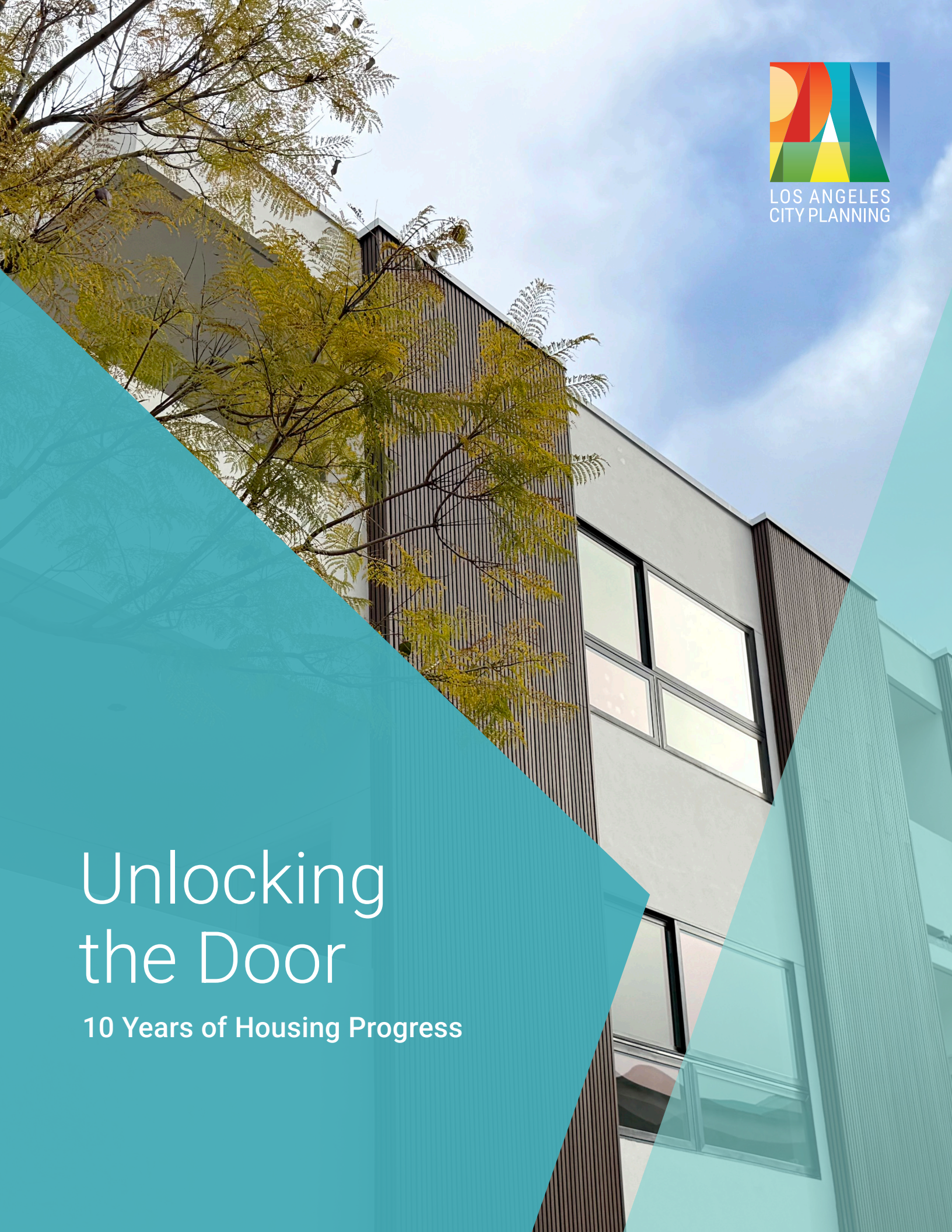


LOS ANGELES
CITY PLANNING

Unlocking the Door

10 Years of Housing Progress



TABLE OF CONTENTS

4 Why are We in a Housing Crisis?

10 Los Angeles' Key Housing Players

14 What Lies Beneath the Surface of Housing Production

26 The Programs That Set the Standard

36 What's Next for Los Angeles?

40 Key Terms to Know (Technical Terms in Plain Language)



Understanding How We Got Here and How We Build New Homes

To commemorate the 10 years since the passage of the groundbreaking Measure JJJ, which brought forth Transit Oriented Communities (TOC) and additional incentive programs, Los Angeles City Planning is highlighting proactive policy and programs that significantly provide critical housing for the region. In 2016, voters passed Measure JJJ, leading to the enactment of Los Angeles' TOC incentive program to facilitate the development of affordable housing near high-quality transit and unlock development potential across the City. 2026 also marks the first year of the Department's latest suite of housing incentive programs under the Citywide Housing Incentive Program (CHIP). These and other local policies, incentive programs, and streamlining efforts have shaped housing development in Los Angeles and set an example for state and local housing initiatives. Within the past decade, the State legislature has steadily increased its requirements for cities to build an adequate amount of housing to meet current population demand and expected growth, particularly affordable housing. Balancing state regulations with local, tailored incentive programs has been an ongoing challenge for cities across the State. In Los Angeles' case, the City has been proactive in meeting these requirements. Due to the large scale of Los Angeles' housing shortage, LA has frequently chosen to implement State requirements above and beyond what the state has required. Below is a snapshot of Los Angeles' housing need, based on the 2024 American Community Survey five-year estimates and the housing target set forth by the Housing Element.

BY THE NUMBERS

456,643

units was the City's **Regional Housing Need Allocation (RHNA) goal**, which was the largest in California.

563,594

The Housing Element Rezoning Program identified the zoning potential to most likely accommodate **563,594 new homes, exceeding the state's mandate** to rezone for 255,432 new homes.

59.3%

of LA's renter households are **rent burdened**, meaning they spend more than 30% of their income on housing costs such as rent and utilities.

2 million

Through City Planning's housing policies and programs, **Los Angeles has facilitated capacity for approximately 2 million homes**, which is twice the number of homes that exist today in San Diego and San Francisco combined.

36%

of households are **owner-occupied**

64%

of households are **renter-occupied**

12.1%

of households are **overcrowded** (>1 person / room)

6.2%

of households are **severely overcrowded** (>1.5 people / room)

Why are We in a Housing Crisis?

Many factors have contributed to the shortage of housing supply and resulting unaffordability that Angelenos face today. In addition to market and supply challenges that drive up the cost of housing production, this crisis also results from the previous pressure to downzone housing capacity, which ignored anticipated housing needs. Since 1902, racially restrictive covenants were extensively used until ruled unconstitutional. In the 1920s the city expanded rapidly both in population and in area. The city's population more than doubled from about 577,000 in 1920 to more than 1.2 million by 1930, surpassing San Francisco to become the largest city in Northern and Southern California. Alongside this change Los Angeles passed the first comprehensive zoning ordinance, which established single-family neighborhoods across large areas of city expansion and established multi-family zoning in areas like South Los Angeles. This limited the development of denser, and often more affordable, housing types such as multi-family apartments, that could meet the housing needs of more people.

During the 1970s and 1980s, Los Angeles adopted a slow-growth approach that severely restricted the City's housing capacity.

In 1970, following intense debate and several reports considering whether to embrace density, the City enforced a widespread zoning rollback (downzoning) via community plans for the next decade and a half. This decision effectively reduced Los Angeles' zoned housing capacity by 60%. Through California Assembly Bill (AB) 283 the City created the General Plan Zoning Consistency Program, which aligned the City's zoning with the General Plan. This slowed population growth in the decades thereafter, as the resulting housing available significantly declined. Subsequently, in 1986, voters passed ballot initiative Proposition U, which severely limited the ability for mixed-use residential density outside of downtown. Prop U significantly reduced the development potential along commercial corridors across the city, suppressing the potential for residential mixed use and residential only projects. From 1970 to 1985, there was a significant drop in available affordable homes from 35% to 16%, leading to a rise in the informal housing market across the City's lower-income neighborhoods.

As a result of this approach, the City experienced an affordable housing crisis in the 1990s. While homeownership rates dropped, the number of rent burdened individuals and those experiencing homelessness were on the rise. Angelenos, especially those from racially-mixed communities, experienced issues like increased cost of living and overcrowding. As access to affordable housing options became increasingly limited, many households were forced to seek lower-cost options elsewhere, contributing to patterns of outmigration, displacement, and gentrification that reshaped communities across the City. For a detailed account of the history of Los Angeles' land use and housing decisions, see the Department's Historical Housing and Land Use Study.

These restrictions and the inability to build sufficient housing led to an increase in housing demand and a corresponding increase in the cost of housing that compounded over decades. Over the past few decades, factors outside of City Planning including effects from the COVID-19 pandemic, labor costs, funding, higher interest rates, and land values have only furthered this crisis. For these various reasons, effective strategies to address the housing crisis must be intentional, adding to the City's housing supply while also addressing historical inequities that maintained segregation and led to unequal economic opportunities across the City.

Over the next two decades, the City developed multiple housing programs that encouraged equitable development across Los Angeles. This was most notably seen through TOC, CHIP, and the Community Plan updates, such as the Downtown Community Plan (DTLA 2040).

These policies and programs guide the future of Los Angeles, emphasizing the importance of living near public transportation, in Higher-Opportunity Areas, and providing affordable homes to Angelenos.

