

# FACT SHEET

## Citywide Adaptive Reuse Ordinance


The City of Los Angeles has been a national leader in facilitating the reuse of existing buildings, sparking the revitalization of Downtown Los Angeles, Hollywood, and other historic neighborhoods. These successes have been made possible through the City's 1999 Adaptive Reuse Ordinance (ARO), which enabled the creation of more than 12,000 housing units in Downtown alone. This has led to economic regeneration, housing opportunities, and preserving and reinvigorating the City's architectural legacy.

A quarter-century later, with a different set of challenges now facing Los Angeles, including its housing emergency and post-pandemic economic recovery, Los Angeles City Planning is proposing an expansion and reimagining of the City's adaptive reuse policies for a new era – a Citywide Adaptive Reuse Ordinance. Proposed revisions to the Adaptive Reuse Ordinance will provide greater design flexibility and create new incentives for affordable housing.

Expanding the Adaptive Reuse Program is one of six key strategies of the [Citywide Housing Incentive Program](#). The Citywide Housing Incentive Program aims to address Los Angeles' significant housing needs, for the City to expand housing availability and meet its state Housing Element obligations. The initial draft of the Adaptive Reuse Ordinance was released in May 2023, as the first of the six strategies to be released for public input. Informational webinars were conducted in June of last year and small focus groups and interviews were subsequently held to help refine the Ordinance. The previously released draft can be found here: [Citywide ARO draft ordinance](#) and a summary table of proposed changes can be found on pages 6-9 of this Fact Sheet.

The proposed Adaptive Reuse Ordinance will expand the existing incentives to encourage converting underutilized buildings into new housing. Currently, only buildings constructed before July 1, 1974 are eligible. This updated ordinance establishes a faster approval process for the conversion of existing buildings and structures that are at least 15 years old to housing and expands adaptive reuse incentives citywide. Buildings between five and 15 years old or projects requesting additional relief from development standards may obtain approval from a Zoning Administrator through a Conditional Use Permit.

An economic feasibility study recently commissioned by Los Angeles City Planning has determined that imposing an inclusionary affordability requirement would render most adaptive



reuse conversions to residential uses economically infeasible. In light of these findings, development incentives have been added to better encourage the voluntary provision of affordable units within adaptive reuse projects.

## **What are the benefits of converting existing buildings to housing?**

Repurposing buildings is an effective way to create new housing opportunities while maintaining the existing sense of place. With shifting demands for office and retail space, there is an opportunity to reactivate vacant space and revitalize commercial corridors.

Encouraging the reuse of buildings is a sustainable practice to extend the life of buildings and retain much of the resources that went into their initial construction. Even with the most energy-efficient new construction, it can take up to 80 years to recover the energy that went into the demolition, production, manufacture, and transportation of new building materials.

## **In what ways is the conversion of existing buildings to housing units being encouraged?**

Existing building conditions, including the present height, floor area, any yards or setbacks, parking and loading spaces, and open space will be considered as meeting Zoning Code requirements. Any configuration of units and unit sizes, new floor levels within the existing building, and shared amenities for residents may be created. In addition, new one-story structures to provide fitness rooms, lounges, shade for roof terraces, or other similar features may be built on the roof and not be counted as new floor area if these are accessible to all residents or guests.

Instead of tying Adaptive Reuse eligibility to a fixed date – buildings built before July 1, 1974 – a rolling clock of 15 years after the original Certificate of Occupancy issuance is proposed to make a larger pool of buildings eligible for a faster, by-right approval process. Applications seeking reuse of younger buildings are subject to approval by a Zoning Administrator, as are those projects seeking additional relief from development standards or floor area averaging as part of a larger project site incorporating new construction.

The proposed changes support the preservation of historic resources by clarifying that buildings identified as Eligible Historic Resources may utilize the California Historic Building Code (Section 18955 of the California Health and Safety Code) which allows more code flexibility in the conversion of buildings that are included within HistoricPlacesLA, the City's inventory of historic resources, and sets forth procedures for their rehabilitation consistent with the Secretary of the Interior's Standards.

## How is an adaptive reuse project defined and what types of existing buildings will be eligible?

An adaptive reuse project is defined as any change of use to housing within an eligible building or structure. Eligible buildings are those that were constructed in accordance with building and zoning codes in effect at the time they were built and:

- At least 15 years have elapsed since the building was completed
- Any parking structure or parking area within an existing building may be converted if at least five years have elapsed since the building was completed
- At least five years have elapsed since the building was completed and the project is approved by a Zoning Administrator

## How is the current Adaptive Reuse Ordinance being reorganized?

The Citywide Adaptive Reuse ordinance aims to simplify the current code requirements and remove barriers to project approval, so that as many existing buildings as possible may be repurposed for housing.

