

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF HOUSING POLICY DEVELOPMENT**

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February 22, 2019

Amy Bodek, Director, AICP  
Los Angeles County Department of Regional Planning  
County of Los Angeles  
320 W. Temple St., Room 1390  
Los Angeles, CA 90012

Dear Amy Bodek:

**RE: Permanent Supportive Housing and By-right Approvals**

The purpose of this letter is to assist the county in its decision making regarding Chapter 753, Statutes of 2018 (AB 2162, Chiu). The Department of Housing and Community Development (HCD) understands the challenges of implementing new land-use and housing laws and encourages the county to take action in a manner that affirms the intent and objectives of the statute.

Our state's housing needs are of vital importance and a priority of the highest order (Government Code Section 65580). These housing needs are even more urgent for persons experiencing homelessness. Given the need to provide supportive housing and the availability of state and local funding, local governments, including Los Angeles County, should streamline and accelerate the approval of supportive housing, including implementation of AB 2162. HCD clarifies the following to assist the county in its decision-making:

- *Funding and the Proposed Housing Development:* Gov. Code Section 65651(a) requires public funding for a proposed project to be eligible for by-right approval. To meet this requirement and for the purposes of deeming an application complete, a local government should not require a prior commitment of funding for a proposed project at the time or in the review of the application. Accordingly, local governments should not hold the processing of an application based on whether a proposed project has received a commitment of funding (the proposal should, however, include information about applying for public funding). Given that many funding programs require approvals for eligibility and/or scoring, requiring a commitment of funds prior to by-right processing would contravene Article 11 (commencing with Section 65650 – AB 2162), including the intention to enable the full processing of all entitlements for Permanent Supportive Housing projects within 60/120 days of application.

- *State Density Bonus Law (SDBL) and the Proposed Housing Development:* Local governments should seek to harmonize SDBL (Government Code Section 65915) and Article 11 of the Government Code (AB 2162). AB 2162 expects all of SDBL to apply to Permanent Supportive Housing project entitlements including but not limited to a request for increased density, incentives and concessions, and parking reductions. Density bonus, concessions or incentives, modifications and parking reductions should be fully processed within the 60/120 days of application as part of Permanent Supportive Housing. Also, density bonus, concessions or incentives, modifications and parking reductions are non-discretionary pursuant to Gov. Code Sections 65915(f)(5) and (j)(1). Finally, when determining the eligibility of a housing development based on the proportion of proposed supportive housing (Government Code Section 65651(a)(3)), density bonus units should not be considered in the total number of units in the housing development, similar to Gov. Code Section 65915(b)(3).

HCD appreciates the county's consideration and welcomes the opportunity to assist the county. Please feel free to contact Paul McDougall, of our staff, at (916) 263-7420.

Sincerely,



Zachary Olmstead  
Deputy Director