIMIZE THE ALLOWABLE DENSITY, MINIMIZING YOUR PRICE-PER-UNIT COSTS, AND MAXIMIZING YOUR PROFITABILITY IN THE RIGHT MARKET. THE HIGH-RISK CONDO PROJECT MAY BE WORTH THE POTENTIAL RETURN ON

#### A SMALL LOT SUBDIVISION SOLUTION

ON THE SAME 55'  $\times$  140' LOT IN AN R3 ZONE, CAN DO SMALL LOT SUBDIVISION.

HOWEVER, SINCE YOU ARE NOT ALLOWED TO STACK MULTIPLE UNITS AND SHARE COMMON WALLS, THE SAME LOT YIELDS ONLY ABOUT 4-5 UNITS. SINCE THE AVERAGE R3 LOT TENDS TO HAVE HIGH LAND COSTS DUE TO ITS DEVELOPABLE POTENTIAL, IT BECOMES MUCH MORE DIFFICULT TO CREATE A FEASIBLE SMALL-LOT PROJECT COMPARED TO A 9-UNIT CONDO PROJECT.



Zoning and Small Lot Subdivision: Example

Zone: RD1.5, RD2

#### THE CONDOMINIUM SOLUTION

ON A 55' X 140' LOT IN AN RD 1.5 ZONE, YOU CAN PARK AND FIT UP TO FIVE 2-BEDROOM CONDOMINIUM UNITS.

IN THIS SCENARIO, HOWEVER, WHY CREATE A TYPICAL HIGH-RISK, HIGH-LIABILITY-CONDOMINIUM PROJECT WHEN YOU CAN PROVIDE THE SAME UNIT COUNT WITH A FEE-SIMPLE SMALL LOT SUBDIVISION.

#### A SMALL LOT SUBDIVISION SOLUTION

ON A 55' X 140' LOT IN AN RD 1.5 ZONE, YOU CAN PARK AND FIT THE SAME AMOUNT OF UNITS AS A CONDOMINIUM PROJECT WHILE PROVIDING A BETTER, AND MORE DESIRABLE, PRODUCT. THESE FEE-SIMPLE TOWNHOUSE RESIDENCES HAVE A LOT LESS RISK, NO HOMEOWNERS ASSOCIATION, AND MAY EVEN OFFER A HIGHER PRICE POINT THAN A CONDO BUILDING WITH COMMON WALLS AND LESS PRIVACY.



FROM THE STREET

Whether you already own a lot or are shopping around for one, keep in mind that lot configuration also plays a very important role in the layout of a small lot subdivision. Certain configurations have more potential than others for good vehicular and pedestrian access to each unit. While all of the following lot configuration diagrams have the potential to creatively provide a small lot subdivision solution, there are certain advantages and disadvantages for each type.

#### - PROBABLY THE BEST LOT CONFIGURATIONS FOR A SMALL LOT SUBDIVISION IS THE "CORNER LOT WITH REAR ALLEY." - IT ALLOWS FOR VEHICULAR ACCESS FROM THREE SIDES OF THE LOT. - WITH ONLY ONE ABUTTING NEIGHBOR, THE UNIT LAYOUTS HAVE GREAT POTENTIAL FOR AIR AND LIGHT ACCESS. - SINCE THE LOT HAS MULTIPLE STREET FRONTAGES, IT IS POSSIBLE TO SITE ACCESS FROM DESIGN "WALK-THE ALLEY. UP" UNITS. PROVIDING ENTRANCES THAT ALLOW PEDESTRIAN ACCESS FROM SITE ACCESS

## CORNER LOT WITH REAR ALLEY

THE STREET.

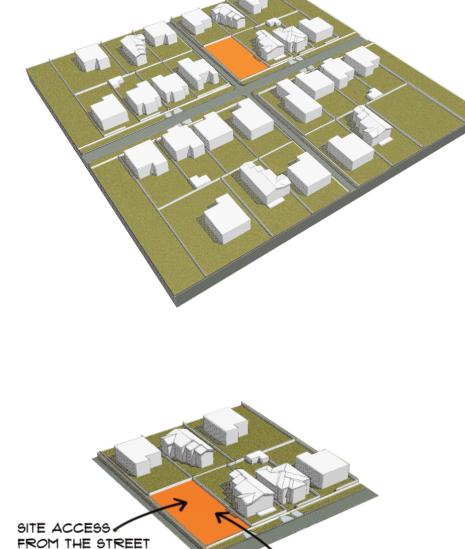
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SITE ACCESS



#### CORNER LOT

- ONE OF THE BEST LOT CONFIGURATIONS FOR A SMALL LOT SUBDIVISION IS THE "CORNER LOT".
- IT ALLOW FOR VEHICULAR ACCESS FROM TWO SIDES OF THE LOT.
- WITH ONLY ONE ABUTTING NEIGHBOR, THE UNIT LAYOUTS HAVE GREAT POTENTIAL FOR AIR AND LIGHT ACCESS.
- SINCE THE LOT HAS MULTIPLE STREET FRONTAGES, IT IS POSSIBLE TO DESIGN "WALK-UP" UNITS, PROVIDING ENTRANCES THAT ALLOW PEDESTRIAN ACCESS FROM THE STREET.



SITE ACCESS

FROM THE STREET



#### INFILL LOT WITH REAR ALLEY

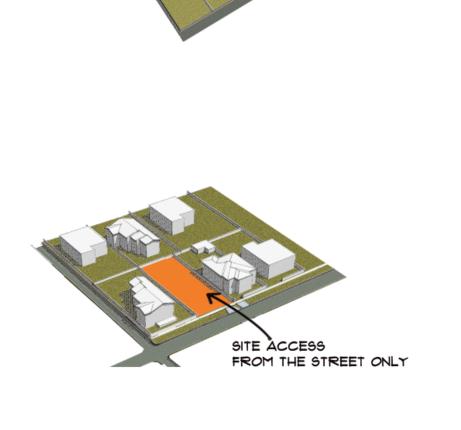
- A VERY COMMON LOT CONFIGURATION IS AN "INFILL LOT WITH REAR ALLEY." - IT ALLOW FOR VEHICULAR ACCESS FROM TWO SIDES OF THE LOT. - THE UNIT CONFIGURATION ON AN "INFILL LOT WITH REAR ALLEY. ALLOWS FOR GOOD AIR AND LIGHT ACCESS INTO EACH UNIT - AN INFILL LOT WITH REAR ALLEY ONLY HAS PEDESTRIAN ACCESS FROM TWO SIDES, LIMITING THE NUMBER OF "WALK-UP" UNITS WITH ENTRANCES THAT DIRECTLY FACE THE STREET. SITE ACCESS FROM HOWEVER, BY PROVIDING A THE ALLEY PEDESTRIAN WALKWAY UP ONE SIDE OF THE SITE, EACH UNIT CAN BE ACCESSED BY PRIVATE GROUND FLOOR SITE ACCESS ENTRANCES. FROM THE STREET

