



LOS ANGELES
CITY PLANNING

Site Plan Review Ordinance Amendment for Affordable Housing

CITYWIDE PROPOSED CODE AMENDMENT
Virtual Presentation and Staff Public Hearing
CPC-2023-1083-CA

LOS ANGELES
CITY PLANNING

March 14, 2023

Staff Presentation and Public Hearing

Tuesday, March 14, 2023 at 6:00 pm

- The Staff Public Hearing can be joined by dialing + 1 213 338 8477 US and entering **meeting ID # 818 1785 1217** followed by #.
- Participants will be asked to enter a participant ID. **No ID is needed, they should press # to continue.** Participants will then be joined into the meeting.
- **To request to speak during the public comment period, participants may raise their hand on Zoom or press *9 on telephone.**

Note: No decision will be made today. The comments received today, and during the comment period, will be incorporated into the staff report to the City Planning Commission.

Today's Agenda

Staff Presentation | 6:00 pm to 6:20 pm

- Background
- Overview of Proposed Ordinance
- Next Steps

Public Hearing | 6:20 pm to 7:30 pm

To request to speak during the public hearing, press *9 to be placed in the queue

Staff Presentation

Amendment to Site Plan Review (SPR)
Ordinance for Affordable Housing

What is Site Plan Review?

Site Plan Review (SPR) is a planning process that requires discretionary actions for certain types of developments pursuant to Section 16.05 of the Los Angeles Municipal Code (LAMC).

- **Threshold:** For multi-family housing development, Site Plan Review is required for projects that create a net increase of 50 units or more on a site (prior to any density bonus).
- **Process:** Site Plan Review determinations require the decision-maker to make various findings, trigger environmental review under the California Environmental Quality Act (CEQA), can result in an optional public hearing, and contain an appeal period. If a Site Plan Review project is appealed, it requires a public hearing.

Council Direction

On June 6, 2022, City Council adopted a motion (Council File No. 22-0268) instructing City Planning to prepare and present an ordinance to exempt deed-restricted affordable units in the site plan review threshold calculations.

This amendment is being proposed in response to that direction from City Council.



Mayor Bass' ED 1

The proposed amendment also supports the goals of Mayor Bass' Executive Directive (ED) 1.

- Mayor Bass issued ED 1 on December 16, 2022 to accelerate and lower the cost of building affordable housing and temporary housing
- ED 1 deemed all applications for 100% affordable housing projects exempt from discretionary review processes, including Site Plan Review
- The proposed code amendment would support and make permanent an important component of ED 1



Why is this Amendment Needed?

- LA experiencing severe housing crisis, driven by a **lack of available affordable homes**
- Shortage is caused both by external factors and factors within the City's control, such as:
 - Lengthy approval process that increases costs
 - Local processes that create risk and uncertainty
- The Housing Element identifies the Site Plan Review process as a constraint to the production of affordable housing



Impacts of SPR on Affordable Housing

- Discretionary review introduces **risks, costs, and uncertainty** for projects with affordable housing
- City has seen many examples where project size has been reduced to avoid SPR, thereby **reducing the overall number of affordable housing** units produced and resulting in **inefficient use of public funds**
- Process can significantly expand project review timelines for projects that otherwise conform to zoning, causing delays averaging **165 days** to process the entitlement, and **often longer** due to appeals and litigation risk

Overview of Proposed Amendment

Proposed Site Plan Review Amendment for Affordable Housing

DRAFT ORDINANCE

CPC-2023-1083-CA

March 2, 2023

ORDINANCE NO. _____

An ordinance amending Sections 16.05, of Chapter 1 of the Los Angeles Municipal Code for the purpose of facilitating affordable housing.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. Subparagraph (b) of Subdivision 1 of Subsection C of Section 16.05 of the Los Angeles Municipal Code is amended to read as follows:

C. Requirements.

(b) Any development project which creates, or results in an increase of, 50 or more dwelling units or guest rooms, or combination thereof. For the purpose of this dwelling unit or guest room count, any Restricted Affordable Unit as defined in LAMC 12.22 A.25(b) and for which the rents or housing costs to the occupying residents do not exceed 30 percent of the maximum gross income of each income category, shall not be counted towards this threshold.

