January 24, 2019

TO: Supervisor Janice Hahn, Chair  
Supervisor Hilda L. Solis  
Supervisor Mark Ridley-Thomas  
Supervisor Sheila Kuehl  
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 the Department of Regional Planning (DRP), in coordination with the directors of Public Works, 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.
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- 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 DRP 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.
- The Chief Executive Officer to coordinate with the Director of DRP 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 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 fourth quarter of 2018.

I. AFFORDABLE HOUSING

Density Bonus Ordinance

The Board approved the Density Bonus Ordinance at its hearing on November 27, 2018. The Board directed staff to extend the sliding scale for each income category, using the increments for affordable housing set-asides and density bonuses as submitted at the hearing. County Counsel is preparing the final ordinance with the recommended revisions. The Density Bonus Ordinance will return to the Board for adoption in early 2019.

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

Using the Inclusionary Housing Feasibility Study as a basis, DRP staff continued to research policy options for the Inclusionary Housing Ordinance. On January 9, 2019, staff facilitated a discussion for the Regional Planning Commission to gather input on a variety of policy considerations.

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. The grant will fund the framework for a Community Land Trust (CLT) and support sustainable food systems in East Los Angeles. During the quarter, DRP coordinated meetings with the partners and the CLT consultant team, and supported three public outreach events. The CLT consultant team advised the partners on outreach meeting content, drafted a feasibility study, and began formulating policy recommendations. DRP is assisting with the coordination of additional public outreach events in the first quarter of 2019.

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

DRP coordinated with the CDC on the submittal of applications for planning approvals by homeowners participating in the Accessory Dwelling Unit (ADU) Pilot Program. DRP worked with County Counsel to prepare the final ADU Ordinance for adoption in early 2019.
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, the consultant finalized and delivered the draft of the Screening Tool to DRP. DRP is currently reviewing the Screening Tool and developing a platform for public release, which is anticipated later on this year.

In the fourth quarter, DRP continued to develop the draft Green Zones Ordinance by incorporating findings from the ground-truthing events and stakeholder input, conducting parcel analyses and additional research, and collaborating with DRP’s internal Industrial Use Task Force team.

III. TOOLS

Equity Indicators

Staff submitted a draft of the Equity Indicators Tool (Tool) along with a report to the Board explaining how the Tool was developed, as well as recommendations for piloting its use. DRP created a public web page, planning.lacounty.gov/equity, to house the Tool and additional equity resources. Staff provided an overview of the Tool and report at the Planning Deputies Meeting on November 8, 2018. Staff conducted follow-up meetings with Board offices in December 2018 to provide more in-depth demonstrations of the Tool and discuss next steps for implementation.

The next report will be provided to you no later than April 25, 2019.

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.

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