INFILL LOT





- THE MOST COMMON LOT CONFIGURATION IS AN "INFILL LOT".
- IT ONLY HAS VEHICULAR ACCESS FROM ONE SIDE OF THE LOT. SMALL LOT SUBDIVISION IS STILL VERY POSSIBLE IN AN INFILL LOT AS LONG AS THE LOT MEETS A MINIMUM WIDTH TO ALLOW FOR ADEQUATE PARKING AND VEHICULAR ACCESS.
- PROPERLY DESIGNED, AN INFILL LOT CAN STILL HAVE GOOD AIR AND LIGHT ACCESS INTO EACH UNIT. EVEN THE INTERIOR UNITS OF AN INFILL SITE WILL STILL HAVE MORE LIGHT AND AIR ACCESS THEN A TYPICAL CONDOMINIUM UNIT THAT OFTEN ONLY HAS ACCESS FROM A SINGLE SIDE.
- AN INFILL LOT ONLY HAS STREET ACCESS FROM ONE SIDE LIMITING THE NUMBER OF "WALK-UP" UNITS WITH ENTRANCES THAT FACE THE STREET. HOWEVER, BY PROVIDING A PEDESTRIAN WALKWAY UP ONE SIDE OF THE SITE, EACH UNIT CAN BE ACCESSED BY PRIVATE FLOOR ENTRANCES.



# Small Lot Subdivision Guide

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Size and Shape of Lots





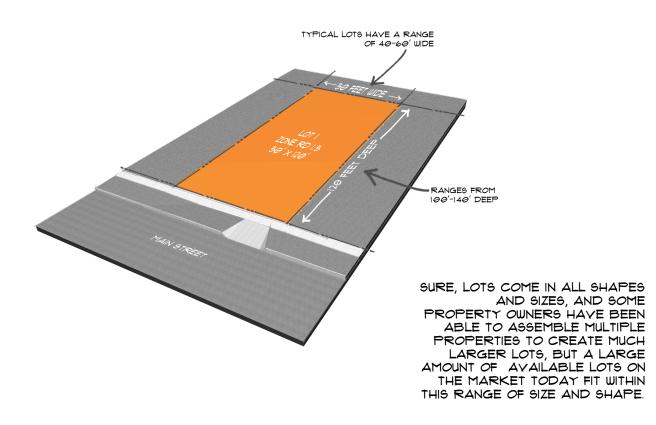
The size and shape of your lot can be the most important factor of meeting the criteria of a successful small lot subdivision project. While the proper zone and lot configuration is important, your property still needs to be wide enough and long enough to adequately park the required 2 covered parking spots per unit that is required by the ordinance. Oh, and let's not forget that after the off-site parking problem is solved, you still must have enough usable land leftover for the number of units you intend to build. While designers love to preach about how creative and great the design of their buildings are going to be, without a successful and creative parking solution, there is no building... at least not in the City of Los Angeles.

Again, there are some very creative solutions possible to fit a small lot subdivision on just about any lot size and shape. In fact, we have even seen the successful use of car lifts to minimize the amount of ground space required to meet the parking requirement and desired unit count. If you have an odd-sized or shaped lot and want to see if a small lot subdivision layout is possible, we would be happy to provide a solution. However, the reality is the vast majority of available lots with the potential to utilize the small lot ordinance in Los Angeles are a particular, and common, shape.

Guess what shape



If you guessed the shape on the far right you are correct. Most multi-residential lots in Los Angeles tend to be rectilinear in shape. Interestingly enough, if you look at lots within most of the RD zones (outside of the hills), they tend to be fairly flat and of a certain size (or at least within a certain range):





Here are three examples of lots located within different communities of Los Angeles. Each lot is zoned to utilize the small lot ordinance. Each lot profiled fits within a "typical" size and shape lot common throughout many areas of Los Angeles.

@ 132

## EXAMPLE LOT I:

#### COMMUNITY: SOUTH ROBERTSON/ HELMS (CULVER CITY ADJACENT)



#### LOT DIMENSIONS: 45' × 120' LOT SIZE: 5402.2 SQ. FT. ZONE: RD2-1 (1-UNIT PER 2000 SQ.FT.)

## SMALL LOT POTENTIAL: 2 UNITS

THIS LOT HAS GOOD POTENTIAL FOR TWO INNOVATIVE SINGLE FAMILY RESIDENCES. SINCE THE LOT IS ZONED RD2 IT IS LIMITED TO TWO UNITS BASED ON THE LOT SIZE. THE LOT HOWEVER IS PERFECT FOR A UNIT THAT FRONTS THE STREET AND A REAR UNIT WITH POTENTIAL FOR A SIZABLE YARD THIS LOT IS LOCATED WITHIN WALKING DISTANCE TO HELMS BAKERY, THE CULVER CITY ARTS DISTRICT AND THE NEW EXPO-LINE. ALTHOUGH AN INFILL LOT, THE LOTS IDEAL LENGTH MAKES IT FAIRLY SIMPLE TO PROVIDE THE APPROPRIATE VEHICULAR AND PEDESTRIAN ACCESS.

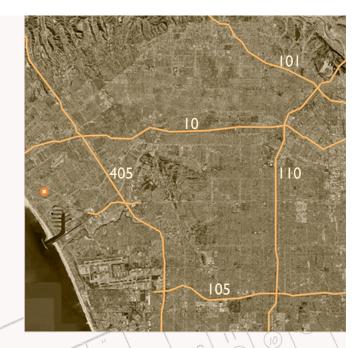


E: info@modative.com



EXAMPLE LOT 2:

COMMUNITY: VENICE BEACH



1A

16

(42)

LOT DIMENSIONS: 40' × 130' LOT SIZE: 5195.5 SQ. FT. ZONE: RD1.5-1 (1-UNIT PER 1500 SQ. FT.)

