July 26, 2018

TO: Supervisor Sheila Kuehl, Chair
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Janice Hahn
Supervisor Kathryn Barger

FROM: Amy J. Bodek, AICP
Director

REPORT ON BOARD MOTION REGARDING THE EQUITABLE DEVELOPMENT WORK PROGRAM (AGENDA ITEM NO. 2, DECEMBER 8, 2015)

On December 8, 2015, the Los Angeles County Board of Supervisors (Board) instructed the Director of Planning, in coordination with the directors of Public Works (DPW), Public Health, Parks and Recreation, Community Development Commission (CDC), County Counsel, Fire Department, and other departments, to initiate an Equitable Development Work Program consisting of the following:

- Update the Density Bonus Ordinance to further ease and incentivize the development of affordable housing. The update should reflect state law changes effected by Assembly Bill (AB) 2222 and AB 744, including the incorporation of a “no net loss” policy and parking requirement revisions; establish targets for deeper and higher levels of affordability, including a category for extremely low-income households; and other changes to strengthen the effectiveness of the ordinance.
- Initiate discussions with the City of Los Angeles on a nexus study for the creation of a linkage fee.
- Provide a menu of options for the implementation of an inclusionary housing program. The program should consider on-site affordable units as a mandatory component of for-sale housing projects and propose approaches to requiring rental projects to provide on-site affordable units in exchange for discretionary entitlements, public subsidy, and other public concessions.
- Review the regulatory barriers to the establishment and expansion of community land trusts and other shared equity models, and potential incentives to provide their greater adoption.
Propose additional strategies to preserve existing affordable housing and incentivize the protection of new affordable housing; identify any necessary procedural and state and local legislative adjustments.

Produce a map of contaminated sites, such as Superfund sites, brownfields, and toxic “hotspots” in the unincorporated areas, and provide recommendations on targeted land use policies that can be used to improve the health and quality of life for surrounding residents.

Develop tools, including heat maps, equity scorecards, healthy design guidelines, and other approaches to evaluate, monitor, and advance equity objectives in the implementation of the General Plan, using relevant data from other County departments as necessary to ensure a comprehensive analysis.

Instruct the Director of Planning to develop a framework for facilitating robust engagement with affordable housing, economic development, and environmental justice experts designed to provide technical assistance in carrying out this work and to support the Board in strengthening these equitable development tools and exploring new policies that promote equitable growth. The framework may include establishment of an advisory committee.

Develop the Equitable Development Work Program in consultation with the Healthy Design Workgroup, the Homeless Initiative, and the Affordable Housing Steering Committee, to ensure efficiencies and coordination, and report back to the Board in writing quarterly with an update on the status of implementation and a timeline for the advancement of ongoing initiatives.

Chief Executive Officer to coordinate with the Director of Planning and other departments, and to include real estate development and building industry experts in the potential advisory committee and outreach of the Equitable Development Work Program.

To include the following in the report back to the Board: An explanation of AB 2222 and the “no net loss” policy; whether density bonuses are ministerial or require a public hearing; whether density bonuses are usually met with community opposition because additional California Environmental Quality Act analysis is not required, but create additional traffic; whether density bonuses are subject to the same parking requirements as market rate units; the definition of a linkage fee; the necessary analysis to determine the impact a linkage fee will have on housing development; the reason for joining with the City of Los Angeles on a linkage fee study and how the revenue would be split with them; whether the Department of Regional Planning (DRP) has the resources to deal with proposed linkage fees; the number of units necessary to have a mandatory affordable housing program; the definition of a community land trust; examples of other shared equity models; the definition of equity scorecards and how they can be used for or against new development; whether the objectives can be accomplished in an individual Community Standards District or Countywide; and whether to include representatives from the development community, including builders, engineers and architects on the advisory council.
This report provides an overview of County efforts during the second quarter of 2018.

I. **AFFORDABLE HOUSING**

**Density Bonus Ordinance**

DRP finalized and noticed the draft Density Bonus Ordinance and Initial Study/Negative Declaration, and prepared for the Regional Planning Commission (RPC) hearing scheduled for August 15, 2018.

**Linkage Fee, Inclusionary Housing, and Community Land Trusts and Other Shared Equity Models**

On June 12, 2018, DRP hosted a free public webinar on the Affordable Housing Action Plan (Action Plan). The Action Plan includes analyses and recommendations for the following policy areas: Accessory Dwelling Units (ADU); affordable housing preservation; Community Land Trusts (CLT); affordable housing linkage fees; inclusionary housing; innovative housing typologies; and value capture and incentive zoning. In addition, the Action Plan includes three associated studies: (1) an analysis of existing conditions and the real estate market; (2) a linkage fee nexus study; and (3) an inclusionary housing feasibility study. A total of 123 individuals registered to view the webinar, and the presentation and webinar recording were posted on DRPs website.

As previously reported, the California Strategic Growth Council awarded the County and its partners, East Los Angeles Community Corporation and Legacy LA, a Transformative Climate Communities Planning Grant to address displacement and climate change in unincorporated East Los Angeles through community ownership and land stewardship. The grant will fund the framework for a CLT in East Los Angeles. During the quarter, DRP worked with its partners and the State Department of Conservation to execute a grant agreement and retained a consultant team to complete the CLT business plan.

**Other Affordable Housing Efforts: Accessory Dwelling Unit Ordinance Update and Pilot Program**

On May 22, 2018, the Board approved the ADU Ordinance. In approving the ADU Ordinance, the Board directed DRP to remove the ADU parking requirement outside of Very High Fire Hazard Severity Zones and to report back with the DPW in 90 days on the need and feasibility of a parking enforcement district in City Terrace. In addition, DRP assisted the CDC with the selection of candidates for the County’s ADU Pilot Program, and participated in an awards ceremony and other public events for the ADU design competition led by the Arts Commission.
II. ENVIRONMENTAL JUSTICE

Toxic Hotspots Map/Green Zones Program

To support the Green Zones Program, DRP continued to work with a consultant to develop a draft Toxic Hotspots Map, or Environmental Justice Screening Tool (Screening Tool). During the quarter, DRP and its consultant neared completion on the development of the geodatabase and basemap, and began testing the statistical programming as part of the Screening Tool. The Screening Tool is expected to be completed in Fall 2018.

As previously reported, DRP conducted seven ground-truthing events in two unincorporated pilot communities, East Los Angeles and Florence-Firestone/Walnut Park, in partnership with East Yard Communities for Environmental Justice and Communities for a Better Environment, respectively. A total of 115 resident volunteers participated at one or more groundtruthing events. DRP completed data gathering and compilation in April, and DRP conducted data digitization and analyses. Approximately 5,000 addresses in East Los Angeles and 3,000 addresses in Florence-Firestone/Walnut Park were observed as part of this effort. A Groundtruthing Report-Back Meeting is scheduled for August 11, 2018, to present the findings from the ground-truthing events, as well as to solicit input from the participants on the Green Zones Program.

III. TOOLS

Equity Indicators

DRP worked with the Internal Services Department to further develop the Equity Indicators Tool and expand its technical capabilities.

IV. STAKEHOLDER ENGAGEMENT

DRP invited stakeholders engaged in the Equitable Development Work Program to comment on the draft Density Bonus Ordinance in advance of the RPC hearing scheduled for August 15.

The next report will be provided to you no later than October 25, 2018.
If you have any questions about this report, please contact Connie Chung, Section Head, General Plan Development and Housing Section at (213) 974-6417 or cchung@planning.lacounty.gov.

AJB:DS:MC:CC:ems

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