



## DEPARTMENT OF CITY PLANNING RECOMMENDATION REPORT

### City Planning Commission

**Date:** November 16, 2023  
**Time:** After 8:30 am  
**Place:** Van Nuys City Hall  
14410 Sylvan St # 215,  
Van Nuys, CA 91401

**Case No.:** CPC-2023-5273-CA

**CEQA No.:**  
ENV-2020-6762-EIR  
ENV-2020-6762-EIR-ADD1

**Public Hearing:** October 11, 2023

**Council No.:** All


**PROJECT LOCATION:** Citywide

**PROPOSED PROJECT:** An ordinance amending Chapter 1 and Chapter 1A of the Los Angeles Municipal Code, including Section 12.22 of Chapter 1 and Articles 9 and 13 of Chapter 1A, for the purpose of establishing procedures and performance standards for administrative approval of one hundred percent affordable housing projects.

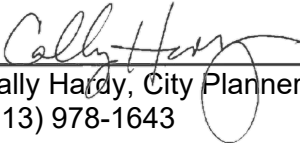
#### RECOMMENDED ACTIONS:

1. Recommend adoption of the proposed ordinance (Exhibit A);
2. Adopt the staff report as the Commission's report on the subject;
3. Adopt the attached Findings;
4. Recommend that the City Council instruct that the proposed Ordinance be incorporated into the New Zoning Code, subject to changes to conform to the format and style of the New Zoning Code; and
5. Recommend that the City Council FIND, the Project was assessed in the Housing Element Environmental Impact Report ("EIR") No. ENV-2020-6762-EIR, State Clearinghouse No. SCH No. 2021010130 certified on November 29, 2021, and the Addendum (ENV-2020-6762-EIR-ADD1) approved June 14, 2022.

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# TABLE OF CONTENTS

<b>Project Analysis</b>	<b>A-1</b>
1. Project Summary	
2. Background	
3. Proposed Ordinance	
4. Discussion of Key Issues	
5. Conclusion	
<b>Findings</b>	<b>F-1</b>
1. General Plan/Charter Findings	
2. CEQA Findings	
<b>Public Hearing and Communications</b>	<b>P-1</b>
1. Public Outreach and Public Comment Summary	
<b>Exhibits:</b>	
A – Proposed Affordable Housing Streamlining Ordinance	

## PROJECT ANALYSIS

### Project Summary

This report recommends the adoption of the proposed Affordable Housing Streamlining Ordinance, which would codify the streamlining benefits of Mayor Karen Bass' Executive Directive 1 (ED 1), to establish administrative review procedures for qualifying 100 Percent Affordable Housing Developments. The ordinance was prepared in response to a motion (CF 23-0623) that was adopted by the City Council on June 27, 2023, directing the Department to prepare and present an ordinance that would codify the main provisions of ED 1 and thereby create a permanent land use program to facilitate expeditious approval and construction of affordable housing.

The proposed ordinance would amend Chapters 1 and 1A of the Los Angeles Municipal Code (LAMC) to create an administrative review process for one hundred (100) percent affordable housing projects, subject to eligibility requirements and performance standards. This ordinance is anticipated to reduce the need for affordable housing projects to request discretionary planning entitlements and to expedite their approval to address the City's housing crisis.

### Background

#### Executive Directive 1

Mayor Karen Bass signed Executive Directive 1 (ED 1) on December 16, 2022, to expedite the processing of 100 percent affordable housing and shelter projects and address the housing and homelessness crisis in the City of Los Angeles. ED 1 exempts these projects from discretionary review if these projects comply with applicable objective development standards, except as they may be modified or waived by Density Bonus or other local affordable housing incentive programs. Projects that require consideration of a Coastal Development Permit or are subject to the Subdivision Map Act are ineligible for ED 1 streamlining.

ED 1 projects are reviewed through a ministerial approval process, which provides various streamlining provisions at all stages of project review for qualifying projects, including an exemption from various local planning procedures (such as hearings and appeals), the California Environmental Quality Act (CEQA), and any non-objective development standards contained in the Zoning Code or other applicable overlays or planning documents. ED 1 further directed various City Departments, including the Department of City Planning, to expedite processing of City approvals needed for shelters and 100 percent affordable housing projects to meet a 60-day timeline.

Since its issuance in December 2022, ED 1 has proven to be an extremely effective tool to accelerate production of 100 percent affordable housing projects. The result has been a dramatic increase in the number of 100 percent affordable housing developments being proposed and the speed in which they are approved. The Department understands that many of the projects are privately financed without any public subsidy, which indicates that the incentives and streamlined review process are substantial enough to attract market rate developers to develop 100 percent affordable housing. As of October 30, 2023, more than 50 projects have been administratively approved under ED 1, with an additional 55 pending applications — all of which would result in

12,383 new affordable homes. Additionally, ED 1 has dramatically reduced project review timelines, with the average ED 1 project receiving approval from City Planning within 43 days of submitted complete application.

Mayor Bass released a revised version of ED 1 on June 12, 2023, to clarify that ED 1's streamlining provisions are not applicable in single family or more restrictive zones. On June 27, 2023, the City Council adopted a motion (CF 23-0623) directing the Department of City Planning to prepare and present an ordinance that would codify the streamlining provisions of ED 1. On July 7, 2023, Mayor Bass extended the emergency order to allow the provisions of ED 1 to stay in effect while the City Council considers an ordinance to codify its provisions.

Additionally, on June 27, 2023, the City Council directed the Department of City Planning to prepare a report with recommendations on opportunities to extend the ED 1 streamlining processes to mixed income housing developments, including a focus on 'Low Resource' and 'High Segregation & Poverty' areas of the city, as specified by the State of California Tax Credit Allocation Committee. The proposed ordinance focuses solely on streamlining for 100 percent affordable housing projects. A future report will consider potential implications and recommendations related to a mixed-income component.

#### Housing Element Implementation Program 54

Los Angeles is currently experiencing a severe housing crisis, driven by a lack of available affordable homes. As identified in the 2021-2029 Housing Element, the housing shortage is caused both by external market factors and factors within the City's control, such as lengthy approval processes that increase costs and create risk and uncertainty for home builders. The Housing Element identifies, in particular, discretionary planning review as a significant constraint to the production of affordable housing, as well as in meeting goals around affirmatively furthering housing. Streamlining the production of deed-restricted affordable housing to lower costs and increase certainty has shown to increase production and the codification of ED 1 is in line with the City's housing policy goals.

The Housing Element includes various policies and implementation programs to streamline affordable housing and to allow for greater zoning flexibility for affordable housing, including Policy 1.2.5 of the Housing Element which directs the City to "streamline the housing approval process, particularly for Affordable Housing, throughout City departments." In addition, Program 54 (*Expedite Affordable Housing Projects*) is an implementation program of the Housing Element that calls for the Department of City Planning to pursue amendments to the Zoning Code to reduce the need for affordable housing projects to seek discretionary entitlements. The Proposed Ordinance directly supports the implementation of Program 54 of the Housing Element by creating an administrative review process for qualifying affordable housing developments.

### **Proposed Ordinance**

#### Summary of the Proposed Ordinance

The Proposed Affordable Housing Streamlining Ordinance (Exhibit A) amends Chapter 1 and Chapter 1A of the Los Angeles Municipal Code to establish a new administrative review procedure for qualifying 100 percent affordable housing developments, subject to eligibility requirements and performance standards.

Following is a summary of the key provisions of the Proposed Ordinance.

#### *Definition of One Hundred Percent Affordable Housing Project*

The proposed ordinance does not propose to substantively alter the definition of 100 percent affordable housing used in ED 1. The definition aligns with that used in state Density Bonus law, which in turn aligns with the federal Low Income Housing Tax Credit program, the largest funding source for affordable housing.

A 100 percent affordable housing project, as defined in the proposed ordinance, requires the creation of five or more residential dwelling units where all new units are restricted to be affordable. As proposed, privately funded rental projects are required to remain affordable for 99 years, whereas publicly funded projects are required to remain affordable for at least 55 years for rental units or 45 years for for-sale units. Apart from any manager's units, all units in the project are required to be affordable to lower income households (which includes extremely low-, very low-, and low-income households) as defined by the United States Department of Housing and Urban Development (HUD), or any more restrictive rent schedule for lower income households. In addition, up to 20 percent of the units may be affordable to moderate income households but their rent levels must be affordable using the more restrictive California Housing and Community Development (HCD) standards.

#### *Eligibility Criteria*

To qualify for the Administrative Review process, a 100 percent affordable housing project must comply with all applicable objective zoning standards and design review standards, except that it may also qualify for affordable housing incentive programs — such as Density Bonus — that provide for certain development incentives and waivers/modifications of development standards. If a project requires other types of discretionary entitlements to seek relief such as a zone change, specific plan exception, adjustment or variance, the project is not eligible for streamlining (see section 12.22 A.36(c)(4)). Furthermore, the ministerial Administrative Review process will not apply to Coastal Development Permits or any subdivision processes. The proposed ordinance also carries forward an ED 1 prohibition on projects located in a single-family zone and extends this exclusion to manufacturing zones that do not permit multi-family residential uses, as well as lower density zones that do not permit a multi-family density of five or more units. In addition, the proposed ordinance includes protections against the demolition of historical resources, including eligible historic resources identified in local plans.

#### *Administrative Review Procedure*

Eligible projects shall be processed administratively and subject only to the application of objective development standards. These administrative applications are exempt from the California Environmental Quality Act (CEQA), do not require a public hearing, and are not subject to appeals. Discretionary entitlement procedures for code compliant projects such as Project Permit Compliance (in Specific Plans) or Density Bonus incentives or waivers (with some limitations) will not be required.

### *Relationship to Affordable Housing Incentive Programs*

The proposed ordinance would allow qualifying 100 percent affordable housing projects to request any applicable density bonus, incentives, or waivers pursuant to California Government Code Section 65915 or other affordable housing incentive provisions of the LAMC. This includes the City's Density Bonus and Transit Oriented Communities (TOC) Affordable Housing Incentive Programs. Any such requests would be ministerially reviewed during the Administrative Review process and considered alongside the project application, with some limitations.

### *Limitations on Density Bonus Incentives and Waivers*

To provide guardrails and ensure that streamlined projects are largely zoning compliant, the proposed ordinance limits projects approved under the Administrative Review process to requesting no more than one Density Bonus waiver or modification of development standards. If pursuing a Density Bonus, projects would also be eligible to request up to five additional incentives — which may be requested as on-menu or off-menu incentives. In addition, projects requesting a Density Bonus may seek an on-menu incentive from any applicable City incentive programs, including Transit Oriented Communities (TOC), the Qualified Permanent Supportive Housing (QPSH) Ordinance, or any Community Plan Implementation Overlay (CPIO).

Streamlined projects would also be limited in the types of off-menu incentive or waiver requests that would be eligible for Administrative Review. Under the proposed ordinance, the following limitations would apply for off-menu Density Bonus incentives or waivers:

- Floor Area Ratio (FAR): In residential zones, an increase in FAR of no more than 100 percent, or up to a maximum FAR of 3.5:1, whichever is greater.
- Height: In residential zones, a height increase of no more than three stories, or 33 feet.
- Yards: In residential zones, no less than a 5-foot side yard, an 8-foot rear yard, and no front yard reduction unless it aligns with the average front yard setback of adjoining buildings.
- Open Space: In all zones, no more than a 50 percent reduction in required open space.
- Bicycle Parking: In all zones, no more than a 50 percent reduction in required bicycle parking.
- Tree Planting: In all zones, no more than a 25 percent reduction in required tree planting.
- Ground Story Requirements: In commercial zones, no more than a 30 percent reduction in ground story requirements such as ground story minimum height, transparency, or pedestrian entrance and spacing requirements.

Any requests for incentives or waivers in excess of these limitations would no longer be eligible for the streamlined process and would instead be reviewed according to the discretionary procedures provided in the City's Density Bonus Ordinance (LAMC Section 12.22 A.25).