SMALL LOT POTENTIAL: 2-3 UNITS

0

GIVEN THE HIGH-PRICED MARKET WITHIN THIS AREA, THE LOT IS PERFECT FOR TWO UNITS (ALTHOUGH IT IS ZONED TO ALLOW UP TO THREE). THE REAR ALLEY ALLOWS FOR TWO POINTS OF ACCESS MAKING IT IDEAL FOR A NEW FRONT AND REAR UNIT.



37

38

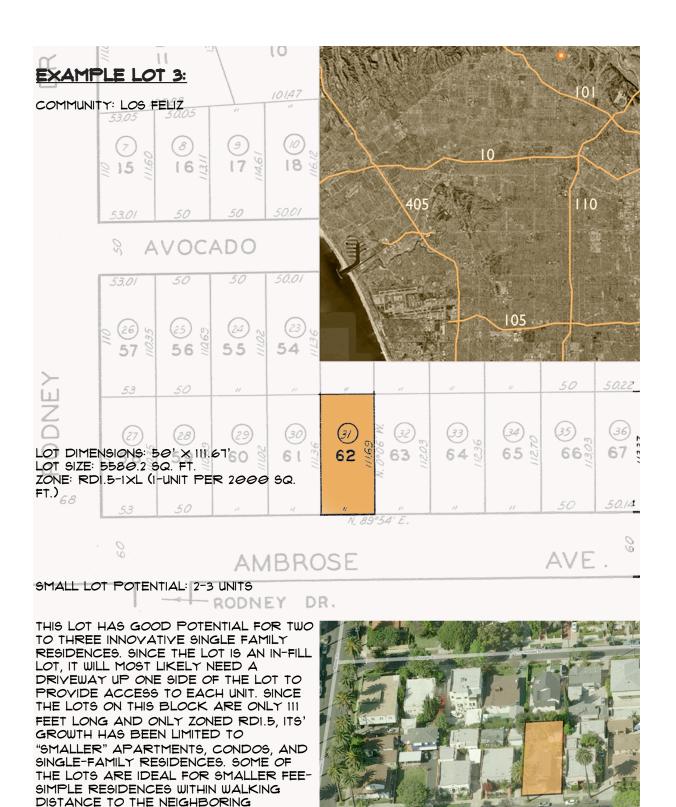
39

34

35



RESTAURANTS AND COFFEE SHOPS .



# Small Lot Subdivision Guide

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Lot Size and Vehicular/ Pedestrian Circulation





## Lot Size and Parking

While the size (total area) and the zone of your lot determine the allowable density, or number of units, you can place on the lot, the ability to provide the required number of parking spots per dwelling unit is often the driving factor in any multi-unit residential project. In a small lot subdivision project, you are required to park two parking spots per dwelling unit. One stall must be a "standard" parking stall while the other can be a "compact" parking stall. The two parking spots must be covered but do not necessarily need to be in a private and enclosed garage. You can also provide tandem parking instead of side-by-side parking.

Let's say the size and zone of your lot allow you to build up to 4 units. Per the small lot ordinance, this means you will be required to provide eight parking spots total (No guest parking is required). The size and shape of your lot may give you the right to develop 4 units, however, this does not always guarantee that the size and shape of the lot will allow for the number of required spaces to fit on the lot. It is important to factor in the required back-up space required, the minimum drive-way width required, and a number of other requirements or amenities that may eat into the available and useable ground floor area.

#### EXAMPLE- 20' WIDE LOT:

LOT SIZE: 6000 SQ. FT ZONE: RD 1.5 (1-UNIT PER 1500 SQ. FT.) ALLOWABLE DENSITY: 4- UNITS PARKING REQUIRED: 8 TOTAL

300'-0"

JUST BECAUSE THE SQUARE FOOTAGE OF THE LOT AND THE ZONE MAY ALLOW FOR 4 UNITS DOESN'T ALWAYS GUARANTEE THAT AN ADEQUATE PARKING SOLUTION EXISTS TO FIT THE REQUIRED NUMBER OF SPACES TO ACCOMPLISH THE DESIRED UNIT COUNT.

IN THE CASE OF THE 300' × 20' INFILL LOT DIAGRAMED ABOVE, IT IS IMPOSSIBLE TO PARK THE REQUIRED & PARKING SPOTS BECAUSE THE LOT IS NOT WIDE ENOUGH TO ALLOW FOR A LEGAL PARKING PLAN.

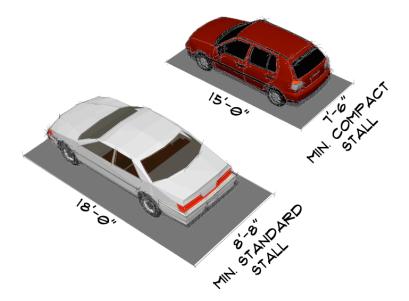


Aside from being able to fit the required number of parking spots per unit, it is equally important to provide adequate circulation onto the property and into each units parking spot. Not only is it important to provide the required parking stall sizes for a compact and standard parking stall, but it is also necessary to provide the required access widths to allow access in and out of each spot as well.

While there are many ways to design an adequate parking layout for almost any lot, there are certain factors regarding a lots' width and depth that affect the number of possibilities available to provide the required number of parking spots to meet the desired or allowable unit count.

## Stall Widths and Depths serving Dwelling Units

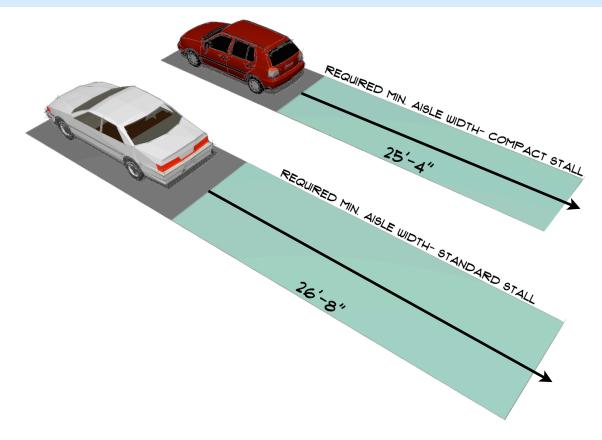
Compo	ict Stalls	Standa	rd Stalls
Stall Width	Stall Depth	Stall Width	Stall Depth
7'-6" min.	15'-0" min.	8'-8" min.	18'-0" min.



