

ORDINANCE NO. 186370

An ordinance amending Ordinance No. 166703, as subsequently amended by Ordinance Nos. 167944, 176519, 179420, and 180983 (the Central City West Specific Plan) and Section 19.18 of the Los Angeles Municipal Code to modify the inclusionary housing requirements of the Central City West Specific Plan and make them consistent with citywide affordable housing regulations.

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

Section 1. This ordinance incorporates by reference the provisions of the Central City West Specific Plan as established by Ordinance No. 166703, as subsequently amended by Ordinance Nos. 167944, 176519, 179420, and 180983 (the Central City West Specific Plan or the Specific Plan).

Sec. 2. Section 4 of the Specific Plan is amended by revising or adding the following definitions in the proper alphabetical order to read as follows:

Dwelling Unit, Extremely Low Income. A dwelling unit which is rented or sold to and occupied by “Extremely Low Income Households” as defined in Section 50106 of the Health and Safety Code, as that section may be amended from time to time.

Dwelling Unit, Low or Lower Income. A dwelling unit which is rented or sold to and occupied by “Lower Income Households” as defined in Section 50079.5 of the Health and Safety Code, as that section may be amended from time to time.

Dwelling Unit, Very Low Income. A dwelling unit which is rented or sold to and occupied by “Very Low Income Households” as defined in Section 50105 of the Health and Safety Code, as that section may be amended from time to time.

Sec. 3. Section 11 of the Specific Plan is amended in its entirety to read as follows:

Sec. 11. **HOUSING REQUIREMENTS.**

A. **Required Housing in Mixed Use Overlay Areas.** Within the areas bounded by the heavy dashed lines shown on Map Nos. 2 and 3 of this Specific Plan, for every 1,800 square feet of non-residential floor area constructed, including a hotel use, there shall be one dwelling unit constructed. The dwelling units required to be constructed pursuant to Subsection B of this Section may be included to satisfy the requirements of this Subsection.

B. Replacement Dwelling Units and Inclusionary Housing Requirements.

1. Commercial and Industrial Projects.

The following provisions apply when Replacement Housing is required:

a. All commercial and industrial Project Applicant(s) shall document and replace, on a one-for-one basis in the form of new dwelling unit construction, any Low, Very Low, and Extremely Low Income Dwelling Units and/or guest rooms demolished on the Project lot or lots on or after February 24, 1984.

b. Documentation on demolished Low, Very Low, and Extremely Low Income Dwelling Units and/or guest rooms may consist of Department of Building and Safety demolition permit records, records from the Rent Stabilization Division of the Housing and Community Investment Department, or other documentation acceptable to the Housing and Community Investment Department, or its successor or assignee.

c. The rehabilitation of existing dwelling units shall not be used by a Project Applicant to satisfy the requirements of this Subsection. However, dwelling units for which no certificate of occupancy has been issued may be used to satisfy these requirements, provided the dwelling units comply with all the provisions of this Specific Plan which are applicable to a residential Project.

d. If no documentation on the income category of the demolished dwelling units exists, dwelling units constructed to replace units and/or guest rooms demolished between February 24, 1984, and the effective date of this Specific Plan shall be provided at a ratio of 60% Very Low Income Dwelling Units and 40% Low Income Dwelling Units.

Replacement obligations of applicable State law or City regulations, including, but not limited to, State and local Density Bonus law and the City's Rent Stabilization Ordinance, shall also apply. Conformance with the applicable State law, City ordinance or City program shall not result in less dwelling units than a one-for-one replacement.

e. Any affordable dwelling unit/or guest room demolished shall be replaced with an affordable dwelling unit at the same income level.

f. No certificate of occupancy for a commercial or industrial Project which is subject to the requirement to provide replacement dwelling units shall be issued prior to the issuance of the certificate(s) of occupancy for the affordable replacement dwelling units required pursuant to this Subsection.

g. All net new nonresidential square footage shall be subject to the Citywide Affordable Housing Linkage Fee (LAMC 19.18), and any monies collected pursuant to that regulation shall be deposited into the Central City West Housing Trust Fund in accordance with Los Angeles Administrative Code Section 5.115.6.