### *Performance Standards*

To ensure certain design objectives are met, a 100 percent affordable housing project must additionally comply with three performance standards, unless the project results from the conversion of an existing structure. These standards cannot be modified through an incentive or waiver. These include:

- Screening of Parking Areas: Any parking areas and structures provided at or above grade must be screened.
- Street-Facing Entrance: Street-fronting buildings must have at least one street-facing entrance.
- Pedestrian Access: Street-facing entrances must have a pedestrian access pathway from the public right-of-way.

### Summary of Changes Since September 14, 2023 Draft Release

Based on feedback received during the public comment period, the Department has made modifications to the proposed ordinance provided in Exhibit A, as summarized below.

#### *Clarification for projects submitted under Executive Directive 1:*

- A placeholder for a new provision was added (12.22 A.36(b)) to clarify the relationship of projects submitted under ED 1 to the proposed ordinance. Language is currently in development; the intent is that eligible projects accepted under Executive Directive 1 are also eligible for review and approval under this ordinance but will not be subject to the additional limitations of this ordinance.

#### *Definition of 100 Percent Affordable Housing Project:*

- The definition of a 100 Percent Affordable Housing Project was modified to clarify that projects that entail remodeling or rehabilitation of five or more existing affordable housing units shall also be considered to meet the definition. This definition was also moved to the general Definitions in Section 12.03 of the Code, to apply more generally to 100 Percent Affordable Housing Projects in the Zoning Code.
- The covenant term length was amended to specify, that projects approved under the proposed ordinance would be required to provide a covenant term of 99 years, unless the project receives public funding or utilizes Low Income Housing Tax Credits, as verified by the Housing Department, in which case the required term would be 55 years for rental projects, or 45 years for for-sale projects.

#### *Eligibility Requirements:*

- Two additional Code Sections were listed as disqualifiers for project eligibility for streamlining under the proposed ordinance. This includes the Coastal Development Permit procedures after certification of a Local Coastal Program (12.20.2.1) and the Alternative Compliance procedures for Public Benefit projects (14.00 B).

- Proposed project sites that were deemed hazardous waste sites but have either received a uniform closure letter by the State Water Resources Control Board or were otherwise determined to be suitable for residential use or residential mixed use by the State Department of Public Health, State Water Resources Control Board, Department of Toxic Substances Control, or a local agency would now be eligible.

*Waivers and Off-Menu Incentives:*

- The proposed ordinance increases flexibility by modifying the limit on off-menu incentives (previously was limited to two off-menu incentives or waivers, combined), to allow projects to request up to five Density Bonus incentives, which may be provided through on- or off-menu requests, and up to one waiver. This is proposed to be balanced by placing additional guardrails on certain types of off-menu requests (see below).

*Limitation on Types of Requests for Waivers or Modifications of any Development Standard(s) Not on the Menu:*

- While allowing considerably more flexibility for the number of off-menu incentives and waivers, the proposed ordinance includes additional limitations on requests to decrease open space limits (50%), bicycle parking requirements (50%), tree removals (25%), and ground story requirements (30%).
- The limitation on FAR increases in residential zones was modified to allow up to a 3.5:1 FAR at minimum, which may be more than a 100% increase in FAR in areas where the base FAR allowance is less than 1.75:1.

*Relationship to Other Incentive Programs:*

- Additional language was added to clarify that a project may utilize any otherwise applicable affordable housing incentive program.
- A new provision was added to allow a project utilizing Density Bonus to apply any otherwise applicable on-menu incentives provided through affordable housing incentive programs including the City's TOC Program, Qualified Permanent Supportive Housing Ordinance, and Community Plan Implementation Overlays (CPIOs).

*Relationship to Other Entitlements:*

- Rather than prohibiting streamlining of a project that requires review and approval of a subdivision, the ordinance has been revised to clarify that the subdivision shall not be streamlined.
- Additionally, a provision was added to clarify that any non-residential uses that may be associated with a 100 percent affordable housing project but are not permitted by the zoning (including those that may require a Conditional Use Permit, such as approval of a hotel, alcohol or certain entertainment uses), are not streamlined and shall be subject to applicable review procedures and laws.



## Discussion of Key Issues

The following section contains a discussion of key issues and addresses several of the comments and concerns that were raised during the public comment period.

### Off-Menu Density Bonus Incentives and Waivers

The proposed ordinance includes limitations on the number and type of off-menu Density Bonus incentives and waivers that may be requested under the streamlined process created by the proposed ordinance. As described in the *Public Communications* section of this report, these limitations were a central concern raised in most public comments received.

The proposed ordinance included in Exhibit A significantly increases flexibility for Density Bonus projects compared to the September 14, 2023 draft by removing the limitation to two on-menu incentives or waivers, and instead would allow up to five incentives that may be on- or off- menu, with a limitation to one waiver. In addition, the proposed ordinance expands the menus that can be accessed through the Density Bonus program to include any applicable incentives for which a project may otherwise qualify (e.g., TOC Program, QPSH Ordinance, CPIO). The proposed ordinance balances this flexibility with the incorporation of additional guardrails against certain types of off-menu or waiver requests. These changes will allow for significantly more projects to remain qualified under the streamlining and better align City discretion with the allowance for discretion provided under state law. To better understand considerations around this key issue, some additional background on the structure of Density Bonus is presented below.

State Density Bonus law (Government Code Section 65915), and the City's local Density Bonus ordinance (LAMC Section 12.22 A.25) which implements state law, have been widely used in Los Angeles to facilitate the development of affordable housing. The program helps to offset the costs of providing affordable housing as well as to mitigate the constraining effects of certain residential development standards by providing incentives or waivers in return for providing a certain percentage of affordable housing. These include base incentives, additional incentives (which in Los Angeles may be provided on-menu or off-menu), and waivers or modifications of development standards. This report will use the terms "incentives" and "waivers" to refer to the latter two categories.

Base incentives are available to all Density Bonus projects that provide the required level of affordable housing in state law and include increased residential density and reduced or eliminated parking requirements. Pursuant to the City's Density Bonus ordinance, if a project requests only base incentives, it is processed as a by-right application with the Department of Building and Safety and does not require any review by the Department of City Planning. For 100 Percent Affordable Housing projects, the base incentives include a waiver of maximum controls on density and a height increase of up to 3 additional stories or 33 feet, if located in a low vehicle miles traveled area (this encompasses most of the city, except more remote areas of the Valley and some hillside areas). Projects not located in these areas are able to request an 80 percent increase in density. Areas located within one-half mile of a major transit stop qualify for zero parking (like all residential projects pursuant to AB 2097), as do some affordable housing types for special needs populations.

Under existing state Density Bonus law, qualifying 100 Percent Affordable Housing Projects are eligible to request up to four additional incentives to modify otherwise applicable development

standards (as opposed to three for mixed-income projects). Pursuant to AB 1287, the number of additional incentives available for 100 percent affordable housing projects will increase to five on January 1, 2024. These typically include requests for modifications to setbacks, open space, or transitional height requirements. Incentives and concessions are intended to facilitate the construction of the affordable units, by easing project financial feasibility. The City's local Density Bonus ordinance includes a pre-set menu of incentives; however, there is often a need for projects to request incentives that are not included on the menu (i.e., "off-menu"), particularly in areas of the City with newer, more fine-grained development regulations such as Community Plan Implementation Overlay (CPIOs). Under state law, incentives must be approved unless they do not result in cost reductions to provide for affordable housing costs, would cause a significant, adverse impact to health and safety or a historic resource listed on the California Register (without feasible mitigation) listed or are contrary to state or federal law. Under the current Density Bonus ordinance, on-menu incentives are "pre-vetted" and processed administratively by City Planning staff, whereas off-menu incentives are processed through a discretionary review process, decided by the City Planning Commission.

In addition to incentives, state Density Bonus law also permits qualifying projects to request a waiver or modification of development standards. Waivers are distinct from incentives, as waivers relate specifically to the ability to physically construct the project with the density bonus and incentives permitted by the law. While neither state Density Bonus law or the City's local Density Bonus ordinance place a limit on the number of waiver requests, there is a provision in state law that authorizes jurisdictions to cap projects at one waiver if they are a 100 percent affordable housing project that is requesting an unlimited increase in residential density. Like off-menu incentives, the current Density Bonus ordinance requires a discretionary approval by the City Planning Commission for granting of waiver requests.

Executive Directive 1 enabled off-menu incentive and waiver requests to be processed administratively. Analysis of projects submitted to Planning under ED 1 shows that on average, ED 1 cases requested 3 off-menu incentives, and 2 waivers; however, some projects requested substantially more off-menu incentives or waivers (see Figures 1 and 2).

*Figure 1. Number of Off-Menu Incentives Requested by Proposed ED 1 Projects, as of October 2, 2023*

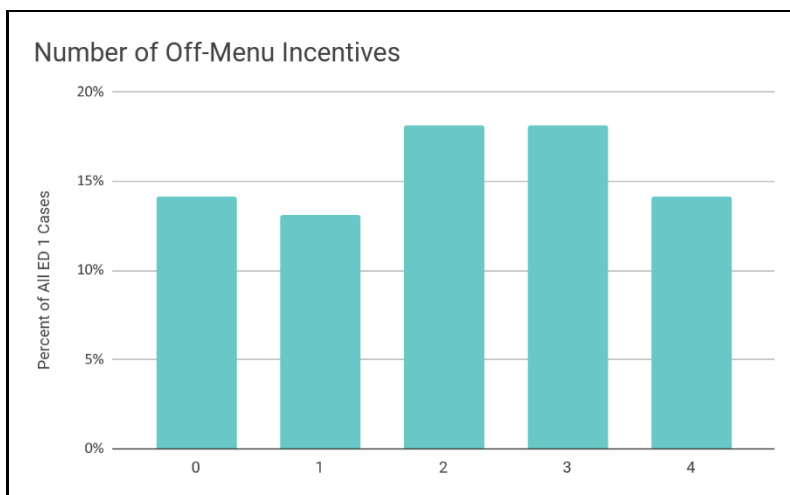
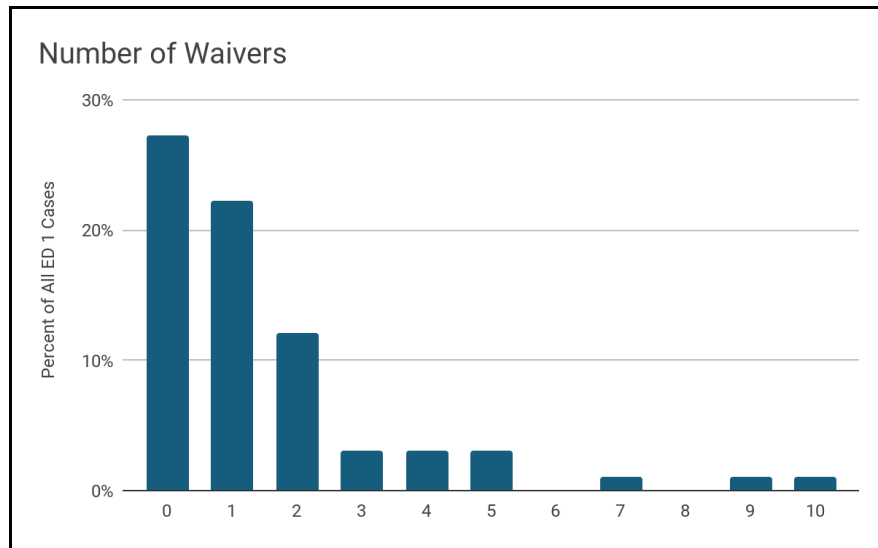


Figure 2. Number of Waivers Requested by Proposed ED 1 Projects, as of October 2, 2023



Off-menu incentive and waiver requests among ED 1 projects vary, but have included the following types of requests:

- Increase in allowable Floor Area Ratio (FAR) beyond the 35% provided by the menu
- Reduction in setback requirements beyond the 20% reduction provided by the menu
- Increase in maximum lot coverage beyond the 20% provided by the menu
- Reduction in open space requirements beyond the 20% reduction provided by the menu
- Modifications or waiver of requirements to provide ground floor retail use (typically imposed through CPIO or Specific Plan standards)
- Modifications or waiver of transitional height requirements
- Reduction or waiver of tree planting requirements
- Height increase beyond the 33-foot incentive provided by state Density Bonus law
- Modifications or waiver of exterior finish or design standards imposed through a CPIO or Specific Plan
- Modification or waiver of bicycle parking requirements
- Modification or waiver of other physical site design requirements due to site-specific physical constraints or requirements from other agencies (e.g., Fire Department access requirements)

The ability for ED 1 projects to request an unlimited number of off-menu incentives and waivers has created a complicated situation — many projects have benefitted from the streamlined process and the ED has resulted in a substantial increase in proposed affordable housing units; however, there is growing concern that without some guardrails, this carve-out has the potential for abuse. This is primarily due to the significant bonuses available for 100 percent affordable

projects (e.g., unlimited density and three extra stories of height), alongside the ability to request unlimited waivers of development standards, which has led to some ED 1 developers requesting substantial modifications from zoning requirements that results in projects that may be substantially out of scale with the surrounding context or excluding design features that support habitability and walkability. Through implementation of ED 1, the Department has received requests for significant height and floor area increases, zero bicycle parking, zero open space, no trees, and significantly reduced yards.