Compact Stalls		Standard Stalls	
Stall Width	Aisle Width	Stall Width	Aisle Width
7'-6" min.	25'-4"	8'-8" min.	26'-8"
7'-10"	24'-0"	9'-0"	25'-4''
8'-2"	22'-8"	9'-4''	24'-0"
8'-4"	22'-0"	9'-6"	23'-4"
8'-6"	21'-4"	9'-8"	22'-8"
8'-8"	20'-8"	9'-10"	22'-0"
8'-10"	20'-0''		

## Access Aisle Width for Compact and Standard Stalls

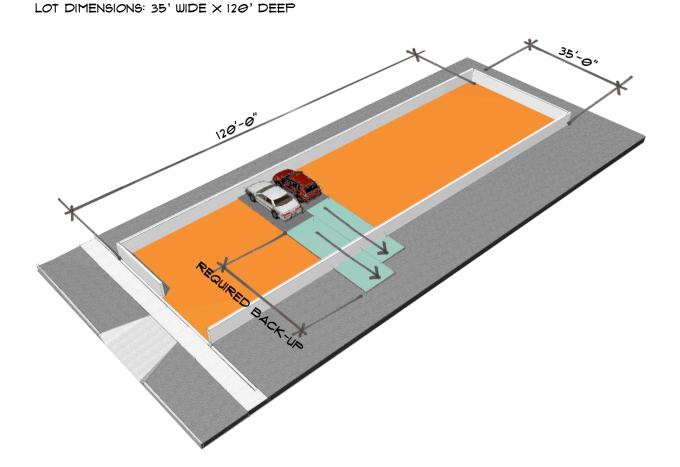
From LADBS information bulletin





Since there is a minimum aisle width, or "back-up," required, there is a critical dimension regarding lot width that can determine one's ability to efficiently park the desired number of units when subdividing a property. Let's look at an infill type lot to examine how lot width and length can affect the desired outcome for a potential project.

## 35' Wide Lot



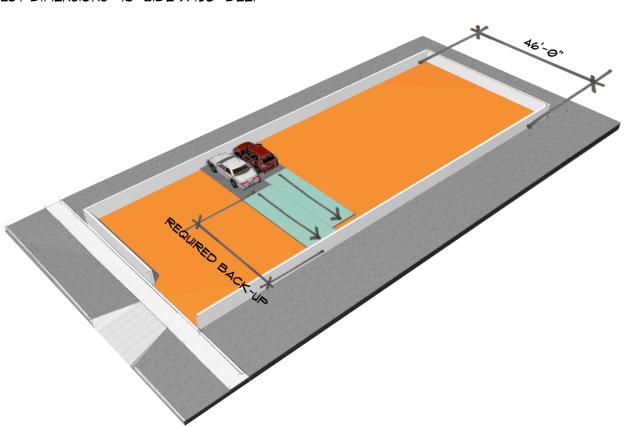
IN THIS EXAMPLE, IT IS OBVIOUS THAT MEETING THE REQUIRED TWO PARKING SPOTS PER UNIT (A STANDARD AND COMPACT STALL) WILL NOT WORK BY PROVIDING PARKING PARALLEL TO THE STREET. A 35 FOOT WIDE LOT CANNOT MEET THE CITY'S REQUIRED AISLE WIDTH.



#### 46' Wide Lot

A 46 FEET WIDE LOT CAN EASILY PROVIDE THE REQUIRED TWO PARKING SPOTS PER UNIT (AND REQUIRED PROPERTY WALLS) THIS LAYOUT ALLOWS FOR AN EFFICIENT PARKING LAYOUT PARALLEL TO THE STREET AND PERPENDICULAR TO A PLANNED DRIVE OR ACCESS WAY.

A 46' WIDTH HOWEVER, WILL NOT ALLOW FOR A SEPARATE PEDESTRIAN WALKWAY, FORCING VISITORS TO WALK DOWN A DRIVEWAY TO ACCESS EACH UNIT.

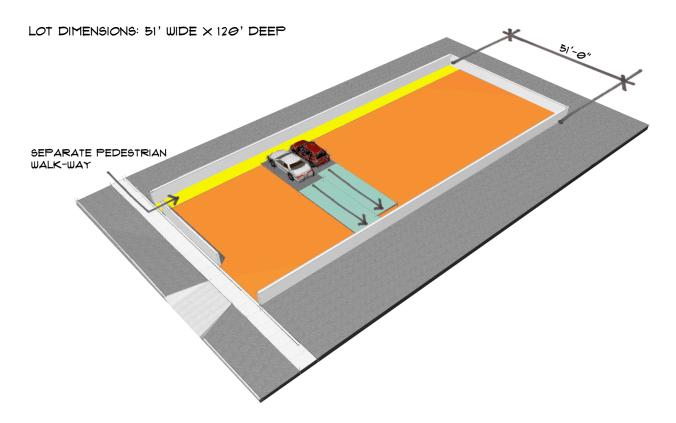


LOT DIMENSIONS: 46' WIDE × 120' DEEP



## 51' Wide Lot

A 51 FOOT WIDE LOT HOWEVER, WILL ALLOW FOR ADEQUATE PARKING OF ONE STANDARD AND ONE COMPACT PARKING SPOT (PER UNIT) AND STILL HAVE ENOUGH ROOM TO ALSO PROVIDE A SEPARATE PEDESTRIAN WALKWAY. THIS NICE AMENITY ALLOWS FOR VISITORS TO WALK DOWN A DEDICATED PATH TO ACCESS EACH UNITS FRONT DOOR, AVOIDING THE NEED TO SHARE ACCESS WITH CARS.