As of August 2026:

Over 51,000 homes, with 19% set aside as affordable were proposed through TOC.

Approximately 39,000 homes, with 44% affordable were proposed through CHIP.

Over 47,000 homes were proposed as 100% affordable projects through ED 1.

The recent Downtown Los Angeles, Hollywood, Boyle Heights, and Harbor Community Plan Updates have added approximately 151,000 new homes to the City's housing capacity.

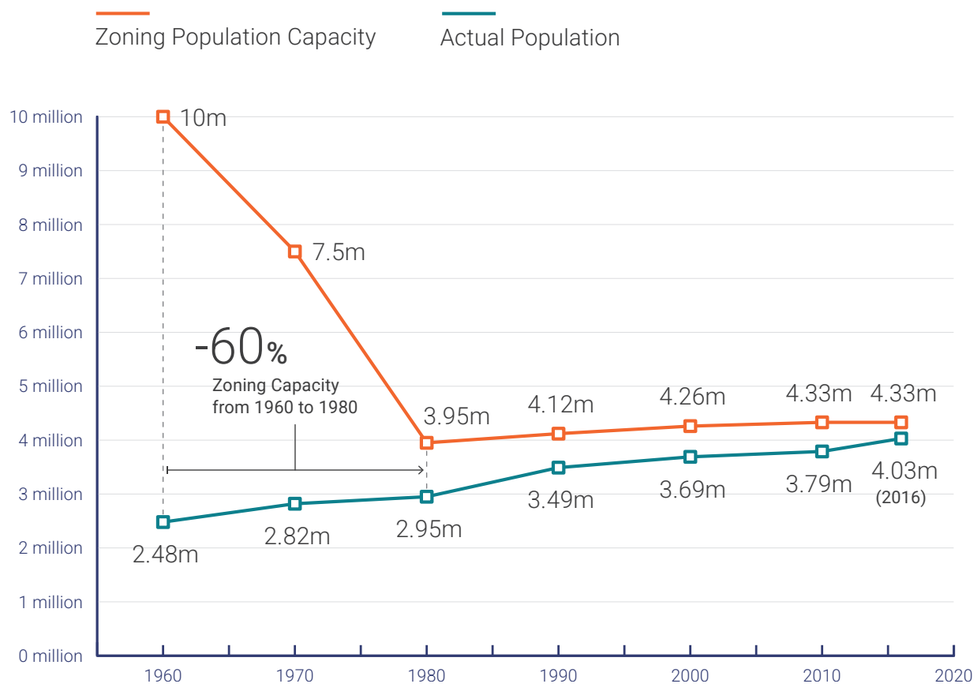
POLICIES AND PROGRAMS THAT FACILITATE HOUSING

- 2021-2029 Housing Element Adoption
- 100% Affordable Streamlining and Case Processing Reform Report (CF 21-0658)
- Accessory Dwelling Unit Ordinance
- Affordable Housing Linkage Fee Ordinance
- CEQA Streamlining Housing Element EIR
- Citywide Adaptive Reuse Ordinance
- Citywide Housing Incentive Program
- Emergency Shelters Ordinance
- Executive Directive 1
- Historic Housing and Land Use Study
- Housing Element Rezoning Programs
- Home-sharing Ordinance
- Housing Element Sites and Minimum Density Ordinance
- Housing Services Unit
- Interim Motel Conversion Ordinance
- Permanent Supportive Housing Ordinance
- Priority Housing Program
- Measure JJJ Implementation
- Resident Protections Ordinance
- Short Term Rental Fix Ordinance
- Site Plan Review (Project Review Revisions) Ordinance
- Small Lot Subdivision Design Standards
- State Law Implementation Programs:
  - AB 2011 and SB 6
  - AB 2097
  - SB 9
  - SB 35
  - SB 478
  - SB 684 / AB 1123
- Transit Oriented Communities Program
- Unpermitted Dwelling Unit Ordinance
- Value Capture Ordinance



In the LA Zoning Capacity vs. Population graph, dramatic zoning sharply cut housing capacity from 10 million to four million from the 1960s to 1980s. From the 1980s, zoning capacity has modestly grown, almost aligning with population growth in 2016. Through multiple housing programs such as the Transit Oriented Communities (TOC), Citywide Housing Incentive Program (CHIP), Low Rise Ordinance, and Affordable Housing Streamlining Ordinance, Los Angeles created capacity to develop new homes for Angelenos, providing affordable housing solutions across the City. For more information, see the following section, "TOC, CHIP, and other Noteworthy Housing Incentive Programs."

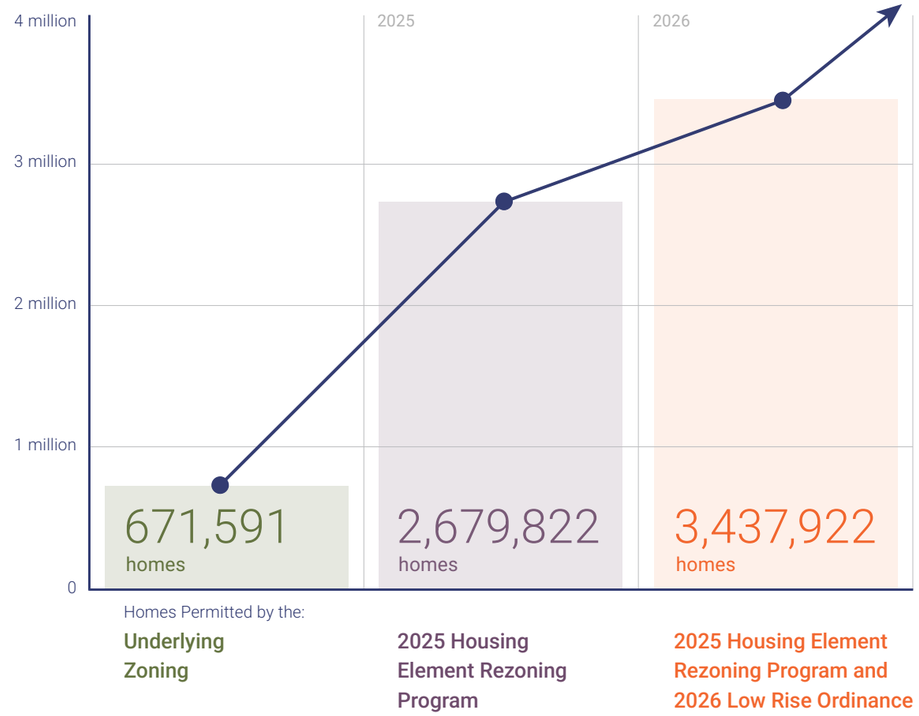
LA ZONING CAPACITY VS. POPULATION | 1960-2016



Source: Morrow, G. D. (2013). The Homeowner Revolution: Democracy, Land Use and the Los Angeles Slow-Growth Movement, 1965-1992. UCLA.

The chart below demonstrates the number of homes permitted by the underlying zoning standards on sites rezoned through the Housing Element compared to the number of homes permitted through the 2025 Housing Element Rezoning Program, and the Low Rise Ordinance. These programs created capacity for over 2.5 million homes, encouraging new housing capacity with affordable housing and addressing the city's historic downzoning as shown on the left.

COMPARISON OF HOMES PERMITTED ON HOUSING ELEMENT REZONED PARCELS



Source: City of Los Angeles, 2025 Annual Progress Report on the Housing Element, Table C; City of Los Angeles, Department of City Planning, Case File No. CPC-2023-7068-CA, CPC-2026-1798-MSC, CPC-2026-1797-CA

Los Angeles' Key Housing Players

Building housing is not the responsibility of one organization, but is a collaborative effort among multiple City departments, commissions, neighborhood councils, and interested parties. While State legislators craft and enact state law, the City has a unique perspective and role in shaping development, while advancing the goals of facilitating the development of housing in Los Angeles.

Mayor of Los Angeles (The Mayor)

The Mayor reviews recommendations from the City Planning Commission and City Council and approves land use policies and makes recommendations to the City Council on amendments to the City's General Plan. The Mayor also issues emergency orders, executive directives, legislative proposals, and approves reforms surrounding housing.

Los Angeles City Council (City Council)

The City Council reviews recommendations from the City Planning Commission and directs City Departments to initiate new policies. Alongside this, City Council votes on and adopts local housing policies, ordinances, and long-term planning documents.

City Planning Commission

The City Planning Commission provides recommendations to the Mayor, City Council, and Director of Planning on land use policies and proposed development projects.

Los Angeles City Planning

Los Angeles City Planning is the department responsible for both long-range planning, which involves setting policies and goals to guide future growth, and project planning, which ensures that proposed development conforms to the rules of the zoning code in terms of what kind of development is allowed and where. Development can range from housing to commercial and industrial projects and can involve the placement of utilities and public infrastructure. City Planning does not build projects directly, rather, it sets regulations for private developers, homeowners, and businesses. City Planning creates incentive programs to encourage certain development outcomes, such as building housing near transit and next to commercial corridors.