For this reason, the proposed ordinance attempts to strike a balance of crafting appropriate guardrails while still facilitating administrative review of the majority of affordable housing projects. The September 14, 2023 draft ordinance would have required projects requesting more than two total combined off-menu Density Bonus incentives or waivers to be reviewed according to the discretionary procedures provided in the City's Density Bonus Ordinance (LAMC Section 12.22 A.25). As described above, the proposed ordinance provided in Exhibit A increases flexibility by removing the limit on the number of off-menu incentives, and limits projects to one waiver. This revision is intended to more narrowly target the areas of concern identified by placing guardrails on the type of off-menu requests that may be streamlined, rather than placing a blunt limit on the number of off-menu incentives.

The intended effect of this change is to include more projects that are anticipated to be eligible for streamlining as a result of the proposed ordinance. Staff analysis suggests that, considering the existing pipeline of proposed projects submitted under ED 1, more than twice as many units would be eligible under the proposed revised ordinance compared to the original draft. Still, it is important to acknowledge that the Department's analysis shows that even with the greater flexibility to request off-menu incentives, about 25 percent of the pipeline projects would not be eligible for streamlining under the proposed ordinance. However, it is also likely that many of these projects would have been able to be redesigned to accommodate the new regulations.

### Eligible Zones

The proposed ordinance also includes limitations on eligible zones that would be able to qualify for the streamlined approval process. Any site that includes a single family or more restrictive zone (such as an R1, RE, RS, RA or A zone) would not be eligible, nor any site that is zoned for manufacturing uses that do not permit multi-family residential development (such as a M1 or M2 zone). Additionally, for sites with a residential zoning classification, the entire project site's zoning must permit the construction of five or residential units prior to granting of any density bonus.

The existing ED 1 prohibits single family or more restrictive zoned parcels from participating in the program; however, the other two limitations are not currently included in the existing ED 1 and would be new eligibility criteria under the proposed ordinance. As summarized in the *Public Communications* section of this report, many public comments raised concern with the exclusion of single-family parcels. To a lesser extent, public comments also raised concern with limiting eligibility to medium and higher density multi-family sites that can meet the five unit based zoned conditions (see proposed 12.22 A.36(c)(1) and (2)).

The thresholds for participation in the proposed ordinance are intended to align with the base zoning conditions that are necessary to participate in the Density Bonus program. However, there are some single-family and lower density multi-family sites that could potentially qualify for Density

Bonus but would not be eligible for streamlining under the proposed ordinance. An underlying catalyst for the proposed exclusions is recent changes to state law and its impact on the five-unit entry point (or more than 4 units, as it is rounded up under state law).

Assembly Bill (AB) 2334 (2022) amended the definition of “maximum allowable residential density” in state Density Bonus law. This term is used to identify a project’s base density, which is the number of units allowed prior to the density bonus. The definition was updated to mean the maximum number of units allowed under the zoning ordinance, specific plan, or General Plan Land Use (GPLU) designation, whichever is greater, rather than considering only the allowance based on zoning. In Los Angeles, the density permitted by the general plan is based on the range of zones identified on the Community Plan GPLU Map as corresponding to the GPLU designation for a property.

The implications of AB 2334 are that in some cases, a property with a single-family, lower density multi-family or nonresidential zoning designation could be associated with a GPLU designation that permits construction of five or more residential units and thereby qualify the site to participate in density bonus and ED 1. For example, a site located in a Manufacturing (M) zone may have a Light Manufacturing or Hybrid Industrial GPLU designation that corresponds to the CM zone, which permits multi-family housing. Lower density multiple family zones such as R2 and RD2 often correspond to a maximum zoned density of slightly higher multi-family zones. AB 2334 therefore expanded Density Bonus to large R2 zoned parcels (more than 12,000 square feet) as well as to RD2 zoned sites of 6,000 feet in size or greater.

Single-family zoned sites are typically located in a Very Low or Low Residential GPLU, but some are in areas planned for multiple family housing (Low Medium or Medium GPLUs) but were never rezoned to correspond. The Very Low GPLU never corresponds with a multiple-family zone; however, the Low GPLU often includes a correspondence to the multi-family RD5 and RD6 zones. Given the density allowance of the RD5 zone, a single-family zoned site with a Low Residential GPLU could be used for density bonus if the lot exceeds 20,000 square feet.

The revised version of ED 1 issued in June 2023 clarified that ED 1’s streamlining provisions are not applicable in single family or more restrictive zones, regardless of the GPLU. The proposed ordinance would carry this policy forward and expand the prohibition to Manufacturing zones. The single-family exclusion does have consequences on potential affordable housing production. More than 1,500 units had been proposed on single-family zoned sites under ED 1 before the revised ED was issued, and many of them were in higher resource areas<sup>1</sup> where affordable housing is scarce. The proposed ordinance is intended to codify the intent of the ED, which includes the single-family exclusion. The direction is also in line with the feedback the Department received from City Council when considering an affordable housing overlay zone (see Council File 21-0972). The state Density Bonus allowance of three additional stories in height plus no density limitations is also an important consideration.

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<sup>1</sup> Higher resource areas are defined to mean areas that are scored as Highest Resource or High Resource Areas pursuant to the California Tax Credit Allocation Committee/Department of Housing and Community Development (CTCAC/HCD) Opportunity Area Maps, which are available online at: <https://www.treasurer.ca.gov/ctcac/opportunity.asp>

Manufacturing zoned sites are generally not appropriate locations for housing given the potential health risks and environmental hazards associated with industrial activities. Excluding these sites from streamlined review would allow for additional review of potential housing development projects on these sites, including review under CEQA. On the other hand, some comments suggest that these areas may offer significant opportunities to create additional affordable housing, and any potential negative health or environmental justice concerns can be addressed through environmental remediation.

### Projects Submitted Under ED 1

A key consideration that has been raised by multiple stakeholders relates to how the proposed ordinance will interact with the existing pipeline of housing projects that have been submitted and approved under the policies of the Executive Directive.

The proposed ordinance intends to provide additional clarity regarding the ability of pending ED 1 projects that have submitted a complete application to the Department under the provisions of ED 1 to be protected under the policies of the ED. The intent is also to include the projects under the ordinance's municipal code approval authority to provide additional certainty to projects approved under the ED.

As summarized above, the revised proposed ordinance includes new placeholder language, with the intent of clarifying the relationship between these types of ED 1 projects and the proposed ordinance. The language is currently under development and is intended to be provided to the City Planning Commission through a Technical Modification, for its consideration alongside the proposed ordinance.

### Environmental Justice Considerations

The Department recognizes the historical and current need to address environmental justice concerns. However, adding new requirements to 100 percent affordable housing developments in excess of what is required for other types of housing developments could result in less affordable housing. A mandatory environmental assessment process may add months to a process that is meant to be streamlined.

A prohibition against manufacturing zoned sites was included to avoid sites that are more likely to be contaminated. Current building and safety procedures also ensure that sites with oil wells are referred to the Fire Department and California Geologic Energy Management Division for review and appropriate mitigation. In addition, the current building code requires air filtration devices to be installed in a new residential development, which helps mitigate concerns about unhealthy air particles emanating from freeways.

The Department also has several ongoing efforts to address issues related to land use, sustainability, climate equity, and environmental justice, and recently launched an Environmental Justice Policy Program which includes General Plan updates and extensive community outreach and engagement. Recent efforts led by the Department to implement policies and programs that center on health and environmental justice include the recent adoption of the Oil and Gas Drilling Ordinance and the development of the Healthy Buildings, Healthy Places: Landscape and Site Design Standards to advance healthy building design and climate-adapted site design standards in the City. The Department continues to push for the remediation of hazardous land uses.

As noted in public comments, some individuals highlighted the need to require Phase I and Phase II Environmental Assessments and remediation, if warranted, for certain types of uses including sites used as a gas station, automotive maintenance or repair, gas or oil well, or dry cleaning facility or sites located proximate to these uses. Planning staff continues to evaluate these potential regulations as part of its Environmental Justice work program for consideration in future land use ordinances.

### Anti-Displacement Measures and Tenant Protections

#### *Replacement and Right of Return*

The public comment letter received from UNIDAD also raised several key considerations related to anti-displacement measures and tenant protections, including a request to make streamlining unavailable or severely restricted on sites with existing renters and requiring no net loss of existing housing units. As expressed in the City's Housing Element, minimizing displacement of vulnerable residents and ensuring strong tenant protections and housing stability are crucial components of the overall strategy to meet the City's housing needs.

Like all housing development projects, ED 1 projects are required to undergo evaluation for a replacement unit determination and tenant protections pursuant to the state Housing Crisis Act (HCA). This means that any housing development project that removes Protected Units must comply with a no net loss requirement, and provide tenants the right to return to the new building, a right to remain up to six months prior to demolition, and relocation payments. The only exception in the HCA is an exemption for 100 percent affordable housing projects that receive public subsidy, where compliance with the right of return is exempted when providing a comparable unit would be precluded due to size limitations or other requirements from funding sources.

Applying a prohibition on the development on sites with existing renters that would apply only to 100 percent affordable projects may have unintended consequences. Given the lookback periods, it is often difficult to establish proof that there were no lower income tenants living in the affected unit during the last 5 years. Therefore, almost all residential sites, even those where a homeowner sold their home or a unit is vacant, would likely be ineligible for streamlined affordable housing production under the proposed ordinance, but could continue to be eligible to be developed with non-deed-restricted affordable housing based on the by-right zoning conditions. The creation of affordable housing is itself an important anti-displacement tool. Furthermore, as projects approved under the proposed ordinance are required to be 100 percent affordable, it is likely that no net loss of affordable units would be occurring on the site. The creation of additional replacement requirements particular to this ordinance should be considered as part of a more comprehensive update to citywide housing replacement and right of return requirements.

The Department is currently working with the Housing Department to explore further enhancements to citywide replacement, right to remain, and right of return requirements through ordinances that will be considered as part of the Housing Element Rezoning Program that is

currently underway. In particular, one key area that has been identified for exploration is a citywide one-for-one replacement policy for units subject to the Rent Stabilization Ordinance (RSO units).

### *Length of Affordability Covenant*

Additionally, public comments raised discussion around the affordability terms of units created through the program, to ensure that projects provide a lasting affordable housing option for communities. The vast majority of affordable housing incentive programs and funding programs require affordability covenant terms of 55 years for rental projects, with 45-year terms for for-sale projects. There has been growing momentum in recent years to extend covenant lengths wherever feasible and possible. In 2021, Assembly Bill 634 clarified the ability of local jurisdictions to adopt a local ordinance that lengthens affordability terms beyond 55 years, so long as the extended affordability terms are not applied to affordable units that would be financed with low income housing tax credits. As a result, the Department is currently exploring expanded covenant terms for many local affordable housing incentive programs.