NOTE: IN THESE EXAMPLES, WE PROVIDE PARKING FOR A "STANDARD" AND A "COMPACT" SIZED STALL WITH THE MINIMUM REQUIRED STALL WIDTH. REMEMBER HOWEVER (PER THE PREVIOUS TABLE), THAT BY PROVIDING A SLIGHTLY WIDER STALL, WE CAN REDUCE THE REQUIRED BACK-UP NEEDED, ULTIMATELY REDUCING THE OVERALL REQUIRED LOT WIDTH ACCORDINGLY.

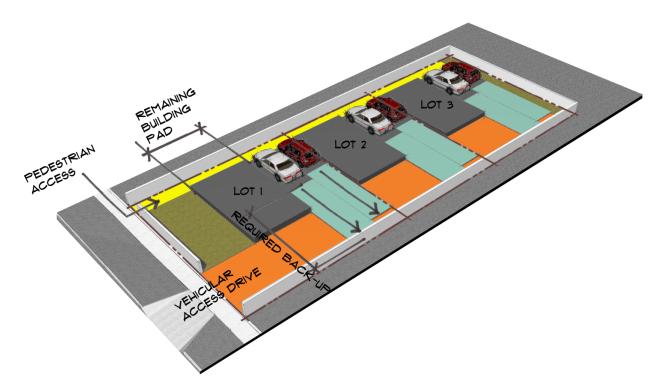


#### 51' Wide Lot Layout

SO, WE HAVE ESTABLISHED THAT A 51 FOOT WIDE LOT IS ADEQUATE ENOUGH TO PROVIDE AN EFFICIENT PARKING LAYOUT WHILE ACCOMMODATING SEPARATE PEDESTRIAN ACCESS. NOW LET'S EXAMINE WHAT WE ARE LEFT WITH AFTER PROVIDING THE NECESSARY FRONT, REAR, AND SIDE YARD SETBACKS FOR OUR SITE. THE REMAINING LAND WILL START TO GIVE US AN IDEA OF WHAT OUR USABLE BUILDING FOOTPRINT WILL BE AND ALSO DICTATE WHERE OUR NEW PROPERTY LINES WILL BE IN THE NEW SUBDIVISION ON OUR INFILL LOT.

#### EXAMPLE- 51' WIDE LOT:

LOT SIZE: 6000 SQ. FT LOT DIMENSION: 51' WIDE X 120' DEEP ZONE: RD 2 (1-UNIT PER 2000 SQ. FT.) ALLOWABLE DENSITY: 3- UNITS PARKING REQUIRED: 6 TOTAL (2 PER UNIT)





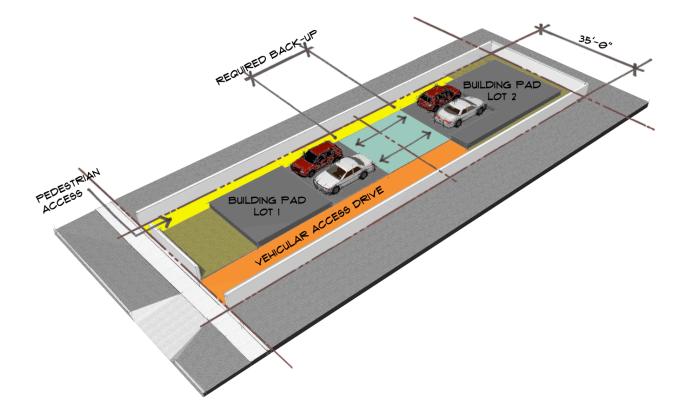
#### Narrow Lots

SO WHAT IF YOU DO NOT HAVE OR CANNOT FIND A LOT THAT IS 50 FEET WIDE, OR SAY 46 FEET WIDE, OR EVEN 41 FEET WIDE? DON'T FEAR, ALL IS NOT LOST. FOR INSTANCE, IF YOU HAVE OR FIND A LOT THAT IS LESS THAN 41 FEET IN WIDTH, THERE IS USUALLY A WORKABLE SOLUTION, IT JUST MAY NOT BE THE MOST EFFICIENT.

ALSO, A LOT THAT IS LESS THAN 41 FEET WIDE CAN BE A GREAT LOT FOR A TWO-UNIT SMALL LOT SUBDIVISION. IT JUST NEEDS TO BE PARKED WITH A DIFFERENT ARRANGEMENT AS SHOWN BELOW.

#### EXAMPLE- 35' WIDE LOT:

LOT SIZE: 4200 SQ. FT LOT DIMENSION: 35' WIDE X 120' DEEP ZONE: RD 2 (1-UNIT PER 2000 SQ. FT.) ALLOWABLE DENSITY: 2- UNITS PARKING REQUIRED: 4 TOTAL (2 PER UNIT)

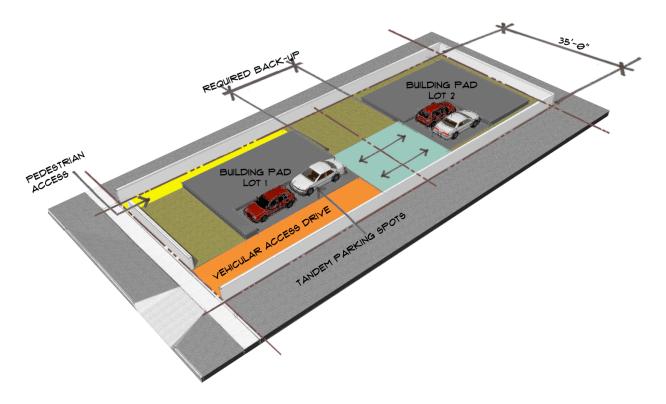




#### Narrow Lots

FOR CERTAIN LOTS, PROVIDING TANDEM PARKING (WHICH IS ALLOWED PER CODE) MAY BE THE RIGHT SOLUTION. OFTEN, IT ALLOWS FOR A MUCH MORE EFFICIENT AND LARGER BUILDING FOOTPRINT AND CAN EVEN HELP CREATE MORE USABLE OUTDOOR SPACE ON THE GROUND FLOOR.