Los Angeles Housing Department (LAHD)

The Los Angeles Housing Department is the primary implementing agency for the City's housing policies. LAHD manages code enforcement for multi-family housing, coordinates rental assistance and eviction defense programs, and enforces rent, relocation, and right of return regulations. Additionally, LAHD's Housing Development Bureau is a public lender of local, state, and federal funds intended to produce supportive and affordable housing in the City of Los Angeles and has oversight of financing and construction, and monitoring of operations that ensure ongoing affordability of units covered under covenant agreement. LAHD also manages the City's Accessible Housing Program, which ensures that people with disabilities have an equal opportunity to rent, enjoy, and use affordable rental housing funded by the City of Los Angeles or the Community Redevelopment Agency of the City of Los Angeles (CRA/LA).

Los Angeles Department of Building and Safety (LADBS)

The Los Angeles Department of Building and Safety is responsible for issuing building permits for housing projects that are ready to move forward with construction. LADBS engineers review a project's plans to make sure they are compliant with the building, plumbing, electrical, and green (environmental) codes prior to issuing a building permit. Projects that are fully compliant with these requirements and do not require an entitlement or administrative clearance from City Planning can proceed directly to LADBS for a building permit. LADBS is also responsible for inspecting project sites and enforcing safety regulations for residential and commercial buildings.

Developers and Non-Profit Developers

A housing developer is an individual or entity that is responsible for overseeing and financing the production of a housing project such as a single-family home, apartment, condo, or subdivision. Market-rate developers rely on private financing and are driven by market factors like supply and demand. In order to secure financing, they must set housing prices to be profitable. Often a non-profit organization, affordable housing developers rely on government subsidies to finance housing projects in order to make the production of affordable housing financially feasible. This type of development involves multiple financial streams, longer production timelines, and requires tenants to meet strict income requirements.

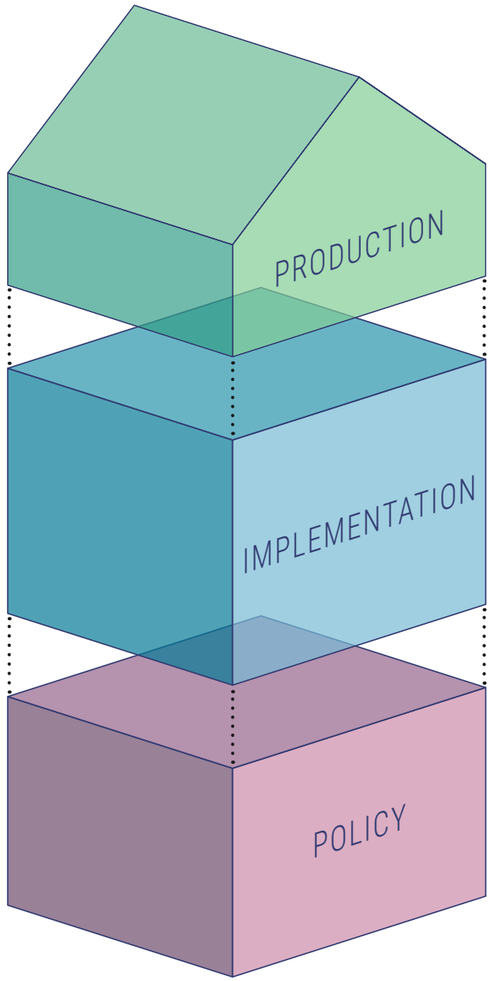


What Lies Beneath the Surface of Housing Production

A large portion of the effort that goes into providing affordable housing happens out of view of the public, long before permits are pulled and construction breaks ground.

The construction of housing that is visible to the public is only a small fraction of the equation.

Beneath the scenes are policy and implementation programs that support housing production. These form the foundation for all the City's housing programs and outcomes.



Top Layer

PRODUCTION OF HOUSING

Annual Progress Reports

Expanded Administrative Review Process

Middle Layer

HOW WE ENCOURAGE HOUSING

Transit Oriented Communities

Citywide Housing Incentive Program

Affordable Housing Streamlining Ordinance

Base Layer

VISION AND GROUNDWORK FOR DEVELOPMENT

General Plan

Citywide Policies

Community Plans

Base Layer

Los Angeles is required to maintain a General Plan, which is a land use document that guides development in the City. The General Plan is broken up into 11 elements, with each one responsible for specific aspects of the urban environment. The General Plan Framework Element connects everything together, providing a strategy for long-term growth. It sets a citywide context to guide other elements, Community Plans, zoning ordinances, and other pertinent programs.

The General Plan Housing Element articulates the City's values when it comes to housing. It is the source for updating all of the City's housing policies and the basis for prioritizing certain types of housing, such as multi-family and affordable housing. It also identifies where housing should be located, including near transit and quality amenities like grocery stores or retail space so that jobs and destinations are easier to access. In 2021, City Planning updated its Housing Element with policies that prioritize affordable housing in Higher Opportunity Areas with more resources; support various housing types, including single-family, multi-family, and missing middle housing; and recognize the impact of climate vulnerability, housing discrimination, and current displacement pressures on communities that have been historically harmed.

Community Plans, which are collectively the Land Use Element of the General Plan, also play an important role in housing policy. Neighborhood-level land use and zoning are set by community plans and often create specialized housing incentive programs for particular geographies. In particular, the adoption of the South Los Angeles Community Plans in 2016, introduced additional development bonuses for public benefits. That was foundational in shaping the now modular and modernized approach to the New Zoning Code. The adoption of these inclusive zoning tools have opened the doors to more adaptable zoning, and by-right streamlined options that produce affordable housing along with neighborhood amenities to support livable and healthy communities. Additionally, over the last decade Transit Neighborhood Plans, offer neighborhood-level zoning strategies to incentivize affordable housing and neighborhood serving uses along transit. The Orange Line and East San Fernando Valley Transit Neighborhood Plans are actively focused on areas where transportation agencies, such as Metro, are investing in transit infrastructure improvements to support multiple housing options along transit enhanced corridors. More recently, the adoption of the Downtown Los Angeles, Hollywood, and Boyle Heights Community Plans have expanded the city's zoning capacity that provide opportunities for both affordable housing and market-rate options. Last updated in the 1990s, the forthcoming Westside and Valley plans are also expected to further unlock zoning in higher resource areas. Many of these areas include regional centers that offer increased zoning capacity to build more housing options.

Together with Citywide Policies, Community Plans, and Transportation Neighborhood Plans, City Planning has increased zoning capacity, and housing options to build multiple housing types, from ADUs to multi-level housing to meet our local and regional housing needs.

Middle Layer

Comprising the largest layer, the framework's middle is made up of implementation and streamlining programs that translate housing priorities into program incentives. The State of California requires every jurisdiction to provide enough housing capacity to meet current housing demands and projected population growth estimates. This number is known as a Regional Housing Need Allocation (RHNA) target. For the most recent 2021-2029 Housing Cycle, Los Angeles was required to provide enough housing capacity for 456,643 homes, meaning the City would need to increase its current housing capacity by 255,432 housing units. This was done through a citywide process called rezoning, inclusive of the Citywide Housing Incentive Program (CHIP), Downtown Community Plan Update, and Hollywood Community Plan Update.

Rezoning can be done at a citywide or neighborhood level through the community plan process to increase zoning capacity and facilitate a greater housing supply.

As shown in the LA Zoning Capacity vs. Population graph on page 8, there is a direct correlation between zoning and housing capacities. As City Planning provided opportunities to build more homes on certain sites, it created a housing solution to increase supply. While CHIP's goal was to provide 255,432 new homes, the program exceeded expectations by over 200% creating realistic capacity for 563,594 homes. The program provided enough homes to meet its RHNA target, as well as facilitate over 195,000 homes as affordable, specifically for Lower Income units. The Housing Element Rezoning Program became one of the City's most consequential responses to LA's affordable housing crisis. By creating capacity for more than half a million additional homes, CHIP represented a major shift in where and how housing could be built across the City.

The scale of that added capacity was roughly equivalent to accommodating the housing of an entire city the size of Seattle, Denver, or Long Beach within Los Angeles. Beyond increasing overall housing capacity, CHIP also sought to expand access to affordable housing in higher-opportunity neighborhoods and address longstanding patterns of exclusion in the City's land use framework.

2 million

In addition, through City Planning's housing policies and programs, **Los Angeles has facilitated overall capacity for approximately 2 million homes**, which is twice the number of homes that exist today in San Diego and San Francisco combined.

City Planning has created numerous implementation programs to incentivize and expedite housing production. The forerunner of these programs was Transit Oriented Communities (TOC), enacted in 2017, which prioritized affordable housing near transit. The most recent are Executive Directive (ED) 1, a mayoral directive (2022) that drastically streamlined review of 100% affordable projects, and the Citywide Housing Incentive Program (2024), also known as CHIP. For an explanation of Los Angeles' most impactful incentive programs, see the following section, "TOC, CHIP, and other Noteworthy Housing Incentive Programs."

Complementing these incentive programs, City Planning launched several citywide initiatives aimed at safeguarding current residents from displacement caused by heightened development. Adopted in 2017, the Housing Linkage Fee Ordinance collects a fee from market-rate residential and commercial developments to set aside to help fund affordable housing. The Resident Protection Ordinance was later passed in 2024 along with CHIP to strengthen legal protections for tenants against redevelopment-related convictions and to guarantee the long-term affordability of housing projects for future tenants. In 2026, the city adopted the Low Rise Ordinance to facilitate 2–4 story housing types in transit rich neighborhoods.