As noted earlier in this report, many of the projects in the current ED 1 pipeline are utilizing private financing and therefore do not rely on public subsidies or low income housing tax credits. Based on preliminary research, it does not appear that a 99-year covenant term would substantially impact the feasibility of these privately financed 100 percent affordable housing projects.

For these reasons, the revised proposed ordinance includes a new provision to require a covenant term of 99 years for any projects approved under the proposed ordinance which do not receive any form of public subsidy tied to a specified covenant length, or any low income housing tax credits.

### Public Participation

Several commenters raised concern with the ability for members of the public to have an opportunity to provide public input in the approval process for affordable housing projects under the proposed ordinance. The proposed ordinance would not require a public hearing or notification of submitted projects, and as projects would be subject to ministerial approval they would not provide for appeal.

Some comments raised the suggestion that the City should require applicants to host a resident information session or similar informational meeting for projects proposed in Low Resource or High Segregation and Poverty areas. While the Department understands and appreciates the request for informational meetings, there are some potential concerns that such a meeting requirement could create a false sense of participation. Projects proposed under the proposed ordinance would be reviewed solely based on their compliance with applicable objective zoning standards, and there would not be the legal ability to require conditions to reduce density or significantly alter the affordable housing development through the approval process.

The goal of the proposed ordinance is to codify the provisions of ED 1 which allow for expeditious approval of qualifying affordable housing projects that comply with objective zoning standards. The intent is to remove discretionary City review processes that result in additional time, cost and risk for project applications — with the goal of facilitating production of affordable housing. Projects that do not comply with objective zoning standards that require additional review by planning would continue to require discretionary approval processes required by any applicable



entitlement procedures, including an applicable requirement for public hearing, noticing, and appeals.

Additionally, commenters raised the desire for more transparency in the decision-making process and the need to allow for communities to be better informed about projects that will be approved under the proposed ordinance. The Department actively tracks and monitors data on pending projects and intends to continue ongoing tracking of projects once the proposed ordinance becomes effective. The Department will continue to explore the development of a public-facing dashboard or other resource that will increase transparency and make available information on streamlined affordable housing projects, including coordination with other City departments on the best way to centralize data across departments.

### Tribal Consultation

A comment letter also raised the importance of Tribal notification and consultation as part of the project review process. The Department recognizes Native American tribes as stewards of land within and beyond the boundaries of Los Angeles.

Some recent streamlining tools created at the state level, including Senate Bill 35, require Tribal notification and consultation, as requested, prior to project filing. Experience implementing these requirements has shown that the process may add several months to the review process, which poses challenges in meeting the project review timelines of the Executive Directive. Similar market rate projects would not be required to meet this requirement, which may disincentivize affordable housing. Additionally, the typical affordable housing project that would be approved under the proposed ordinance would not otherwise typically require Tribal notification and consultation. Therefore, introducing a mandatory notification and consultation process may not align with the ordinance's overall goals. The Department continues to work to improve its overall approach in this area, including developing objective standards that would be applicable to all projects moving forward as part of the Environmental Protection Measures currently in development as part of the new Zoning Code effort.

### Streamlining for Mixed Income Development

Lastly, the Department received several comments expressing the need to also reconsider and streamline approval processes for mixed-income housing development projects, which include a combination of market rate and deed restricted affordable housing units.

As noted in the *Background* section of this report, the Department has been instructed by the City Council to report back with recommendations for exploring a mixed income streamlining program, including considering a focus on Lower Resource areas of the City. That report is separately being prepared for consideration by the City Council but is likely to explore a variety of recommendations as well as additional background information on recent and forthcoming efforts to streamline and facilitate approval of all housing projects that include affordable housing units.

### Relationship to the New Zoning Code

The Processes and Procedures Ordinance (Ord. 187,712) was recently adopted in December 2022 and will become operative on January 22, 2024. It is the initial part of a larger effort to comprehensively revise the City's Zoning Code. The proposed ordinance provided in Exhibit A

will require additional review as part of the Form and Legality review process to ensure that all code references are compatible with the Processes and Procedures Ordinance upon its operative date.

Currently, the Zoning Code resides in Chapter 1 of the Los Angeles Municipal Code (LAMC). The Code is undergoing a comprehensive revision, which will be established in a new Chapter 1A of the LAMC and is planned to be implemented in phases as each community plan is updated, starting with the Downtown Community Plan. The new Zoning Code was approved by the City Council on May 2, 2023, and is currently undergoing Form and Legality review with the City Attorney. After this process is complete, the new Zoning Code will be brought to the City Council for final adoption.

In the event that the City Council adopts Chapter 1A of the LAMC, the proposed ordinance would be incorporated into the new Zoning Code. Incorporation of the proposed ordinance in the new Zoning Code would require amendments to Article 9 (Public Benefit Programs) to incorporate a new Affordable Housing Streamlining Program as a general incentive program, Article 8 (Specific Plans and Supplemental Districts) to clarify the procedural relationship to any applicable overlays, and Article 14 (General Rules and Definitions) to codify relevant definitions. All provisions of the proposed ordinance would need to be translated and carried into the new Zoning Code, with the exception of the Performance Standards provided in Paragraph (d) of the proposed ordinance. The new Zoning Code contains more specific provisions that regulate building frontage (Article 3, Frontage Districts) and other design standards (Article 4, Development Standards Districts); therefore, the proposed performance standards would be duplicative of similar types of standards that would be applicable to all projects subject to the new Zoning Code.

The City Planning Commission's action on the proposed ordinance would include recommending that the City Council instruct that the proposed Ordinance be incorporated into the New Zoning Code, subject to changes to conform to its format and style, making the proposed amendments applicable in the Downtown Plan Area and throughout Chapter 1A of the New Zoning Code.

## **Conclusion**

The proposed Affordable Housing Streamlining Ordinance will create a lasting, predictable process to facilitate administrative approval of the majority of 100 percent affordable housing projects in the City. The ordinance builds on the success of Mayor Bass' ED 1 to encourage the timely production of affordable housing, by streamlining approval processes for projects that are largely compliant with applicable zoning regulations. As discussed in this report, the provisions of the proposed ordinance are intended to strike a balance between the need to expedite approval of affordable housing while ensuring key standards are met to ensure compatibility with the surrounding context, minimize inadvertent consequences related to environmental health considerations, and ensure that existing communities and tenants are not disrupted.

## FINDINGS

### General Plan/Charter Findings

#### **City Charter Section 556 and 558, and LAMC Section 12.32**

Pursuant to City Charter Sections 556 and 558, and LAMC Section 12.32, as described below, the proposed ordinance is in substantial conformance with the purpose, intent and provisions of the General Plan, as well as in conformance with the public necessity, convenience, general welfare and good zoning practice. Specifically, the action addresses each of the following goals, objectives and policies of the General Plan as outlined below.

#### **General Plan Findings**

##### General Plan Framework Element

The proposed Affordable Housing Streamlining Ordinance will meet the intent and purposes of the General Plan Framework Element to encourage the creation of affordable housing, while at the same time encourage sustainable growth. The ordinance supports the development of much-needed affordable housing by removing procedural barriers that add months of delays to bring new affordable units online, causing costs to increase. In particular, the proposed ordinance would further the intent and purpose of the following relevant goals, objectives, and policies of the Framework Element:

*Objective 3.1:* Accommodate a diversity of uses that support the needs of the City's existing and future residents, businesses, and visitors.

*Objective 3.4:* Encourage new multi-family residential, retail commercial, and office development in the City's neighborhood districts, community, regional, and downtown centers as well as along primary transit corridors/boulevards, while at the same time conserving existing neighborhoods and related districts.

Goal 4A: An equitable distribution of housing opportunities by type and cost accessible to all residents of the City.

Policy 4.1.1: Provide sufficient land use and density to accommodate an adequate supply of housing units by type and cost within each City subregion to meet the twenty-year projections of housing needs.

Policy 4.1.6: Create incentives and give priorities in permit processing for low- and very-low income housing developments throughout the City.

Objective 4.4: Reduce regulatory and procedural barriers to increase housing production and capacity in appropriate locations.

##### Housing Element

The proposed Affordable Housing Streamlining Ordinance is in substantial conformance with the purpose, intent and provisions of the General Plan in that it would further accomplish the goals, objectives, policies and a program of the Housing Element outlined below:

Goal 1: A City where housing production results in an ample supply of housing to create more equitable and affordable options that meet existing and projected needs.

Objective 1.1: Forecast and plan for existing and projected housing needs over time with the intention of furthering Citywide Housing Priorities

Policy 1.1.1: Collect, report, and analyze existing housing needs (such as overcrowding, cost burden and vacancy rates) and use this information to project and plan for housing needs at a local and citywide level balancing other factors such as job and transit access.

Program 54: Expedite Affordable Housing Projects<sup>1</sup> [Consider unique procedural requirements for qualified Affordable Housing projects including shorter appeal times and modifying Site Plan Review thresholds to an administrative review process.] The completion of Program 54 requires adoption of the Proposed Ordinance by the City Council.

Program 121: RHNA Re-Zoning [Citywide Rezoning to meet RHNA Targets by 2024. Annual reporting to indicate any loss in capacity that could require additional rezoning.]

Program 124: Affirmatively Furthering Fair Housing (AFFH) Program [Compliance with US Housing and Urban Development (HUD) and AB 686 (2018).]

Objective 1.2: Facilitate the production of housing, especially projects that include Affordable Housing and/or meet Citywide Housing Priorities.

Policy 1.2.1: Expand rental and for-sale housing for people of all income levels. Prioritize housing developments that result in a net gain of Affordable Housing and serve those with the greatest needs.

Policy 1.2.2: Facilitate the construction of a range of different housing types that addresses the particular needs of the city's diverse households.

Policy 1.2.5: Streamline the housing approval process, particularly for Affordable Housing, throughout City departments.

Program 57: Improvements to Development Processing [Increase the number of cases processed as ADM Clearances and Ministerial cases, while decreasing the percent of projects processed as discretionary entitlements through a variety of efforts.

Policy 1.2.6: Create new citywide and local land use incentives and programs that maximize the net gain of affordable housing and produce housing that meets Citywide Housing Priorities. Explore varied affordability ratios, the feasibility of inclusionary zoning requirements, and a greater mix of incomes based on market areas.

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<sup>1</sup> See more information regarding Los Angeles' 2021-2029 Housing Element, Chapter 6 Program 54 here: [https://planning.lacity.org/odocument/6fbfbbd0-a273-4bad-a3ad-9a75878c8ce3/Chapter\\_6\\_-\\_Housing\\_Goals,\\_Objectives,\\_Policies,\\_and\\_Programs\\_\(Adopted\).pdf](https://planning.lacity.org/odocument/6fbfbbd0-a273-4bad-a3ad-9a75878c8ce3/Chapter_6_-_Housing_Goals,_Objectives,_Policies,_and_Programs_(Adopted).pdf)

Policy 1.2.9: Allow for zoning flexibility for Affordable Housing at the project review and planning levels when broader Citywide Priorities are being advanced.

Goal 2: A City that preserves and enhances the quality of housing and provides greater housing stability for households of all income levels.

Objective 1.3: Promote a more equitable distribution of affordable housing opportunities throughout the city, with a focus on increasing Affordable Housing in Higher Opportunity Areas and in ways that further Citywide Housing Priorities.

Policy 1.3.2: Prioritize the development of new Affordable Housing in all communities, particularly those that currently have fewer Affordable units.

Goal 5: A City that is committed to ending homelessness.

Objective: 5.1 Provide an adequate supply of short-term and permanent housing in addition to supportive services throughout the City that are appropriate for and meet the specific needs of all persons who are homeless or at-risk of homelessness.

Policy 5.1.5: Expand housing, shelter, and supportive services for the homeless and special needs populations in all communities, and reduce zoning and other regulatory barriers to their placement and operation.