EXAMPLE- 35' WIDE LOT: LOT SIZE: 4200 SQ. FT LOT DIMENSION: 35' WIDE X 120' DEEP ZONE: RD 2 (1-UNIT PER 2000 SQ. FT.) ALLOWABLE DENSITY: 2- UNITS PARKING REQUIRED: 4 TOTAL (2 PER UNIT)



# Small Lot Subdivision Guide

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A Three-unit Small Lot Subdivision Case Study





#### **PROJECT START**

In the Spring of 2009 Modative started a new three-unit Small Lot Subdivision adjacent to La Cienega Boulevard and the vibrant Arts District that spreads across the Los Angeles and Culver City boundaries.

Modative was approached by two Developer-partners to examine the viability of designing a multiple-unit project on a 50' by 120' infill lot. The goal was to provide a fresh and realistic homeownership opportunity to buyers interested in a more affordable and sustainable alternative to other housing options currently available in the area.



Art Galleries along La Cienega Boulevard

#### THE PERFECT LOT

After carefully studying the lot's dimensions, the criteria established by the client, the project feasibility, and the property location, it was determined that the site was a prime candidate to take advantage of the many positive aspects offered by the Small Lot Subdivision Ordinance.



The Property

It was determined very early on that the lot size and shape would adequately allow for subdividing the existing lot into three smaller lots to fit three new single-family residences with an option to locate a fourth studio, or granny-flat unit, on the new rear lot.

#### **OPPORTUNITY IN A DOWN MARKET**

After the recent economic downturn and bursting of the housing bubble in Southern California, our clients were able to find this very interesting and underutilized lot that had gone into foreclosure. The property consisted of a single-family residence so dilapidated that it was no longer fit for occupation. Price for the lot: **\$289,500**, or \$96,333 per proposed subdivided lot.



#### **PROPERTY LOCATION**

Located in the center of the Los Angeles Basin, the site is located in the upand-coming Arts District adjacent to Culver City. The property is located within walking distance to the new Exposition light rail transit line, the Helms Bakery shops and restaurants and downtown Culver City. The property is situated in a very central location only 6.2 miles to the coast, 7.7 miles to LAX, 9.9 miles to downtown Los Angeles, and only 4.5 miles to the Sunset Strip.



#### **PROPERTY INFO**

The property is located on an infill-lot with site access from one side only. A multiple-unit property is to the north and a singlefamily residences is located to the south of the property. A vacant, and unused, lot is located to the east, along the rear property line.

Lot Size: 6,001.33 Sq. Ft Lot Dimension: 50' X 120' Zone: RD1.5-1 Max Bldg. Height: 45'



Aerial Photo of the Site



#### **PROPOSED DEVELOPMENT**

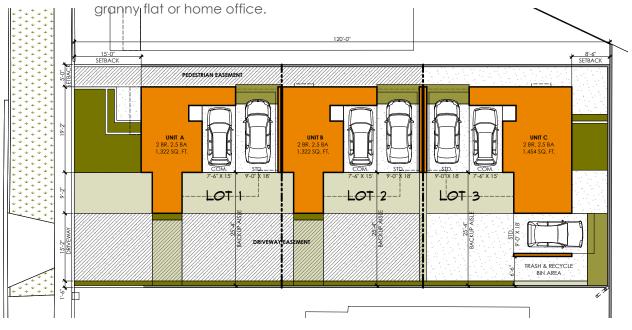
Three-Lot Single Family Residential Small Lot Subdivision, Pursuant to Ordinance No. 176,354, one unit per lot for Lots 1 and 2, and one unit plus a studio on Lot 3. The total built area = 4,126 square feet. The parking consists of six covered parking spaces plus one partially covered space, totaling seven parking spaces (2 per unit +1 extra for Lot 3)

#### The project incorporates the following green features:

- Solar Panels on a sloping roof designed for optimal solar exposure
- Rainwater retention
- Green roof (partial) to reduce run-off and heat island effect
- Drought-tolerant landscaping
- Compact building footprints to reduce energy costs
- Use of recycled and rapidly renewable materials
- Use of low- or no- VOC paints, adhesives and materials

#### The project program includes 3 single family residential units, each consisting of:

- Approximately 1320-1450 square feet
- 2 Bedrooms each with their own bathrooms
- The master bedroom has a walk-in closet and access to a roof garden
- The living and kitchen level has a powder room, laundry and access to a private outdoor deck
- Lot three has a dedicated studio space with a separate entrance that can be used as a



SITE PLAN





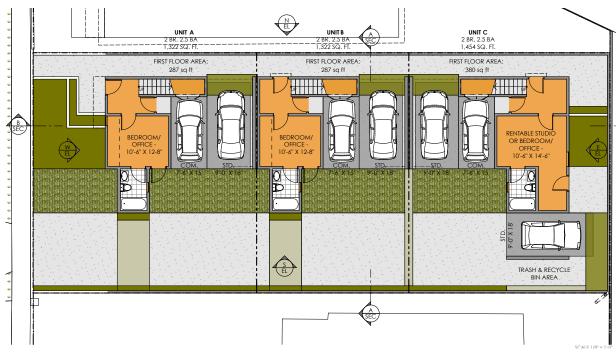
The front unit has direct pedestrian access that fronts the main street. The other two units gain access off of the pathway that parallels the north property line.

Each unit is positioned to maximize privacy. None of the units face one another or have direct lines of site between or into the other units.



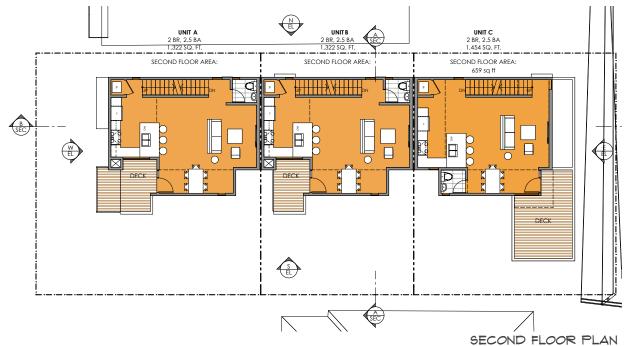
VIEW FROM STREET

Residences have sufficient and useable outdoor space off the front and rear yards, as well as from outdoor decks off of the living and master suite levels.



GROUND FLOOR PLAN





Although much smaller than your average three bedroom, two bathroom single-family residence found throughout many residential neighborhoods in Los Angeles, these small lot homes provide an affordable option as a "starter home" or for a buyer looking to downsize. Compared to an average 2 bedroom condominium floor plan, these units offer a comparable amount of living space but with many more advantages.