Top Layer

The top layer of the project, the visible outcome, represents the production of homes that are partially the result of how well the incentive programs have worked. The City tracks this information using the number of permits issued for projects and/or the Certificate of Occupancy, which LADBS issues when a newly constructed building is ready to be inhabited. Los Angeles tracks affordable housing by the number of affordable covenants LAHD issues.

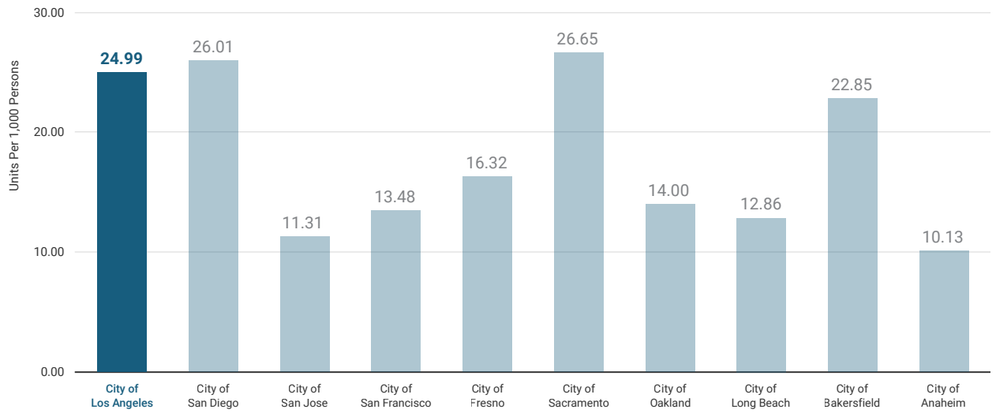
Los Angeles is a leader in housing production, with the highest number of permitted homes compared to major California cities and approximately 25 newly permitted homes for every 1,000 Angelenos from 2021 to 2025.

When reviewing this data, it is important to recognize how factors outside of City Planning, including effects from the COVID-19 pandemic, labor costs, funding, higher interest rates, and land values affect housing production.



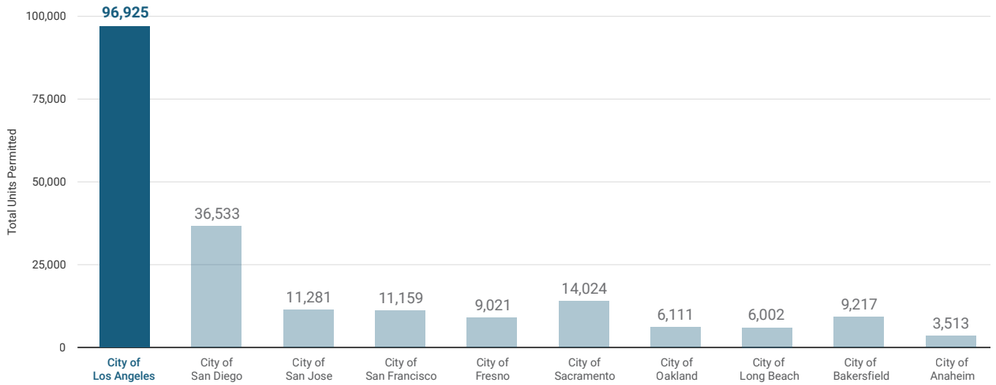
LOS ANGELES VS TOP CA CITIES | 2021–2025

Permitted Units Per 1,000 Persons



Source: HCD Dashboard (https://www.hcd.ca.gov/housing-open-data-tools/apr-dashboard), Accessed July 2026

Total Units Permitted

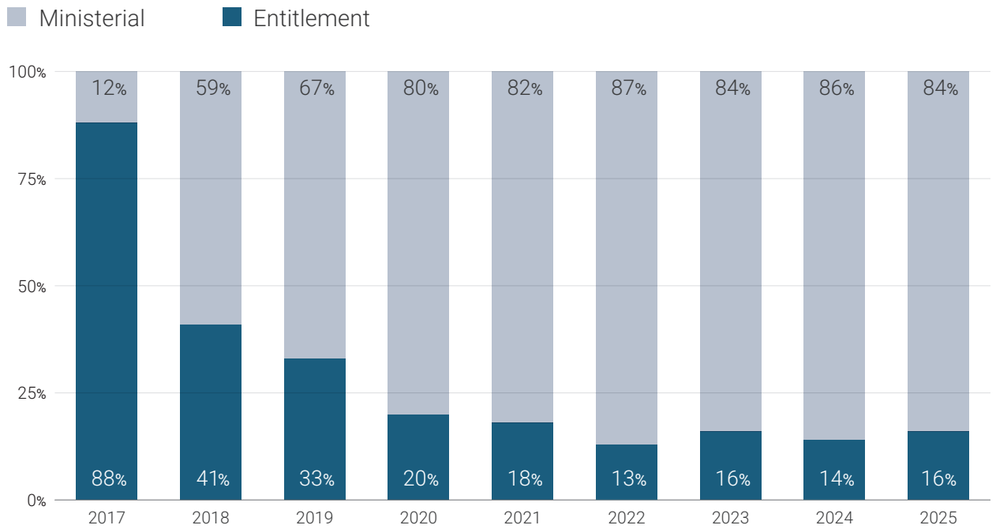


Source: HCD Dashboard (https://www.hcd.ca.gov/housing-open-data-tools/apr-dashboard), Accessed July 2026

SHARE OF MINISTERIAL APPROVALS | 2017–2025

City Planning has shifted towards ministerial processing, as the average approval times have decreased by 30% since 2016.

The number of projects eligible for ministerial approval has exponentially grown from 12% in 2017 to 84% in 2025.



PROJECT REVIEW TYPES

By-Right Projects

Meet Existing Regulations → Administrative Review → **Ready for DBS Permit**

Discretionary Projects

Pre-Application Meeting and Referral Forms → Projects Are Submitted to DSC → Application Review
- General Plan and LAMC
- Review and Overlay Findings
- Building Plans Review
- Environmental Analysis
- Public Hearing
- Public Input

→ Determination and Conditions → Condition Clearance by **LACP** → **Ready for DBS Permit**

Projects that utilize a housing incentive program or apply for a discretionary entitlement (see Key Terms section) to build more homes than would otherwise be allowed by the base zoning, are processed by Los Angeles City Planning before they proceed to LADBS for a building permit. Most discretionary entitlements require a process that includes environmental analysis, rigorous findings, public noticing, a public hearing and an appeal process. **However, the vast majority of housing projects processed by City Planning today receive an administrative review, which involves the Department checking that the project abides by the requirements of the incentive program and eliminates the need for a lengthy hearing process.** Ministerial processes such as by-right review, CEQA streamlining, and the Expanded Administrative Review process accelerates production, increasing the number of available homes for Angelenos.

As recently as 2018, the Department processed the majority of multi-family housing projects as discretionary applications, which represented approximately 59% of its cases while administrative cases made up 41% percent of projects. With the implementation of TOC in 2017, and the several incentive programs that came after, this ratio flipped to 85% administrative cases and 15% discretionary.

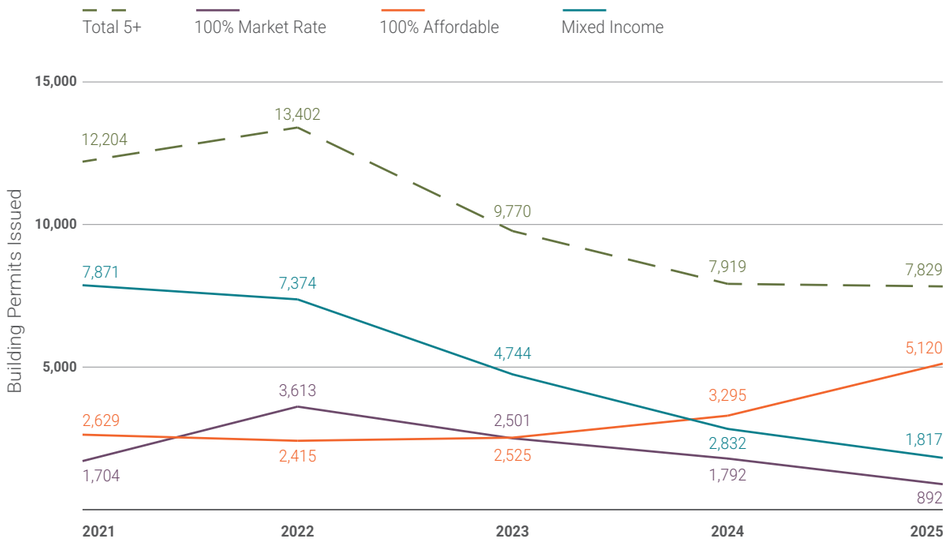
Eliminating procedural barriers and reducing discretionary review saves projects months in construction timelines. Through policies and programs such as Assembly Bill 130 (AB 130) and CA Senate Bill 131 (SB 131), the CEQA Streamlining Checklist Form, and the Housing Element Streamlining Checklist, sites are able to by-pass CEQA review. This accelerates housing production in the City, lowers development costs, and streamlines the process. **In Fiscal Year (FY) 2024 to 2025, approximately four out of five projects received administrative review.** For more information, see the following section, "TOC, CHIP, and other Noteworthy Housing Incentive Programs."