Program 115: Zoning and Development Standards for Homeless Housing [Adopt amendment to zoning code to facilitate by-right siting of shelter and transitional housing facilities by 2025. Identify areas with lower concentrations of shelter, transitional and permanent supportive housing and create zoning provisions to ease restrictions in these geographies.]

### Mobility Plan 2035

The proposed Affordable Housing Streamlining Ordinance is in substantial conformance with the purpose, intent and provisions of the General Plan in that it would further accomplish the goals, objectives, policies and a program of the Mobility Plan outlined below:

Chapter 3: Access for All Angelenos: a transportation system is only useful insofar as it is accessible and convenient.

Objective: Ensure that 90% of households have access within one mile to the Transit Enhanced Network by 2035.

Policy: 3.3 Land Use Access and Mix: Promote equitable land use decisions that result in fewer vehicle trips by providing greater proximity and access to jobs, destinations, and other neighborhood services.

Chapter 5: Clean Environments and Healthy Communities

Objective: Decrease VMT per capita by 5% every five years, to 20% by 2035

Policy: 5.2 Vehicle Miles Traveled (VMT): Support ways to reduce vehicle miles traveled (VMT) per capita

- Increasing the availability of affordable housing options with proximity to transit stations and major bus stops.
- Land use policies aimed at shortening the distance between housing, jobs, and services that reduce the need to travel long distances on a daily basis.

### Plan for Healthy Los Angeles

The proposed Affordable Housing Streamlining Ordinance is in substantial conformance with the purpose, intent and provisions of the General Plan in that it would further accomplish the goals, objectives, policies and a program of the Plan for Healthy Los Angeles outlined below:

#### Chapter 1: Los Angeles, a Leader in Health and Equity

##### Policy: 1.6 Poverty and Health

Reduce the debilitating impact that poverty has on individual, familial, and community health and well-being by: promoting cross-cutting efforts and partnerships to increase access to income; safe, healthy, and stable affordable housing options; and attainable opportunities for social mobility.

##### Policy: 1.7 Displacement and Health

Reduce the harmful health impacts of displacement on individuals, families, and communities by pursuing strategies to create opportunities for existing residents to benefit from local revitalization efforts by: creating local employment and economic opportunities for low-income residents and local small businesses; expanding and preserving existing housing opportunities available to low-income residents; preserving cultural and social resources; and creating and implementing tools to evaluate and mitigate the potential displacement caused by large-scale investment and development.

#### Chapter 2: A City Built for Health

##### Policy: 2.2 Healthy building design and construction

Promote a healthy built environment by encouraging the design and rehabilitation of buildings and sites for healthy living and working conditions, including promoting enhanced pedestrian-oriented circulation, lighting, attractive and open stairs, healthy building materials and universal accessibility using existing tools, practices, and programs.

The Proposed Ordinance includes performance standards that help create a healthy built environment that ensures and encourages approaching or entering a lot from the public right-of-way as a pedestrian to the street facing entrance from a public street.

### Safety Element

The proposed Affordable Housing Streamlining Ordinance is in substantial conformance with the purpose, intent and provisions of the General Plan in that it would further accomplish the goals, objectives, policies and a program of the Safety Element outlined below:

GOAL 1: Hazard Mitigations A city where potential injury, loss of life, property damage and disruption of the social and economic life of the City due to hazards is minimized.

Objective 1.2: Confront the global climate emergency by setting measurable targets for carbon reduction that are consistent with the best available methods and data, center equity and environmental justice, secure fossil free jobs, and foster broader environmental sustainability and resiliency.

Policy: 1.2.5 Housing and Development. In keeping with the Housing Element, create housing opportunities that enhance affordability, equity, livability, sustainability and resilience.

### Summary

As made evident by the list of General Plan goals, objectives and policies above, the proposed ordinance is in conformance with a range of General Plan goals related to the provision of a variety of housing opportunities and more specifically affordable housing. The City's Housing Element clearly recognizes the City's vision that housing is a human right and the City should promote policies and programs that result in the increase of affordable housing production and a more equitable distribution. The proposed amendment responds to the General Plan by providing an opportunity to streamline affordable housing production, alleviate zoning constraints, and better facilitate its development throughout the City.

The proposed amendment not only responds to goals in the Framework Element and the Housing Element, but to goals found in the City's community plan updates and the citywide elements, including the Mobility Plan, Health, and Safety Elements, by increasing housing stability and a variety of housing opportunities that enhance affordability, equity, livability, sustainability and resilience.

Housing, transportation, health, and safety are inextricably linked. Where a person lives determines their access to, or lack of, health promoting resources such as goods and services, quality schools, transportation access, and jobs. Housing affordability is a serious issue throughout Los Angeles, as rising housing costs force households to spend more of their financial resources, limiting their opportunities to purchase healthy food, access transportation, and engage in preventative care, which particularly affects low-income families that are already living with limited financial resources that might prevent households from mitigating hazards at home. As stated earlier, the proposed ordinance to streamline affordable housing is in substantial conformance with the purpose, intent and provisions of the General Plan in that it would also further accomplish the goals, objectives, policies and programs of the following citywide elements: Framework, Housing, Mobility, Plan for a Healthy Los Angeles, and Safety Element.

### **CEQA Findings**

The proposed Affordable Housing Streamlining Ordinance would amend Chapters 1 and 1A of the Los Angeles Municipal Code (LAMC), including Section 12.22 of Chapter 1 and Articles 9 and 13 of Chapter 1A, for the purpose of establishing procedures and performance standards for administrative approval of one hundred percent affordable housing projects. This proposed ordinance incorporates the main streamlining provisions of [Executive Directive 1](#) into the LAMC in an effort to alleviate the housing and homelessness crisis in the City. As defined in Executive

Directive 1 and the Proposed Ordinance, a one hundred percent affordable housing project is a housing development project which includes up to 20 percent of the units restricted as affordable to moderate income households, and the remaining units restricted as affordable to lower income households. Adoption of the Proposed Affordable Housing Streamlining Ordinance is in line with a number of the goals, policies, objectives and programs identified in the Housing Element of the City of Los Angeles.

Adoption of the Proposed Ordinance is a program in the Housing Element of the City of Los Angeles. The Housing Element identifies discretionary review as a significant constraint to the production of affordable housing. As such, it includes policies and implementation programs to streamline affordable housing and to allow for greater zoning flexibility for affordable housing, including Policy 1.2.5 of the Housing Element which directs the City to “streamline the housing approval process, particularly for Affordable Housing, throughout City departments.” In addition, Program 54 (Expedite Affordable Housing Projects) is an implementation program of the Housing Element that calls for the Department of City Planning to pursue amendments to the Zoning Code to reduce the need for affordable housing projects to seek discretionary entitlements. Adoption of the Proposed Ordinance directly supports implementation of Program 54 of the Housing Element by creating an administrative review process for qualifying affordable housing developments. The completion of Program 54 requires adoption of the Proposed Ordinance by the City Council.

An Environmental Impact Report (EIR) (ENV-2020-6762-EIR, SCH No. 2021010130) that analyzed the environmental effects of the 2021-2029 General Plan Housing Element and Safety Element, and a Rezoning Program for the creation of additional housing was certified by the Los Angeles City Council on November 24, 2021. An Addendum to the EIR (ENV-2020-6762-EIR-ADD1) was subsequently certified by the Los Angeles City Council on June 14, 2022. For the purposes of this report, the EIR and Addendum will be referred to as the Housing Element EIR.

The Housing Element EIR was prepared to examine the potential environmental effects of the 2021-2029 Housing Element Update, including build out of the Regional Housing Needs Assessment (RHNA) Allocation, as well as the programs and policies that have the potential to result in physical environmental effects, and the Inventory of Sites and Rezoning Program needed to demonstrate zoned capacity needed to accommodate the City’s RHNA Allocation. Additionally, the EIR analyzed the potential effect from the construction and operation of 420,327 housing units (full RHNA build out of 456,643 units minus the 36,316 housing units that have been approved but not built). The Housing Element EIR found that the environmental impacts of several of the issue areas were significant and unavoidable, even with imposition of mitigation measures. Based on the analysis in the Housing Element EIR, the EIR concluded the implementation of the 2021-2029 Housing Element Update would result in unavoidable significant environmental impacts with regard to:

- Air Quality (Exceedance of Criteria Pollutants—Construction and Operations)
- Biological Resources (Special Status Species, Sensitive Habitats, Wildlife Corridors)
- Cultural Resources (Historical Resources and Archaeological Resources)
- Geology and Soils (Paleontological Resources)



- Hazards and Hazardous Materials (Hazardous Materials Near Schools and Hazardous Materials Sites)
- Noise (Construction Noise, Operation Noise, and Construction Vibration)
- Public Services (Fire Protection, Police Protection, and School Facilities)
- Recreation (Deterioration of Recreational Facilities and Construction of Recreational Facilities)
- Transportation (Freeway Queuing)
- Tribal Cultural Resources (Construction: Ground Disturbance during Construction)
- Wildfire (Impair Emergency Response Plan, Exacerbate Wildfire Risks in State Responsibility Area or VHFHSZ, Require Infrastructure that may Exacerbate Fire Risk, Expose People or Structures to Significant Risks in State Responsibility Area or VHFHSZ, and Expose People or Structures to Significant Risks Involving Wildland Fires)

The Housing Element EIR also identified the following significant impacts that were anticipated to be reduced to less than significant with identified mitigation measures:

- Air Quality: Construction-related emissions of toxic air contaminants
- Hydrology: Impeding or Redirect Flood Flows
- Transportation: Circulation Plan Consistency, Hazardous Design, Emergency Access

The proposed ordinance is needed to facilitate the production of affordable housing in the City and accommodate the build out of the City's Moderate and Lower Income RHNA Allocation, and is an implementation program (Program 54) of the Housing Element. The Housing Element EIR fully analyzed the environmental impacts that could occur as a result of the implementation of the 2021-2029 Housing Element, including the construction and operation of up to 420,327 housing units (including 185,000 affordable units and 75,091 moderate income units), and rezoning programs to facilitate the construction and operation of those housing units. Any and all types of potential housing development (including mixed-use development, ranging in size and scale from neighborhood commercial mixed use with smaller nonresidential uses, to high-rise mixed-use with larger nonresidential uses) were analyzed in the EIR. The Housing Element EIR anticipated and fully analyzed that the construction and operation of these housing units would require action to streamline approvals of these housing units, including making more projects subject to by-right or administrative review and eliminating discretion in the approval of affordable housing developments.<sup>2</sup> The City does not find there is a change to the project, change to circumstances, or new information as described in PRC Section 21166 or CEQA Guidelines Section 15162(a).

The Proposed Ordinance would codify the Executive Directive 1 in the Mayor Bass series which was first introduced in December 2022. The Executive Directive has been in effect for over 10 months and as of October 30, 2023, a total of approximately 99 cases have been filed and approximately 8,228 units have been proposed and 4,155 units have been approved under the

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<sup>2</sup> Housing Element Draft EIR Environmental Analysis can be found here: [https://planning.lacity.org/eir/HEU\\_2021-2029\\_SEU/deir/files/04\\_Environmental%20Analysis.pdf](https://planning.lacity.org/eir/HEU_2021-2029_SEU/deir/files/04_Environmental%20Analysis.pdf)

policies of the directive. These projects have been proposed in a variety of locations throughout the City, on sites that have a zoning and/or general plan land use designation that accommodates construction of multi-family housing. The projects that have been completed under Executive Directive 1 since its release in October 2023 have not been located within a Very High Fire Hazard Severity Zone (VHFHSZ), or an airport hazard area. Thirteen projects were located in a flood plain. Out of approximately 99 projects that have applied under ED 1 as of October 30, 2023, eight projects have been analyzed by the Office of Historic Resources and none were identified as an eligible historic resource.