- Private parking with direct access into each residence, compared to underground and shared parking
- No residences above or below your unit and no common or shared walls
- Multiple private decks, compared to a small balcony or shared outdoor space
- Each unit has multiple opportunities to bring in natural light and ventilation without compromising privacy

These amenities, along with many many others, make utilizing the Small Lot Subdivision Ordinance a powerful tool to providing new and memorable housing solutions in a fragile and extremely competitive housing market.

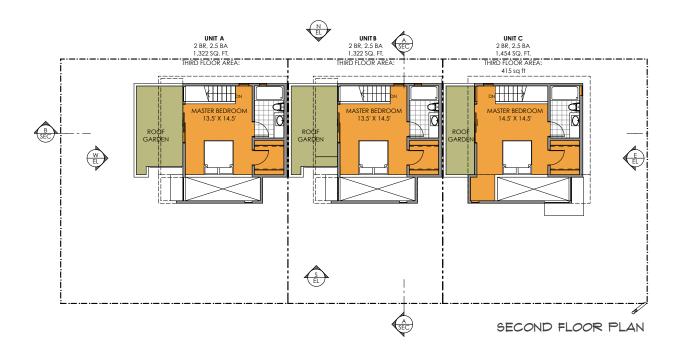


#### ELEVATION FROM ACCESS DRIVE



### A Three-unit Small Lot Subdivision Case Study

Slowly rising out of the economic downturn, this three lot subdivision works because it takes advantage of the current situation and desire of those still willing to purchase new homes or purchasing homes for the first time. Housing products by developers still in the game have changed and are now producing products that are smaller, denser, and with greater functionality. Housing that is close to jobs and retail and with in walking distance to amenities and public transportation is in. However, aside from the vision or goal to create a new and more memorable product, the numbers still have to work and the deal still needs to be a good one.



In the image to the right, greater functionality is achieved by providing an extra parking stall and additional rear entry door. It allows Lot Three to have a separate, rentable studio, or granny flat. This may help supplement the buyers' mortgage on the property.



BIRDS EYE VIEW FROM THE REAR

Los Angeles, CA







Soft Costs are costs associated with a building project exclusive of construction labor, material and the cost of land for the project (hard costs). Typical soft costs on a Small Lot Subdivision project can be broken down into three categories: Consultants, Miscellaneous fees, and City fees. Many of the consultants needed, the associated fees, and other soft costs vary for just about any building project. However, there are a few costs associated with a Small Lot Subdivision project that you may not encounter on most project types.

To give you an idea of some of the soft costs typically required to develop and entitle a small lot subdivision, here is a cost breakdown for a typical three-unit small lot subdivision with 2 bedroom, 2.5 bath units.

Soft Cost	Short Explanation	Do I need this?	Estimated Base Fee	Estimated Reimbursable Expenses	Estimated Additional Fees/ Notes
Consultants:					
Architect	The designer of the project. The architect will also coordinate the other consultants and assist the owner with contractor selection and coordination.	Yes	\$72,000	\$4,000	Hourly for agency coordination
Surveyor	A survey of the property will be required. Typically, this should also be your subdivision consultant.	Yes	\$3,600	\$200	
	A soils report is required as part of the parcel/ tract process. The building department also typically requires this report as the structural engineer will use it to determine the design of the foundation	Yes	\$6,000	\$500	
Other Geotechnical Consulting	If you are in a liquefaction or hillside site, some additional soil testing may be required.	Sometimes	\$1,500		



Soft Cost	Short Explanation	Do I need this?	Estimated Base Fee	Estimated Reimbursable Expenses	Estimated Additional Fees/ Notes
	This consultant will draw the tract or parcel map. They may also assist you in the tract/parcel map process.	Yes	\$20,000	\$1,000	
Structural Engineer	This engineer takes the architect's drawings as a base and designs the buildings' structure. They provide detailed drawings and calculations required by the building department.	Yes	\$12,000	\$1,500	
	A landscape plan by a registered professional is required as part of the tract/parcel map process.	Yes	\$6,000	\$500	
	A tree report by a certified tree expert is required as part of the tract/parcel map process.	Yes	\$900	\$200	
Electrical/Plumbing (MEP) Engineer - Site Work/	This consultant will design and prepare drawings as to how each lot/unit will connect to municipal utilities such as electricity, water, waste, etc.	Typically	\$7,000	\$1,000	
	Needed to prepare a grading/drainage plan for the entire site.	Typically	\$3,000	\$500	
Civil Engineer - Off- site improvements	Civil may also be required to prepare off- site improvement drawings for city approval. Example - B- Permits.	Sometimes			Can be around \$5000 if B-Permit work is req.
	Prepares an energy report for the project that must be submitted to the city. Required by state law.	Yes	\$600	\$0	
Methane Consultant	Required to prepare a report and possible mitigation if in a methane zone.	Sometimes			Price Varies



Soft Cost	Short Explanation	Do I need this?	Estimated Base Fee	Estimated Reimbursable Expenses	Estimated Additional Fees/ Notes
Environmental	Typically required by the bank, this consultant will prepare a report about any environmental hazards on the site or within any of the existing structures on the site.	Typically			Price Varies
	If the Phase 1 Environmental Report shows that structures on the site contain asbestos and/or LBP, a detailed report will be required.	Sometimes			Price Varies
Misc. Consultants		Sometimes			
Consultant SubTotal			\$132,600	\$9,400	
Contingency	It's a good idea to add a contingency for unforeseen consultant expenses.	10%	\$13,260	\$940	
Consultants Total	Total cost of consultants		\$145,860	\$10,340	

Soft Cost	Short Explanation	Do I need this?	Estimated Base Fee	Notes
Misc. Fees				
	If you have any existing units on the site, you may be required to pay relocation fees to evict the tenants so you can demo the exiting building(s) for the new project.	Maybe		Price varies depending on tenants age and status.
Other Misc. fees	Any other non-city related fees	Maybe		
Misc Fees Total			\$0	



