LOS ANGELES CITY PLANNING

Informational Handout

Affordable Housing and Community Benefits System

What Is Affordable Housing?

In the City of Los Angeles, "Affordable Housing" is any housing unit that has a formal covenant or other legal protection that guarantees that the housing unit is reserved for households earning within a specified income schedule as determined by federal and state government agencies. These units can be located in a building that is entirely income restricted (100% Affordable Housing), or in a privately funded mixed-income housing development where a set percentage of the units are covenanted as Affordable Housing.

Affordable Housing Programs in the Southeast Valley

The City has adopted a comprehensive set of housing incentive programs that aim at expanding affordable housing, promoting mixed-income developments, and streamlining approvals – especially near transit, job centers, and in higher-opportunity areas in addition to state initiatives such as the Density Bonus program. These housing incentive programs are closely tied to community plan updates, which align new zoning designations and land use policies with housing incentives in the 2021-2029 Housing Element Rezoning Program[1] including the Citywide Housing Incentive Program (CHIP), and other related zoning tools. Aligning the Community Plan's housing incentives with the adopted Housing Element ensures compliance with state law and creates transparency showing maximum development potential.

[1] Los Angeles City Planning, Housing Element Rezoning Program Website, https://planning.lacity.gov/plans-policies/housing-element-rezoning-program

How Community Plan Updates Implement Housing Incentive Programs

Community Plan Updates are the City's way of shaping growth at the neighborhood level. These updates set the land use, zoning, and development standards that determine where housing can be built, and at what scale. Housing incentive programs are designed to work in tandem with these plans to make it easier to build affordable housing in areas where the City wants to direct growth. The Community Plan Updates implement the new Zoning Code, which includes the Local Affordable Housing Incentive Program (LAHIP). LAHIP encourages the creation and development of restricted affordable units citywide beyond the levels encouraged by the State density bonus program, and incentivizes the increased production of affordable housing units in specific areas identified in the Community Plans. Under this framework, developers are granted increased Floor Area Ratio (FAR) and height[2], also referred to as the base and bonus system, for projects that incorporate affordable housing units and community benefits, as detailed below.

Base and Bonus System

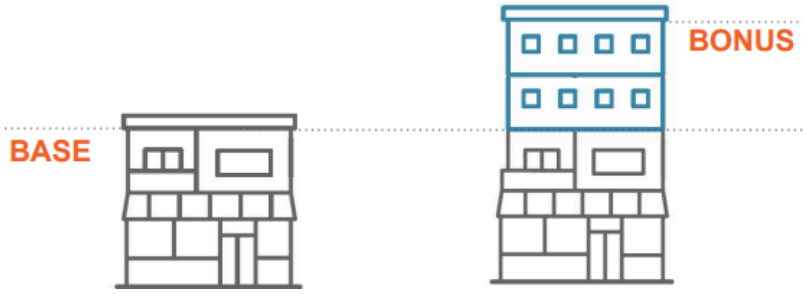
The new Zoning Code provides both a "base" and "bonus" FAR and height found within the associated Form District. The base zoning regulates what can be built on a property without including any community benefits, whereas the bonus FAR and height are incentives offered to a project if it meets the affordable housing set-asides required by LAHIP. Projects may also be eligible for additional incentives, such as increased density, reduced parking requirements, and/or reduced setbacks.

"Tier 1" Bonus

Residential or mixed-use projects must include a percentage of residential units as affordable units to access the first level of bonus incentives ("Tier 1" Bonus in the associated Form District). Specific "Tier 1" Bonus limits for FAR and height are determined by the Form District assigned to the property's zoning as set by the

[2] What are Floor Area Ratio (FAR) and Height?
- FAR is the measurement of the total floor area of all buildings on a lot in relation to the size of the lot.
- Height is the vertical dimension of a building.

Community Plan Update. To qualify for these bonus development rights, a project must set-aside a specified percentage of on-site units as deed-restricted affordable housing serving diverse income brackets over a defined period, in accordance with citywide affordable housing policy standards.



Left: Project developed with the base FAR and height; Right: Additional height on top of the base is identified in blue ("Tier 1" Bonus) resulting from the incorporation of affordable housing.

"Tier 2" Bonus

Once the project has included the required amount of affordable units, additional bonus FAR and height ("Tier 2" Bonus in the associated Form District) can be accessed if additional Community Benefits are provided. Options for Community Benefits for projects include: childcare facilities, multi-bedroom units with three or more bedrooms, publicly accessible open space, or other specific community and civic facilities. The specific amount of additional FAR and height allowed under the "Tier 2" Bonus is determined by the Form District specified in the zoning for each property.



Left: Project developed with the base FAR and height; Middle: Additional height on top of the base is identified in blue ("Tier 1" Bonus) resulting from the incorporation of affordable housing; Right: Additional height on top of base is shown in blue with the incorporation of affordable housing ("Tier 1" Bonus) and Community Benefits ("Tier 2" Bonus).