- A new Procedures paragraph has been added to each code section to spell out the approval process more clearly and to align with the Processes and Procedures ordinance
- Minimum unit size requirements in the existing ARO have been removed, to be consistent with the *DTLA 2040* Plan and the new Zoning Code.
- The existing ARO “exceptions” for existing floor area, height and yards have been renamed as “incentives.”
- Numerous clarifications have been made to the text, both to reduce the need for interpretation by building officials and to support greater design flexibility.
- Duplication of language within and between both sections has been reduced, to reduce both the length and complexity of the text.
- Zoning Administrator findings have been simplified to focus on consistency with the General Plan.

## Will there be affordability requirements for adaptive reuse projects?

The Affordable Housing Linkage Fee ordinance applies to new construction as well as the conversion of existing buildings to residential uses. The Linkage Fee ordinance allows for the substitution of set-aside, deed-restricted housing units with an in-lieu fee.

## Which Updates Have Been Made to the Draft Adaptive Reuse Ordinance since May 2023?


Based on public feedback on the initial draft ordinance, Los Angeles City Planning has made several revisions to the proposed ordinance in advance of its consideration by City decisionmakers during 2024. New incentives have been made available for projects that provide on-site affordable housing. Such projects will have the option of utilizing Unified Adaptive Reuse provisions, allowing for infill development in conjunction with adaptive reuse of nearby existing buildings. The infill, or new construction, portion of the project will be eligible for unlimited density, within the floor area limitations of the underlying zoning, in exchange for providing a set percentage of affordable housing units. Alternatively, adaptive reuse projects providing affordable housing units on-site will be eligible for a vertical addition of up to two additional stories above the existing building height. Any new construction will be required to meet the applicable Zoning Code requirements.

In the current draft, zoning provisions have been introduced to promote greater design flexibility while at the same time creating design standards for adaptive reuse projects that support walkability and healthy building design. Often adaptive reuse projects require the removal of internal building volumes to create livable residential spaces. A new incentive allows for conversions that remove internal space for the purpose of creating courtyards or light wells to be replaced with an equivalent square footage that may be added within vacant areas of the project site or on an adjacent property.

Design standards have been added, including to require new street trees as part of adaptive reuse to enhance the existing neighborhood. And in an effort to retain the character of existing buildings with active ground floor uses, the new ordinance limits the conversion of ground floor spaces into uses such as live/work units, fitness rooms or co-working space, in order to maintain an active engagement with the street. The ordinance also requires that existing ground floor window transparency be retained or expanded, and not reduced.

Provisions regarding the review of surveyed and/or designated historic resources have been restated and strengthened to ensure that the Office of Historic Resources reviews individual adaptive reuse projects involving eligible or designated historic resources for conformance with The Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring & Reconstructing Historic Buildings.

In order to bring all of the City's adaptive reuse regulations into alignment, the ordinance will supersede the Adaptive Reuse Incentive Areas Specific Plan (adopted in 2003) which covers the Hollywood, Wilshire Center/Koreatown, Chinatown/Lincoln Heights and portions of Central



Avenue in South and Southeast Los Angeles. The revision would apply the same Citywide regulations proposed and retain special provisions within the boundaries of the Specific Plan that allow conversions of commercial properties to both hotel rooms and residential units, and conversion to residential uses in manufacturing zones. Concurrently, the new Zoning Code's amended Citywide Adaptive Reuse Ordinance (Chapter 1A, Article 9) will be released, with its provisions aligned with those of this citywide ordinance.

## **What is the application process for adaptive reuse projects?**

In the proposed ordinance, there are two paths to project approval dependent upon the age of the structure and incentives requested. The Department of Building and Safety will review and approve adaptive reuse projects involving buildings that are at least 15 years old, or parking structures or parking areas within an existing building that are at least five years old. The only exception to this by-right process is for adaptive reuse projects qualifying for affordable housing incentives and project sites with an historic resource included in *HistoricPlacesLA*, which will require review by LA City Planning's Office of Historic Resources. Adaptive reuse of buildings between five and 15 years old may be approved by a Zoning Administrator, as will projects seeking incentives not listed in the ordinance.

## **What are the next steps in the adoption process?**

Los Angeles City Planning will hold a Public Hearing to receive public input on the current Citywide Adaptive Reuse Draft Ordinances. The public hearing will be another opportunity for the public to offer feedback and testimony on the proposed ordinance, which City Planning will again evaluate and use to make further revisions to the ordinance, if necessary. The ordinance is anticipated to be heard at the City Planning Commission (CPC) in late spring or early summer for its recommendation to the City Council. The Ordinance will then proceed to the Planning and Land Use Management (PLUM) Committee of the City Council, and, finally, the full City Council for adoption.

## **Who can I contact for additional information?**

Please submit questions and comments on the proposed Adaptive Reuse Ordinance to [housingelement@lacity.org](mailto:housingelement@lacity.org). Additional information is available on City Planning's [Housing Element Rezoning Program website](#). Join the email list by using the form under [Sign Up for Email Updates](#) to receive updates about this effort and upcoming opportunities to provide feedback.