Soft Cost	Short Explanation Do I need Es		Estimated	Notes		
		this?	Base Fee			
<u>City Fees:</u>						
	The process of getting the land subdivided. Planning runs this process but many departments get a say in your case. The process typically involves a public hearing.	Yes	\$8,000	Includes Engineering Fee		
Expediting	You can pay extra to have the city's expediting unit handle your case and get it through the process much faster.	Developer choice	\$10,000	Price Varies		
	You can file a separate case with planning to be able to start construction before the final map records.	Developer choice		Developer to verify		
Plan Check Fee	The building department fee to review your plans for permitting.	Yes		Developer to verify		
Expediting	Pay extra to have plan check processed faster.	Developer choice		Developer to verify		
Demo Permit	A permit to have the existing structures on the site demolished.	Typically		Developer to verify		
Building Permit	Once through plan check you can pay the permit fee and pull a permit to begin construction.	Yes		Developer to verify		
Water, Sewer, Electric Fees	Utility connection fees.	Yes		Developer to verify		
Misc Trade Permits	Permits for various construction trades: electrical, grading, etc.	Yes		Developer to verify		
Off Site Permits	Permits for any off-site improvements required by the city.	Sometimes		Developer to verify		
	Development fees based on the size of your project. These can be significant.	Yes		Developer to verify		
City Fees Sub Total			\$18,000			
	It's a good idea to add a contingency for unforeseen consultant expenses. You may change this percent in the next column.	10%	\$1,800			
City Fees Total	Total Minimum		\$19,800			
Min. Total Soft Costs	Consultants + Misc. + City Fees		\$176,000	Total does not include permit fees + add. city fees		

Los Angeles, CA

Project Feasibility





### **Project Feasibility:**

In the case of any small lot subdivision project, the driving factors regarding project feasibility are the cost of the land, constructions costs, and the units' sale price. These factors can vary greatly depending on project location. While financial models can be very complex and complicated, for the sake of conversation, let's look at the simplified financial analysis for a typical three-unit small lot subdivision project. This table below will give you an idea of how feasible a project can be... even in today's market:

	3-Lot Sm	all Lot Subdiv	vision			
RENTABLE AREA (RSF)	<b>Total</b> 4,100	Unit 1 1,300	Unit 2 1,300	Unit 3 1,500		
COST OF DEVELOPMENT					Per RSF	% of Total
Direct Costs						
Land Costs	340,000	107,805	107,805	124,390	82.93	21.0%
New Construction	922,500	292,500	292,500	337,500	225.00	56.9%
Total Direct Costs	1,262,500	400,305	400,305	461,890	307.93	77.9%
Soft Costs						
A&E A&O	143,360 0	45,456 0	45,456 0	52,449 0	34.97 0.00	8.8% 0.0%
Fees & Permits Indirect Expenses	87,052 37,301	27,602 11,827	27,602 11,827	31,848 13,647	21.23 9.10	5.4% 2.3%
Pre-Opening Finance Charges	5,400 20,164	1,712 6,394	1,712 6,394	1,976 7,377	1.32 4.92	0.3% 1.2%
Interest Expense Less Initial Rental Income	64,526 0	20,459 0	20,459 0	23,607 0	15.74 0.00	4.0% 0.0%
Total Soft Costs	357,802	113,450	113,450	130,903	87.27	22.1%
TOTAL DEVELOPMENT COSTS	1,620,302	513,754	513,754	592,794	395.20	100.0%
SALES & LEASING						
Unit Sale Price	2,050,000	650,000	650,000	750,000		
Sales Price/RSF Cost of Sale	\$500.00 (102,500)	\$500.00 (32,500)	\$500.00 (32,500)	\$500.00 (37,500)		
Net Proceeds	1,947,500	617,500	617,500	712,500		
Project Cost	(1,620,302)	(513,754)	(513,754)	(592,794)		
PROJECT PROFIT	327,198	103,746	103,746	119,706		
Profit to Cost	20.19%	20.19%	20.19%	20.19%		

Los Angeles, CA

**Project Schedule** 





### **Project Schedule:**

The Small Lot Subdivision outlined in the case study is scheduled to break ground in early spring of 2010. Construction is slated to be completed within 12 months. The process to entitle these projects can be difficult to navigate through the City of Los Angeles, but our experience with small lot projects allows us to expedite the process and meet our client's goals of achieving successful and innovative projects. Below is a table outlining the typical project schedule for a three-unit small lot subdivision project:

PROJECT SCHEDULE (Note: based on going through city expediting process)						
Entitlements						
Project Schedule	Months	Major Consultants Required Per Phase				
Pre Design Phase	0-1	Architect, Survey, Soils.				
Schematic Design Phase	1	Architect				
Design Development Phase 2-3		Architect, Structural Engineer, Landscape Architect, Subdivision Engineer, Arborist, MEP, Civil, General Contractor(If client selects Integrated Project Delivery method).				
Parcel Map Submittal	1	Architect, Subdivision Engineer				
Months to Public Hearing after Parcel Map Submittal	2-3	Architect, Subdivision Engineer				
Construction Documents Phase, Clearing of Conditions	2-3	Architect, Structural Engineer, Landscape Architect, Subdivision Engineer, MEP, Civil, General Contractor( If client selects Integrated Project Delivery method).				
Construction Procurement, Clearing Remaining Conditions, Obtain Building Permits	1	Architect, Subdivision Engineer, General Contractor				
Total:	10-12 Months					
Construction						
Project Construction and Contract Administration	10-12 Months	Architect, Structural Engineer, Landscape Architect, General Contractor				
Project Total from Design through Project Completion:	20-24 Months					

Los Angeles, CA



Small Lot Subdivisions by Modative





### Small Lot Subdivision Projects by Modative







**Fay Avenue Art District Dwellings** 7 Lot - Small Lot Subdivision

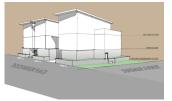
**Cullen Street Small Lot Subdivision** 3 Lot - Small Lot Subdivision

Venice Boulevard Urban Dwellings 6 Lot - Small Lot Subdivision

Lemp Avenue Development



4 Lot - Small Lot Subdivision (feasibility study)



**Dunsmuir Avenue Development** 3 or 4 Lot - Small Lot Subdivision (feasibility study)

For more information or a free consultation visit <u>www.modative.com</u> or contact modative at:



Los Angeles, CA P: 310.526.7826 E: info@modative.com W: <u>www.modative.com</u>