2. **Residential and Mixed Use Projects.**

a. All multiple-family residential or Mixed Use Projects are subject to either the Replacement Dwelling Unit or Inclusionary Housing requirement, whichever results in the greater number of affordable dwelling units, as follows:

1) **One-for-one Replacement.** Document and replace, on a one-for-one basis in the form of new dwelling unit construction, Low, Very Low, or Extremely Low Income Dwelling Units and/or guest rooms demolished on the lot or lots on or after February 14, 1988; or

2) **Inclusionary Housing.**

i. **Low Income Dwelling Units, 15% Set-aside.** If no dwelling units were demolished on the lot or lots on or after February 14, 1988, a Project Applicant shall set aside 15% of the Base Permitted Residential Density within the Project as Low Income Dwelling Units; or

ii. **Very Low Income Dwelling Units, 8% Set-aside.** If no dwelling units were demolished on the lot or lots on or after February 14, 1988, a Project Applicant shall set aside 8% of the Base Permitted Residential Density within the Project as Very Low Income Dwelling Units.

b. **Replacement Dwelling Units.** Documentation on demolished Low, Very Low, and Extremely Low Income Dwelling Units and/or guest rooms may consist of Department of Building and Safety demolition permit records, records from the Rent Stabilization Division of the Housing and Community Investment Department, or other documentation acceptable to the Housing and Community Investment Department, or its successor or assignee.

c. Any affordable dwelling unit/or guest room demolished shall be replaced with an affordable dwelling unit or guest room at the same income level. If no documentation on the income category of the demolished dwelling units exists, dwelling units constructed to replace units and/or guest rooms demolished between February 24, 1984, and the effective date of this Specific Plan shall be provided at a ratio of 60% Very Low Income Dwelling Units and 40% Low Income Dwelling Units.

d. No certificate of occupancy for a multiple-family residential or Mixed Use Project which is subject to applicable housing provisions of this Specific Plan shall be issued prior to the issuance of the certificate(s) of occupancy for the Low and/or Very Low and/or Extremely Low Income Dwelling Units required pursuant to this Subsection.

e. **In Lieu Credits.** In lieu of the requirements of this Subdivision, a multiple-family residential Project Applicant may pay a fee, which shall be deposited in Central City West Housing Trust Fund pursuant to the Los Angeles Administrative Code Section 5.115.6.

1) The in lieu fee for a required Very Low Income Dwelling Unit shall be \$180,508.65 per unit.

2) The in lieu fee for a required Low Income Dwelling Unit shall be \$141,575.69 per unit.

3) The in lieu fees shall be revised on January 1 of each year by the Department of City Planning according to the annual percentage change in the Engineering News-Record Construction Cost Index, published monthly by McGraw Hill, Inc. The revised in lieu fees shall be published by the Department of City Planning in a newspaper of citywide circulation before January 31 of each year.

f. **Exemptions.** Multiple-family residential Projects consisting of 10 dwelling units or fewer shall be exempt from the requirements of this Subdivision.

g. **Density Bonus and other Affordable Housing Regulations.**

1) Projects that comply with the affordable housing requirements of the Specific Plan are also eligible for incentives offered by other affordable housing incentive programs, such as the local Density Bonus program and the Transit Oriented Communities Incentive Program.

2) Affordable Dwelling Units constructed pursuant to another affordable housing incentive program may be applied towards the requirements of this Specific Plan.

h. **Applicability.** The regulations, requirements and provisions of Specific Plan Section 11.B shall apply to all Projects.

1) Phased Implementation. Projects will be subject to the Inclusionary Housing requirements in Section 11 B.2(a)(2) in the following manner:

a) Projects that have filed for a Project Permit Compliance Review and whose planning case applications have been deemed complete prior to 90 days from the effective date of this ordinance and which have not received any Building Permit from the Department of Building and Safety, shall not be subject to the Inclusionary Housing requirements in Section 11 B.

b) Projects that have filed for a Project Permit Compliance Review and whose planning case applications have been deemed complete 91 days following the effective date of this ordinance shall be required to provide one-third of the total Inclusionary Housing requirement or the applicable portion of the in lieu fee as required by Specific Plan Section 11 B.

c) Projects that have filed for a Project Permit Compliance Review and whose planning case applications have been deemed complete 182 days following the effective date of this ordinance shall be required to provide two-thirds of the total Inclusionary

Housing requirement or the applicable portion of the in lieu fee, as required by Specific Plan Section 11 B.

d) Projects that have filed for a Project Permit Compliance Review and whose planning case applications have been deemed complete 273 days following the effective date of this ordinance shall be required to provide the total Inclusionary Housing requirement or the applicable in lieu fee, as required by Specific Plan Section 11 B.

3. Relief from Replacement Dwelling Unit Requirement.

a. **Authority.** The City Council, acting in its legislative capacity, may, by resolution, grant administrative relief from the replacement dwelling unit requirements of this Subsection for Project owner(s) who demolished or will demolish Low or Very Low Income Dwelling Units or guest rooms in compliance with the requirements of Division 88 of Article 1 of Chapter IX of the Los Angeles Municipal Code (Earthquake Hazard Reduction in Existing Buildings), or any previously adopted Earthquake Hazard Reduction Ordinance superseded by Division 88, in cases of extreme hardship duly established to the satisfaction of the City Council.

b. **Procedures.** An application for administrative relief shall be filed with the Department of City Planning on forms provided by the Department, accompanied by a fee of \$500.00. The Department shall transmit the application, together with a staff report and recommendation, to the City Council for its determination within 30 days after an application has been deemed complete, unless the Applicant consents to an extension of time.