## Existing and New Citywide Adaptive Reuse Ordinance (ARO) Comparison

Procedures	Current ARO	Proposed ARO*
Eligible Buildings	<ul style="list-style-type: none"> <li>- Buildings built in 1974 or earlier</li> <li>- Buildings at least 5 years old with ZA approval</li> </ul>	<ul style="list-style-type: none"> <li>- Buildings at least 15 years old and parking structures and areas at least 5 years old: most eligible for a faster, by-right approval process</li> <li>- Eligible historic resources afforded protection through Administrative Review, conducted by Office of Historic Resources</li> <li>- Buildings at least 5 years old with Conditional Use approval</li> </ul>
Geographic Area	- Downtown LA (1999) and Adaptive Reuse Incentive Areas (2002)	- All areas outside of Downtown and new Community Plan areas subject to new Zoning Code (Chapter 1A) as they are adopted
Relationship to specific plans, supplemental use districts, [Q] and [D] conditions	- Adaptive reuse projects not subject to those overlays or regulations adopted prior to the effective date of the ordinance	<ul style="list-style-type: none"> <li>- Adaptive reuse projects not to be considered a Project, under any Zoning regulation, so therefore not subject to CEQA</li> <li>- Clarifications added that only provisions for designated historic resources or sign districts shall prevail over those of the ARO</li> </ul>
Project Review	- Exempt from Site Plan Review, Section 16.05	- Retained, updated to new nomenclature <i>Project Review</i> (LAMC Section 13.B.2.4 of Chapter 1A)
Mini-Shopping Center and Commercial Corner	- Exempt from Subdivision 12.22 A.23 regulations	- Retained
Affordable Housing Linkage Fee	- Adaptive Reuse conversions subject to Affordable Housing Linkage Fee ordinance	- Retained
* Adaptive Reuse Incentive Areas Specific Plan update and Article 9 of new Zoning Code (LAMC Chapter 1A) proposed to offer same incentives		

Incentives	Current ARO	Proposed ARO
Rooftop Amenity Areas	- Not addressed; all additions counted as new floor area	- One new story allowed and not counted as new floor area, as long as used for amenities accessible to all residents
Intermediate Levels	- Allowed and not counted as new floor area, as long as compliant with Mezzanine limitations	- In lieu of Mezzanines, intermediate levels are allowed and not counted as new floor area, if entirely within the building envelope and 8 feet minimum clear height between levels.
Density	- New residential uses not subject to minimum lot area per unit requirements of their zone	- Retained
Minimum Unit Sizes	- Required 450 sq. ft. minimum, with all units to average 750 sq. ft.	- Adaptive reuse projects exempt from any Zoning requirements for minimum unit size - Must meet minimum Building Code standards
Off-Street Automobile Parking	- Required parking spaces to be the number that existed on site, and maintained and not reduced	- Requirement for parking spaces unchanged but clarified, allows some reconfiguration of spaces without penalty - Reduction in number of spaces allowed if new residential use requires fewer spaces, or under AB2097
Floor Area	- Existing floor area allowed to be maintained	- Retained
Floor Area Reallocation	- Not addressed	- Adaptive reuse projects that remove internal spaces to create courtyards or light wells may add equivalent area on the site or adjacent lot
Height	- Existing height allowed to be maintained	- Unchanged, except new incentive for projects that include on-site affordable housing may add up to two stories that exceed the Zone's allowable height
Yards	- Existing yards allowed to be maintained	- Retained

Step-Backs and Transitional Height	- Not addressed	- Adaptive reuse projects not required to comply with any upper story or building mass provisions
Open Space and Landscaping	- Not addressed	- New open space and landscaping not required - Design standards added: 1) 50% of any existing outdoor open space areas must be retained 2) Public right-of-way street trees must be provided and any existing street tree canopy and landscaped parkways to be preserved
Loading Space	- New loading space not required; 12.21 C.6(h) compliance required for any existing spaces	- Existing loading space(s) allowed to maintain current dimensions, and exempt from standards in LAMC Section 12.21 C.6(h)
Ground Floor Commercial Uses	- Not addressed	Existing ground floor commercial uses may be converted to Residential Use. Design standards added: 1) The first 15 feet of depth is limited to active uses such as Live/Work Units or common residential amenity spaces such as fitness rooms, lounges, lobbies or co-working space, to maintain active uses at the ground floor. 2) The new ground floor use shall maintain or may increase transparency, and shall not reduce the existing condition of exterior glazing on a ground floor fronting a public street,





<b>Additional Incentives for Affordable Housing Units</b>		
Adaptive Reuse Projects Providing On-Site Affordable Housing	- Not addressed	<ul style="list-style-type: none"><li>- As part of Unified Adaptive Reuse Projects, new construction may utilize unlimited density as an incentive</li><li>- Two additional stories, not considered as new floor area or height, up to maximum height allowed by Zone or Height District may be added on top of existing buildings</li></ul>