HOUSING PRODUCTION

Affordable Housing Entitlements Overtake Market Rate Entitlements

With an average of 23,781 homes entitled per year, the chart showcases an uptick in affordable housing entitlements. Between 2018 to 2024, 59,657 approved homes were set aside as affordable, and over the last two years, 70% of all homes were deemed affordable.



Los Angeles Outpaces Peer Cities in ADU Production

Jurisdiction	Population	Total ADU Completions (2021-24)	ADU per 1K Residents
Los Angeles	**3,820,914**	**21,291**	**5.6**
Long Beach	449,468	1,350	3.0
San Diego	1,388,320	1,590	1.1
Oakland	436,504	477	1.1
San Jose	969,655	937	1.0
San Francisco	808,988	773	1.0
Anaheim	340,512	292	0.9
Sacramento	526,384	393	0.7
Bakersfield	413,381	23	0.1
Fresno	545,716	18	0.0

LA CITY HOUSING PERMITS

Between 2021 and 2025, the City **permitted**:

18,842
covenanted affordable homes

78,083
above market-rate homes

96,925
housing units in total

Between 2020 (following the effectuation of Los Angeles' **Accessory Dwelling Unit Ordinance** in December 2019) and 2025, the City has permitted:

36,612
ADUs from 2021 to 2025

24% of California ADUs
Between 2021 and 2025, Los Angeles permitted 24% of the ADUs in the state (LA is just 10% of CA's population)

LA CITY PLANNING CASE PROCESSING

In FY 2024-25, City Planning **processed**:

5,567
housing projects

85% of cases
(or 4,740 applications) received administrative review

In FY 2024-25, City Planning **approved**:

28,323
homes

75% of homes (21,165)
set aside as covenanted affordable

Between FY 2022-23 to 2024-25:

24,842
affordable homes

4x the affordable homes
the number of approved, affordable homes quadrupled, jumping from 4,519 to 24,842

The Programs That Set the Standard

This section provides an overview of housing programs of the last 10 years that have led to a significant increase in the approval and production of affordable housing. A common feature of these programs is their focus on encouraging the production of on-site affordable housing citywide and streamlining the review for projects that expand access to affordable housing near transit, jobs, along major corridors, and in particular cases, in Higher Opportunity Areas. Each program provides a by-right or ministerial (see Key Terms section) process that allows City Planning to conduct an administrative review with faster turnarounds, rather than going through a lengthy hearing process. These streamlining efforts have led to a reduction in project approval times of 30% since 2016, while the number of ministerial approvals has jumped from 12% in 2017 to 84% in 2025.

HOUSING ACCOMPLISHMENTS SINCE 2016

2016

Measure JJJ Adopted

2017

Accessory Dwelling Unit (ADU) Ordinance
Priority Housing Program
Small Lot Subdivision Design Standards
Transit Oriented Communities (TOC) Program
Unpermitted Dwelling Unit Ordinance

2018

Interim Motel Conversion Ordinance
Permanent Supportive Housing Ordinance

2021

2021-2029 Housing Element Adoption

2022

Executive Directive 1 (ED 1)

2023

Site Plan Review (Project Review) Ordinance Amendment

2025

Affordable Housing Streamlining Ordinance
CEQA Streamlining Housing Element EIR
Emergency Shelters Ordinance
Housing Element Rezoning Program:
– Citywide Housing Incentive Program (CHIP)
– Housing Element Sites and Minimum Density Ordinance
– Resident Protections Ordinance
Downtown Community Plan Update and New Zoning Code Implementation Update

2026

Boyle Heights Community Plan Update and New Zoning Code Implementation Update
Citywide Adaptive Reuse Ordinance
Landscape and Site Design Ordinance
Low-Rise Ordinance

Transit Oriented Communities (TOC)

The TOC incentive program was adopted in 2017, following the passage of voter ballot initiative Measure JJJ, and encourages construction of affordable housing within a half mile of qualifying bus and train stations. Projects located near a "Major Transit Stop" can take advantage of base incentives [increased density, Floor Area Ratio (FAR), or reduced parking], and additional incentives (such as a height increase), in exchange for setting aside a specific percentage of units for low-income households. The precursor to TOC was the State Density Bonus (SB 1818 was adopted in 2005), a similar program which also granted development incentives for projects in exchange for providing affordable homes, but did not have the transit location requirement. For more information on TOC and its tier-based incentive structure, visit City Planning's TOC page.

While it was not the first program to promote affordable housing near transit, TOC is part of a modernized approach to planning focused on creating resilient and healthy communities that people from all economic backgrounds can enjoy. The TOC program served as a model for the state's prioritization of affordable housing production that has intensified in recent years in response to the statewide housing shortage.

The TOC program is set to expire in December 2026, unless it is extended. For this reason, the Department made TOC incentives permanent through the new Transit Oriented Incentive Area (TOIA) program, which was one of several citywide housing programs implemented under the Citywide Housing Incentive Program (CHIP, see the following section for details). In addition, the Department updated many of its community plans (see Key Terms section) with permanent local versions of the program, so that developers in recently updated community plan areas such as Downtown and Boyle Heights areas can continue to access TOC incentives.

TOC at a Glance

To date, TOC has produced over 38,000 entitled homes around transit lines. Twenty-two percent of homes entitled through TOC have been set aside as affordable.



Accessory Dwelling Units (ADUs)

Accessory Dwelling Units (ADUs) continue to transform LA's housing landscape, emerging as a vital tool for multigenerational living and a key source of affordable rentals. Beyond housing aging parents or relatives, ADUs help provide rental options, traditionally in zoned single-family neighborhoods.

ADUs at a Glance

Los Angeles leads peer cities in production, permitting more than 45,000 units since 2018.

Los Angeles is the ADU leader in the state, permitting more than 7,400 in 2025. From 2018-2025 LA permitted 11.7 ADUs per 1,000 residents.



Citywide Housing Incentive Program (CHIP)

Adopted in February 2025, and largely framed by the principles of TOC and the Linkage Fee, and a local implementation of Density Bonus law, the Citywide Housing Incentive Program (CHIP) was developed as a set of programs that expands housing capacity across the City of Los Angeles while addressing long-standing inequities embedded in the City's development patterns. CHIP is composed of three programs:

State Density Bonus Program: CHIP localizes a state housing law that allows developers to increase the density of their projects in exchange for making a portion of the units affordable.

Mixed Income Incentive Program: Incentivizes mixed-income housing (a combination of affordable and market rate) near transit served nodes and major corridors, and in Higher Opportunity Areas.

Affordable Housing Incentive Program: Outlines incentives for 100% affordable housing projects citywide, and of 80% to 100% affordable housing projects on publicly-owned sites and sites owned by faith-based institutions (such as churches), community land trusts, and other non-profits on public land.

A key feature of CHIP is its focus on addressing historic patterns of housing inequity, including housing segregation, by prioritizing affordable housing in Higher Opportunity Areas that are associated with high quality-of-life outcomes. This approach contrasts with housing production patterns of the last 10 years, which has concentrated new development in lower resourced neighborhoods.

While the City has made progress in developing more affordable housing, the production of new affordable homes has not historically been equitably distributed across neighborhoods. Affordable homes tend to be concentrated in areas of the City with lower-performing schools, higher levels of environmental pollution, and greater rates of poverty. A combination of existing zoning regulations, prohibitive land costs, limited financing, and risks of delay due to neighborhood opposition all contribute to this concentration of newly constructed affordable housing in lower-resource communities.

The following maps show how development of affordable housing has shifted since CHIP went into effect in February 2025. Note how there are more affordable housing projects being proposed across the City (like Mid-City, West LA, and the South Valley) in Higher Opportunity Areas as opposed to being concentrated in historically underinvested areas.