C. Dwelling Unit Mix and Size.

1. Required Replacement Dwelling Units.

a. **Non-Residential Projects.** A minimum of 30% of the required replacement dwelling units for a commercial, industrial or Mixed Use Project shall be two bedrooms or larger.

b. **Residential Projects.** A minimum of 50% of the required replacement dwelling units for a residential Project shall be two bedrooms or larger.

2. **Linkage Fee Dwelling Units.** A minimum of 50% of the dwelling units constructed through the use of Linkage Fee funds by the Housing and Community Investment Department, or its successor or assignee, shall be two bedrooms or larger.

3. **Required Inclusionary Low and Very Low Income Dwelling Units In Residential Projects.** A minimum of 30% of the Low or Very Low Income Dwelling Units required to be reserved in residential Projects pursuant to Subsection B 2 a (2) of this Section shall be two bedrooms or larger.

D. Dwelling Unit Rent Levels.

1. **Very Low Income Dwelling Unit.** The monthly rent level for a Very Low Income Dwelling Unit required pursuant to this Section shall not exceed 30% of 50% of the median monthly income for persons or families residing in the Los Angeles Standard Metropolitan Statistical Area.

2. **Low Income Dwelling Unit.** The monthly rent level for a Low Income Dwelling Unit required pursuant to this Section shall not exceed 30% of 80% of the median monthly income for persons or families residing in the Los Angeles Standard Metropolitan Statistical Area.

The rent schedule used for a Low, Very Low, or Extremely Low Income Dwelling Unit required pursuant to this Section shall be determined by the Housing and Community Investment Department, or its successor or assignee.

3. **Occupancy.** Low, Very Low, and Extremely Low Income Dwelling Units shall be occupied by persons at qualifying income levels, as determined by the Housing and Community Investment Department, or its successor or assignee.

4. **Deed Restriction.** Low, Very Low, and Extremely Income Dwelling Units shall be evidenced by a deed restriction which reserves and maintains the affordability of the required dwelling units for the life of the dwelling units or for 55 years, whichever is greater. The deed restriction shall also state that rent levels cannot exceed those specified in this Subsection.

E. Dwelling Unit Priority.

1. **Priority Eligibility.** Low, Very Low, and Extremely Low Income Dwelling Units required pursuant to this Section shall be made available to eligible persons or households in the following order of

priority: first, to those who have been or will be displaced by the demolition of Low, Very Low, and Extremely Low Income Dwelling Units or guest rooms within the Specific Plan area; second, to persons employed within the Specific Plan area who qualify as Extremely Low, Very Low or Low Income households; third, to others who qualify as Extremely Low, Very Low or Low Income households.

2. **Jobs-Housing Linkage Plan.** At the time of application for Project Permit Compliance Review, an Applicant for a residential or Mixed Use Project shall prepare and submit a jobs-housing linkage plan which provides opportunities and incentives for persons working in the greater downtown area to live within the Project. The plan may include, but is not limited to, rental or purchase price incentives, an employee priority program and a marketing program directed towards employers and employees.

3. **Notice Requirements.** A notice of the availability of Low or Very Low or Extremely Low Income Dwelling Units required pursuant to this Section shall be caused to be published by the Project Applicant(s) in at least two (2) local newspapers, at least one of which shall be a Spanish language newspaper, and one newspaper of citywide circulation, for a period of no less than 30 days prior to the occupancy of any of the Project's units. The Project Applicant(s) shall also post a notice of availability, in English and Spanish, on the Project lot or lots for a period of no less than 30 days prior to the occupancy of any of the Project's units.

F. Location of Dwelling Units.

1. **Dwelling Unit Primary Placement Area.** Required replacement dwelling units and Linkage Fee dwelling units constructed pursuant to this Section shall be located within the boundary of the Specific Plan area, except as provided for in Subdivision 2 of this Subsection.