By codifying the provisions of Executive Directive 1 into the Los Angeles Municipal Code, the Proposed Affordable Housing Streamlining Ordinance would be anticipated to result in similar projects that have been proposed to-date under the policies of the directive. In addition, the Proposed Affordable Housing Streamlining Ordinance includes the following additional provisions that would be expected to further prevent unique site-specific conditions which could create a new impact or change to the project, including the following site-level eligibility criteria for participation in the streamlining process created by the Proposed Ordinance:

- Project site shall not include any parcels located in a manufacturing zone that does not allow multi-family residential uses;
- Project site shall not be located in the Coastal Zone or require a Coastal Development Permit;
- Project shall not require the demolition of any historical resource under a local, state, or federal designation program;
- Project shall not require the demolition of any eligible historical resource as identified in a local plan;
- Projects located on a hazardous waste site designated by the Department of Toxic Substances Control shall be remediated and determined to be suitable for residential use or residential mixed use by any of the following agencies: State Department of Public Health, State Water Resources Control Board, Department of Toxic Substances Control, or a local agency.

This ordinance creates an administrative approval process for qualifying one hundred percent affordable housing projects, whereby projects would be reviewed for compliance with applicable objective zoning standards. To participate in the streamlined review, the project, excluding any applicable additional density or other incentives, or waivers of development standards granted pursuant to the Density Bonus Law in California Government Code Section 65915 or any other local affordable housing incentive program, must be consistent with objective zoning standards and objective overlay and design review standards that are in effect on the project site. Additionally, projects must be located on sites where the residential zoning or land use designation permits the construction of five or more multi-family housing units, meaning that the site is already zoned or planned for multi-family housing. While the Proposed Ordinance allows a project to utilize already-available incentives provided to affordable housing projects through state Density Bonus law and other local affordable housing incentive programs, it does not impact any applicable development standards, nor lessen the ability of the City to deny or condition a housing development project in a way that would reduce the project's density. It only impacts the approval

procedures of affordable housing on land already zoned (and environmentally cleared) for multi-family housing. The 2022 Scoping Plan for Achieving Carbon Neutrality identifies affordable infill housing as consistent with state climate goals.

Therefore, based on an analysis of the projects approved under Executive Directive 1, it is not anticipated that projects approved under the Proposed Affordable Housing Streamlining Ordinance would have any site-specific conditions or unique features which would change the project, circumstances, or information relied upon in the Housing Element EIR.

Section 15162 and 15164 of the CEQA Guidelines lists the conditions that would require the preparation of a subsequent EIR, negative declaration or an addendum. These include the following:

*Section 15162*

1. Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
2. Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
3. New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the Negative Declaration was adopted, shows any of the following:
  - a. The project will have one or more significant effects not discussed in the previous EIR or negative declaration;
  - b. Significant effects previously examined will be substantially more severe than shown in the previous EIR;
  - c. Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
  - d. Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

The Proposed Project was analyzed in the EIR and has been reviewed by the City of Los Angeles in light of Sections 15162 and 15164 of the CEQA Guidelines. As the CEQA Lead Agency, the City of Los Angeles has determined, based on the analysis presented herein, that none of the conditions apply which would require preparation of a subsequent or supplemental EIR because there are no changes to the Housing Element EIR project, no changes to the circumstances, or new information. As such no new addendum, and no subsequent or supplemental EIR is required.

### **Incorporation by Reference**

The following documents were used in the preparation of these findings, and incorporated herein by reference, consistent with Section 15150 of the Guidelines: Citywide Housing Element 2021-2029 and Safety Element Update, Final Environmental Impact Report (SCH No. 2021010130), certified November 24, 2021. Referred to herein as the Housing Element EIR.

The Housing Element EIR is available for review at the City of Los Angeles, Department of City Planning Records Management, 221 N. Figueroa Street, Room 1450 Los Angeles, and online at the following weblinks:

- Draft EIR: [https://planning.lacity.org/development-services/eir/Housing-Element\\_2021-2029\\_Update\\_Safety-Element\\_Update\\_deir](https://planning.lacity.org/development-services/eir/Housing-Element_2021-2029_Update_Safety-Element_Update_deir)
- Final EIR: <https://planning.lacity.org/development-services/eir/housing-element-2021-2029-update-safety-element-update-0>
- EIR Administrative Record: Los Angeles City Council File 21-1230 - <https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=21-1230>
- Addendum to the EIR: [https://clkrep.lacity.org/onlinedocs/2021/21-1230-S1\\_misc\\_7\\_5-24-22.pdf](https://clkrep.lacity.org/onlinedocs/2021/21-1230-S1_misc_7_5-24-22.pdf)
- Addendum Administrative Record: Los Angeles City Council File 21-1230-S1 - <https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=21-1230-S1>

## PUBLIC HEARING AND COMMUNICATIONS

### 1. Public Outreach and Public Comment Summary

The proposed Affordable Housing Streamlining Ordinance was released on September 14, 2023 for a 45-day public comment period that ended on October 30, 2023. During that period, the Department held one virtual webinar and staff public hearing. The virtual webinar and staff public hearing was attended by over 100 members of the public.

The hearing notice for the staff public hearing was advertised in the Los Angeles Times and distributed to interested parties via email on September 14, 2023. The Department subsequently posted the presentation slides and recording on the Department's website and notified interested parties via email on October 24, 2023.

### Public Hearings

The Department held one virtual staff-level public hearing on the matter on October 11, 2023. The October 11, 2023 hearing attracted over 100 attendees and 52 speakers, of which 5 were supportive of the proposed ordinance as drafted, 45 were supportive of ED 1 but raised concerns regarding the impacts of the proposed limitations in the draft ordinance on its overall effectiveness, and 2 made general comments and suggestions.

Comments raised during the public hearing were generally consistent with the comments summarized under the following categories, below:

- General comments on the draft ordinance.
- Comments supportive of the codification of Executive Directive 1 but would like to see modifications.
- Comments related to tenant protections, anti-displacement concerns, and public outreach.
- Comments related to environmental justice concerns.

### Public Comment Letters Received

During the public comment period, the Department received 186 public comment letters, 114 of which were supportive of the ordinance but raised concerns regarding the impacts of the proposed limitations in the draft ordinance on its overall effectiveness, 9 were opposed, and 63 made general comments and suggestions.

Comments received during the public comment period were generally in line with the comments summarized below.

#### General comments on the draft ordinance

A majority of respondents believe Executive Directive 1 (ED 1) had a positive impact on the construction of affordable housing and support the incentivizing and streamlining of affordable housing production.

There were several comments that support the construction of affordable housing, affordable housing for seniors, and infill development.

There was a comment that emphasized the need for affordable housing in high opportunity areas.

There were a few comments that expressed the need for consistency with state density bonus laws and consistency with other affordable housing programs.

- There were general concerns that the proposed ordinance is more restrictive than the State Density Bonus Law.
- There was one comment that wanted clarification regarding whether the draft ordinance could allow for the creation of expedited processes with other City departments for securing building permits.
- One comment requested streamlined permitting for ineligible affordable housing projects once they obtain their required approvals.
- There was a comment that suggested that this ordinance should be consistent with other City programs.

There was a comment that wanted to assert the importance of honoring vesting rights at the time of vesting and wanted to express that not doing so might discourage future development.

There were several comments that expressed the need to maintain single-family neighborhood protections.

There was a comment suggesting that the City invest more resources in training and IT solutions to assist staff in timely processing of ED 1 projects.

*Comments supportive of the codification of Executive Directive 1, but would like to see modifications*

A majority of the comments applauded ED 1 for its ability to reduce application processing time, reduce approval uncertainty, and create an environment that has allowed private market developers to build affordable housing without any public financing. They claim that the flexibility introduced by incentives and waivers increased the financial feasibility of these projects. They support the codification of ED 1, but believe the current draft hinders many of the qualities that made ED 1 a success. They would like to see the following modifications:

- The prevailing sentiment among the received comments supports the inclusion of single-family zoned parcels within the proposed ordinance. The primary concerns expressed revolve around the potential disqualification of a significant number of affordable units that are otherwise eligible. Additionally, these projects are often situated in areas of higher opportunity within the city, which aligns with the City's fair housing objectives. A related comment highlighted the fact that certain single-family zones and more restrictive zones are bordered by less restrictive zones, rendering them suitable for development.
- Majority of the comments received want to remove or relax the limitations on the number of off-menu incentives and waivers (2) that a developer can apply to their project. One comment related to this suggested allowing planning staff to have discretion over the

number of waivers allowed for each project, highlighting the planning staff's ability to tailor these restrictions according to specific community needs. Another related comment requested the removal of the 2 off-menu incentive and waiver limit for consistency with state bonus laws. Another comment suggested to allow for four off-menu incentives and up to three waivers of development standards. There was a comment that suggested City Council should decide where they would like to see these ED 1 projects and continue to allow all of the current incentive and waiver allowances. In general, most comments, if not all, wanted to see greater flexibility pertaining to the incentive and waiver allowances

- Majority of the comments received want to expand the proposed draft to include the eligibility of mixed-income projects.

There was one comment which wants to allow the FAR limit in residential zones to be overridden by the discretion of planning staff, or the creation of carve-outs that override Q and D conditions or sets the 100 percent increase bonus relative to the base zoning, not that which is prescribed by a Q or D condition or overlay.

One comment requested the setback limitations to be eliminated.

There were some comments that favored rolling back the draft ordinance to resemble the original form of ED 1.

There was a comment suggesting the expansion of ED 1 project eligibility to coastal zones.

There was another comment that wanted to maintain the coastal zone exclusion provision.

There was a comment suggesting that a project that has gone through the discretionary approval process for a subdivision approval should not subsequently be ineligible for ED 1.

There was a comment suggesting that the ordinance should explicitly state that projects reviewed under ED 1 are exempt from CEQA.

There were a few comments referencing the Public Facilities (PF) Zones.

- There was one comment that expressed concern that the current draft ordinance precluded projects located on City owned property, including those that were awarded as part of the City disposition processes, from utilizing any affordable housing streamlining due to their Public Facility (PF) zone status.
- There was a comment suggesting the inclusion of Public Facilities (PF) Zone incentives as seen in the Transit Oriented Communities Affordable Housing Incentive Program (TOC).

There was a comment that suggested projects in Community Plan Implementation Overlays (CPIO) and Specific Plans should be allowed more waivers.

There was a comment suggesting that projects in CPIOs should not require any design review procedures, just like those under any Specific Plan, Supplemental Use District or other overlay.

There was a comment suggesting that discretionary reviews pertaining street tree removals and haul route permits should be superseded by ED 1. The same comment goes on to suggest that

this administrative approval should also apply to permits issued by the Board of Public Works and the Department of Building and Safety that require a hearing.

There were a few comments expressing the need to create similar expediting procedures for other City services at adjacent City departments.

There was a comment suggesting allowing carve-out exemptions to account for the possibility of a future affordable housing overlay that may apply in certain single-family zoned areas. In addition, this comment supported the removal of restrictions proposed for R-zoned parcels. The comment also supported narrowing the application of the list of disqualifying entitlements and the fine tuning of performance standards for specific scenarios.

#### *Comments with concerns or opposition to the draft ordinance*

There were some comments stating their opposition to the creation of a ministerial, or administrative-only approval, for what was previously a discretionary action. These comments were generally opposed to the bypassing of traditional due process procedures by the removal of public participation, community input, noticing, hearings, and the ability to appeal projects.

One comment recognized the need for affordable housing but had concerns regarding allowing developments in Very High Fire Hazard Severity Zones (VHFHSZ). They requested an unconditional exemption for the VHFHSZ.

Some comments shared by developers themselves expressed concern over the potential disqualification of their own projects under the proposed draft ordinance.

There was a comment concerned with the use of ED 1 by developers to construct new environmentally impactful structures over previously smaller impact properties that had affordable housing units.

There was a comment that shared concerns regarding the limitations placed on floor area, height, and yard incentives.

There was one comment that questioned why there had been no discussion regarding potential costs to the City.

There was one comment that was concerned that this draft ordinance didn't address owners who keep vacant sites and vacant structures out of the housing market.

There was a comment that raised a concern regarding the ability of developers to abuse the simplified processes and lowered requirements without meeting the stated goals.