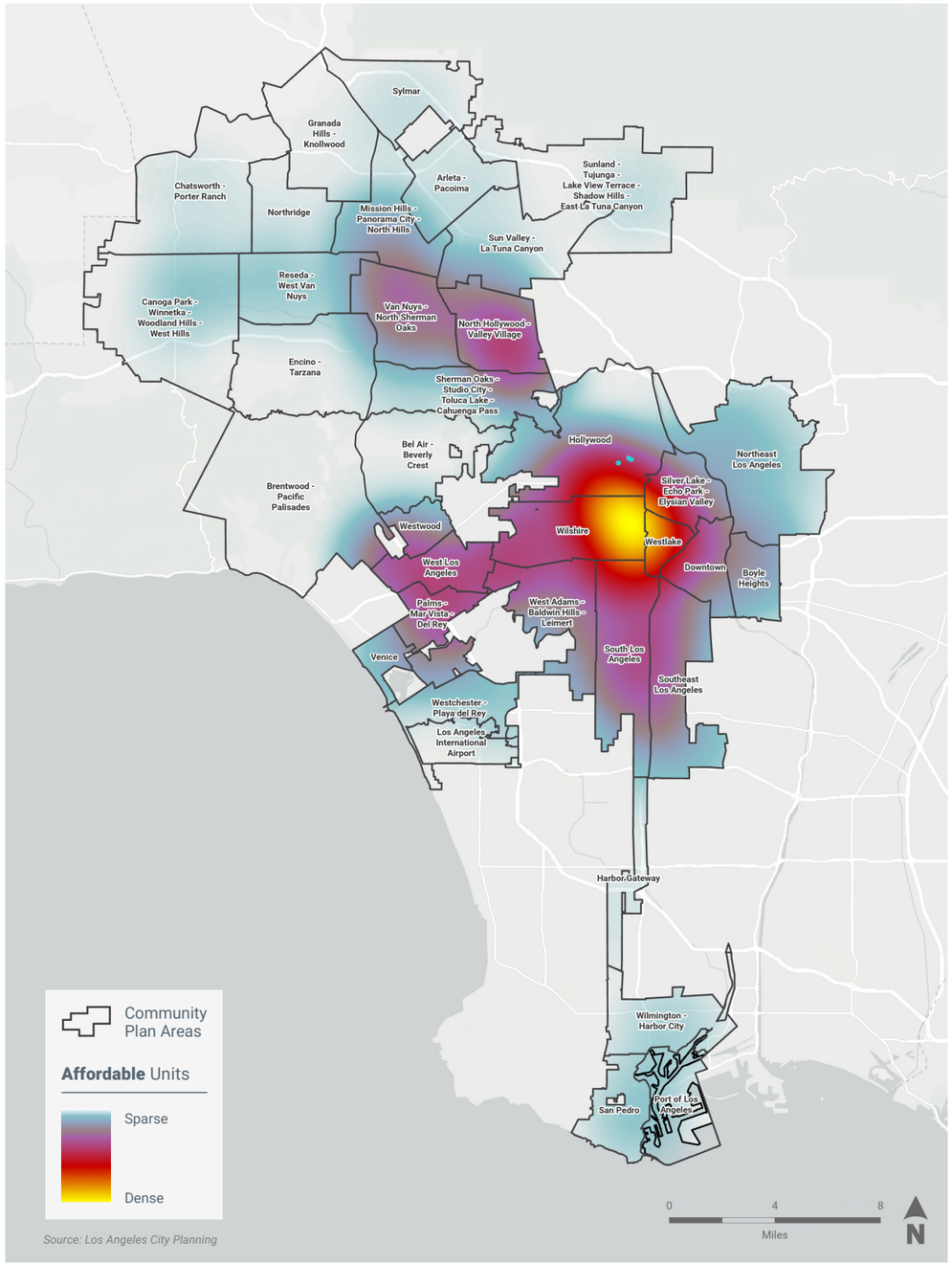
CHIP at a Glance
(Feb. 12, 2025 - Feb. 12, 2026)

~28,526 homes have been proposed through the CHIP Ordinance, with 38% of all proposed homes set aside as affordable housing.

57% of all homes and 44% of covenanted affordable homes are proposed in Higher Opportunity Areas.

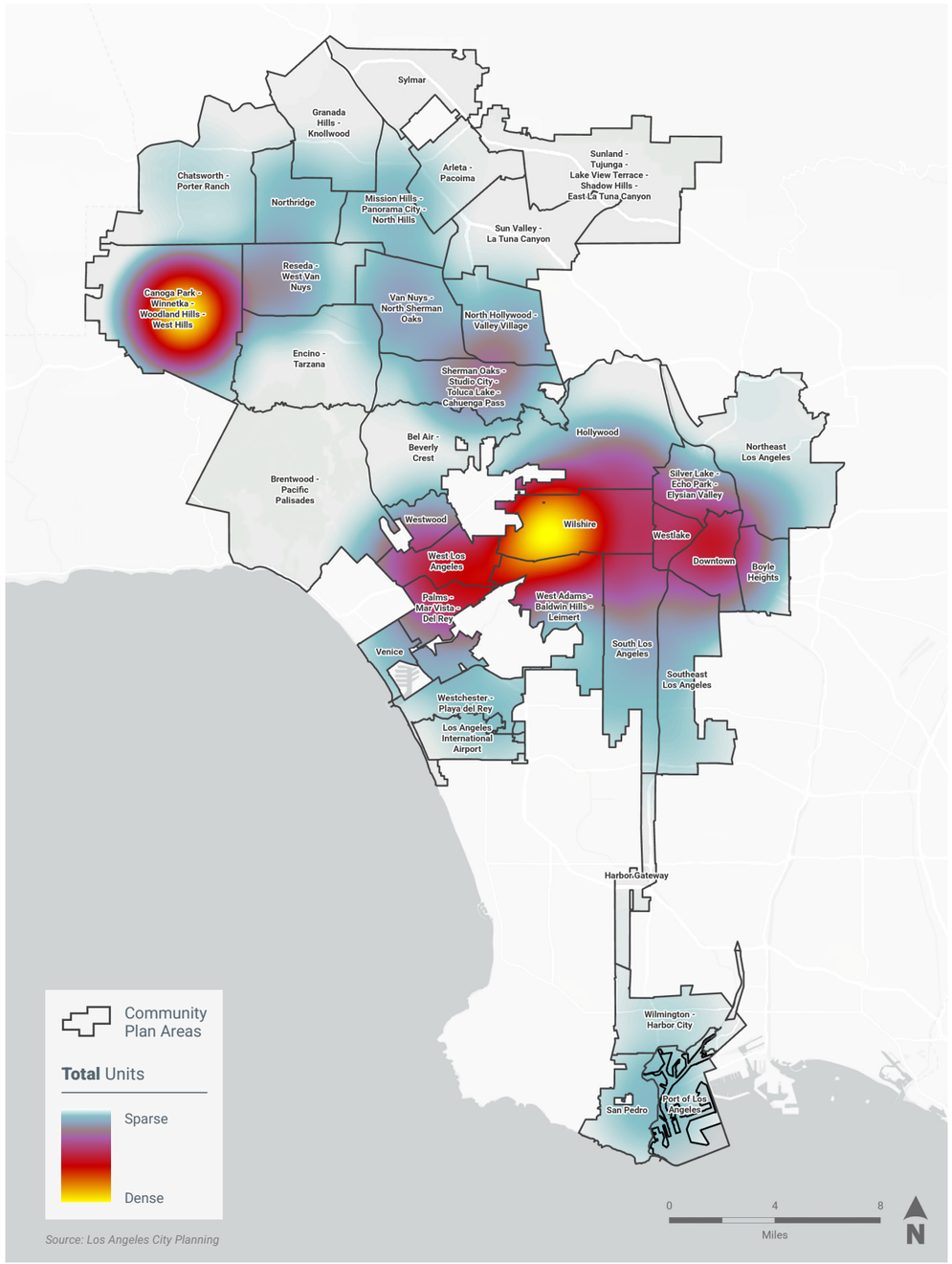
Over 90% of applications are eligible for ministerial processes including 20% proceeding directly to a building permit application.

Affordable Homes by Community Plan Area | 2009 – 2024



Source: Los Angeles City Planning

CHIP Projects | 2/11/25 – 2/12/26



Source: Los Angeles City Planning

Affordable Housing Streamlining Ordinance (Executive Directive 1)

In 2025, the City Council and Mayor adopted the Affordable Housing Streamlining Ordinance. This program made permanent many of the expediting and streamlining processes created under the Executive Directive 1 (ED 1) program, launched in 2022. The program provides a ministerial, streamlined review for 100% affordable residential projects. City Planning has 60 days after it receives a complete application to complete its review of the project, and there is no required hearing and no option for appeal.

In 2018, the City enacted the Permanent Supportive Housing Ordinance to streamline the review of emergency shelters and supportive housing projects. The subsequent implementation of the Affordable Housing Streamlining Ordinance significantly cut down the amount of time it takes to review all affordable housing projects, fast tracking the permitting and subsequent production of this much needed housing type. Notably, the program has also incentivized a broader range of developers to construct affordable housing.

Program at a Glance

City Planning has entitled over 33,000 affordable homes, averaging 52 days of review time per project (within the target of 60 days or less).