2. **Dwelling Unit Secondary Placement Area.** A maximum of 50% of each Project Applicant's total number of required replacement dwelling units may be located in the Dwelling Unit Secondary Placement Area, as shown on Map No. 9, provided the Area Planning Commission grants a Project Permit Compliance Review approval pursuant to Section 17 of this Specific Plan:

In granting Project Permit Compliance Review approval, the Area Planning Commission shall make the following four findings:

a. The construction of replacement dwelling units in the Dwelling Unit Secondary Placement Area will not result in the demolition of existing housing or will result in the replacement of any housing demolished as follows:

1) Any dwelling unit or guest room demolished will be replaced within the Dwelling Unit Primary or Secondary Placement Areas as defined in this Specific Plan;

2) Any Extremely Low Income Dwelling Unit or guest room demolished will be replaced with an Extremely Low Income Dwelling Unit, and Very Low Income Dwelling Unit or guest room demolished will be replaced with a Very Low Income Dwelling Unit, and any Low Income Dwelling Unit or guest room demolished will be replaced with a Low Income Dwelling Unit; and

3) The Project Permit Compliance Review approval includes a condition that no certificate of occupancy for the Project subject to the requirement to construct replacement dwelling units may be issued prior to the issuance of certificates of occupancy for the replacement dwelling units;

b. The replacement dwelling units are consistent with the scale and character of the existing neighborhood;

c. The replacement dwelling units will contribute to the area's jobs/housing ratio; and

d. Either:

1) At least 50% of the total number of replacement dwelling units required for the Project have already been located in the Dwelling Unit Primary Placement Area, or;

2) Good cause exists for constructing the replacement dwelling units in the Dwelling Unit Secondary Placement Area prior to the construction of at least 50% of the total number of replacement dwelling units required for the Project in the Dwelling Unit Primary Placement Area.

G. Enforcement.

1. **Authority.** The Housing and Community Investment Department, or its successor or assignee, shall be responsible for the monitoring and enforcement of the requirements of this Section.

2. **Approval of Dwelling Units.** Dwelling units required pursuant to this Section shall be reviewed and approved by the Housing and Community Investment Department, or its successor or assignee. The approval shall consider:

- a. the qualifications of the developer of the dwelling units;
- b. the ownership/management plan for the dwelling units;
- c. the requirements of this Section; and
- d. the Open Space requirements of this Specific Plan.

3. **Annual Fee.** The Housing and Community Investment Department may charge an annual fee on dwelling units required pursuant to this Section, not to exceed \$50.00 per required dwelling unit, if the City Council, after notice, hearing and recommendation of the Affordable Housing Commission, adopts such a fee.

Sec. 4. Subsection A of Section 17 of of the Specific Plan is amended to read as follows:

A. **Director's Authority.** The Director shall not approve or conditionally approve a Project Permit Compliance Review application unless an appropriate environmental clearance has been prepared, in accordance with the requirements of the California Environmental Quality Act (CEQA). Applicants shall file a Traffic Study Initial Assessment form with the Department of Transportation and prepare a Traffic Study, in accordance with the findings of that assessment; any transportation improvements resulting from the Traffic Study shall be incorporated into a Project's conditions of approval or environmental clearance, as appropriate.

Sec. 5. Paragraph (h) of Subdivision 2 of Subsection B of Section 19.18 of the Los Angeles Municipal Code is amended to read as follows:

h. Any residential floor area of a project located within the boundaries of the Central City West Specific Plan Area, as defined in Ordinance No. 163094, if the Applicant agrees by covenant and agreement with the City or by development agreement to abide by the replacement and inclusionary housing obligations set forth in the Specific Plan for the Central City West Area.

Sec. 6. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By 
ADRIENNE KHORASANEE
Deputy City Attorney

Date 10/1/19

File No. 18-0311

Pursuant to Charter Section 559, I **approve** this ordinance on behalf of the City Planning Commission and recommend that it be adopted.


VINCENT P. BERTONI, AICP
Director of Planning

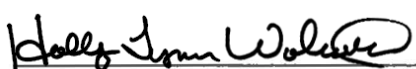
Date 10/4/19


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The Clerk of the City of Los Angeles hereby certifies that the foregoing ordinance was passed by the Council of the City of Los Angeles.

CITY CLERK

MAYOR





Ordinance Passed 10/22/2019

Approved 10/25/2019


Ordinance Effective Date: 12/10/2019
Council File No.: 18-0311

DECLARATION OF POSTING ORDINANCE

I, Ottavia Smith state as follows: I am, and was at all times hereinafter mentioned, a resident of the State of California, over the age of eighteen years, and a Deputy City Clerk of the City of Los Angeles, California.

Ordinance No. 186370 - a copy of which is hereto attached, was finally adopted by the Los Angeles City Council on 10/22/2019, and under the direction of said City Council and the City Clerk, pursuant to Section 251 of the Charter of the City of Los Angeles and Ordinance No. 172959, I conspicuously posted a true copy of said ordinance at each of the three public places located in the City of Los Angeles, California, as follows: 1) one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; 2) one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; 3) one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records beginning on 10/30/2019 and will be continuously posted for ten or more days.

I declare under penalty of perjury that the foregoing is true and correct.



Deputy Clerk

Date: 10/30/2019

Ordinance Effective Date: 12/10/2019

Council File No.: 18-0311