There was a comment raising concerns about potential confusion in regard to some language used in the ordinance when referring to whether projects must meet objective standards before or after the use of incentives and waivers.

There were several comments concerned with the 55-year covenants in the current proposed draft and suggested that affordable housing covenants should extend well beyond that. Some comments went as far as suggesting they should go on indefinitely.



There was a comment that raised a concern about the exclusion of projects seeking waivers of dedications and improvements under LAMC 12.37.I.

There was a comment that suggested this ordinance should require LAHD to expedite covenants.

*Comments related to Tenant Protections, anti-displacement concerns, and public outreach*

There were concerns raised regarding the need for tenant protections and anti-displacement measures.

There was a comment that suggested tenant protections should align with SB 330.

There were comments that raised concerns regarding the demolition of multi-family buildings and a lack of implementation of the right-to-return.

- There was a comment that suggested streamlining should be unavailable or severely restricted when a proposed project will displace vulnerable renters.
- A comment requested a no net loss policy to preserve existing stock of healthy affordable housing.

There were comments that requested more outreach efforts.

- There was a comment concerned with the lack of public hearing requirements.
- There was a comment that requested the requirement of at least one community meeting where residents can provide feedback on projects.
- One comment suggested the creation of public noticing requirements with a 1,000-foot radius.
- There was a comment suggesting that the City should independently verify all tenant information and ensure that proper public noticing is taking place throughout the duration of the project.
- There was a comment stating that tribal consultations should be required to ensure and respect the sovereignty and cultural heritage of California Native American tribes. In addition, it stated that ED 1 streamlining should be prohibited on sites containing tribal cultural resources.

There were comments that requested the creation of a public dashboard for all ED 1 projects that displayed information on developments, including whether any existing housing stock will be demolished and the status of the tenant right-to-return process.

There were some comments that shared concerns regarding the current affordable housing application process and its lack of accessibility. They suggested that the application process and materials should be simplified and made more accessible.

*Comments related to Environmental Justice concerns*

There were some comments referring to the need to include environmental justice considerations in the proposed ordinance. For example, some comments expressed the need to have

environmental assessments at varying buffers from industrial land, oil and gas refineries, and freeways.

There was a comment stating that projects should be required to have a Phase I environmental site review, and if warranted, a Phase II environmental site review.

A comment suggested projects that are too close to hazardous uses should be ineligible.

There was a comment suggesting that the City should explore options for streamlining the process on hazardous waste sites when a remediation plan is in effect.

Another comment suggested that proposed projects in the Coastal Zone, on or near a hazardous waste site, in high fire risk areas, or within the currently deemed 500-year floodplain should be ineligible.

There was a comment that opposed building next to freeways.

There was a comment stating that ED 1 should align with the City's environmental planning goals.

There was a comment concerned about what they perceive to be a lack of environmental concerns.

One comment suggested that buildings should at least be required to be LEED compliant, if other general requirements will be lowered.

#### *Comments neutral to the draft ordinance*

There were comments that largely focused more on the Westchester-Playa del Rey Community Plan update but did express their support for the conservation of single family homes and more restrictive zones.

#### *Comments made unrelated to the draft ordinance*

There was a comment that opposed the design features of new housing and claimed new housing developments remain unaffordable.

There was a comment that suggested exploring the use of public vacant land and city-owned buildings for housing.

Some concerns were shared regarding the lack of availability of free parking, grid black outs, utility costs, increased population, and increased automobile concentration.

There were some comments that were concerned regarding the current affordable housing application process and its lack of accessibility.

There were several comments that expressed their opposition to upzoning in their neighborhoods.

# **EXHIBIT A: Proposed Affordable Housing Streamlining Ordinance**

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CPC-2023-5273-CA  
November 16, 2023

ORDINANCE NO. \_\_\_\_\_

An ordinance amending Chapter 1 and Chapter 1A of the Los Angeles Municipal Code, including Section 12.22 of Chapter 1 and Articles 9 and 13 of Chapter 1A, for the purpose of establishing procedures and performance standards for administrative approval of one hundred percent affordable housing projects.

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

Section 1. The following definition is added to Section 12.03 of the Los Angeles Municipal Code to read as follows:

**One Hundred Percent Affordable Housing Project.** A Housing Development Project, as defined in California Government Code Section (§) 65589.5, that involves the construction of, addition to, or remodeling of any building or buildings which results in the creation, addition, or remodeling of five or more residential dwelling units or guest rooms, where all dwelling units or guest rooms, exclusive of any manager's units, are restricted affordable. With the exception of a manager's unit or units, all units shall be affordable to lower income households earning up to 80 percent of the area median income, as defined by the United States Department of Housing and Urban Development (HUD), or any successor agency, and rents or housing costs to the occupying residents shall be set at an amount consistent with the maximum rent levels for lower income households, as those rents and incomes are determined by the California Tax Credit Allocation Committee or any more restrictive rent schedule for lower income households as defined by California Health and Safety Code Section 50052.5 or Section 50053, except that up to 20 percent of the units may be affordable to Moderate Income households earning up to 120 percent of the area median income, with rents or housing costs consistent with the rents and income ranges as defined by California Health and Safety Code Section 50052.5 or Section 50053.

Section 2. Subdivision 36 of Subsection A of Section 12.22 of the Los Angeles Municipal Code is added to read as follows:

**12.22 A.36 ADMINISTRATIVE APPROVAL FOR ONE HUNDRED PERCENT AFFORDABLE HOUSING PROJECTS.**

- (a) **Purpose.** The purpose of this Subdivision is to establish procedures for administrative approval of One Hundred Percent Affordable Housing Projects in order to increase the production of affordable housing, consistent with objective review standards and City policies.

**(b) Projects Submitted Under Executive Directive 1.** *(Language under development. Intent: Eligible projects submitted under Executive Directive 1 are also eligible for review and approval under this ordinance but will not be subject to the additional limitations of this ordinance.)*

**(c) Eligibility Requirements.** To qualify for the provisions of this Subdivision, a One Hundred Percent Affordable Housing Project must meet all of the following eligibility requirements:

- (1) The project site does not include any parcels located in a single family or more restrictive zone, or any parcels located in a manufacturing zone that does not allow multi-family residential uses.
- (2) If the project site has a residential zoning classification, then the entire project site's zoning, prior to the granting of any density bonus, permits the construction of five or more residential units, rounded up to the nearest whole number, on the project site.
- (3) The project, excluding any additional density or other concessions, incentives, or waivers of development standards granted pursuant to the Density Bonus Law in California Government Code Section 65915 or any other local affordable housing incentive program, is consistent with objective zoning standards and objective overlay and design review standards in effect at the time that the development application is submitted pursuant to this Subdivision.
- (4) The project does not require review and approval of any action pursuant to Sections 11.5.6, 11.5.7 F, 11.5.7 G, 11.5.14 D.7, 11.5.14 D.8, 12.20.2, 12.20.2.1, 12.27, 12.28, 12.32, 12.37 I, 13.14 G.3, 13.14 G.4, or 14.00 B.
- (5) The project would not require the demolition, as that term is defined in Section 12.20.3 B.9, of:
  - (i) A building, structure, object, landscaping element, or natural feature listed or designated as a historical resource, either individually or as a contributor to a district, under a local, state, or federal designation program, or
  - (ii) Any eligible historic resource identified within the South Los Angeles Community Plan Implementation Overlay (CPIO) Section 1-6.C.5.b, the Southeast Los Angeles CPIO Section 1-6.C.5.b, the West Adams CPIO Section 6.C.5.b, or the San Pedro CPIO Section 7.C.5.b, or
  - (iii) Any eligible historic or architectural resource located in the Westwood Village Specific Plan, Central City West Specific Plan, Echo Park CDO District, or the North University Park Specific Plan.

- (6) The project is not located on a hazardous waste site that is listed pursuant to Section 65962.5 or a hazardous waste site designated by the Department of Toxic Substances Control pursuant to Section 25356 of the Health and Safety Code, unless either of the following apply:
- (i) The site is an underground storage tank site that received a uniform closure letter issued pursuant to subdivision (g) of Section 25296.10 of the Health and Safety Code based on closure criteria established by the State Water Resources Control Board for residential use or residential mixed uses. This section does not alter or change the conditions to remove a site from the list of hazardous waste sites listed pursuant to Section 65962.5.
  - (ii) The State Department of Public Health, State Water Resources Control Board, Department of Toxic Substances Control, or a local agency making a determination pursuant to subdivision (c) of Section 25296.10 of the Health and Safety Code, has otherwise determined that the site is suitable for residential use or residential mixed uses.

**(d) Performance Standards.** A One Hundred Percent Affordable Project approved pursuant to this Subdivision shall meet the following performance standards, and no deviations from these standards shall be granted, except that any project resulting from the conversion of an existing structure need not comply with these standards.

- (1) **Screening of Above Grade Parking Areas.** Any parking areas provided at or above grade shall be concealed as follows:
- (i) **Surface Parking Screening.** Where any surface parking area abuts a public street, a landscape buffer, planted with shade trees and shrubs, of a minimum of three feet in depth shall be provided between the property line and the subject surface parking.
  - (ii) **Ground Floor and Upper Floor Screening.** Ground floor and above-grade vehicular parking and circulation areas located within buildings or structures, including within standalone buildings or structures, shall be screened with:
    - a. Active uses such as residential units, amenities such as gyms and other common areas serving residential tenants, or commercial uses, or
    - b. Visually opaque materials or treatments on exterior, street-facing walls of the parking area, provided that opaque materials shall not have less than 60% opacity for any individual tier of parking measured in elevation projection. Screening systems can include openings for natural ventilation, such as louvers, solid walls, or spandrel systems. Parking area enclosures shall not include perforated metal screening products.

Minimum opacity is measured as a percentage calculated as the sum of all solid areas on a parking facade area divided by the total parking facade area projected horizontally and perpendicular to the facade area. When a parking structure tier uses more than one screening treatment with varying opacities, the opacity for the entire tier is calculated as a weighted average of the opacities of all the treatments used on the tier. The opacity of each screening treatment is weighted by the percent of the total parking screen facade area covered by that screening treatment.

- (2) **Street Facing Entrance.** Any building fronting a public street shall have at least one entrance facing a public street.
  - (3) **Pedestrian Access.** A means of approaching or entering a lot from the public right-of-way as a pedestrian shall be provided to the street facing entrance from a public street.
- (e) **Administrative Review Process.** A One Hundred Percent Affordable Housing Project that meets the provisions of this Subdivision shall be ministerially approved pursuant to Administrative Review, as set forth below. As defined in this section, ministerial approval means an administrative process to approve a “use by right” as this term is defined in California Government Code Section 65583.2 (i). No City agency shall require a discretionary permit, but objective standards may be applied pursuant to Subdivision (f) of Section 65589.5. The City shall not exercise any subjective judgment in deciding whether and how to carry out or approve the project. The project shall not be subject to review or approval that would constitute a “project” for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code.
- (1) **Initiation.** An application for Administrative Review pursuant to this Subdivision shall be made on a form provided by the Department for the purposes of administering this Subdivision, and applicable fees shall be paid.
  - (2) **Notice.** There is no public hearing required for an Administrative Review, and therefore no notice of a public hearing or written decisions are required for any project proposed pursuant to this Subdivision.
  - (3) **Review.** The Department shall determine compliance with the applicable regulations and standards for One Hundred Percent Affordable Projects approved pursuant this Subdivision and provide ministerial approval if the project complies with those regulations and standards.
    - (i) **Criteria for Compliance Review.** The Department shall review the application for compliance with the applicable objective regulations and standards of this Code or the applicable specific plan, including the zone standards, established development standards, and any supplemental use regulations.
  - (4) **Appeals.** There is no appeal for any project approved pursuant to this Subdivision.