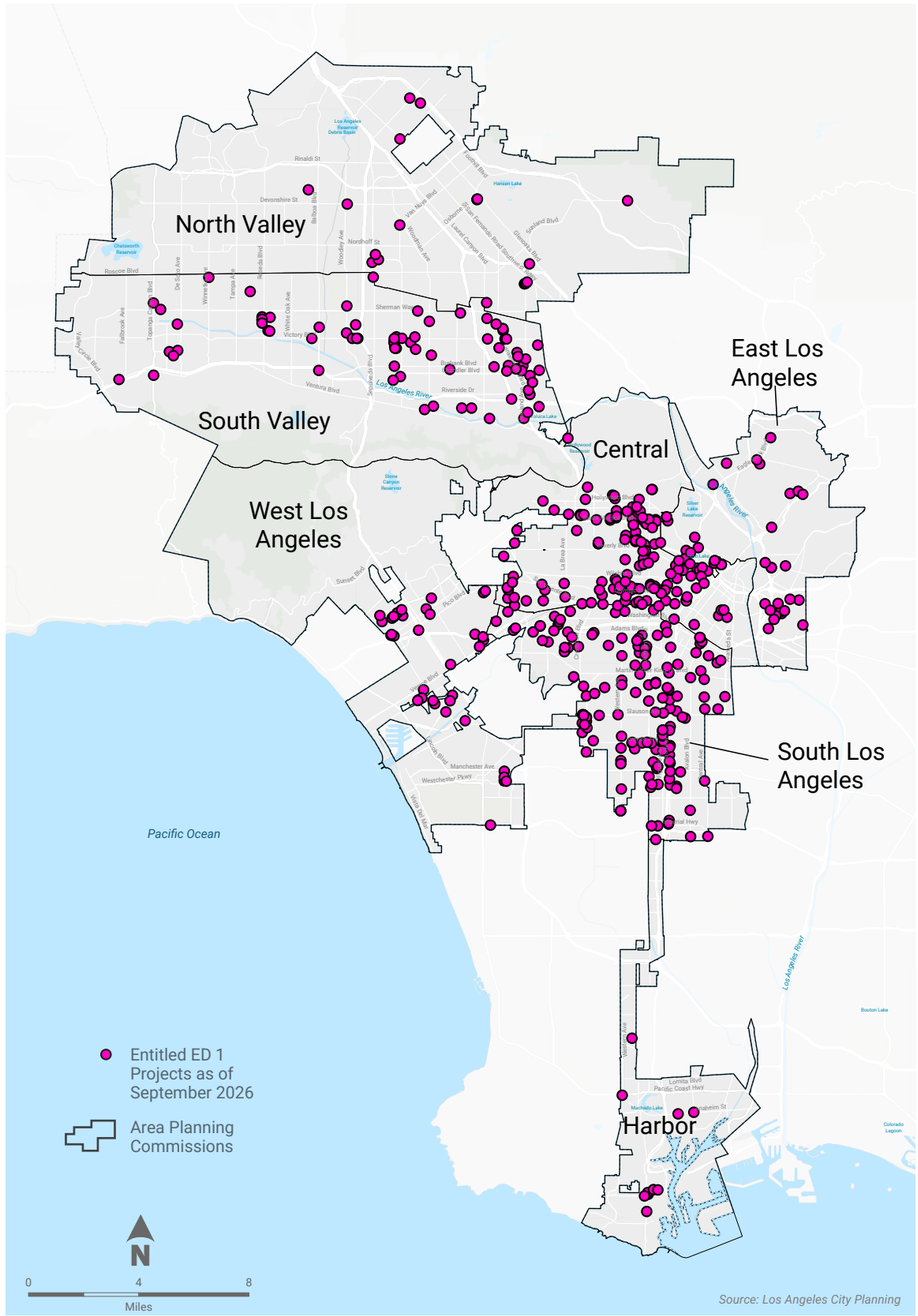
Affirmatively Furthering Fair Housing

The program has seen citywide use, with new 100% affordable projects in High Opportunity Areas such as the Westside, Mid-City, and the Southwest Valley.

Adaptive Reuse

Adaptive reuse is the practice of redesigning a building that was previously permitted for one type of use, (such as commercial) to a new use (such as housing). The adoption of the Downtown Community Plan in 2025 revamped an adaptive reuse program to convert underutilized commercial spaces in downtown Los Angeles to much-needed housing. Shortly afterwards, the Citywide Adaptive Reuse Ordinance expanded the DTLA program to include all neighborhoods within LA city limits as part of the rezoning effort for the Housing Element. By transforming vacant offices and underutilized commercial buildings into vibrant homes, adaptive reuse lets us build desperately needed housing faster, greener, and minimizes residential displacement.

Approved Affordable Housing Streamlining Ordinance / ED 1 Projects



What's Next for Los Angeles?

Over the past decade, Los Angeles has taken significant steps to address its housing challenges through innovative local policies and alignment with State housing directives. The work to deliver housing opportunities continues. Today, City Planning is carrying that momentum forward by streamlining implementation, accelerating review timelines, simplifying processes, and removing barriers to housing production. Together, these efforts support a more equitable, sustainable, and affordable city for all Angelenos.

These implementation policies and programs include:

Accelerating Approvals

Building off the success of the 60-day review timeframe of the Affordable Housing Streamlining Ordinance (Executive Directive 1) program for 100% affordable housing, City Planning is developing enhanced tracking tools and streamlining procedures to reduce the review timelines for all housing development. Expanded online applications, integrated reviews, shorter processing windows, and expanded by-right approval pathways are creating shorter, more predictable pathways to developing new housing in Los Angeles. The Department is establishing online dashboards tracking project review timelines, along with simplified work flows to deliver quality projects in reduced timeframes.

Missing Middle LA

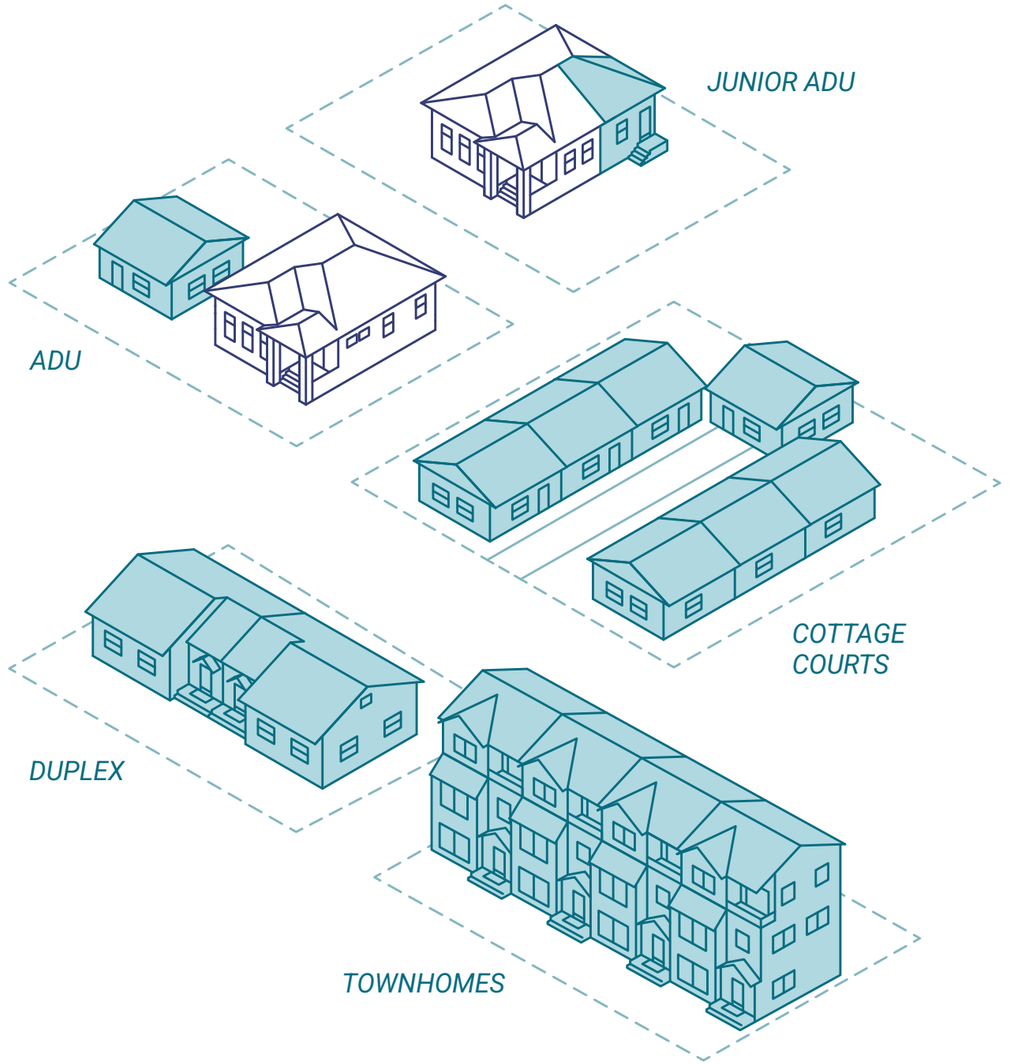
Missing Middle LA opens the door to more attainable multi-generational homes in every community. This Los Angeles City Planning initiative seeks to make for-sale and rental housing more accessible by streamlining the City's review process and removing barriers to building smaller, neighborhood-scale homes—also known as missing middle housing. The program will implement and build upon recent state laws allowing duplexes, small-lot townhomes, and for-sale of Accessory Dwelling Units (ADUs) in residential zones. Rather than a one-size-fits-all program, Missing Middle LA will offer a context sensitive approach tailored to the unique policy priorities of Los Angeles.

California Senate Bill (SB 79)

SB 79, which went into effect July 2026, overrides local zoning laws to allow increased development near high-quality transit stops. Cities in California have the option of implementing SB 79 as proposed, or can choose to adopt a local alternative plan that achieves the same goals as the state law. Los Angeles City Council adopted the Phased Implementation and Low-Rise Ordinances that, together, would allow for a temporary pause of SB 79 citywide until one year after the next Housing Element is adopted in 2030 to provide time for the development of more tailored capacity increases to align, to the extent permitted by the bill, with existing conditions, context and limiting increases in Very High Fire Hazard Severity Zones, Historic Areas, Industrial Areas, and Low Opportunity areas. Council further acted to establish Low-Rise (two-to-four story) housing incentives in 57 Opportunity Stations and in areas ineligible to pause SB 79, guaranteeing a citywide phasing in and pause of the bill.



MISSING MIDDLE HOUSING TYPES



Key Terms to Know (Technical Terms in Plain Language)

Discussions about housing often use technical jargon that makes it difficult for the public and constituents to engage with the topic. In this section, we break down key terms that planners, developers, and policymakers frequently use when discussing housing in Los Angeles.

Accessory Dwelling Unit (ADU): An additional housing unit that is attached to or detached from a primary home, on the same lot, and is sometimes rented out. These accommodations have complete independent living facilities including their own bath, sleep area, and kitchen separate from the primary housing.