Section 2. Subdivision 8 of Subsection D of Section 16.05 of the Los Angeles Municipal Code is deleted as follows:

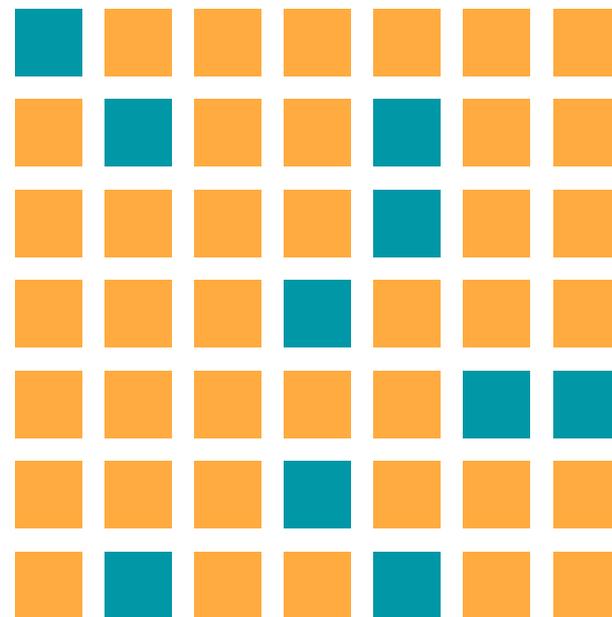
D. Exemptions.

~~— 8. — A Qualified Permanent Supportive Housing Project as defined in Section 14.00 A.11.(a)(1) of this Code and containing no more than 120 units, or no more than 200 units if it is located either in the Greater Downtown Housing Incentive Area or on a lot with a general plan land use designation of Regional Center Commercial, Regional Commercial, or Regional Mixed Commercial. (Added by Ord. No. 185,492, Eff. 5/28/18.)~~

Exception for Affordable Units

A new exception is added to the residential threshold for Site Plan Review, to exclude **Restricted Affordable Units** from the calculation of the 50-unit project threshold

- Impacts 100% affordable development projects
- Excludes affordable units in mixed-income developments from overall threshold count



Definition of Restricted Affordable Units

A Restricted Affordable Unit is:

- A housing unit that is deed restricted by an affordability covenant so it is affordable to and occupied by Very Low, Low, or Moderate Income households
- Affordable means rental or housing costs do not exceed 30% of the maximum gross income of each income category

Addressing New Redundancy

The existing SPR exemption for **Qualified Permanent Supportive Housing Projects** (LAMC Section 16.05 D.8) is proposed to be deleted, as it is no longer necessary in light of the new, broader exception for Restricted Affordable Units

- ➔ Qualified Permanent Supportive Housing projects are 100% comprised of Restricted Affordable Units

Relationship to Processes + Procedures

- Processes and Procedures Ordinance is the initial part of a larger effort to comprehensively revise the City's Zoning Code. It was adopted in December 2022 and will take effect in July 2023.
- The Proposed SPR Amendment does not amend the process for SPR, which is now called "Project Review" under the new Processes and Procedures Ordinance
- The staff recommendation report will include references to the new Zoning Code (Chapter 1A) and further clarify how this amendment to Site Plan Review will be addressed in Chapter 1A as well as LAMC 16.05.

Next Steps



Staff Public Hearing

- Staff Public Hearing to begin at **6:20 p.m.**
- Presents opportunity for members of the public to provide verbal testimony and comments regarding the proposed ordinance
- As a reminder, no decision will be made at today's hearing

Providing Written Comments

Comments on the proposed amendments may alternatively be submitted by email or hardcopy through **April 3, 2023** at 5 pm.

To submit questions, comments, or to be placed on the interested parties list, contact City Planning staff at:

Jeanalee Oberfell, Department of City Planning
200 North Spring Street, Room 750
Los Angeles, CA 90012
jeanalee.oberfell@lacity.org

Please include case number CPC-2023-1083-CA in any submitted correspondence.

Next Steps

City Planning Commission Meeting:

April 27, 2023

- The staff report will be available at least 72 hours before the meeting date here: <https://planning.lacity.org/about/commissions-boards-hearings>
- Send written comments to jeanalee.obergfell@lacity.org by April 3, 2023
- After that date, written comments should be submitted to cpc@lacity.org



Thank you

Additional information could be found on the City Planning website:
<https://planning.lacity.org/zoning/code-amendments>

Staff Contact

Jeanalee Obergfell
(213) 978-0092
jeanalee.obergfell@lacity.org

Staff Public Hearing

Amendment to Site Plan Review (SPR) Ordinance for
Affordable Housing

**To request to speak, raise hand or press *9 to
be placed in the queue for public comment**

Staff Public Hearing

To request to speak, raise your hand on zoom or press *9 to take place in the queue for public comment

- When calling on speakers, staff will identify them by the last four digits of their phone number or name, if available. Each speaker will be unmuted when called upon.
- Please remember to state your name for the record before you begin your oral testimony
- Written comments may be submitted to jeanalee.obergfell@lacity.org by April 3, 2023. After that date, comments should be submitted to the City Planning Commission for consideration at cpc@lacity.org
- Reminder: No decision will be made today. The comments received today, and during the comment period, will be incorporated into the staff report to the City Planning Commission.