- (5) **Modification of Action.** Except as provided in California Government Code Section 65913.4(g) or any otherwise required entitlement, no modification is available for any project approved pursuant to this Subdivision.
- (6) **Eligibility for Development Incentives.** Except as limited in Subparagraphs (7) and (8), a One Hundred Percent Affordable Housing Project approved pursuant to this Subdivision may request any otherwise applicable density bonus, incentives, or waivers pursuant to California Government Code Section 65915 or other provisions of this Municipal Code that provide such bonuses, incentives, or waivers in exchange for the provision of affordable housing. Projects requesting a Density Bonus pursuant to Government Code Section 65915 and Section 12.22 A.25 of this Code may apply up to five additional incentives, which may be provided through an on-menu incentive or an off-menu incentive. Projects requesting a Density Bonus pursuant to Government Code Section 65915 and Section 12.22 A.25 may apply as an on-menu incentive any applicable Base or Additional Incentive from the Transit Oriented Communities program pursuant to Section 12.22 A.31, the Qualified Permanent Supportive Housing Ordinance pursuant to Section 14.00 A.13, or any Community Plan Implementation Overlay (CPIO). For the purpose of requesting an on or off-menu incentive or waiver to reduce required Yards, all adjustments to individual Yards or setbacks may be combined to count as one off-menu incentive or waiver. Any requests for a density bonus, incentive, or waiver in exchange for affordable housing shall be reviewed according to the Administrative Review Process provided by this Subdivision, except for projects pursuing Density Bonus that seek additional waivers or modification of development standards not on the menu provided in 12.22 A.25(g)(3) in excess of those provided in Subparagraphs (7) and (8). Such projects shall be reviewed and processed according to the procedures in Section 12.22 A.25(g)(3).
- (7) **Limitation on Number of Waiver Requests.** Projects approved pursuant to this Subdivision shall be eligible for no more than one waiver described in Section 12.22 A.25(g)(3).
- (8) **Limitation on Types of Requests for Incentives, Waivers, or Modifications of any Development Standard (s) Not on the Menu.** For any projects approved pursuant to this Subdivision that request any incentives, waivers, or modifications of any development standard(s) not on the menu described in Section 12.22 A.25(g)(3), such waivers or modifications of development standards shall be limited as follows:
- (i) Increase in Floor Area Ratio (FAR). A One Hundred Percent Affordable Housing Project located in a residential zone shall be eligible to request an off-menu incentive or waiver for no more than a 100 percent increase in the total project Floor Area Ratio (FAR), or up to a 3.5:1 FAR, whichever is greater.
  - (ii) Increase in Height. A One Hundred Percent Affordable Housing Project located in a residential zone shall be eligible to request an off-menu incentive or waiver for no more than a total project height increase of



three stories, or 33 feet, in excess of the otherwise applicable height limit imposed by the project's zoning.

- (iii) **Reduction in Yards.** A One Hundred Percent Affordable Housing Project located in a residential zone shall be eligible to request an off-menu incentive or waiver for no less than a Side Yard setback of 5 feet and a Rear Yard setback of 8 feet. Off-menu incentive or waivers for a reduction of Front Yard setbacks shall be limited to no more than the average of the Front Yards of adjoining buildings along the same street frontage. Or, if located on a corner lot or adjacent to a vacant lot, the Front Yard setback may align with the façade of the adjoining building along the same front lot line. If there are no adjoining buildings, no reduction in the Front Yard setback is permitted.
  - (iv) **Reduction in Open Space.** A One Hundred Percent Affordable Housing Project located in any zone shall be eligible to request an off-menu incentive or waiver for no more than a 50 percent reduction in the otherwise required Open Space.
  - (v) **Reduction in Bicycle Parking.** A One Hundred Percent Affordable Housing Project located in any zone shall be eligible to request an off-menu incentive or waiver for no more than a 50 percent reduction in the otherwise required Bicycle Parking.
  - (vi) **Reduction in Tree Planting Requirements.** A One Hundred Percent Affordable Housing Project located in any zone shall be eligible to request an off-menu incentive or waiver for no more than a 25 percent reduction in any otherwise required Tree Planting Requirements.
  - (vii) **Ground Story Requirements.** A One Hundred Percent Affordable Housing Project located in a commercial zone shall be eligible to request no more than a 30 percent reduction in any otherwise required ground story requirement related to ground story minimum height requirements, ground story transparency requirements, or ground story pedestrian entrance number and spacing requirements. If requesting multiple modifications to ground story requirements, they may be combined to count as one incentive or waiver, but each individual request shall not exceed a 30 percent reduction.
- (9) **Other Procedures or Requirements.** If the application or related applications for a One Hundred Percent Affordable Housing Project would require noticing, hearing, or appeal pursuant to any otherwise required approval pursuant to the Los Angeles Municipal Code, those procedures shall be superseded by the Procedures outlined in this Subdivision.
- (10) **Covenant.** Prior to the issuance of a Building Permit for a One Hundred Percent Affordable Housing Project, a covenant acceptable to the Los Angeles Housing Department shall be recorded with the Los Angeles County Recorder, guaranteeing that the affordability criteria described in Subparagraph (c)(1) of this Subdivision will be observed for at least 99 years from the issuance of the

Certificate of Occupancy, except for a One Hundred Percent Affordable Housing Project which receives any form of public subsidy that is tied to a specified covenant period including Low Income Housing Tax Credits, as verified by the Los Angeles Housing Department, in which case all restricted affordable units shall be covenanted for at least a period of 55 years for rental units, or 45 years for for-sale units . If the duration of affordability covenants provided for in this Subdivision conflicts with the duration of any other government requirement, the longest duration shall control. Any covenant described in this Subparagraph must provide for a private right of enforcement by the City, any tenant, or owner of any building to which a covenant and agreement applies.

**(f) Relationship to Other Sections of the Los Angeles Municipal Code.**

- (1) If any of the Performance Standards in Paragraph (e) or Administrative Review Process in Paragraph (f) conflict with those of any otherwise applicable specific plan, supplemental use district, “Q” condition, “D” limitation, or citywide regulation established in Chapter 1 of this Code, including but not limited to the Ordinance Nos. listed below, this Subdivision shall prevail. Furthermore, a One Hundred Percent Affordable Housing Project approved pursuant to this Subdivision shall not require any design review procedures under any Specific Plan, Supplemental Use District, or other overlay, including but not limited to the Ordinance Nos. listed below.

- (i) 171,139 (Alameda District Specific Plan)
- (ii) 174,663 (Avenue 57 Transit Oriented District)
- (iii) 182,576 (Bunker Hill Specific Plan)
- (iv) 156,122 (Century City North Specific Plan)
- (v) 186,370 (Century City West Specific Plan)
- (vi) 168,862 (Century City South Specific Plan)
- (vii) 170,046 (Coastal Bluffs Specific Plan)
- (viii) 186,105 (Coastal Transportation Corridor Specific Plan)
- (ix) 185,042 (Coliseum District Specific Plan)
- (x) 178,098 (Colorado Boulevard Specific Plan)
- (xi) 182,617 (Cornfield Arroyo Seco Specific Plan)
- (xii) 184,795 (Crenshaw Corridor Specific Plan)
- (xiii) 168,937 (Devonshire/Topanga Corridor Specific Plan)
- (xiv) 186,402 (Exposition Corridor Transit Neighborhood Plan)
- (xv) 170,694 (Foothill Boulevard Corridor Specific Plan)
- (xvi) 171,946 (Glencoe/Maxella Specific Plan)
- (xvii) 184,296 (Granada Hills Specific Plan)
- (xviii) 168,121 (Hollywoodland Specific Plan)
- (xix) 184,346 (Jordan Downs Urban Village Specific Plan)
- (xx) 167,940 (Los Angeles Airport/El Segundo Dunes Specific Plan)
- (xxi) 181,334 (Los Angeles Sports and Entertainment District Specific Plan)
- (xxii) 168,707 (Mt. Washington/Glassell Park Specific Plan)
- (xxiii) 167,943 (Mulholland Scenic Parkway Specific Plan)
- (xxiv) 171,128 and 158,194 (North University Park Specific Plan)
- (xxv) 163,202 (North Westwood Village Specific Plan)
- (xxvi) 170,155 (Oxford Triangle Specific Plan)

- (xxvii) 184,371 (Pacific Palisades Commercial Village and Neighborhood Specific Plan)
- (xxviii) 162,530 (Park Mile Specific Plan)
- (xxix) 165,638 (Playa Vista Area B Specific Plan)
- (xxx) 165,639 (Playa Vista Area C Specific Plan)
- (xxxi) 176,235 (Playa Vista Area D Specific Plan)
- (xxxii) 182,937 and 182,939 (Ponte Vista at San Pedro Specific Plan)
- (xxxiii) 180,083 (Porter Ranch Land Use/Transportation Specific Plan)
- (xxxiv) 186,325 (Redevelopment Plans)
- (xxxv) 175,736 (San Gabriel/Verdugo Mountains Scenic Preservation Specific Plan)
- (xxxvi) 166,352 (San Pedro Specific Plan)
- (xxxvii) 173,381 (San Vicente Scenic Corridor Specific Plan)
- (xxxviii) 182,343 (University of Southern California University Park Campus Specific Plan)
- (xxxix) 168,613 (Valley Village Specific Plan)
- (xl) 175,693 (Venice Coastal Zone Specific Plan)
- (xli) 174,052 (Ventura-Cahuenga Boulevard Corridor Specific Plan)
- (xlii) 173,749 (Vermont/Western Transit Oriented District Specific Plan (Station Neighborhood Area Plan))
- (xliii) 182,766 (Warner Center 2035 Plan)
- (xliv) 163,203 and 163,186 (Westwood Community Multi-Family Specific Plan)
- (xlv) 187,644 (Westwood Village Specific Plan, Westwood Community Design Review Board Specific Plan)
- (xlvi) 155,044 (Wilshire - Westwood Scenic Corridor Specific Plan)
- (xlvii) 185,539 (San Pedro CPIO District)
- (xlviii) 185,927 (South Los Angeles CPIO District)
- (xlix) 185,925 (Southeast Los Angeles CPIO District)
- (l) 184,268 (Sylmar CPIO District)
- (li) 184,794 (West Adams-Baldwin Hills-Leimert CPIO District)
- (lii) 187,155 (Westchester - Playa del Rey CPIO District)
- (liii) 180,871 (Broadway Theater and Entertainment District Design Guide)
- (liv) 174,519 (Canoga Park-Commercial Corridor CDO District)
- (lv) 108,561 (Cypress Park & Glassell Park CDO)
- (lvi) 173,508 (Downtown Canoga Park CDO District)
- (lvii) 179,907 (Downtown Westchester CDO District)
- (lviii) 180,880 (Echo Park CDO District)
- (lix) 178,157 (Fletcher Square CDO District)
- (lx) 179,906 (Lincoln Boulevard CDO District)
- (lxi) 176,658 (Lincoln Heights CDO District)
- (lxii) 183,011 (Little Tokyo CDO District)
- (lxiii) 180,797 (Loyola Village CDO District)
- (lxiv) 176,331 (Miracle Mile CDO District)
- (lxv) 175,545 (Pacoima CDO District)
- (lxvi) 175,549 (Panorama City CDO)
- (lxvii) 176,557 (Reseda Central Business District CDO District)
- (lxviii) 174,398 (Sun Valley CDO District)
- (lxix) 184,366 (Toluca Lake Village CDO)
- (lxx) 174,420 (Van Nuys Central Business District CDO District)

- (lxxi) 174,161 (West Wilshire Boulevard CDO District)
- (lxxii) 173,676 (Atwater Village POD)
- (lxxiii) 171,859 (Westwood/Pico NOD)
- (lxxiv) 174,260 (Westwood Boulevard POD)

- (2) Any subdivision of the site(s) shall not be streamlined and shall be subject to all applicable review procedures and laws, including, Article 2.9 and Article 7 of Chapter 1 of this Municipal Code. Other types of entitlements for the project may be reviewed pursuant to this subdivision.
- (3) Non-residential uses that are not permitted by-right by the zoning, including those requiring a conditional use permit, are not eligible for Administrative Review pursuant to this Subdivision and shall be subject to applicable review procedures and laws.

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