Affirmatively Furthering Fair Housing (AFFH): A legal requirement passed under the federal Fair Housing Act of 1968, and later expanded upon in 2018 by the California State Legislature under Assembly Bill (AB) 688, that incentives California cities to enact policies that actively combat housing discrimination, address historical housing segregation, and increase access to opportunity and community resources for everyone.

Affordable Housing Unit / Covenanted Affordable Unit: An affordable housing unit is a residential unit that costs no more than 30% of a household's gross monthly income. In Los Angeles, rents for affordable units are priced for residents making 60% or less of the Area Medium Income (AMI), which translates to roughly $1,800 per month or less. A Covenanted Affordable Unit or Restricted Affordable Unit is a unit that comes with the legal protection that unit will continue to be rented at an affordable rate for a set period of time, between 55 and 99 years, even if the unit is sold.

By-Right Project : Also known as ministerial, a by-right project refers to land uses that are allowed by law on a particular parcel based on zoning code regulations. Ministerial projects can submit an application to obtain a building permit without having to go through a hearing or seek special permission.

Capacity: Refers to the maximum amount of development—such as residential units, floor area, or building height—that is permitted by zoning code regulations. This figure often accounts for the amount of development that is reasonably anticipated to take place over a period of time within the allowable zoning range.

Community Plan Update: The process of updating a Community Plan, reflecting a localized vision for future growth or uses of land to reflect the priorities and needs of the community. The City of Los Angeles has 34 community plan areas that collectively make up the land use element of the City's General Plan. Each community plan contains a policy document outlining the land use goals of the community, and a land use map with designations that permit a range of zones. The City updates the Community Plans periodically to reflect changes in the areas they govern, ensuring the plans remain effective tools for guiding growth and development. The resulting policies, incentive programs, and zoning requirements contain design standards and building form requirements and land uses that support open space, and economic activity. The current Community Plan program includes the designation of the New Zoning Code on all properties.

Entitlement - Discretionary vs. Ministerial Project: An entitlement is a project approval granted by a decision maker (such as a commission, Zoning Administrator, or Planning Director) and is generally required for projects seeking to deviate from zoning rules, or for certain uses that require conditional approval. Entitlements require discretion by the decision maker, and projects seeking an entitlement are often referred to as "discretionary." For example, a restaurant may need a Conditional Use Permit to serve alcohol, or a project may need a variance to build a non-standard structure if there are unusual circumstances on site. In contrast, ministerial/by-right projects can be cleared administratively by planning or proceed straight to the Los Angeles Department of Building and Safety (LADBS) for a building permit without having to be approved through City Planning first.

High-Resource Areas / Low-Resource Areas: A state-defined methodology to describe areas of a city that have more (high resources) or less (low resources) access to quality amenities such as commercial, retail, health, and educational facilities that are associated with positive or less favorable life outcomes. These areas correspond to official California Tax Credit Allocation Committee (CTCAC) maps that help inform policies for funding affordable housing through state tax credit financing.

Housing Element: A policy document that lays out a City's plan to provide adequate housing for the next decade to fifteen years. The State determines how much housing is adequate based on predictions about future population growth, while cities must ensure they provide enough zoning capacity to be able to meet this number.

Incentive-Based Zoning: Incentive-based zoning programs allow developers to access development incentives—such as additional units or height—in exchange for providing covenanted affordable units within a project. These types of programs provide access to additional development potential than would otherwise be allowed by the underlying zoning. Incentive-based programs do not change the underlying zoning of an individual parcel but allow a developer to achieve additional density or development standards comparable to changing the zoning of the parcel.

Inclusionary Housing vs. Incentive-Based Housing: Inclusionary housing requires that developers include a set percentage of affordable housing as part of their project. Incentive-based housing, on the other hand, offers developers incentives such as added density (the number of units allowed on a site) or intensity (the scale of the building, height, etc.) in exchange for providing affordable units. While inclusionary housing is mandatory, incentive-based housing is voluntary and is designed to make affordable housing more appealing for developers to build. Outside of Downtown, Los Angeles does not have a citywide inclusionary housing requirement but does have a robust system of incentive programs.

Missing Middle Housing: Refers to the production of housing that is denser than single-family housing but less dense than apartment complexes that contain dozens of units. Sometimes called "gentle density," missing middle housing includes duplexes, townhomes, cottage courts, and other lower profile housing types that can be integrated into the scale of single-family neighborhoods.

Permanent Supportive Housing: A housing model that combines rental housing with onsite supportive services for unhoused individuals. These services can include mental health counseling, substance abuse support, and other onsite health services because unhoused individuals with disabilities typically require ongoing support, not just housing, to break cycles of homelessness.

Permitted Project: Before any project can proceed with construction or operation, a building permit from LADBS is required. A permit is used as a metric in analysis and reports to show where housing has been approved to be built in the City.

Pro-Housing: A designation given to cities in California that enact housing and zoning policies that accelerate housing production, above and beyond what the State requires, by removing barriers to permitting, making housing more affordable, and addressing homelessness.

Public Housing and Social Housing: Public housing refers to housing that is owned and managed by the government to be made available to lower income individuals and families. Social housing is a broader term that can refer to housing that is government subsidized and run by a non-profit, housing collective, community land bank, or other entity that operates for social benefit.

Rezoning: Changing the rules that apply to a piece of land to increase or decrease the density (number of homes) or intensity (scale of the building, height, etc) of land use allowed. For example, changing the zoning of a parcel to allow for projects with more homes.

Specific Plans: A development plan created for a specific area that provides additional regulations (on top of the zoning) around the type of development activities that can take place within the defined area.

Transit Oriented Development: A planning strategy that concentrates housing, recreational uses, and commercial uses within walking distance of transit stations. The idea is to create walkable cities with less reliance on cars, improved air quality, and vibrant neighborhoods.

Zoning: A tool that cities use to regulate what and where land uses are allowed, and the intensity of development activities permitted on a particular lot.

Executive Team

Vince Bertoni, AICP
Director of City Planning

Kevin Keller, AICP
Executive Officer
Strategic Communications and Budget

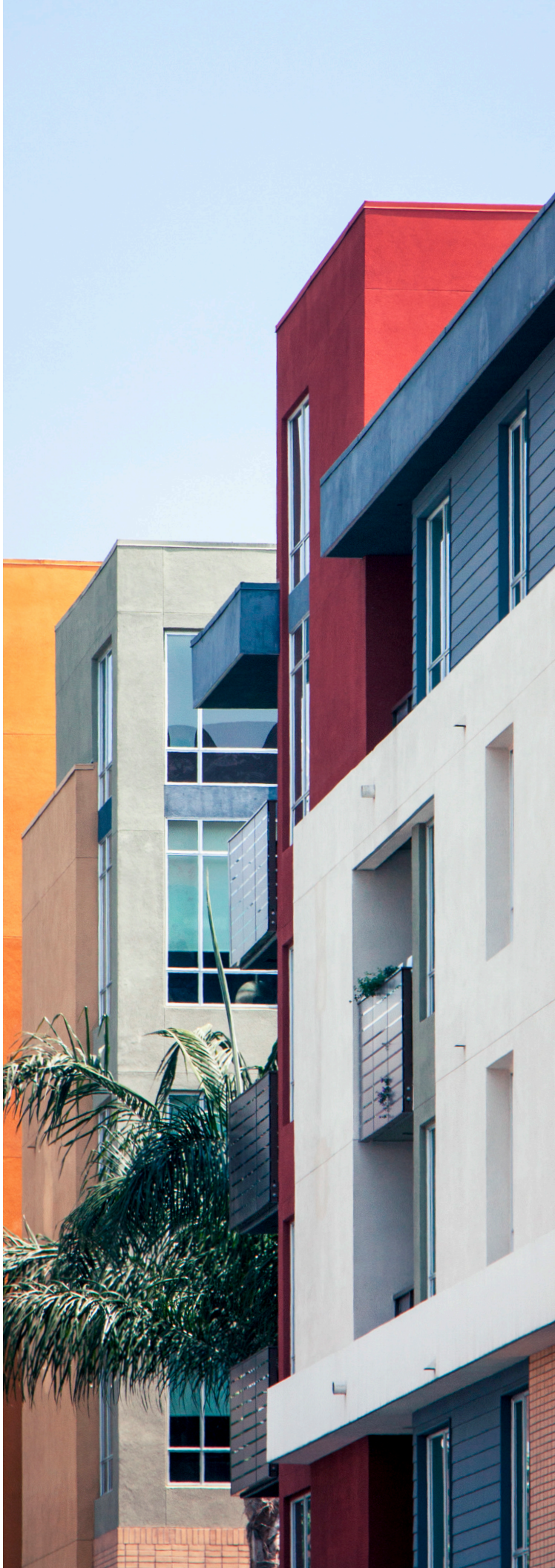
Haydee Urita-Lopez
Deputy Director
Operations Management Bureau

Arthi Varma, AICP
Deputy Director
Citywide Policy Planning Bureau

Shana M. M. Bonstin
Deputy Director
Community Planning Bureau

Lisa M. Webber, AICP
Deputy Director
Project Planning Bureau

Craig Weber
Deputy Director
Development Services Bureau



@Planning4LA
Planning4LA.org

This report is published by City Planning.
Email questions and comments to planning.media@lacity.org.

© 2026 Los Angeles City Planning. All Rights Reserved.